South Dakota Department of Social Services

Supplemental Nutrition Assistance Program (SNAP) Policy and Procedure Manual Updated October 2026

Strong families – South Dakota's foundation and our future

TABLE OF CONTENTS

CHAPTER ONE: GENERAL INFORMATION
1000 GENERAL INFORMATION
- 1100 PROGRAM PURPOSE AND SCOPE
  - 1110 STATEMENT OF DSS'S PRIMARY GOAL
- 1200 ADMINISTRATION
  - 1210 RESPONSIBILITIES OF THE DEPARTMENT OF SOCIAL SERVICES (DSS)
  - 1220 PERSONNEL STANDARDS
  - 1230 VOLUNTEERS
  - 1240 BENEFIT SPECIALIST RESPONSIBILITIES
  - 1241 EMAIL AND TEXTING
- 1300 NONDISCRIMINATION
  - 1310 TO FILE A COMPLAINT
  - 1320 COMPLAINT REQUIREMENTS
  - 1330 PUBLIC NOTIFICATION OF NONDISCRIMINATION
  - 1340 OTHER CONCERNS
  - 1350 RACIAL/ETHNIC DATA COLLECTION
  - 1360 INTERPRETER REQUIREMENTS
- 1400 DISCLOSURE
  - 1410 DISCLOSURE RESTRICTIONS
  - 1420 DISCLOSURE WHEN SUBPOENAED TO COURT
  - 1430 AVAILABILITY OF PUBLIC INFORMATION
  - 1440 PROGRAM INFORMATION ACTIVITIES
- 1500 RETENTION OF RECORDS
- 1600 CASE FILES
  - 1610 CASE FILE ORDER AND CONTENTS
  - 1620 CASE FILE TRANSFERS
  - 1630 CASE TRANSFER NOTIFICATION
  - 1640 CUSTOMER REQUESTS NO TRANSFER
  - 1650 RESPONSIBILITY - CURRENT COUNTY OFFICE
  - 1660 RESPONSIBILITY – NEW COUNTY OFFICE
  - 1670 ACCESS TRANSFER
- 1700 NO AID REDUCTION
- 1800 TRAINING

CHAPTER TWO: DEFINITIONS, PRIMARY SOURCES, FORMS
2000 DEFINITIONS
2100 SOURCE CODES
2110 MAIN SOURCES
2120 PRIMARY SOURCES
2130 NON-PRIMARY SOURCES
2200 FORMS AND CALCULATORS

CHAPTER THREE: GENERAL REQUIREMENTS
3000 ELIGIBILITY STANDARDS
3100 IDENTITY
3200 RESIDENCE REQUIREMENTS
3210 RESIDENCE VERIFICATION
3300 CITIZENSHIP AND ALIEN STATUS
3310 ELIGIBILITY CRITERIA – GENERAL
3320 ELIGIBILITY CRITERIA – CITIZENS
3321 DETERMINING CITIZENSHIP
3322 CITIZENSHIP BY BIRTH
3323 CHILD UNDER 18 BORN TO U.S. PARENT OR ADOPTED BY U.S. PARENT
3324 CITIZENSHIP BY NATURALIZATION
3325 VERIFICATION OF CITIZENSHIP
3330 ELIGIBLITY CRITERIA – NON-CITIZEN
3340 INDIVIDUALS LAWFULLY ADMITTED FOR PERMANENT RESIDENCE
3350 QUALIFYING QUARTERS OF EARNED INCOME
3351 SPOUSAL CREDITS
3352 PARENTS/CHILDREN CREDITS
3353 QUALIFYING QUARTERS OF EARNED INCOME CHART
3354 VERIFICATION OF QUALIFYING QUARTERS
3355 CALCULATING THE AMOUNT OF CREDITS
3360 USCIS DOCUMENTATION
3370 IMMIGRATION AND NATIONALITY ACT (INA) TERMS
3371 FORM I-94 - ARRIVAL/DEPARTURE RECORD
3372 I-94 EXPIRATION DATES
3373 FORMS I-151 OR I-551
3374 PASSPORTS
3375 FORM G-641
3380 SPECIALIST CONTACTS WITH USCIS
3400 SYSTEMATIC ALIEN VERIFICATION FOR ENTITLEMENTS (SAVE)
3500 ALIEN STATUS
3600 SOCIAL SECURITY NUMBERS (SSN)

3610 OBTAINING SOCIAL SECURITY NUMBERS FOR INDIVIDUALS OVER 6 MONTHS OF AGE
3620 OBTAINING SOCIAL SECURITY NUMBERS FOR NEWBORNS 6 MONTHS OR YOUNGER
3630 NON-CITIZEN SOCIAL SECURITY NUMBER PROCEDURES
3640 VERIFICATION OF SOCIAL SECURITY NUMBERS
3650 FAILURE TO COMPLY
3660 GOOD CAUSE
3670 ENDING DISQUALIFICATION
3700 COMPLETION OF REQUIRED DOCUMENTS
3800 COOPERATION WITH THE DIVISION OF CHILD SUPPORT (DCS)
3810 GOOD CAUSE FOR NOT COOPERATING WITH DCS
3820 CURING NON-COOPERATION WITH DCS
3830 COOPERATION WITH DCS WHEN ADDING CHILD(REN)
3840 ENDING COOPERATION WITH DCS
3900 OTHER GENERAL REQUIREMENTS
3910 NATIONAL VOTER REGISTRATION REQUIREMENTS
3920 CONVICTED FELON ATTESTATION PROCEDURES

CHAPTER FOUR: APPLICATION PROCESS
4000 APPLICATION PROCESS
4100 FILING AN APPLICATION
4110 APPLICANT FILING RIGHTS
4120 RIGHT TO SAME-DAY FILING
4130 DSS EMPLOYEE APPLICATIONS
4140 PAPER APPLICATION PROCESS
4150 ELECTRONIC APPLICATION PROCESS
4160 NOTIFICATION OF PENDING APPLICATION
4200 APPLICATION MONTH
4210 INITIAL MONTH
4220 COMBINED ISSUANCE
4230 BENEFIT AVAILABILITY
4240 FORMULA FOR PRORATING INITIAL MONTH BENEFITS
4250 MINIMUM ISSUANCE
4300 DELAYS IN PROCESSING
4310 DELAY CAUSED BY HOUSEHOLD
4320 DELAY CAUSED BY DSS
4400 DUPLICATE ASSISTANCE
4500 APPLICATION CHANGES
4510 REAPPLICATION AFTER DENIAL
4520 WITHDRAWAL OF APPLICATION
4600 EXPEDITED SERVICE

4610 PRESCREENING FOR EXPEDITED SERVICE
4620 EXPEDITED SERVICE TIME FRAMES
4630 EXPEDITED SERVICE REQUIREMENTS
4640 EXPEDITED SERVICE REQUIRED APPLICATION INTERVIEW
4650 LATE EXPEDITED DETERMINATION
4660 POSTPONED VERIFICATION FOR EXPEDITED HOUSEHOLDS
4700 AUTHORIZED REPRESENTATIVE (AR)
4710 AUTHORIZED REPRESENTATIVE DESIGNATION
4720 AUTHORIZED REPRESENTATIVE APPLICATION PROCESS
4730 WHO CAN BE AN AUTHORIZED REPRESENTAIVE
4740 WHO CANNOT BE AN AUTHORIZED REPRESENTATIVE
4750 EMERGENCY AUTHORIZED REPRESENTATIVE (EAR)
4760 AUTHORIZED REPRESENTATIVE DISQUALIFICATIONS
4800 SEPARATION OF DUTIES

CHAPTER FIVE: INTERVIEW
5000 INTERVIEWING HOUSEHOLDS
5100 STANDARDS FOR INTERVIEWS
5110 FRAMING WORK AS AN OPPORTUNITY
5200 SCHEDULING THE INTERVIEW
5300 MISSED INTERVIEW APPOINTMENTS
5400 CONDUCT OF INTERVIEW
5410 GOALS
5420 PREPARATION
5430 TECHNIQUES: TONE AND RAPPORT
5440 CONTENT
5450 CLOSING

CHAPTER SIX: NARRATIVE
6000 NARRATIVE
6100 DOCUMENTATION
6200 TYPES OF NARRATIVES
6210 APPLICATION/RENEWAL NARRATIVE
6220 MONTHLY/ONGOING NARRATIVE
6230 SIX MONTH REPORT NARRATIVE

CHAPTER SEVEN: HOUSEHOLD COMPOSITION
7000 HOUSEHOLD COMPOSITION
7100 HOUSEHOLD CONCEPT
7110 HEAD OF HOUSEHOLD
7120 CHILDREN UNDER 18
7200 HOUSEHOLD DETERMINATION

7210 TEMPORARY ABSENCES
7300 SPECIAL HOUSEHOLDS
7310 STUDENTS
7311 ELIGIBILITY CRITERIA FOR STUDENTS
7312 VERIFICATION OF STUDENT ELIGIBILITY
7313 INSTITUTION OF HIGHER EDUCATION
7314 WORK STUDY PROGRAMS
7314.1 Title IV-C, Higher Education Act
7314.2 Cooperative Programs
7320 ELDERLY OR DISABLED
7330 HOMELESS INDIVIDUALS
7340 BOARDERS
7350 STRIKERS
7360 PRISONER RE-ENTRYAPPLICANTS
7370 CONVICTED FELONS

7400 PARTICIPANTS IN SPECIAL PROGRAMS
7410 PARTICIPANTS IN ALCOHOL/DRUG TREATMENT CENTERS, BATTERED WOMEN AND CHILDREN SHELTERS, OR HOMELESS SHELTERS
7411 THE FACILITY AS AUTHORIZED REPRESENTATIVE
7412 APPROVED CENTERS
7413 PROCESSING PARTICIPANT APPLICATIONS FOR AUTHORIZED RETAILER FACILITIES

7420 SPECIAL CONDITIONS FOR DRUG OR ALCOHOL TREATMENT CENTERS
7421 CENTER RESPONSIBILITY
7422 LIST OF RESIDENT PARTICIPANTS
7423 PERIODIC ON-SITE VISITS
7424 RESIDENTS LEAVING DRUG/ALCOHOL TREATMENT CENTERES
7430 PARTICIPANTS IN COMMUNITY SUPPORT PROVIDER FACILITIES
7431 THE FACILITY AS AUTHORIZED REPRESENTATIVE
7432 APPROVE CENTERS
7433 PROCESSING PARTICIPANT APPLICATIONS
7434 SPECIAL CONDITIONS FOR CSP FACILITY ARRANGEMENTS
7434.1 Center Responsibility
7434.2 List of Resident Participants
7434.3 Periodic On-Site Visits
7434.4 Residents Leaving CSP Facilities

7435 CSP ALLOTMENTS
7440 PARTICIPANTS IN PREPARED MEALS SERVICES
7441 COMMUNAL DINING
7442 MEAL DELIVERY SERVICE
7450 SIMPLIFIED SNAP - IMPROVED NUTRITION (IN) PROGRAM
7451 DETERMINING IF AN SSI RECIPIENT IS ELIGIBLE FOR IN BENEFITS
7452 APPLYING FOR IN BENEFITS
7500 NON-HOUSEHOLD MEMBERS, INELIGIBLE MEMBERS, EXCLUDED (DISQUALIFIED) PERSONS
7510 NON-HOUSEHOLD MEMBERS
7520 INELIGIBLE HOUSEHOLD MEMBERS
7530 EXCLUDED (DISQUALIFIED) MEMBERS RULE
7540 OTHER EXCLUDED MEMBERS
7600 HOUSEHOLDS CONTAINING SPONSORED ALIENS
7610 DEFINITIONS
7620 EXCEPTIONS TO SPONSORED ALIEN RULES
7630 TERMINATION OF SPONSOR OBLIGATION
7640 REPORTING AND VERIFICATION RESPONSIBILITIES
7650 SPONSOR(S) INCOME AND RESOURCE CALCULATION
7660 CLAIMS AGAINST SPONSORED ALIENS/SPONSORS
7700 CATEGORICALLY ELIGIBLE HOUSEHOLDS

CHAPTER EIGHT: INCOME
8000 INCOME
8100 DEFINITION
8200 INCLUDED AS INCOME
8210 EARNED INCOME
8220 UNEARNED INCOME
8300 EXCLUDED AS INCOME
8301 IN-KIND PAYMENTS
8302 VENDOR PAYMENTS
8303 UTILITY REIMBURSEMENT
8304 FOSTER CARE
8305 IRREGULAR INCOME
8306 CHARITABLE DONATIONS
8307 LOANS
8308 REIMBURSEMENTS
8309 THIRD-PARTY FUNDS
8310 BOARDING SCHOOL STUDENTS/TEMPORARY INSTITUTIONAL CHILDREN
8311 EARNINGS OF A CHILD

8312 NON-RECURRING LUMP SUM PAYMENTS
8313 SELF-EMPLOYMENT COSTS
8314 INCOME EXCLUDED BY FEDERAL LAW
8315 CENSUS INCOME
8316 EDUCATIONAL INCOME
8317 DISABLED CHILD OF WOMEN VIETNAM VETERAN
8318 MILITARY COMBAT PAY (HAZARDOUS DUTY)
8320 NATIVE AMERICAL INCOME SETTLEMENT PAYMENTS
8330 REPRESENTITIVE PAYEE FEES
8400 VERIFICATION OF INCOME
8401 INCOME AND ELIGIBILITY VERIFICATION SYSTEM (IEVS)
8402 WAGE MATCHING AND REEMPLOYMENT ASSISTANCE COMPENSATION ON-LINE VERIFICATION
8403 NEW HIRE HITS
8404 NATIONAL DATABASE OF NEW HIRES (NDNH)
8404.1 NDNH Information Already Known to DSS
8404.2 NDNH Information Not Known to DSS
8404.3 NDNH Information: Interim Change
8404.4 NDNH Information: Response from Household Required
8404.5 Reporting NDNH Results for SNAP Program Staff
8404.6 Use and Disclosure of NDNH Information
8405 SPECIAL PROCEDURE FOR CHILD SUPPORT INCOME
8406 BENDEX/SDX
8407 CHILD SUPPORT PAID
8408 INFORMATION NOT AVAILABLE
8500 DOCUMENTATION OF INCOME
8501 DOCUMENTATION OF EARNED INCOME
8502 DOCUMENTATION OF OTHER INCOME
8600 COMPUTATION OF INCOME
8601 DETERMINING MONTHLY INCOME
8700 HOUSEHOLDS WITH SPECIAL INCOME SITUATIONS
8701 SELF-EMPLOYMENT INCOME
8701.1 Averaging Self-Employment Income
8701.2 Self-Employment From a New Source
8701.3 Capital Gains
8701.4 ACCESS Entry of Self-Employment Income (see Appendix 4)
8701.5 Simplified Self-Employment Calculation Process
8701.6 Exceptions to the 55% standard expense deduction
8701.7 Calculating Self-Employment Income When No Expenses Are Budgeted or the Household Requests Actual Expenses be Budgeted

8701.8 Depreciation
8701.9 Self-Employment Deductions From Gross Income
8701.10 Offsetting Losses of Self-Employed Farmers/Ranchers
8701.11 Self-Employment From Boarders
8701.12 Allowable Deductions From Boarder Payments
8702 LEASE INCOME
8702.1 Steps to Follow When Considering Lease Income
8702.2 Determining Lease Income at New Applications
8703 INTEREST INCOME FROM TRUST ACCOUNTS
8704 DESTITUTE HOUSEHOLD
8704.1 Calculating Benefits for Destitute Households
8704.2 Travel Advances (for Destitute Households)
8705 CONTRACT DEFINITION/EMPLOYEES
8705.1 Contract Renewal
8705.2 Work/Non-work Cycle
8705.3 Income
8705.4 Determination of Eligibility and Benefits for Contract Employees
8705.5 Exceptions for Contract Income

CHAPTER NINE: RESOURCES
9000 RESOURCE ELIGIBILITY STANDARDS
9010 MAXIMUM ALLOWABLE RESOURCES
9100 DEFINITION OF RESOURCES
9110 LIQUID RESOURCES
9120 NON-LIQUID RESOURCES
9200 JOINTLY OWNED RESOURCES
9300 AVAILABLE RESOURCES
9400 RESOURCE EXCLUSIONS
9410 HANDLING EXCLUDED FUNDS
9500 VEHICLES
9510 LICENSED VEHICLES
9520 UNLICENSED VEHICLES
9530 JOINTLY OWNED VEHICLES
9540 VEHICLE TEST
9600 INCOME-PRODUCING PROPERTY
9700 TRANSFERRING RESOURCES
9710 TRANSFER NOT AFFECTING ELIGIBILITY
9720 LENGTH OF DISQUALIFICATION FOR TRANSFERING RESOURCES

9800 RESOURCES OF NON-HOUSEHOLD AND EXCLUDED MEMBERS
9900 VERIFICATION OF RESOURCES
9910 VERIFICATION OF RESOURCES FOR MIGRANT WORKERS
9920 VERIFICATION OF RESOURCES FOR STRIKERS

CHAPTER TEN: DEDUCTIONS
10000 DEDUCTIONS
10100 INCOME DEDUCTIONS
10110 STANDARD DEDUCTION
10120 EARNED INCOME DEDUCTION
10200 DETERMINING DEDUCTIONS & EXCLUSIONS
10210 MEDICAL DEDUCTIONS FOR PERSONS OVER AGE 60 OR PERSONS WITH A DISABILITY
10211 ALLOWABLE MEDICAL COSTS
10212 MEDICAL EXPENSES VERIFICATION
10220 DEPENDENT CARE DEDUCTIONS
10221 DEPENDENT CARE PAYMENTS ALLOWED AS A DEDUCTION
10222 DEPENDENT CARE PAYMENTS NOT ALLOWED AS A DEDUCTION
10223 VERIFICATION OF DEPENDENT CARE COSTS
10300 SHELTER DEDUCTIONS
10310 ALLOWABLE SHELTER DEDUCTIONS
10320 SHELTER COSTS NOT ALLOWED AS A DEDUCTION
10330 SHELTER COST OF UNOCCUPIED HOME
10340 VERIFICATION OF RESIDENCE AND SHELTER COSTS AT INITIAL APPLICATION AND RENEWAL
10350 SHELTER CHANGES
10400 DETERMINING UTILITY COSTS
10410 UTILITY DEDUCTIONS (ALLOWANCES)
10411 STANDARD UTILITY ALLOWANCE (SUA): $850
10412 LIMITED UTILITY ALLOWANCE (LUA): $238
10413 ONE UTILITY ALLOWANCE (OUA): $98
10414 PHONE UTILITY ALLOWANCE (PUA): $54
10420 UTILITY REIMBURSEMENT PAYMENTS
10430 VERIFICATION OF UTILITY COSTS
10440 SHARED SHELTER SITUATIONS
10500 BUDGETING EXPENSES
10510 ANTICIPATED EXPENSES
10520 BILLED EXPENSES
10530 AVERAGING EXPENSES
10540 CONVERSION OF DEDUCTIONS

10550 DISALLOWED EXPENSES
10600 BUDGETING DEDUCTIONS FOR INELIGIBLE, EXCLUDED, AND DISQUALIFIED HOUSEHOLD MEMBERS
10610 BUDGETING DEDUCTIONS FOR INELIGIBLE HOUSHOELD MEMBERS
10620 BUDGETING DEDUCTIONS FOR EXCLUDED HOUSEHOLD MEMBERS
10630 BUDGETING DEDUCTIONS FOR DISQUALIFIED HOUSEHOLD MEMBERS
10700 DOCUMENTARY EVIDENCE
10710 COLLATERAL CONTACTS
10711 DESIGNATION OF COLLATERAL SOURCES
10720 BENEFITS SPECIALIST RESPONSIBILITY
10730 DECISION WITHOUT VERIFICATION
10740 VERIFICATION NOT PROVIDED

CHAPTER ELEVEN: BUDGETING
11000 BUDGETING
11100 BUDGETING HOUSEHOLD COMPOSITION
11110 APPLICATION MONTH
11120 SIX MONTH REPORT
11130 INTERIM REPORT
11140 RENEWAL MONTH
11200 BUDGETING RESOURCES
11210 APPLICATION MONTH
11220 SIX MONTH REPORT
11230 INTERIM REPORT
11240 RENEWAL MONTH
11300 BUDGETING INCOME
11310 APPLICATION MONTH
11311 EARNED INCOME (NON-SELF EMPLOYMENT)
11312 SELF-EMPLOYMENT
11313 UNEARNED INCOME
11320 SIX MONTH REPORT
11321 EARNED INCOME (INCLUDING SELF EMPLOYMENT)
11322 SELF-EMPLOYMENT
11323 UNEARNED INCOME
11330 INTERIM REPORT
11340 RENEWAL MONTH
11400 BUDGETING DEDUCTIONS
11500 BUDGETING INELIGIBLE/NON-HOUSEHOLD MEMBER'S INCOME/RESOURCES/DEDUCTIONS

11600 DOUBLE CHECKING BUDGETING RESULTS ON ACCESS

CHAPTER TWELVE: VERIFICATIONS
12000 VERIFICATIONS
12100 VERIFICATION AT APPLICATION
12200 VERIFICATION AT RENEWAL
12300 VERIFICATION AT SIX MONTH REPORT
12400 VERIFICATION WHEN AN INTERIM REPORT IS MADE
12500 QUESTIONABLE INFORMATION
12510 DECIDING IF INFORMATION IS QUESTIONABLE
12520 HOUSEOLD MANAGEMENT OF FINANCES
12530 DENIALS BASED ON QUESTIONABLE INFORMATION
12540 VERIFYING QUESTIONABLE SITUATIONS
12600 VERIFYING OUT OF STATE REQUESTS FOR INFORMATION

CHAPTER THIRTEEN: WORK REGULATIONS, EXEMPTIONS, AND ABLE-BODIED ADULTS WITHOUT DEPENDENTS (ABAWDS)
13000 WORK REGISTRATION REGULATIONS
13100 WORK REQUIREMENTS
13110 WORK REGISTRATION PROCESS
13120 EMPLOYMENT & TRAINING (E&T) PROCESS FOR MINNEHAHA, PENNINGTION, AND YANKTON COUNTIES
13130 EXEMPTIONS TO WORK REGISTRATION REQUIREMENT FOR ALL WORK REGISTRANTS
13130.1 PERSONS UNDER 16 YEARS OLD OR 60 YEARS OLD OR OLDER
13130.2 INDIVIDUALS 16-17 YEARS OLD
13130.3 TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF) WORK, TRIBAL JOBS NATIVE EMPLOYMENT WORK (NEW) PARTICIPANTS
13130.4 PARENTS AND CARETAKERS
13130.5 MENTALLY OR PHYSICALLY UNFIT
13130.6 INCAPACITY OF A HOUSEHOLD MEMBER
13130.7 PERSONS RECEIVING REEMPLOYMENT ASSISTANCE COMPENSATION
13130.8 DRUG/ALCOHOL CENTER OR REHABILITATION CENTER
13130.9 EMPLOYED
13130.10 SELF-EMPLOYED
13130.11 STUDENTS
13130.12 TRIBAL WORK EXPERIENCE PARTICIPANT

13130.13 RESIDENTS OF COMMUNITY SUPPORT PROVIDER (CSP) FACILITIES
13140 EXEMPTIONS FOR INDIVIDUALS RESIDING IN MINNEHAHA AND PENNINGTON COUNTIES (MANDATORY E&T COUNTIES)
13150 MANDATORY PARTICIPANTS
13160 ACTION WHEN CHANGES RESULT IN A LOSS OF EXEMPT STATUS
13161 WHEN THE CHANGE IS REQUIRED TO BE REPORTED
13162 WHEN THE CHANGE IS NOT REQUIRED TO BE REPORTED
13170 PROVIDER DETERMINATIONS
13180 PARTICIPANT REIMBURSEMENT
13181 EXEMPT IF SNAP E & T PARTICIPANT REIMBUSEMENT COST EXCEEDS CAPS (CODE 31)
13182 EXEMPT IF NO APPROPRIATE OR AVAILABLE SLOT

13200 ABLE-BODIED ADULTS WITHOUT DEPENDENTS (ABAWD)
13210 DEFINITION OF ABAWD
13220 NON-WORK EXEMPTIONS – ABAWD
13221 INDIVIDUALS UNDER AGE 18 OR OVER AGE 64 (ABAWD)
13222 NATIVE AMERICAN EXEMPTION
13223 WORK REGISTRATION EXEMPT (ABAWD)
13224 RESIDING WITH CHILDREN UNDER 14 YEARS OF AGE (ABAWD)
13225 MENTALLY OR PHYSICALLY UNFIT (ABAWD)
13226 PREGNANCY (ABAWD)
13227 EDUCATION (ABAWD)
13230 WORK EXEMPTIONS (ABAWD)
13231 EMPLOYMENT (ABAWD)
13232 WORKFARE FOR ABAWDS
13240 TIME LIMITS (ABAWD)
13241 36 MONTH PERIOD (ABAWD)
13242 INITIAL 3 MONTH BENEFIT PERIOD (ABAWD)
13243 EXTENDED 3 MONTH BENEFIT PERIOD (ABAWD)
13244 PAST BENEFIT HISTORY (ABAWD)
13245 UNUSED BENEFITS (ABAWD)
13300 FAILURE TO COMPLY WITH WORK REGISTRATION REGULATIONS
13310 PENALTIES FOR NON-COMPLIANCE
13311 EXAMPLES - PENALTY PERIODS

13400 GOOD CAUSE FOR VOLUNTARILY QUITTING OR REDUCING HOURS OF EMPLOYMENT
13410 VERIFICATION OF GOOD CAUSE
13420 VERIFICATION OF GOOD CAUSE FOR NON PARTICIPATION OF A MANDATORY SNAP E&T PARTICIPANT
13500 TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF) WORK REGISTRANTS WHO FAIL TO COMPLY WITH WORK REQUIREMENTS
13600 APPEAL

CHAPTER FOURTEEN: REPORTING REQUIREMENTS
14000 REPORTING REQUIREMENTS
14100 CHANGES
14110 GROSS INCOME IS OVER THE MAXIMUM ALLOWED FOR THE HOUSEHOLD'S SIZE
14120 CHANGING FROM A NON-REPORTING HOUSEHOLD TO A SIX MONTH REPORTING HOUSEHOLD
14130 FAILURE TO REPORT CHANGES
14200 INTERIM CHANGES
14210 RELIABLE SOURCE
14211 QUESTIONABLE SOURCE
14212 HOUSEHOLD COMPOSITION CHANGES IN INTERIM MONTHS
14213 SHELTER CHANGES REPORTED DURING INTERIM MONTHS
14214 INTERIM MONTH CHANGES NOT VERIFIED
14215 PROCESSING IEVS HITS IN INTERIM MONTHS
14216 OTHER CHANGES WHICH MAY OCCUR IN INTERIM MONTHS
14300 SIX MONTH REPORT
14310 SIX MONTH REPORTERS
14320 INFORMATION ABOUT THE REPORT FORM (EA-214)
14321 INFORMATION ABOUT THE REMINDER NOTICE (EA-214R)
14330 HOUSEHOLDS REPORTING RESPONSIBILITIES
14340 RESIDENCY SIX MONTH REPORT
14350 BENEFITS SPECIALISTS ACTION ON THE SIX MONTH REPORT FORM
14360 FAILURE TO FILE/ INCOMPLETE FILING

14400 RENEWAL
14410 RENEWAL NOTICE (EA-306)
14420 COMPLETION OF RENEWAL BY THE HOUSEHOLD
14430 HOUSEHOLD REPORTING RESPONSIBILITES FOR RENEWALS

14440 INTERVIEWS AT RENEWALS
14450 TIMELY PARTICIPATION AT RENEWAL
14500 REPORTING LOTTERY OR GAMBLING WINNINGS
14600 NOTICES

CHAPTER FIFTEEN: REINSTATEMENT
15000 REINSTATEMENT
15100 RENEWALS vs. REINSTATEMENTS vs. NEW APPLICATIONS
15200 6 MONTH REPORT REINSTATEMENTS
CHAPTER SIXTEEN: ISSUANCE OF BENEFITS
16000 ISSUANCE OF BENEFITS
16100 METHOD OF ISSUANCE FOR SNAP BENEFITS
16200 EBT PAYROLL & AVAILABILITY

CHAPTER SEVENTEEN: NOTICES
17000 NOTICES
17100 WRITTEN NOTICES
17110 ELIGIBILITY
17120 NOTICES OF CHANGE
17130 DENIAL
17140 PENDING
17150 NOTICE OF MISSED INTERVIEW (NOMI)
17200 NOTICES OF ADVERSE ACTION
17300 ADEQUATE NOTICE IN LIEU OF ADVERSE ACTION NOTICE
17400 EXEMPTIONS FROM NOTICE
17410 MASS CHANGES
17411 NOTICE OF DEATH
17412 MOVE FROM STATE
17413 RESTORATION OF LOST BENEFITS ENDS
17414 CERTIFICATION PENDING APPROVAL OF TANF GRANT
17415 IPV DISQUALIFICATION
17416 FAILURE TO COOPERATE
17417 DRUG/ALCOHOLIC TREATMENT CENTERS OR GROUP LIVING ARRANGEMENT
17418 CONVERTING FROM CASH OR EBT PAYMENT TO BENEFIT REDUCTION
17419 HOUSEHOLD REQUEST CASE BE CLOSED
17500 CONTINUATION OF BENEFITS
17600 NOTICE FOR EXCLUDED (DISQUALIFIED) MEMBER
17700 NOTICE OF MATCH RESULTS
17800 HIERARCHY OF NOTICE REASONS

CHAPTER EIGHTEEN: FAIR HEARINGS
18000 FAIR HEARINGS
18100 HEARINGS INFORMATION
18110 RIGHT TO REQUEST HEARING
18120 AGENCY CONFERENCE
18130 HOUSEHOLD RIGHTS
18140 FAIR HEARING TIME FRAMES
18150 REQUEST FOR HEARING
18151 TIME PERIOD FOR REQUESTING A HEARING
18152 HOUSEHOLD REQUESTS FOR POSTPONEMENT
18160 HEARING REQUESTS FROM MIGRANT HOUSEHOLDS
18170 CONTINUATION OF BENEFITS
18180 REDUCTION OR TERMINATION OF BENEFITS
18200 SUSPECTED PROGRAM VIOLATION (SPV)
18210 DETERMINING THE NUMBER OF MONTHS FOR A SUSPECTED PROGRAM VIOLATION (SPV) CLAIM
18220 DETERMINING THE AMOUNT OF A SUSPECTED PROGRAM VIOLATION (SPV) CLAIM
18300 INTENTIONAL PROGRAM VIOLATION (IPV) PROCESS FOR HEARINGS/WAIVERS/COURT DECISIONS
18301 REFERRAL PROCESS/RESPONSIBILITY
18302 PARALLEL TO FAIR HEARING SYSTEM
18303 INITIATION OF INTENTIONAL PROGRAM VIOLATION HEARING PROCESS
18304 WITHDRAWAL FROM AN IPV HEARING PROCESS
18305 SCHEDULING OF HEARING FOR IPV
18306 WAIVED IPV HEARINGS
18307 ADVANCE NOTIFICATION OF HEARING DECISION
18308 NOTIFICATION OF IPV HEARING DECISION
18309 BASIS FOR IPV DISQUALIFICATION FROM HEARINGS
18310 IPV DISQUALIFICATION PENALTIES
18311 NOTIFICATION OF IPV DISQUALIFICATION
18312 IMPOSITION OF IPV DISQUALIFICATION PENALTIES
18313 WAIVER SIGNED IN LIEU OF DISQUALIFICATION HEARING
18314 NOTIFICATION OF IPV DISQUALIFICATION WITH SIGNED WAIVER
18315 COURT IMPOSED DISQUALIFICATIONS
18315.1 Notification of Disqualification if Court Imposed IPV
18316 DEFERRED ADJUDUCATION FOR IPV
18316.1 Imposition of Disqualification
18316.2 Notification of Disqualification
18317 REPAYMENT OF INTENTIONAL PROGRAM VIOLATION

18318 REVERSED DISQUALIFICATIONS
18400 FAIR HEARING REQUEST DUE TO FNS ORDER
18500 HEARING DECISIONS
18600 IMPLEMENTATION OF FINAL DSS DECISIONS
18700 PREPARATION OF REPORT OF CLAIM DETERMINATION

CHAPTER NINETEEN: UNDER-OVER ISSUANCE AND ADJUSTMENTS
19000 UNDER-OVER ISSUANCE AND ADJUSTMENTS
19100 UNDER ISSUED BENEFITS
19110 AGENCY ERROR CORRECTIVE ACTION PAYMENT
19111 RESTORATION OF LOST BENEFITS (PADJ-Prior Adjustment Period)
19112 DELAY, DENIAL, TERMINATION
19113 DETERMINATION OF ELIGIBILITY
19114 CALCULATION
19120 OFFSETTING CLAIMS WHEN RESTORED BENEFITS ARE DUE THE HOUSEHOLD
19130 TIME LIMITS FOR RESTORING BENEFITS
19140 PERSONS DISQUALIFIED FOR INTENTIONAL PROGRAM VIOLATION (IPV)
19150 DISPUTED BENEFITS
19160 HOUSEHOLD COMPOSITION CHANGES
19200 OVER ISSUANCES/CLAIM DETERMINATIONS
19210 SITUATIONS NOT RESULTING IN AN OVERPAYMENT REPORT
19220 CLAIM TYPES
19221 AGENCY ERRORS (AER)
19222 INADVERTENT HOUSEHOLD ERROR CLAIMS (IHE)
19223 SUSPECTED PROGRAM VIOLATION (SPV)/INTENTIONAL PROGRAM VIOLATION (IPV)
19230 COLLECTING CLAIMS
19231 INITIATING COLLECTION ON CLAIMS
19232 STARTING THE OVERPAYMENT REPORT PROCESS
19240 DETERMINING NUMBER OF MONTHS FOR AGENCY ERROR (AE) AND INADVERTENT HOUSEHOLD ERRORS (IHE) CLAIMS
19241 DETERMINING AMOUNT OF AGENCY AND INADVERTENT HOUSEHOLD ERROR CLAIMS
19250 ACTION AGAINST HOUSEHOLDS WHICH FAIL TO RESPOND
19260 CHANGE IN HOUSEHOLD COMPOSITION
19300 METHODS OF COLLECTING PAYMENTS
19310 ALLOTMENT REDUCTIONS
19320 OFFSET OF RESTORED BENEFITS
19330 LUMP SUM PAYMENTS

19340 INSTALLMENT PAYMENTS
19350 CLIENT AUTHORIZED EBT DEBITS
19360 STALE EBT ACCOUNT DEBITS
19370 EXPUNGED EBT ACCOUNT DEBITS
19380 TREASUREY OFFSET PAYMENTS (TOP)
19390 OTHER COLLECTION ACTIONS & UNSPECIFIED JOINT COLLECTIONS
19400 SUBMISSION OF PAYMENTS
19500 METHOD OF COLLECTION

CHAPTER TWENTY: REFUSAL TO COOPERATE, PENALTIES FOR NON-COMPLIANCE, AND SANCTIONS
20000 REFUSAL TO COOPERATE, PENALTIES FOR NON-COMPLIANCE AND SANCTIONS
20100 REFUSAL TO COOPERATE
20110 REFUSAL TO COOPERATE WITH QUALITY CONTROL (QC)
20200 FAILURE TO COMPLY WITH WORK REGISTRATION REGULATIONS
20300 PENALTIES FOR NON-COMPLIANCE
20310 EXAMPLES - PENALTY PERIODS
20400 TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF) WORK REGISTRANTS WHO FAIL TO COMPLY WITH WORK REQUIREMENTS
20500 IPV DISQUALIFICATION
20600 FLEEING FELONS AND PROBATION/PAROLE VIOLATORS
20700 REFUSAL TO COOPERATE WITH DIVISION OF CHILD SUPPORT (DCS) REQUIREMENTS

CHAPTER TWENTY ONE: REPLACEMENT OF BENEFITS & EBT CARDS
21000 REPLACEMENT OF BENEFITS & EBT CARDS
21100 REPLACEMENT OF SNAP BENEFITS OR FOOD PURCHASED WITH SNAP BENEFITS
21110 HOUSEHOLD MISFORTUNE
21120 NATURAL DISASTER
21200 INITIAL EBT CARD ISSUANCE
21210 INITIAL EBT CARDS SENT TO LOCAL OFFICES
21300 REPLACEMENT EBT CARD ISSUANCE
21310 REPLACEMENT EBT CARDS SENT TO LOCAL OFFICES
21320 REPLACEMENT EBT CARDS ON CLOSED CASES
21330 COUNTABLE vs. NON-COUNTABLE EBT REPLACEMENT CARDS
21340 UNDELIVERABLE EBT CARDS
21350 EBT CARD REQUESTS – OUT OF STATE ADDRESSES

APPENDIX 1: APPLICATION PROCESS
APPENDIX 2: APPLICATION AND RENEWAL ACTIONS
APPENDIX 3: INTERVIEW PROCESS
APPENDIX 4: INSTRUCTIONS FOR BUSI PANEL
APPENDIX 5: INTERIM MONTH HOUSEHOLD CHANGES
APPENDIX 6: CHILD SUPPORT BUDGETING EXAMPLES
APPENDIX 7: GOOD CAUSE PROCESS FOR E & T
APPENDIX 8: HIERARCHY OF CLOSURE/DENIAL REASONS
APPENDIX 9: LETTER TO HOUSEHOLDS W/4 EBT CARD REQUESTS

CHAPTER ONE: GENERAL INFORMATION

1000 GENERAL INFORMATION

This chapter identifies general information relating to the Supplemental Nutrition Assistance Program (SNAP).

1100 PROGRAM PURPOSE AND SCOPE

SNAP is designed to promote the general welfare and to safeguard the health and well-being of the Nation's population by raising the levels of nutrition among low-income households and to assist low-income adults in obtaining employment and increasing their earnings.

Congress passed the Food and Nutrition Act of 2008, previously called the Food Stamp Act of 1977, in order to provide eligible households an opportunity to obtain a more nutritious diet.

The Supplemental Nutrition Assistance Program enables eligible customers to purchase food with the use of SNAP benefits. The amount of benefits a household receives is determined by the level of need and household size.

Participating customers may purchase food with SNAP benefits at retail food stores authorized by the United States Department of Agriculture (USDA), Food and Nutrition Service (FNS) to accept them. USDA, FNS defines the eligible food items that may be purchased with SNAP benefits.

Only eligible foods or food products intended for home consumption and seeds and plants for a home garden may be bought. Alcoholic beverages, household products, cigarettes, hot foods ready to eat, and pet food cannot be purchased with SNAP benefits.

Certain aged and disabled persons and their spouses, residents of certain drug addiction or alcoholic treatment centers or blind/disabled persons living in community support provider facilities may use their benefits to buy prepared meals, such as meals on wheels.

1110 STATEMENT OF DSS'S PRIMARY GOAL

The Supplemental Nutrition Assistance Program is administered under the umbrella of the South Dakota Department of Social Services (DSS). DSS strengthens and supports individuals and families by promoting cost effective and comprehensive services in connection with our partners that foster independent and healthy families.

Our guiding principles are:

A. We believe families have the right to be safe and secure.
B. We believe in providing opportunities and choices that support the needs of families through available and accessible services.
C. We believe in collaborative communications, teamwork, partnerships, and trust for essential family services.
D. We believe in respecting individual and cultural differences by treating people with dignity, fairness and respect.
E. We believe in focusing on results, quality, and continuous improvement, and on using state-of-the-art technology to be more efficient and effective.
F. We believe in professional and well-trained staff who are competent, accountable and empowered.

G. We believe in providing quality, timely customer service through the “no wrong door” approach.

Assisting individuals in need is our primary goal. Treat customers with dignity and respect and provide timely customer service through the “no wrong door " approach. Information must be solicited to determine individual or family needs. Benefits Specialists must identify barriers to self-sufficiency and offer guidance and information for suitable referrals. DSS-EA-221A, Family Assessment, assists in the information and referral process and is required to be completed for all application and renewal interviews.

1200 ADMINISTRATION

SNAP is a joint operation of Federal and State Governments. State government (DSS) is responsible for the certification of applicants and issuance of benefits. The Federal government provides guidelines for state operations and is responsible for authorization and supervision of participating retailers, institutions and meal delivery services.

1210 RESPONSIBILITIES OF THE DEPARTMENT OF SOCIAL SERVICES (DSS)

DSS must fulfill the following requirements and responsibilities in the operation of the SNAP:

A. Certify applicant households.
B. Issue, control, and account for SNAP benefits.
C. Develop, conduct, and evaluate training.
D. Develop and maintain complaint procedures.
E. Conduct performance reviews (Quality Control, Management Evaluations, etc.).
F. Keep records and submit reports as required by USDA, FNS.

1220 PERSONNEL STANDARDS

Personnel used in the certification process will be employed in accordance with South Dakota Bureau of Human Resources (BHR) standards. Only qualified program employees will conduct the required customer interviews.

Non-SNAP employees will not conduct certification interviews or certify applicants, except for SSI households and USDA declared disaster victims, or as otherwise allowed by FNS instruction.

DSS employees will adhere to the BHR state employee code of conduct located in the BHR Employee Handbook. If a state employee has reasonable cause to suspect another state employee of improper governmental conduct or a crime, employees must submit a report in accordance with EO 25-04.

If employee fraud related to SNAP is suspected, it must be reported immediately. The following steps must be taken:

A. Upon discovery, a written report of the suspected fraud will be made immediately to the Economic Assistance Division Director, SNAP Administrator, and Regional Manager.
B. The Economic Assistance Division Director will consult with the DSS Legal Division, BHR, and the DSS Department Secretary.
C. Decisions will be made on a case by case bases as to the following:
    1. Whether affected cases should be immediately closed upon discovery;
    2. Whether other State or Federal officials should be notified of the investigation;
    3. What responsibilities will be assigned to program, investigative, and prosecuting officials;
    4. Whether personnel action should be taken to suspend or terminate the employee.

D. The SNAP Administrator will submit a report to the appropriate FNS Regional office upon discovery of fraud. The report must include the amount of benefits lost as a result of the fraud and the specific information to support the pertinent facts of the situation.
E. The SNAP Administrator will submit a written report to the FNS Regional office following the result of the investigation.
F. The FNS regional office will in turn refer the case to the Office of Inspector General requesting they investigate the case.

1230 VOLUNTEERS

Volunteers or other individuals not employed by DSS may not be used for certification interviews or to certify households. Volunteers may assist Benefit Specialists in obtaining necessary verification and in related activities such as prescreening and assisting customers in completing the application form.

Volunteers must follow the same restrictions on disclosing confidential information that DSS staff follow. Volunteers must receive training on the disclosure provisions prior to assisting customers.

1240 BENEFITS SPECIALIST RESPONSIBILITIES

When performing program duties, the Benefits Specialist must keep in mind that technical and other terms which are familiar to DSS staff may be unfamiliar to the household member(s). Poor communication can lead to a misunderstanding which, in turn, may cause denial of an eligible household. Therefore, it is essential that the language used is easily understood by the customer. The policies and procedures throughout this manual are intended to be the guide by which staff implement the Supplemental Nutrition Assistance Program (SNAP) and are written within the limits imposed by federal regulations. The policies contained herein are intended to be sufficiently flexible to allow SNAP staff to exercise reasonable judgment in executing their duties; however, it is impossible to write a procedure that will cover every possible situation.

In the absence of specific policy and procedures for a specific circumstance, the concept of the "prudent worker" is helpful to the Benefits Specialist. The term “prudent worker” refers to the reasonableness of the judgments made by a Benefit Specialist in a given situation. When a Specialist is making a certification decision, he/she should be conscientious of making a decision which is reasonable, based on his/her knowledge of and experience with SNAP. It is extremely important that the Specialist document why his/her reasonable decision was made.

If the Specialist encounters a problem in a specific case that is outside of ordinary policy and procedure, the problem should be referred through administrative channels. However, if the problem is generally covered by existing policy guidelines, the Specialist should make a judgment that can be defined as reasonable and prudent.

Special consideration must be given to customers who need assistance with the application/renewal processes. This could include the following:

- Helping customers complete application forms
- Scheduling interviews
- Helping to obtain required verification
- Ensuring that customers understand their rights and responsibilities.

1241 EMAIL AND TEXTING

When sending email to customers or replying to email from customers, **always** use encryption. Do not include Personally Identifiable Information (PII) in the subject line of an email. This includes PII such as first and last name, date or place of birth, social security number, bank account information, address, health records, mother's maiden name or social security benefit payment data.

The subject line of an email should be descriptive enough for the receiver to have an indication of the topic contained in the email but not identify a specific person.

If a text is sent to a customer, **never** text Personally Identifiable Information (PII) to a customer. Customers may choose to send you PII or pictures/verifications via text message. Receiving this type of message is acceptable, but do not reciprocate by sending confidential information via text. Keep message generic: "Your interview call will be in 15 minutes from 999-*999-9999*." When responding to a text from a customer, keep the message generic. "The information you provided has been received." If the customer is requesting specific case information, ask them to call or tell them someone will be calling them at *(insert time*) from 999-*999-9999*.

1300 NONDISCRIMINATION

It is required that applications for program benefits and services are made available to everyone and that program benefits are granted to all who meet eligibility standards. DSS staff, programs and policies must not discriminate against customers or applicants for services because of race, color, national origin, sex, age, religion, political beliefs or disability. DSS must also provide fair and equal access to all of its programs and services for people with disabilities; this includes both physical access to buildings and access to programs and services.

It is a violation of the DSS Nondiscrimination Policy when inequitable practices, based on the above-mentioned factors, occur in the delivery of services. Some of these practices are:

A. Denying services or benefits;
B. Failing to provide appropriate interpreter services;
C. Limiting access to services because of inaccessible facilities;
D. Failing to make reasonable accommodations to allow full participation of people with disabilities in all programs, activities, and services.

The Department of Social Services does not exclude, deny benefits to, or otherwise discriminate against any person on the ground of race, color, or national origin, or on the basis of disability or age in admission or access to, or treatment or employment in, its programs, activities, or services, when carried out by the Department of Social Services directly or when carried out by sub-recipients of grants issued by the United States Department of Justice, Office on Violence against Women.

USDA Non-Discrimination statement:

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the State or

local Agency that administers the program or contact USDA through the Telecommunications Relay Service at 711 (voice and TTY). Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at How to File a Program Discrimination Complaint and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by:

(1) mail: USDA Food and Nutrition Administration, George Washington Carver Center, 5601 Sunnyside Avenue, Beltsville, MD 20740; or

(2) email: FNACIVILRIGHTSCOMPLAINTS@usda.gov.

USDA is an equal opportunity provider, employer, and lender.

1310 TO FILE A COMPLAINT

If an individual believes that he/she has been discriminated against he/she may file a complaint alleging discrimination based on any of the following: race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity.

Any individual(s) who expresses a desire to file a discrimination complaint will be immediately advised of his/her right to do so. The individual can file the complaint directly to any of the entities stated below without assistance from DSS staff. However, if assistance in filing the complaint is requested, DSS staff will assist the individual(s) in completing the complaint within 180 days of any incident or action in which discrimination is/was alleged.

Complaints of age discrimination are required to be referred for mediation. Mediation involves the use of an impartial, third-party mediator, who assists the complainant and respondent in reaching terms that both parties find satisfactory, without imposing a decision upon the parties. Participation in mediation is not optional, but mandatory for both the complainant and the State Agency against who the claim was filed. Refer any of these age complaints to the Regional Manager and the SNAP Administrator immediately upon receipt. These complaints will be referred within 5 working days of receipt to the FNS Regional Civil Rights Officer.

Forward any alleged discrimination complaint to Discrimination Coordinator, Director of DSS Division of Legal Services, 700 Governors Drive, Pierre, South Dakota 57501-2291. Also submit a copy of the complaint to the Regional Manager and the SNAP Administrator.

Individuals may also file a complaint of discrimination with the following agencies:

(1) South Dakota Division of Human Rights (605)773-3681
(2) Office of Civil Rights, US Department of Health and Human Services, 200 Independence Ave, S.W., Washington DC 20201 or call toll-free at: 1-800-368-1019

1320 COMPLAINT REQUIREMENTS

To facilitate investigations, complaints should contain the following information:

A. Name, address and telephone number or other means of contacting the individual alleging discrimination;
B. The location and name of the organization or office which is accused of discrimination practices;
C. The nature of the incident or the aspect of the program leading the person to allege discrimination;
D. The reason for the alleged discrimination (age, race, color, sex, handicap, religious belief, national origin or political belief);
E. The name(s), title(s) (if appropriate), and address(es) of the individual or individuals who may have knowledge of the alleged discriminatory act; and
F. The date(s) on which the alleged discriminatory act occurred.

The brochure, Information on filing a Discrimination Complaint, includes a Discrimination Complaint Form that may be used by the individual to report the above information.

1330 PUBLIC NOTIFICATION OF NONDISCRIMINATION

DSS will:

A. Publicize the procedure for handling civil rights complaints.
B. Display the "And Justice for All" poster in DSS offices.

C. Provide the brochure, Information on filing a Discrimination Complaint, to the individual when an individual alleges discrimination or requests additional information. The brochure must be provided to them within 10 days of the request date.

1340 OTHER CONCERNS

Other concerns such as processing standards, service, program complaints, etc. must be directed to the Supervisor. Concerns may be expressed verbally or submitted in writing. Supervisors follow up, resolve, and take corrective action, if warranted. After the concern has been resolved, the customer concern data base must be completed. The data base is located on the M drive/DSS/EAMgmt/Customer Concern Log. The supervisor also reports any corrective action completed to the Regional Manager. Either the Supervisor, Regional Manager, or State Office staff will respond to the complainant on the disposition of the complaint.

The Regional Manager periodically reviews and monitors concerns via the database, and completes any corrective action needed. At least annually, SNAP program staff review the customer concern log to assess whether patterns or problems may be present and take corrective action, if warranted.

1350 RACIAL/ETHNIC DATA COLLECTION

Requests to provide race or ethnicity information on the application form is voluntary and does not affect the applicant's eligibility or benefit levels. The information is requested to assure that program benefits are distributed without regard to race, color, national origin, sex (including gender identity and sexual orientations), religious creed, disability, age, political beliefs, or reprisal or retaliation for prior civil rights activity. If the applicant chooses not to self-identify, the benefits specialist is to record ethnicity and one race for each individual based on the best information available. Benefits Specialist should NOT use visual observation to record race or ethnicity.

The ethnicity field in ACCESS must be completed for all individuals requesting assistance. Ethnic categories are: Hispanic or Latino and Not Hispanic or Latino.

The racial field on ACCESS must be completed for all individuals requesting assistance. If an individual indicates more than one race, all race fields chosen by the individual must be indicated. Racial categories are: American Indian or Alaska Native, Asian, Black or African American, Native Hawaiian or Other Pacific Islander, or White.

1360 INTERPRETER REQUIREMENTS

The Department of Social Services is committed to making sure all eligible individuals receive fair treatment and equal access to services. No person will be denied access as a result of the inability or limited ability to communicate in the English language. Individuals must be able to communicate with DSS staff at no cost to the individual. If an interpreter is needed, one must be provided by the Department.

Each office has procedures identified to communicate with persons who need assistance. Review your office's Procedures for Communicating Information to Persons with Sensory Impairments and Limited English Proficiency plan (LEP plan) for guidance on how to contact interpreter services (sign language, language interpreters, Propio, etc.).These procedures are located as follows: P:\Limited English Proficiency

1400 DISCLOSURE

Customers have the right to have the information they provide held in confidence and used solely for purposes of administration of the program. SNAP case information is confidential under Federal and State law. The disclosure policy applies to both DSS employees and volunteers. Case information may be released only under the provisions listed below. If in doubt, do not disclose the information and notify SNAP program staff following administrative channels. SNAP program staff will respond to the request.

The following requirements **must** be adhered to:

A. Respect the privacy of our customers and hold in confidence all information obtained.
B. Respect confidences shared by colleagues in the course of professional relationships and transactions.
C. Do not use confidential information for the staff's own benefit or for the benefit of others.
D. Do not divulge or communicate confidential information to any unauthorized person either during or after employment with the Department of Social Services.
E. Do not attempt (successful or not) to access information on any individual (private or public) for unauthorized reasons.
F. Do not acquire, use, copy or transfer confidential information except to the extent necessary to fulfill employment duties.
G. Never use personal computers to remotely access information from the IRS and SSA. Access to information from the IRS and SSA will only occur in approved areas that have the appropriate space and privacy.
H. Do not discuss confidential information in any setting unless privacy can be ensured. Confidential information should not be discussed in public or semipublic areas such as hallways, waiting rooms, elevators, and restaurants.
I. Take precautions to ensure and maintain the confidentiality of information transmitted to other parties through the use of computers, electronic mail, fax machines, phones, voice

mails, and other electronic or computer technology. Disclosure of identifying information will be avoided whenever possible.

J. Information must be safeguarded, and the custody of this information must be maintained at all times. Each person responsible for information should use reasonable diligence to protect and prevent the disclosure of information provided by the customer. This includes:
    1. Keeping information properly put away where visitors might have access to them.
    2. Information should be kept in the office or scanned. If information is needed in a different location, the information should be scanned so it can be viewed on File Director. Avoid sending original documentation.
    3. Pending information should be either scanned to File Director or kept in a safe and secure location until it can be scanned.

There is zero-tolerance for disclosure of confidential information. Any unauthorized disclosure of confidential information is a violation of policy and may be a violation of South Dakota and United States laws. Employees may be held subject to the penalties for any such unauthorized disclosures. Violations will result in disciplinary action, including termination.

1410 DISCLOSURE RESTRICTIONS

SNAP case record information is restricted to the following:

A. Persons directly connected with the administration or enforcement of the provisions or regulations of the Food and Nutrition Act of 2008.
B. Persons directly connected with administration or enforcement of federal assistance programs, or federally assisted state programs which provide assistance on a means tested basis to low income individuals, including releasing information for access to free school lunch meals.
C. Employees of the Comptroller General's Office of the United States for audit examination authorized by any other provision of law.
D. Persons directly connected with the administration or enforcement of the programs which are required to participate in the State Income and Eligibility Verification System (IEVS) to the extent the SNAP information is useful in establishing or verifying eligibility or benefit amounts under those programs.
E. Persons directly connected with the Division of Child Support (DCS) and the Administration of Children and Families (ACF) (Currently called Temporary Assistance to Needy Families (TANF) employees as necessary to assist in establishing or verifying eligibility or benefits under Title II (Old Age Survivors and Disability Benefits) and Title XVI (Supplemental Security Income) of the Social Security Act.
F. Information released to local, state, or federal law enforcement officials is restricted. Direct all requests from law enforcement officials to SNAP program staff. SNAP program staff will do the following:
    1. Notify the law enforcement official that the request must be submitted in writing. The written request must include the identity of the individual requesting the information and his/her authority to do so, the violation being requested, and the person's identity the information is being requested for.
    2. If the request is for the purpose of investigating an alleged violation of the Food and Nutrition Act or regulations, any information requested will be provided.
    3. If the request is to assist in the investigation of a person fleeing to avoid prosecution, custody, or confinement for a felony; violating a condition of parole or probation; or a person who has information necessary for the officer to conduct an official duty related to a felony/parole violation information requested will be provided.
    4. Information will also be provided regarding a household member when such member has information necessary for the apprehension or investigation of

another member who is fleeing to avoid prosecution or custody for a felony or has violated a condition of probation or parole.

G. The SNAP applicant or recipient may review all information in the record which was used for his/her eligibility determination. DSS must withhold privileged information, such as names of individuals who have disclosed information about the household without the household's knowledge, or the nature or status of pending criminal prosecution. DSS must make available, without charge, the specific materials necessary for a household or its representative to determine whether a fair hearing should be requested or to prepare for a hearing.
H. SNAP program staff may make names and addresses of SNAP households available to persons and agencies directly connected with nutrition education.
I. Information may be released, other than in the above situations, only on the written authorization of the head of household, spouse (if in the household), other adult household member, or authorized representative. Information that was not provided by the applicant/recipient, other responsible household member, or current authorized representative may not be disclosed. The release must be kept with record information for future reference.
   The release must include:
   1. Date of release;
   2. Name of person or agency to whom the information will be released;
   3. What information will be released including an itemized listing of specific items or time periods or a general release;
   4. The expiration date of the release; and
   5. Signature of the head of the household, spouse, or authorized representative.

Individuals who request information about current or past SNAP recipients, but do not meet the above criteria should submit a written request to the SNAP program staff. The written request should contain enough detailed information about the household to enable DSS to identify the household (e.g. case number, head of household, most recent address, social security number, name of spouse, birth date).

If the individual(s) requesting information feels that the information is required in connection with the administration and enforcement of the Supplemental Nutrition Assistance Program, the individual(s) should indicate that in the request. The SNAP State Office toll free number is 1-877-999-5612.

1420 DISCLOSURE WHEN SUBPOENAED TO COURT

The following procedures must be followed when subpoenas are received requesting record information, employee testimony, or both.
Whenever a subpoena is received, provide the supervisor all the facts about the case, what is being subpoenaed (documents, testimony, or both) and the date and time for responding to the subpoena, including the court hearing date if one is included in the subpoena. Supervisors must notify the Regional Manager. The Regional Manager must notify the Program Administrator, who will request assistance from the DSS legal staff.

A. Record information subpoenaed: DSS legal staff will file a motion to quash (stop) most subpoenas. If the motion is denied or the Department makes the decision to release the information for other reasons (e.g. customer signs a release), staff will be instructed on what to release from the file.

B. Employee testimony subpoenaed: After approval has been granted from SNAP program staff, appear in court for the date and time of the court hearing. When called to the witness

stand, the employee should give identifying information (example; name, place of employment, years of services, etc.), and when asked about information regarding the SNAP customer or case file state "The information you are asking for is considered confidential under the Code of Federal Regulations at 7 CFR 271.1(c) and South Dakota Codified Laws (SDCL) 28-1-29 and 28-1-32. Based on this I am not at liberty to answer your questions unless so further ordered by this court." If the judge orders the testimony to continue, the employee may answer all questions.

1430 AVAILABILITY OF PUBLIC INFORMATION

The South Dakota Supplemental Nutrition Assistance Program Manual issued for use in certifying households is available for inspection on the DSS website.

1440 PROGRAM INFORMATION ACTIVITIES

The "Justice for All" Poster, AD-475B, must be displayed in Social Services offices. In addition, the customer's rights and responsibilities for filing an application must be displayed in each office.

1500 RETENTION OF RECORDS

SNAP records must be retained for review or audit by USDA in accordance with Federal Regulations.

SNAP records are comprised of applications and renewals including required forms, worksheets used in computation of income for eligibility and issuance, documentation including verification techniques employed by the benefits specialist, any forms authorizing or changing participation or issuance, copies of correspondence sent to the household and the household's response, and actions related to the fair hearing process. These records must be retained for three years from the month of origin of the record.

SNAP fiscal records and accounting documents must be retained for three years from the date of fiscal or administrative closure. Fiscal records include but are not limited to claims, recoupments, documentation of restored benefits, and emergency authorized representative designations.

> **Note**: The three years starts after the overpayment has been paid in full or is closed by the Office of Recoveries and Fraud Investigations (ORFI).

In addition, SNAP files which contain pending fraud referrals must be retained until the referral is resolved.

Case records relating to intentional Program violation disqualifications and related notices to the household shall be retained indefinitely until the State agency obtains reliable information that the record subject has died or until FNS advises via the disqualified recipient database system edit report that all records associated with a particular individual, including the disqualified recipient database record, may be permanently removed from the database because of the individual's 80th birthday.
Disqualification records submitted to the disqualified recipient database must be purged by the State agency that submitted them when the supporting documents are no longer accurate, relevant, or complete. The State agency shall follow a prescribed records management program to meet this requirement. Information about this program shall be available for FNS review.

Closed files are kept for four years from the date of closure.

1600 CASE FILES

Case file material is filed according to a standardized filing system to assist staff, supervisors and other personnel in location of documents. Case files are imaged into the File Director electronic imaging database. The next section will detail how information should be files and scanned into File Director.

1610 CASE FILE ORDER AND CONTENTS

Section	Title	Description
One	Current Eligibility	All eligibility forms and verifications relevant to the SNAP case. This section contains all required forms and verifications filed chronologically with the most recent forms on top.
Two	Calendar	This section is not currently used but may contain past information no longer used. The documents should be arranged with the most recent on top.
Three	Support Services	All forms and material relating to work registration, E&T, DCS support documents Protective Payee/Vendor or Two-Party Payments, etc.
Four	Permanent Verifications	All permanent documents such as Social Security Numbers (SSN), identity verifications (i.e. driver's licenses), birth certificates, trust documents, legal opinions, funeral plans, etc.
Five	Corrective Action	Quality Control (QC) reviews, Targeted Zero Tolerance (TZT) reviews, supervisory reviews, overpayment/underpayment forms, overpayment/underpayment supporting documents, fair hearing/intentional program violation (IPV) documents, etc. filed chronologically with the most recent on top.
Six	Past Eligibility	This section may contain past eligibility and verification documents. Not all cases will have information in this section.
Seven	MAGI Calculator	This section is used for Medical Assistance eligibility MAGI calculator documents

It is important to correctly scan documents for efficient document location and statewide consistency. The scanned file has seven sections (see chart below), which must be followed statewide. The information must be scanned in chronological order with the most recent material on top in the correct section.

1620 CASE FILE TRANSFERS

The following sections outline the process that must be used when transferring SNAP cases between counties.

1630 CASE TRANSFER NOTIFICATION

The notification of the need to transfer the case occurs when:

A. The customer contacts the office where the case is currently located; or
B. The customer contacts the new county of residence to report a move; or
C. Mail is received back in an office that indicates a new forwarding address; or
D. Another valid source (i.e. another division/agency/authorized representative, etc.) reports the move to another county.

Regardless of how the office is notified of the move, the case transfer must be facilitated for the customer.

1640 CUSTOMER REQUESTS NO TRANSFER

Transfers are completed for the new residence county office unless the customer requests that a case transfer not occur. The customer must have a valid reason for requesting the case not be handled by the new residence county office.

Examples of valid reasons:

- Customer works or attends school in a different county than he/she resides
- Customer has a relative who works in the residence county DSS office

The reason for not transferring the case to the new residence county office must be documented in the narrative.

1650 RESPONSIBILITY - CURRENT COUNTY OFFICE

When the office where the case is currently handled is notified of a customer's move, the following process must be followed:

A. Benefits Specialists may complete the case transfer form (DSS-EA-350) to gather information needed following program guidelines for continued eligibility. Even though completion of the case transfer form is optional, changes still need to be obtained and discussed with the customer (e.g. household composition, residency, shelter, income, etc.).
B. Within 1 working day, contact the receiving office (supervisor/lead/specialist of the day) prior to transferring the case. During the contact, an EABS will be identified to receive the transfer. A case transfer cannot be completed without this contact.
C. Make sure all case documents are scanned into file director prior to completing the transfer on ACCESS. Within 1 working day after the move is known, complete the residence code on the STAT panel, ADDR, shelter panels, other reported/known change, and narrative. Also change the county number on File Director. If questionable and verification is required (Eats form, for example), send or give the form to the customer with a request for information form to be returned to the new county office. Documentation is essential.
D. Complete the ACCESS transfer within 1 working day after the contact is made. Remember the transfer cannot be completed on ACCESS until the receiving EABS is notified of the transfer. If the transfer cannot be completed within 1 working day, notify the receiving office EABS why the transfer was not completed and when it is anticipated to be completed.

1660 RESPONSIBILITY – NEW COUNTY OFFICE

When the receiving office is notified of a case being transferred, the following process must be followed:

A. Benefits specialists may complete the case transfer form (DSS-EA-350) to gather information needed following program guidelines for continued eligibility. Even though completion of the case transfer form is optional, changes still need to be obtained and discussed with the customer (e.g. household composition, residency, shelter, income, etc.)
B. Within 1 working day, send e-mail to the sending office's EABS and Supervisor requesting case transfer.
C. If the case transfer is not completed by the end of the 2nd working day, call the EABS (or Supervisor if EABS is not available).
D. Complete the transfer macro notifying the customer of the case transfer and the contact information for the new EABS.
    1. The macro states "Due to your recent move, I have been assigned as your new Benefits Specialist. My contact information is listed on this notice."
E. Follow normal processing procedures for changes.

1670 ACCESS TRANSFER

A. ACCESS transfer is completed the same day but not later than the end of the 2nd working day via XFER.
B. Update the county code on File Director.

1700 NO AID REDUCTION

SNAP benefits cannot be considered income or resources for any purpose under any Federal, State, or local laws including, but not limited to, laws on taxation or public assistance.

1800 TRAINING

Staff training must provide employees with the knowledge and resources for quality performance. Staff training must be sufficient to ensure staff is knowledgeable of SNAP policies and requirements prior to their initial assumption of duties. Staff training is an on-going process and must be completed periodically on an as-needed basis.

CHAPTER TWO: DEFINITIONS, PRIMARY SOURCES, FORMS

2000 DEFINITIONS

The following are some terms and acronyms, along with their definitions, that are most commonly used in the Supplemental Nutrition Assistance Program.

Adequate Notice: A written notice to the household that its benefits will be reduced or terminated no later than the date the household receives or would have received its allotment. Adequate notice is allowed when following conditions are met:

1. If the household reports information which results in a reduction or termination of benefits.
2. The household reports this information in writing and is signed by the household
3. Based solely on the household's written information, a determination of the household's allotment or ineligibility can be made.

The adequate notice must include:

1. The action the Specialist has taken or intends to take;
2. The reason for the intended action;
3. The household's right to request a fair hearing (already incorporated on the notice);
4. The name of a person to contact for additional information;
5. The availability of continued benefits (already incorporated on the notice);
6. The household's liability for over issuances received while awaiting a fair hearing decision which is adverse to the household (already incorporated on the notice).

Adverse Notice: Also called **10-day notice** is a written notice to the household within 10 days of the end of the month prior to the month the reduction or termination of benefits will be made.

Allotment: The total value of benefits a household is authorized to receive during each month or other time period.

Categorical Eligibility: Certain households will be determined eligible to participate in SNAP without consideration of income and resources as long as the household meets all other eligibility criteria. This provision only applies to the following households; households where all members receive TANF or Tribal TANF, households where one member receives child care assistance, households whose TANF case has been closed or diverted within the last 12 months, and households whose Tribal TANF case has closed within the last three months.

Community Support Providers (CSP): Offer residential and vocational services, as well as service coordination and nursing care. CSPs provide residential options for people, such as group homes and supervised apartments (formerly known as Group Home Providers).

Convicted Felons: The individual must have been convicted as an adult of the following applicable convictions after February 7, 2014:

- Aggravated sexual abuse under section 2241 of title 18 US code
- Murder under section 1111 of title 18, US Code
- An offense under chapter 110 of title 18, US Code
- A Federal or State offense involving sexual assault, as defined in section 40002(a) of the Violence Against Women Act of 1994; or
- The individual is not in compliance with the terms of the sentence of the individual or restrictions under fleeing felons /probation or parole violators.

Decreased Benefit Budgeting Rule: Decreases in benefits are only budgeted during the interim months if the decrease was reported from a primary source.

De-Archival: The process where information from ACCESS computer system, that is older than 3 years, is requested to be provided in printed form. This is usually necessary when there is need for information due to an investigation for an SPV hearing or administrative disqualification hearing. Narratives are not available to be de-archived. A request for the de-archival must be sent to the DSS-EA Help desk.

Department: The Department of Social Services, Division of Economic Assistance.

Drug addiction or alcoholic treatment and rehabilitation program: Any drug addiction or alcoholic treatment and rehabilitation program conducted by a private, nonprofit organization or institution, or a publicly operated community mental health center, under part B of title XIX of the Public Health Service Act (42 U.S.C. 300x *et seq.*). Under part B of title XIX of the Public Health Service Act is defined as meeting the criteria which would make it eligible to receive funds, even if it does not actually receive funding under part B of title XIX.

Elderly or Disabled member: A member of a household who:

(1) Is 60 years of age or older;
(2) Receives supplemental security income benefits under title XVI of the Social Security Act or disability or blindness payments under titles I, II, X, XIV, or XVI of the Social Security Act;
(3) Receives federally or State-administered supplemental benefits under section 1616(a) of the Social Security Act provided that the eligibility to receive the benefits is based upon the disability or blindness criteria used under title XVI of the Social Security Act;
(4) Receives federally or State-administered supplemental benefits under section 212(a) of Pub. L. 93-66;
(5) Receives disability retirement benefits from a governmental agency because of a disability considered permanent under section 221(i) of the Social Security Act.
(6) Is a veteran with a service-connected or non-service-connected disability rated by the Veteran's Administration (VA) as total or paid as total by the VA under title 38 of the United States Code;
(7) Is a veteran considered by the VA to be in need of regular aid and attendance or permanently housebound under title 38 of the United States Code;
(8) Is a surviving spouse of a veteran and considered by the VA to be in need of regular aid and attendance or permanently housebound or a surviving child of a veteran and considered by the VA to be permanently incapable of self-support under title 38 of the United States Code;
(9) Is a surviving spouse or surviving child of a veteran and considered by the VA to be entitled to compensation for a service-connected death or pension benefits for a nonservice-connected death under title 38 of the United States Code *and* has a disability considered permanent under section 221(i) of the Social Security Act. “Entitled” as used in this definition refers to those veterans' surviving spouses and surviving children who are receiving the compensation or pension benefits stated or have been approved for such payments, but are not yet receiving them; or
(10) Receives an annuity payment under: section 2(a)(1)(iv) of the Railroad Retirement Act of 1974 *and* is determined to be eligible to receive Medicare by the Railroad Retirement Board; or section 2(a)(1)(v) of the Railroad Retirement Act of 1974 and is determined to be disabled based upon the criteria used under title XVI of the Social Security Act.
(11) Is a recipient of interim assistance benefits pending the receipt of Supplemented Security Income, a recipient of disability related medical assistance under title XIX of the Social Security Act, or a recipient of disability-based State general assistance benefits

provided that the eligibility to receive any of these benefits is based upon disability or blindness criteria established by the State agency which are at least as stringent as those used under title XVI of the Social Security Act (as set forth at 20 CFR part 416, subpart I, Determining Disability and Blindness as defined in Title XVI).

Eligible Foods:

(1) Any food or food product intended for human consumption except alcoholic beverages, tobacco, and hot foods and hot food products prepared for immediate consumption;
(2) any deposit fee in excess of the amount of the State fee reimbursement (if any) required to purchase any food or food product contained in a returnable bottle, can, or other container, regardless of whether the fee is included in the shelf price posted for the food or food product
(3) Seeds and plants to grow foods for the personal consumption of eligible households;
(4) Meals prepared and delivered by an authorized meal delivery service to households eligible to use coupons to purchase delivered meals; or meals served by an authorized communal dining facility for the elderly, for SSI households or both, to households eligible to use coupons for communal dining;
(5) Meals prepared and served by a drug addict or alcoholic treatment and rehabilitation center to narcotic addicts or alcoholics and their children who live with them;
(6) Meals prepared and served by a group living arrangement facility to residents who are blind or disabled as defined in paragraphs (2) through (11) of the definition of "Elderly or disabled member" listed above;
(7) Meals prepared by and served by a shelter for battered women and children to its eligible residents;
(8) In the case of homeless SNAP households, meals prepared for and served by an authorized public or private nonprofit establishment (e.g. soup kitchen, temporary shelter), approved by an appropriate State or local agency, that feeds homeless persons.

Employment and Training (E&T): A work program opportunity operated in Minnehaha, Pennington, and Yankton counties. Services are provided through the Department of Labor and Regulation. Services include work, training, education and job search components and are available to SNAP recipients at no cost.

Exempt: A term that is used two different ways in relation to SNAP:

1. In relation to income/resources it means not countable, sometimes referred to as "excluded".
2. In relation to work registration it means the individual(s) are not required to participate.

Federal fiscal year (FFY): A period of 12 calendar months beginning with each October 1 and ending with September 30 of the following calendar year.

Fleeing Felon: In order for a person to be determined as a fleeing felon, all 4 of the following criteria must be met:

1. There has to be an outstanding felony warrant for an individual;
2. The individual has to be aware of, or should reasonably have been able to expect that, a warrant has or would have been issued;
3. The individual has to have taken some action to avoid being arrested or jailed; and
4. A law enforcement agency must be actively seeking the individual

FNS: Food and Nutrition Service of the U.S. Department of Agriculture.

General Assistance (GA): Cash assistance to cover living expenses or other basic needs intended to promote the health or well-being of an individual. GA is usually paid by tribal entities to persons living on a Native American reservation in South Dakota.

Group Living Arrangement: A public or private nonprofit residential setting that serves no more than sixteen residents that is certified by the Department of Human Services Division of Developmental Disabilities. To be eligible for SNAP benefits, a resident of such a group living arrangement must be blind or disabled as defined in paragraphs (2) through (11) of the definition of "Elderly or disabled member" contained in this section.

Homeless Individual: An individual who is imminently homeless because they lack a fixed and regular nighttime residence or an individual whose primary nighttime residence is:

(1) A supervised shelter designed to provide temporary accommodations (such as a congregate shelter);

(2) A halfway house or similar institution that provides temporary residence for individuals intended to be institutionalized;

(3) A temporary accommodation for not more than 90 days in the residence of another individual; or

(4) A place not designed for, or ordinarily used, as a regular sleeping accommodation for human beings (a hallway, a bus station, a lobby or similar places).

Income and Eligibility Verification System (IEVS): The system of information acquisition and exchange for purposes of income and eligibility verification which meets the requirements of section 1137 of the Social Security Act.

Increased Benefit Budgeting Rule: Increases in benefits are to be budgeted during the interim months if the information is verified.

Interim Months: Interim months are the months between the application/renewal and the 6 month report or between the 6 month report and the renewal month.

Immigration and Naturalization Service (INS): The Immigration and Naturalization Service, U.S. Department of Justice.

ORFI: The Office of Recoveries and Fraud Investigations unit. State authorized unit within the Department of Social Services to investigate suspected fraud and also to collect the repayment of benefits that were received in error by household.

Over Issuance: The amount by which SNAP benefits issued to a household exceeds the amount it was eligible to receive.

Primary Source: A primary source is a source that reports a change that will be considered verified upon report and will be budgeted, regardless of whether the change results in an increase or decrease. (See list in Section 2120)

Probation or Parole Violator: The following criteria must be met to determine that an individual is a probation or parole violator:

1. An impartial party, as designated by the State, must determine that the individual violated a condition of his or her probation or parole imposed under Federal or State law; and
2. Federal, State, or local law enforcement authorities are actively seeking the individual to enforce the conditions of the probation or parole.

An individual determined to have violated **any** probation or parole imposed under Federal or State law will be disqualified from SNAP eligibility.

Prospective Budgeting: The computation of a household's SNAP allotment for an issuance month based on an estimate of income and circumstances which will exist in that month.

Simplified Reporting: Simplified reporting means that there are three items that households are required to report in interim months during the certification period.

1. Report when the household's gross monthly income is over the maximum allowed for the household size;
2. Report when an eligible ABAWD's employment hours stop or decrease below 20 hours a week;
3. If a household member receives lottery or gambling winnings of $4,750 or more. Winnings must be reported within 10 days of receipt.

In addition to the 3 reporting requirements in interim months, simplified reporting households must also complete a report form in the sixth month of the certification period.

Simplified Reporting Households: All SNAP Households unless all household members are elderly or disabled without earned income. In addition, TANF Parent cases and TANF 0 plus cases if a TANF child has countable earned income are also considered simplified reporting households.

Shelter for battered women and children: A public or private nonprofit residential facility that serves battered women and their children. If such a facility serves other individuals, a portion of the facility must be set aside on a long-term basis to serve only battered women and children.

Social Security Administration (SSA): An independent agency of the United States Federal Government that administers Social Security, a social insurance program consisting of retirement, disability, and survivor's benefits.

Social Security (SS): A comprehensive federal program of benefits providing workers and their dependents with retirement income, disability income, survivor's benefits and other payments.

Supplemental Security Income (SSI): Monthly cash payments made under the authority of: (1) Title XVI of the Social Security Act, as amended, to the aged, blind and disabled; (2) section 1616(a) of the Social Security Act; or (3) section 212(a) of Pub. L. 93-66.

State Verification and Exchange System (SVES): This is a computerized verification system to request information from the Social Security Administration (SSA). SVES allows staff to obtain information from SSA on Social Security numbers, Social Security income, Medicare benefit information, Supplemental Security Income (SSI), 40 quarters, prisoner information and deceased individuals. An on-line verification is received 3 working days after the SVES request is submitted to SSA. The information received is a "snapshot" of the benefit information as it is the date the information is requested. The data is purged from ACCESS after 45 days of receipt.

Systematic Alien Verification for Entitlements (SAVE): The SAVE system is a web-based system used to determine the immigration status of applicants and recipients. The SAVE system verifies the status of non-immigrants, immigrants, and certain naturalized and derived U.S. citizens.

Thrifty Food Plan: The diet required to feed a family of four persons consisting of a man and a woman 20 through 50, a child 6 through 8, and a child 9 through 11 years of age, determined in accordance with FNS' calculations. The cost of such diet will be the basis for uniform allotments for all households regardless of their actual composition. In order to develop maximum SNAP allotments, FNS makes household size and other adjustments in the Thrifty Food Plan taking into account economies of scale and other adjustments as required by law.

Trafficking:

(1) The buying, selling, stealing, or otherwise effecting an exchange of SNAP benefits issued and accessed via Electronic Benefit Transfer (EBT) cards, card numbers and personal identification numbers (PINs), or by manual voucher and signature, for cash or consideration other than eligible food, either directly, indirectly, in complicity or collusion with others, or acting alone;

(2) The exchange of firearms, ammunition, explosives, or controlled substances, as defined in section 802 of title 21, United States Code, for SNAP benefits;

(3) Purchasing a product with SNAP benefits that has a container requiring a return deposit with the intent of obtaining cash by discarding the product and returning the container for the deposit amount, intentionally discarding the product, and intentionally returning the container for the deposit amount;

(4) Purchasing a product with SNAP benefits with the intent of obtaining cash or consideration other than eligible food by reselling the product, and subsequently intentionally reselling the product purchased with SNAP benefits in exchange for cash or consideration other than eligible food; or

(5) Intentionally purchasing products originally purchased with SNAP benefits in exchange for cash or consideration other than eligible food.

(6) Attempting to buy, sell, steal, or otherwise affect an exchange of SNAP benefits issued and accessed via Electronic Benefit Transfer (EBT) cards, card numbers and personal identification numbers (PINs), or by manual voucher and signatures, for cash or consideration other than eligible food, either directly, indirectly, in complicity or collusion with others, or acting alone.

Under Issuance: The amount by which SNAP benefits issued to a household is less than the amount it was eligible to receive.

2100 SOURCE CODES

Source codes are used when completing the data entry on the mainframe (ACCESS). Source codes may be left blank if the case is a zero plus TANF only case, a medical only case, or a combination of a zero plus TANF and medical. If the case has an active SNAP or a parent TANF case, source codes are required. The following sections explain the type of source codes, and what month the code is entered in ACCESS as well as which panel the source code is allowed.

2110 MAIN SOURCES

Main source codes are only used in the budgeting process when it is a new application, renewal and six month report month. The following is an explanation of the main source codes.

APPL

1. Information is entered for the benefit month the application is processed for.
2. Allowed on all panels with a reported source field.

RCRT

1. Information is entered for the benefit month the renewal is processed for.

2. Allowed on all panels with a reported source field.

REPT

1. Information is entered for the benefit month the six month report is processed for.
2. Allowed on all panels with a reported source field.

2120 PRIMARY SOURCES

Primary Sources are restricted to the sources identified below. All changes reported by a primary source are considered verified and are budgeted, regardless of whether the change results in an increase or decrease. The following are primary source data entry codes.

AAA

1. ACCESS automatically enters this code to remove an individual the month after the ABAWD has received his/her three months of benefits.
2. ACCESS automatically enters this code the month following the expedited month (or third month for combined) if an expense is not verified.
3. Display only – cannot enter this code on any panel.

ABWD

1. Used to remove an individual the month after the ABAWD has received his/her three months of benefits. (This code is entered manually by the EABS when an individual must be removed for ABAWD time limits and ACCESS has not entered AAA as a primary source, e.g. the case was not approved when it went through propagate.)
2. Allowed on MEMB/BUDG panel.

ABWH

1. Used to remove an individual when he/she is no longer working at least 20 hours a week and he/she was an eligible ABAWD only because he/she was working 20 hours a week.
2. Allowed on MEMB/BUDG, JINC and BUSI panels.

AMND

1. Used to correct entry errors on the case that are resulting in incorrect benefits.
    a. For example, a number was transposed on the JINC panel when the household was certified. The result is the household has and is continuing to receive an incorrect amount of benefits.
2. Used to budget future known changes reported at application, renewal, or six-month report.
    a. For example, the individual is on medical leave at application with a verified return to work in 2 months
3. Used on FMED panel for medical changes that were for known/anticipated changes. Examples may include the following:
    a. One-time expense ends
    b. Expense allowed for a set period that has ended
    c. Part B premium responsibility ends due to being approved for medical coverage.
4. Allowed on all panels with a reported source field.

BNXV

1. Used for changes in Social Security income, disability status, and Medicare premiums only if the change was reported via an IEVS BENDEX alert.
2. Allowed on MEMB/BUDG, DISA, UNEA, and FMED panels.

CARE

1. Used for removal (**not** addition) of a household member reported by the Division of Child Support (DCS) or Child Protection Services (either DSS or Tribal CPS) staff.
2. Allowed on MEMB/BUDG

DCS

1. ACCESS automatically enters this code when a sanction or cure of a sanction is initiated by the Division of Child Support (DCS).
2. The worker may need to update the cooperation field to "9" if the entering of the DCS primary source code would create a decrease in benefits and there is no 10 day notice.

ES

1. Used to act on information reported by the Employment Specialist (either DLR or DSS).
2. Allowed on all panels with a reported source field except EATS, COMD, FMED, and GLEX.

E&T

1. Used to act on information reported by the Employment & Training worker.
2. Allowed on MEMB/BUDG, MEMS, JINC, BUSI, STRK, and PREG.

HCLO

1. Used when the household requests case closures. Also used when removing an individual because of death (regardless of how the information was received, as long as the information is reliable and not questionable).
2. Allowed on Stat and MEMB/BUDG panels.

HCHG

1. Used when it has been reported that a household or household member is applying for or receiving benefits in another State or another household, is applying for or receiving commodity benefits (Food Distribution Program on Indian Reservations), or is applying for his/her own assistance.
2. Allowed on STAT, MEMB/BUDG, COMD, and MEMS.

HEAR

1. Used when implementing fair hearing or intentional program violation (IPV) hearing decisions.
2. Allowed on all panels with a reported source field.

HHSZ

1. Used when the household reports a change in household size.
2. Allowed on MEMB/BUDG, MEMS, ABSP, EMPH, EATS, and COMD.

INST

1. Used when it has been reported that a household member is in an institution for longer than 30 days for SNAP/90 days for TANF. Institutions include, but are not limited to, correctional facilities, Human Services Center, nursing homes, etc.
   a) Individuals residing in drug or alcohol treatment centers or Community Support Provider facilities are eligible for SNAP following group home/drug alcohol treatment centers procedures.
2. Allowed on MEMB/BUDG and INST.

MAXS

1. Used when the SNAP household's **gross** income exceeds the maximum allowed based on household size, if the household is not categorically eligible.
2. Allowed on JINC, UNEA, BUSI, RBIN, STRK, and CCON.

MAXT

1. Used when the TANF household's income exceeds the needs standard.
2. Allowed on MEMB/BUDG, JINC, RENT, UNEA, HOME, SCHL, RBIN, STAT, BUSI, STRK, and CCON.

PARS

1. Used when budgeting information received from the PARIS match.
2. Allowed on STAT, JINC, and UNEA.

PEXP

1. Used when the SNAP household submits postponed mandatory verifications the month after the expedited month(s).
2. Allowed on all panels with a reported source field.

POST

1. Used when mail is returned out of state or a move out of state is reported from a reliable source (household, other state, etc.)
2. Allowed on STAT.

REFS

1. Used when the household refuses to cooperate or when an information request has been sent and the requested information is not received in the time period requested.
2. Allowed on all panels with a reported source field.

SAVE

1. Used when budgeting non-citizen information received from the Systematic Alien Verification for Entitlement (SAVE).
2. Allowed on MEMB/BUDG.

SDX

1. Used for changes in Supplemental Security Income (SSI), disability status, and Medicare premiums only if the change was reported via an IEVS SDX alert.
2. Allowed on MEMB/BUDG, DISA, UNEA, and FMED panels.

TANF

1. Used when the information that changes a TANF grant amount is also budgeted for SNAP. Also used when the Employment Specialists reports a change in the 12 month follow along after TANF case is closed.
2. Allowed on all panels with a reported source field.

UNEM

1. Used for changes in Reemployment Assistance (RA) [formerly called Unemployment Insurance (UI) income] if the change was reported via IEVS UNEM alert.
2. Allowed on MEMB/BUDG, JINC, and UNEA panels.

WINN

1. Used for changes in resources if the household is over the maximum amount because of gambling or lottery winnings. Also used to close the case if a member of the household receives substantial Lottery/Gambling winnings of over $4,750.
2. Allowed on CASH, BANK, IVST, CARS, OTHR, PROP, and TRAN panels.

2130 NON-PRIMARY SOURCES

Non-Primary sources are codes that are not main or primary source codes. The following are non-primary source codes and are used to update interim changes when the budget is not affected.

VOL

1. Used when changes are voluntarily reported by a household member or authorized representative.
2. Allowed on all panels with a reported source field.

OTH

1. Used when a change is reported/discovered through a source other than the household/authorized representative, main source, or primary source.
2. Allowed on all panels with a reported source field.

SUPP

1. Used when a supplemental benefit is authorized for the current benefit month because of incorrectly budgeted information.
2. Allowed on all panels with a reported source field.

2200 FORMS AND CALCULATORS

The following is a brief explanation of all forms/Calculators/Tools associated with the application process for the SNAP program. These are all located on the P Drive.

Forms		
Form # (DSS – EA)	**Form Name**	**Form Use**
208	**Authorization to Release Information**	Signed by the applicant on behalf of all adult household members. It is used as a release form when requesting information from employers, banks, etc. This is also included in the 301 economic assistance applications.

211	**Authorization to Release Information**	Used if the applicant wants the Department to release information to an entity outside of DSS.
214	**Report Form**	A form used by households required to submit a 6 month report. It is used to report income, expenses, household composition, and changes in resources.
214R	**214 Reminder Notice**	A notice that is sent to households on the 15th of the month if the complete EA-214, six month report form, was not received.
221A	**Family Assessment Form**	A form designed to solicit information to determine individual or family needs, identify barriers to self-sufficiency, and offer guidance for suitable referrals. Instructions for use of this form are listed on the p drive, 221A Instructions.
231	**Child Support Enforcement Referral**	A form required by the head of household who has a child that does not have a parent living in the home. This is a required form to be completed by the head of household and is then sent to DCS.
232	**Notice of Requirement to Cooperate with DCS**	An acknowledgment form that must be signed by the head of household who has a child that does not have a parent living in the home, stating they must cooperate with DCS on information about the parent not in the home.
233	**Good Cause for Refusal to Cooperate with DCS**	A form to allow the head of household to claim good cause for not cooperating with DCS on information about the parent not in the home.
241	**Lease Income Verification**	A letter sent to tribal entities to verify the amount of lease income a household may receive from July to June of a particular year.
267	**Bank Letter**	Letter used to obtain balances for bank accounts at a particular facility.
269	**Child Care Expense**	Used to verify the amount and frequency of child care expense that is **billed** to a household.
274	**Request for SSN**	A form used to verify that a SSN has been applied for at the Social Security Administration.
300	**Cover Letter and Verification Checklist**	A cover letter and form used to advise customers of needed documents to complete the application or review process.
301	**Economic Assistance Application**	The application used to apply for SNAP and Medical Assistance.
301I	**Improved Nutrition (IN) Program Application**	Application form used by individuals or couples who receive SSI to apply for the simplified SNAP program (IN)
306 306O 306P	**Renewal Notice Office and Phone**	Renewal Notices sent to households that are due for renewal. The 306 O & 306P can be sent to households that did not have an automated notice generated.
307	**SNAP Exit Form**	A form used by drug and alcohol facilities or Community Support Provider facilities to report when a resident has left their facility.

308	**Information Request**	There are different versions of this form that are used to request additional information from a household to make an eligibility determination when a change has been reported.
311	**Interagency Notice of Certification**	A form sent to tribal entities after a household has been certified for SNAP; also used to determine whether or not a customer is certified for commodities.
312	**Supervisory Review Form**	This form can be used if the Supervisory Database is not working, and a supervisory review needs to be completed on a specific case.
314	**Medical Expense Sheet**	The form is used for the individual to list medical expenses, and an electronic form is used to calculate the allowable medical deduction to be used in the budget. Used for a person with a disability or individual age 60 and older who would like to claim a medical deduction.
319	**Request for Hearing**	A form that can be used to make an oral request for a fair hearing by a customer or the form can be given to the customer to request a hearing if they are in the office.
320	**Self-Employment Ledger**	A form given to a customer who reports being self-employed. This form is used to record the income and expenses of their self-employment business. Usually used if this is a new business and income taxes have not been filed yet or if no taxes are filed for the self-employment business.
324	**Wage Verification Form**	This form is used to request verification of employment for a customer applying for benefits.
328	**Student Eligibility Checklist**	A form used to determine whether or not an individual attending school meets student eligibility guidelines.
333	**Notice of Missed Appointment**	Form used to inform applicant of missed interview appointment and requests applicant to make a contact to reschedule.
335	**Voluntary Change to Case**	A form used to request a case be processed the month following an ineligible month. It is also used to voluntarily close a case.
336	**Shelter/Eating Arrangement Form**	Lists a customer's living arrangements including roommates, rent paid, utilities paid, and eating arrangement.
337	**Rental Verification Form**	Form completed by the landlord. Confirms all rent, utilities, and other expenses of the applicant.
342	**Self-Employment Questionnaire**	Used by EABS who calculate self-employment if customers choose to use actual expenses.
344E	**SNAP Disaster Replacement/Affidavit**	A form completed by a customer to request replacement of SNAP benefits after their food has been destroyed. There are specific criteria that have to be met in order for replacement benefits to be issued.

345	**Combined Work Registration/ABAWD Notice**	A form completed by the Benefits Specialist to explain to the customer the reporting responsibilities as a work registered person and as an ABAWD. The form will list who in the household is a work registrant and who is an ABAWD. It also explains the penalties for non-compliance with the work requirements. The form is given to the customer.
349	**Six Month Report Notice of Action**	Used by Benefits Specialists to inform households when their 6 month report form was incomplete or if additional information is needed before their benefits can be determined for the month.
350	**Transfer Request Form**	A form to assist the Benefits Specialist when they are talking to a customer who wants to have their case transferred from one office to another within South Dakota.
889	**Investigation Request Form**	Used by Benefits Specialist with they are requesting an investigation by ORFI. This can be used if a tip is received or if the benefits Specialist suspects that there is unreported income and/or resources or if there are household members that have not been reported in the household and should have been.
894	**Overpayment Report**	Form required to be completed to document the circumstances of an overpayment so that ORFI can add the overpayment to their system and track it for repayment of the overpaid benefits.
954	**Client Authorization Debit for Repayment**	This form can be completed by a customer if they wish to have their overpayment taken directly out of future SNAP benefits or if they want one lump sum to be taken out of their EBT account. ORFI and EBT must also sign off on this request.
954	**Client Authorization Debit for Repayment**	This form can be completed by a customer if they wish to have their overpayment taken directly out of future SNAP benefits or if they want one lump sum to be taken out of their EBT account. ORFI and EBT must also sign off on this request.
	Voter Registration Forms	Online or print applications to be completed by the customer and mailed by the benefits specialist to the local county auditor. Refer to section 3910 for more specific information.

Calculators/Tools	
Name	**Use**
SNAP Estimator	Used to determine the amount of benefits a household is entitled to by putting in their income and deductions into the calculator. The estimator will figure if the benefit amount based on their household size and application date.
Year to Date Calculator	Used to figure out the amount of a missing paystub.
Self-Employment Tool Guide	The purpose of the tool is to assist staff in determining if the case is a self-employment case or not, whether income should be annualized or budgeted of the period of intent, if there are expenses whether or not the simplified calculation should be used or sent to SNAP State Office personnel.

CHAPTER THREE: GENERAL REQUIREMENTS

3000 ELIGIBILITY STANDARDS

3100 IDENTITY

The Specialist must verify the identity of the applicant (head of household). Benefits cannot be approved without identity and expedited benefits cannot be given without identity being verified. If an authorized representative (AR) applies on behalf of the household, Specialists must verify the identities of both the AR and the head of the household prior to approval. Specialists may use a collateral contact for verification if documentary evidence is not readily available. Examples of acceptable verification may be, but not limited to, the following:

- Driver's licenses
- Work or school IDs or IDs for health or other public aid
- Tribal Identification
- Voter registration verification document
- Wage stubs
- Other official documents or combinations of documents.

Photo ID is **NOT** required for identification. If photo ID is not used to verify identity, any documents which reasonably establish the applicant's identity must be accepted. Documentation of what was used to verify identity must be narrated. No requirement for a specific type of document (such as birth certificate) may be imposed on the household.

The AR ID requirement is only if they are applying on behalf of the applicant. Otherwise, we do not have to request ID for the AR.

If there is a break between certification periods, the Benefits Specialist must check to ensure identity has previously been verified. If there is a new authorized representative applying or completing a renewal, on behalf of the applicant, the identity of the AR is required before benefits can be approved. If the ID on file is expired, a request for new ID can be requested, but is **not required** to approve eligibility and should not hold up eligibility.

Since EBT cards are mailed to customers, ID is not required to request an EBT card for new applications and late renewals.

3200 RESIDENCE REQUIREMENTS

Customers should be living in the county in which they are applying unless he/she has requested to apply in another office and has a good cause reason for applying in that office (e.g. closer to employment).

No individual may participate as a member of more than one household or in more than one county in any month; unless an individual is a resident of a shelter for battered women and children and was a member of a household containing the person who abused the shelter resident.

No duration residence requirement or fixed mailing address requirement may be imposed. Applicants living in the county for any purpose other than a vacation, regardless of the length of time they have been there or plan to stay, meet the residence requirements.

A conventional fixed residence (e.g., house or apartment) is not required to determine eligibility. Persons living in tents, pick-up campers, migrant campsites, etc. satisfy the residence requirement.

All applications must contain a legible address and/or directions that will allow a home visit or other means of verifying residence, if necessary.

3210 RESIDENCE VERIFICATION

Specialists usually verify residence while verifying other things like rent, mortgage, or utility payments. Specialists must use these sources as much as possible so that the household does not have to get an unnecessary separate verification for residence. Otherwise, the Specialist may use other readily available documentary evidence or a collateral contact for this purpose. If a collateral contact is used to verify residence, the name of the person and their contact information should be fully documented.

Verification of residence might be impossible or very difficult to get in unusual circumstances. For example, migrants or other persons new in an area may be living in campsites or cars and might not have documents or a person or organization to use as a collateral contact. Specialists do not deny the application under these or similar conditions if both the Specialist and the household have made reasonable efforts to verify residence but have not been able to. Such unusual circumstances must be thoroughly documented.

3300 CITIZENSHIP AND ALIEN STATUS

All applicants must list the citizenship status for all household members who are requesting assistance. The signature on the Economic Assistance Application, attests to the status for all household members. If the citizenship question on the form is not answered, that individual is ineligible to receive SNAP benefits. The individual will, however, be required to answer questions and submit verifications about his/her income, resources, etc. This information could affect eligibility and benefit level of the household.

When either a household or individual indicates inability or unwillingness to attest to the alien status for any household member, the person whose alien status is in question is an ineligible (not illegal) alien. If the individual is determined ineligible, we cannot continue efforts to obtain documentation of alien status. The household will, however, be required to answer questions and submit verifications about the excluded individual's income, resources, etc. The income and resources of those individuals are described in detail in the income and resource chapters.

3310 ELIGIBILITY CRITERIA – GENERAL

The individual is eligible to participate if he/she is:

1. A U.S. Citizen; or
2. A U.S. non-citizen national; or
3. A child under 18 who was born in a foreign county to U.S. parents and entered the U.S. before his/her 18th birthday; or
4. A child under 18 who was adopted by U.S. parents and entered the U.S. before his/her 18th birthday; or
5. An American Indian who:
    a) Was born in Canada or Mexico and possesses 50 per centum of blood of the North American Indian Race; or
    b) Is a member of an American Indian Tribe.

The individual who is lawfully residing in the U.S. is eligible if he/she is a:

1. Member of the Hmong or Highland Laotian Tribe or the spouse or unmarried dependent child of the Hmong or Highland Laotian (Vietnamese); or
2. Cuban/Haitian Entrant; or
3. Amerasian: or
4. Native American born in Canada or Mexico or a member of a North American Indian Tribe; or
5. Citizens of the Compacts of Free Association (COFA) citizens of the Federated State of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau; or

The individual is admitted as a lawful permanent resident (LPR) status and is eligible if he/she:

1. Has resided in the U.S. for at least five years with a LPR status; or
2. Meets 40 quarter criteria; or
3. Lawfully residing in the U.S. and 65 or older on 08-22-96; or
4. Are blind or disabled; or
5. A child under 18 legally residing in the U.S.; or
6. Has a U.S. military connection; or

Note: Individuals who adjust status to LPR from one of the groups exempt from the 5-year waiting period in section 403 of PRWORA (8 USC 1613), are not required to wait for 5 years after becoming an LPR:

1. Previous Refugee Status; or
2. Previous Individuals Granted Asylum; or
3. Deportation Withheld; or
4. Previous Iraqi Special Immigrants (SIV) Status; or
5. Previous Afghan Special Immigrants (SIV)Status; or
6. Previous Certain Afghan Nationals Granted Parole Between 07/31/2021 and 09/30/2023; or
7. Previous Certain Ukrainian Nationals Granted Parole Between July 31, 2021 and 09/30/2024; or
8. Previous Victims of Severe Trafficking Status.

Each category of alien status stands alone for purposes of determining eligibility. All non-citizens must be checked against each category to see if eligibility exists. Also, if the eligibility status expires, each eligible category must be reviewed to see if that individual is eligible under another status.

> **Example:** Child turns 18 and is no longer eligible under the child status. If the child has been in the U.S. for at least 5 years under lawful permanent residence status, the child is eligible. (Remember to check each alien status for eligibility before determining ineligibility.)

If a person is disqualified for SNAP benefits because citizenship or eligible alien status has not been verified, the remaining eligible members may be certified without the disqualified person.

3320 ELIGIBILITY CRITERIA - CITIZENS

U.S. citizens, including naturalized citizens, must meet citizenship eligibility requirements. The following information applies to individuals who claim to be U.S. citizens.

3321 DETERMINING CITIZENSHIP

Specialists must verify an individual's claim to be a U.S. citizen, if questionable. The member whose citizenship is questionable is ineligible to participate until proof of U.S. citizenship is obtained. Until

this proof is obtained, the member whose citizenship is questionable will have his/her income eand all of his/her resources considered available to any remaining household members. Proof may be obtained via SVES request.
Citizenship verified for TANF purposes is considered verified for SNAP. Birth, naturalization or deprivation from parent(s) normally acquires U.S. citizenship.

3322 CITIZENSHIP BY BIRTH

Persons born in the United States (U.S.) are U.S. citizens. This principle applies even to children of parents who are present in the U.S. illegally. For this purpose, the U.S. is defined as the 50 states, the District of Columbia, Puerto Rico, Guam, the U.S. Virgin Islands, and the Northern Mariana Islands.

Non-citizen nationals are individuals who were born in American Samoa and Swain's Island (outlying possessions of the U.S.) and are treated just like U.S. citizens. For all manual references, non-citizen nationals will be included in the U.S. citizen group and not identified separately.

3323 CHILD UNDER 18 BORN TO U.S. PARENT OR ADOPTED BY U.S. PARENT

Automatic citizenship is granted to children born in a foreign county upon entry to the U.S. if the child is under 18 years of age, admitted to the U.S. as a lawful permanent resident, and is in the legal and physical custody of at least one parent who is a U.S. citizen.

Automatic citizenship is granted to children whose adoption is completed abroad by a U.S. parent(s) upon entry to the U.S. if the child is less than 18 years of age, admitted to the U.S. as a lawful permanent resident, and is in the legal and physical custody of at least one parent who is a U.S. citizen. Automatic citizenship is not granted if the adoption is not finalized prior to the child entering the U.S. If that occurs the child must be meet other alien status criteria until the adoption is finalized. Once finalized, the child will receive automatic citizenship.

Because automatic citizenship is granted to children who meet the above criteria, they should be coded as citizens.

Children of unknown parentage found in the U.S. before the age of 5 years are assumed to have been born in this country. Such foundlings are considered U.S. citizens for life unless it is proved before the child reaches age 21 that he/she was born in another country.

3324 CITIZENSHIP BY NATURALIZATION

Individuals who are not U.S. citizens may acquire citizenship through the courts by naturalization. Aliens do not become citizens simply by marrying a U.S. citizen. Spouses, however, can apply for naturalization and, if eligible, become citizens through the court.

In some instances, alien children become U.S. citizens when a parent is naturalized. These children might have their own separate naturalization records or papers. If so, their citizenship can be verified, if necessary, the same as an adult; if not, the situation should be referred through channels for determination of citizenship.

3325 VERIFICATION OF CITIZENSHIP

If questionable, citizenship may be verified by birth, hospital, or baptismal certificates, U.S. passports, USCIS certificates of citizenship or naturalization, ID cards for the use of resident citizens in the U.S. (USCIS Forms I-179 or I-197), or similar documents. Citizenship may also be verified via SVES.

The member whose citizenship is in question is ineligible to participate until proof of U.S. citizenship is obtained unless the case is expedited. (Verification of non-citizenship status may be postponed in order to meet the expedited processing standards.)

A non-citizen must have completed all of the requirements for citizenship and received a certification of naturalization. Citizenship acquired by naturalization can be verified in the county where naturalization occurred. Each county clerk of courts has an index of all persons naturalized in that county. (Other states also have similar arrangements.) If the person's record cannot be located or the county of naturalization is not known, the Specialist should contact USCIS because they maintain an index of all naturalized persons.

As a last resort, if the household cannot obtain any of these verifications and can reasonably explain why verification is not available, an affidavit can be used. The affidavit must contain the signer's address and telephone number, and the SNAP case name and number. This form must be signed under penalty of perjury by a person who is a U.S. citizen and must declare that the person in question is also a U.S. citizen. Signers must be advised that the affidavit is a sworn statement and that they should certify only those facts of which they have personal knowledge. The following statement should be used for these situations:

"I declare under penalty of perjury that _____ is a United States citizen. It is my understanding that intentionally giving false information to help this person get SNAP benefits may result in a fine, imprisonment, or both."

3330 ELIGIBLITY CRITERIA – NON-CITIZEN

An alien (non-citizen) is anyone living in the United States who is not a U.S. citizen. If verification of alien status is not provided within normal processing times, the eligibility of the remaining household members must be determined. The individual whose status is in question is ineligible to participate until the USCIS documentation is received, however the individual's income and expenses will be prorated, and all of his/her resources considered available to any remaining household members. If verification is later received, and the individual is eligible, the case must be acted on as a reported change in household circumstances. For expedited cases, if the individual states he/she is an eligible alien, verification may be postponed under expedited services regulations.

To be eligible an individual must meet one of the alien statuses identified in the charts on the following pages. If an alien is not listed in the chart below, they are not eligible for SNAP benefits. This includes, but is not limited to, alien visitors, tourists, diplomats, and students who enter the United States temporarily with no intention of abandoning their residence in a foreign country.

Individuals should be matched against all statuses before being coded as an ineligible alien. Individuals may be eligible under more than one category. If the individual meets any eligible category, then the individual is eligible. If the eligibility status expires, each eligible category must be reviewed to see if that individual is eligible under another status.

ALIEN ADMITTED AS:	SNAP ELIGIBILITY	ACCEPTABLE VERIFICATIONS OF STATUS:
1. Citizens of the Compacts of Free Association (COFA) **ACCESS code "O"**	Eligible effective 03/09/24 if individual lawfully reside ad a regardless of date of entry. Must be lawfully residing as citizens of the Federated State of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau.	Verification must indicate the individual lawfully resides in the U.S. pursuant to a Compact of Free Association (COFA). a. INS Form I-94 indicating CFA/FSM, CFA/MIS, CFA/RMI, or CFA/PAL. b. INS Form I-766 annotated A08. c. Foreign passport stamped with an unexpired CFA/FSM or CFA/MIS admission notation
2. Cuban/Haitian Entrant under 501(e) **ACCESS Code: "H"**	Eligible if: 1. Regardless of date of entry. 2. National of Cuba/Haiti **AND** 1. Paroled, or 2. Pending Asylum, or 3. In removal proceedings Eligible indefinitely without a waiting period	a) INS Form I-551 with code CU6, CU7 or CH6; or b) INS Form I-94 stamped with a temporary I-551 stamp with the code CU6 or CU7; or c) INS Form I-94 with stamp showing parolee as "Cuban/Haitian Entrant: under Section 212(d)(5) d) I-94 may indicate humanitarian reasons with a country of citizenship as Haiti or Cuba e) Unexpired temporary I-551 stamp in foreign passport. f) Cuban Parolee (CP), Public Interest Parolee (PIP) or Parole with Cuba as the country of origin g) DHS form I-221, I-862, I-220A, I-222, I-221S h) Copy of I-589 or I-485 date stamped by EOIR (**E**xecutive **O**ffice for **I**mmigrant **R**eview) i) EOIR-26 j) I-766 showing code c10, C08 or other acceptable document (see state office staff) k) COA code DT for parolees
3. Lawfully Permanent Residence (LPR) **i. LPR – Entered prior to 08/22/96 (ACCESS Code "L")** **ii. LPR – Earned Income Credit (ACCESS Code "E") Note: Effective January 1997, no credits can be granted for**	1. Eligible if entered the U.S. before 08/22/96 and obtained qualified status prior to that date or obtained qualified status after 08/22/96 and was continuously present in the U.S. from 08/22/96 until qualified alien status obtained. 2. Eligible regardless of entry date if meets 40 quarter requirements. 3. Eligible regardless of entry date if resided at least 5 years in the U.S. with lawful permanent resident status	a) I-551 (Alien Registration Receipt Card) commonly referred to as the "green card"; or b) Foreign passport stamped with an unexpired temporary I-551 stamp; or c) I-94 annotated with a temporary I-551 stamp (for recent arrivals or aliens who have applied for a replacement I-551 d) For Code "Y", "K", and "X", any INS document indicating individual has approval to reside in U.S. (does not have to be permanent authorization). e) For Code "M" Green form DD-2 marked "ACTIVE; Current orders

ALIEN ADMITTED AS:	SNAP ELIGIBILITY	ACCEPTABLE VERIFICATIONS OF STATUS:
any quarter if an individual received SNAP, TANF, Medicaid, or SSI benefit at any time in the quarter. **iii. LPR – 5-Year Lawful Resident (ACCESS Code "F")** **iv. LPR – Disabled Individual (ACCESS Code "Y" (SNAP only)** **v. LPR – Child under 18 (ACCESS Code "K" (SNAP only)** **vi. LPT – Elderly (ACCESS Code "X" (SNAP only)** **vii. LPR – U.S. Military Connection** **viii. LPR – Other ACESS Code "Z" (SNAP only)**	4. Eligible if lawfully residing in U.S. if disabled individual. 5. Eligible if lawfully residing in U.S. if a child under age 18. 6. Eligible if lawfully residing in U.S. on 08/22/96 if over age 65 (if elderly individual entered after 08/22/96, must meet other alien eligibility criteria or ineligible). 7. Eligible regardless of entry date if active duty in the military (excluding National Guard) or is an honorably discharged veteran whose discharge is not because of immigration status (includes spouse, surviving spouse if not married, and unmarried dependent children). A discharge "Under Honorable Conditions", which is not the same as an honorable discharge, does not meet this requirement. 8. Eligible regardless of LPR start date if entered U.S. as one of the following groups: Refugees, Individuals Granted Asylum, Deportation Withheld, Iraqi and Afghan Special Immigrants (SIV), Certain Afghan Nationals Granted Parole Between 07/31/2021 and 09/30/2023, Certain Ukrainian Nationals Granted Parole Between July 31, 2021 and 09/30/2024 or Victims of Severe Trafficking	showing the individual is on fulltime duty in the U.S. Army, Navy, Air Force, Marine Corps, or Coast Guard (Reserves are not considered active duty); DD214 indicating honorable discharge; or Discharge papers indicating honorable discharge f) For Code "Z" must provide proof of immigration status prior to gaining LPR status as well as LPR status and start date (application for LPR status does not give eligibility, only after approval of LPR status)
4. Amerasian under 584 **ACCESS Code: "A"**	Eligible regardless of date of entry.	a) I-94 stamped with an unexpired temporary I-551 stamp with the code AM1, AM2, or AM3; or b) INS Form I-551 with code AM6, AM7, or AM8; or g) Foreign passport stamped with an unexpired temporary I-551 stamp with the code AM1, AM2, or AM3;
5. Native American Born in Canada or Member of a Federally	Eligible regardless of date of entry.	a) I-551 (Alien Registration Receipt Card) with Code S13

ALIEN ADMITTED AS:	SNAP ELIGIBILITY	ACCEPTABLE VERIFICATIONS OF STATUS:
Recognized Tribe Born Outside the U.S. **ACCESS Code "T"** **i. North American Indian born in Canada with at least 50% of American Indian Blood (NOTE: This does not include a spouse or child of the individual. It also does not include a non-citizen whose membership in an Indian tribe or family is created by adoption, unless s/he is of at least 50% or more American Indian blood.).** **ii. A member of a federally recognized Indian tribe born outside the U.S. – contact SNAP program staff if assistance is needed.**	For SNAP - North American Indians born in Mexico are also eligible if they meet the 50% of the North American Indian Blood. Eligible regardless of date of entry	b) A Canadian passport stamped with an unexpired temporary I-551 stamp with the code S13; c) I-94 stamped with unexpired temporary I-551 stamp with code S13; d) Letter from the Canadian Department of Indian Affairs; e) Certificate of Indian Status; f) A letter or other tribal document certifying at least 50% with a birth certificate or other satisfactory evidence of birth in Canada; NOTE: Individuals with an I-551 annotated with KIC or KIP are considered U.S. citizens and should be entered as a citizen on ACCESS). h) A membership card or other tribal document showing membership in the tribe that is on the list of federally recognized Indian tribe.
6. Vietnamese (Hmong or Highland Laotian) **ACCESS Code: "V" (SNAP Only)**	Eligible regardless of the date of entry. An individual lawfully residing in the U.S. who was a member of a Hmong or Highland Laotian tribe that rendered assistance to U.S. personnel by taking part in a military or rescue operation during the Vietnam era (Aug. 5, 1964 – May 7, 1975). This category includes the spouse (or un-remarried surviving spouse) or unmarried dependent children of these individuals.	States tribe meets Vietnam era involvement and has: • INS Form 1-94 showing entry as refugee under Section 207 of INA and date of entry into the U.S.; or • INS Form I-551 or I-551 unless form is marked as admitted under Section 249 & entered after 01-01-72; or On Master List located in State Office.

3340 INDIVIDUALS LAWFULLY ADMITTED FOR PERMANENT RESIDENCE

Individuals who do not meet any of the criteria listed in the above chart above are eligible if they

A. Meet Lawful permanent resident status as verified by
   1. USCIS Form I-551 or I-151 (resident alien card)
      - If the individual was admitted under section 249 and entered after 01-01-72, no eligibility exists.
      - If the I-551 has code IB6, IB7, or IB8 and the individual dos does not meet the battered alien criteria, they are not eligible.
   1. Unexpired Temporary I-551 stamp in foreign passport or on USCIS Form I-94 verified individual is admitted for lawful permanent residence; and
B. Have resided in the U.S. for at least 5 years with lawful permanent resident status; or
C. Can be credited with 40 qualifying quarters of earned income.

3350 QUALIFYING QUARTERS OF EARNED INCOME

Individuals **lawfully admitted for permanent residence** but have not resided in the U.S. at least five years, must meet eligibility criteria status identified in the chart in Section 3330 or can be credited with 40 qualifying quarters of earned income to be eligible. A qualifying quarter of earned income is defined as the amount of earnings received by the individual (or his/her spouse or parents) for employment or self-employment covered under Title II of the Social Security Act. (Non-covered SSA wages also count in the 40 quarters and are captured via SVES.)

The amount of earnings worked at a job covered by Social Security or self-employment earnings on which Social Security tax must be paid determine the qualifying quarters of coverage. Specialists are credited a maximum of 4 quarters per year by the Social Security Administration (SSA). Aliens must have worked to earn 40 quarters of credit as per Social Security Administration's rules unless their spouse or parents can share their credits with them. Once the alien can be credited with 40 qualifying quarters, he/she has met non-citizen eligibility requirements even if he/she stops working. The only time credits would be removed from an alien would be if the individual received credits from a spouse and they divorced or if parental rights terminated for a child. The same quarter of credit may be applied to more than individual (self, spouse, and dependent children).

3351 SPOUSAL CREDITS

Spousal credits may be shared for the period of time they are married if they are still married or were married at the time the spouse was deceased. Qualifying quarters may be credited to a non-citizen spouse even if the individual employed is a US citizen. If the marriage terminates during the certification period, the qualifying quarters from the spouse are no longer allowed to be credited when the case is next certified (eligibility continues until renewal occurs).

Example 1: Jim and his wife Janet are aliens lawfully admitted for permanent residence. Jim has been credited with 25 qualifying quarters of employment and Janet has 10 qualifying quarters. Neither Jim nor Janet is eligible because individually or together they do not have 40 credits. (25 from Jim + 10 from Janet = 35). Even if Jim were a US citizen, Janet would receive credit for quarters of income that Jim earned during the period they were married to each other.

Example 2: Jim and his wife Janet are aliens lawfully admitted for permanent residence. Jim has been credited with 35 qualifying quarters of employment and Janet has 15 qualifying quarters. Jim and Janet are eligible because together they have at least 40 quarters (35 from Jim+ 15 from Janet = 50).

3352 PARENTS/CHILDREN CREDITS

The credits of income earned by a natural, adoptive, or stepparent, including a deceased parent, may be credited to children. Qualifying quarters may be credited to children until the child turns 18. Once the child turns 18, only the credits earned by the parents up until the 18th birthday of the child may be used, including the time period before the child's birth.

Example: John, age 25, applied for SNAP. Any credits earned by John's parent for the time period up to his 18th birthday may be credited to John.

Credits may be credited from parents to children through the quarter the child turns 18. A child can receive qualifying quarters from each parent as well as themselves. Quarters earned by children cannot be deemed to their parents or siblings.

Example: Jim and Janet have two children, Bob and Lori. Bob is 20 years of age and Lori is 10 years of age. Jim has earned 25 qualifying quarters, Janet has earned 10, and Bob has earned 5. Bob is eligible based on qualifying quarters. Bob receives 25 from Jim, 10 from Janet, and 5 of his own for a total of 40. Jim, Janet, and Lori are not eligible because they cannot receive credit for Bob's quarter and will only be credited with 35, 25 from Jim and 10 from Janet.

Credits earned by adoptive parents can be credited to the adoptive children through the quarter the child turns 18. This includes credits earned by the adoptive parents prior to the date of adoption. Credits from the biological parents are not allowed when the adoption becomes final.
Credits earned by stepparents are allowed from the quarter of the marriage of the stepparent as long as the marriage occurred before the children attained age 18. The credits are allowed through the quarter the child turns age 18. Credits are not allowed if the 40 quarter determination is made after divorce or annulment between the parent and stepparent. If the 40 quarters were credited to the stepchildren before divorce or annulments, the credits cannot be removed from the child.

The qualifying quarters that may be credited to children from their parents are retained for the child even if he/she turns 18. (Once received, they may not be taken away, unless parental rights are terminated.)

Example: Mary was 17 years old when Ann, her mother, married Matt in January 2000. They applied for SNAP April 2002. (None of the individuals received SNAP, TANF, Medicaid, or SSI after December 1996. Matt has earned 40+ quarters but only 9 since the first quarter of 2000 (marriage date). Ann has earned 30 quarters through March 2002. Mary has earned 2 quarters. Mary is eligible because she is credited 9 quarters from Matt (marriage date), 30 quarters from Ann (mother) and 2 quarters herself = 41 quarters. Mary will never lose the 41 quarters deemed to her during the April 2002 application.

If Mary were over 18 when the marriage occurred, she would only have 30 quarters from Ann and 2 quarters from herself.

If Matt and Ann divorced before Mary could be credited 40 quarters, she would not be allowed to be credited any quarters from Matt.

3353 QUALIFYING QUARTERS OF EARNED INCOME CHART

The amount of earned income that determines a credit is defined by the Social Security Administration (SSA). The amount varies every year. The following is a chart of the current amounts.

Year	Quarterly Amount $	4 Quarters $	Year	Quarterly Amount $	4 Quarters $	Year	Quarterly Amount $	4 Quarters $
1978	250	1000	**1979**	260	1040	**1980**	290	1160
1981	310	1240	**1982**	340	1360	**1983**	370	1480
1984	390	1560	**1985**	410	1640	**1986**	440	1760
1987	460	1840	**1988**	470	1880	**1989**	500	2000
1990	520	2080	**1991**	540	2160	**1992**	570	2280
1993	590	2360	**1994**	620	2480	**1995**	630	2520
1996	640	2560	**1997**	670	2680	**1998**	700	2800
1999	740	2960	**2000**	780	3120	**2001**	830	3320
2002	870	3480	**2003**	890	3560	**2004**	900	3600

2005	920	3680	**2006**	970	3880	**2007**	1000	4000
2008	1050	4200	**2009**	1090	4360	**2010**	1120	4480
2011	1120	4480	**2012**	1130	4520	**2013**	1160	4640
2014	1200	4800	**2015**	1220	4880	**2016**	1260	5040
2017	1300	5200	**2018**	1320	5280	**2019**	1360	5440
2020	1410	5640	**2021**	1470	5880	**2022**	1510	6040
2023	1640	6560	**2024**	1730	6920	**2025**	1810	7240
2026	1890	7560						

Contact SNAP program staff for assistance for prior to 1978.

Each individual may earn a maximum of four credits in a year. A credit will not be included in the 40 quarter computation until the first day of the quarter. Calendar quarters mean the calendar months ending March 31, June 30, September 30, and December 31 of any year.

> **Example:** John earned $900 January 2017 and applied in February 2017. He would receive one credit for the first quarter of 2017.

Any quarters earned from January 1997 and later may not be credited to an individual who received TANF, SNAP, Medicaid, or SSI in any month during that quarter.

3354 VERIFICATION OF QUALIFYING QUARTERS

The Social Security Administration (SSA) provides verification of the quarters of covered earned income amounts via SVES. To obtain the information, the non-citizen must sign SSA form 3288, "**Consent for Release of Information**", located at *P:\Division of Economic Assistance\(1) Supplemental Nutrition Assistance Program (SNAP)\SNAP Forms*. Each adult must sign his or her own consent form. Adults may sign for minor children if they are a parent or legal guardian of the child. The legal guardian of a legally incompetent adult may sign for the adult. Verification of the legal guardian status is required.

The information is requested on-line via SVES. A consent form releasing the information will continue to be required and must be filed in the permanent section of the case file (section 4) for auditing purposes. **Prior to receiving any information from SSA files the** "**Consent for Release of Information**" **must be properly signed.** The SVES manual provides instructions on how to obtain 40 quarter information. If non-household member refuses to sign or cannot be located to authorize release of his/her information, contact the Social Security Administration for guidance. SSA's income verification is generally a year behind. To obtain last year's earned income, income tax forms, W-2 forms, Schedule SE, wage stubs, etc., may be used to verify earned income.

SNAP benefits may be continued for a maximum period of 6 months if SSA is completing an investigation to resolve the individual's qualifying quarters if

1. The individual is a lawful permanent resident
2. SSA has initially determined less than 40 quarters, and
3. The individual provides documentation produced by SSA indicating SSA is investigating the number of quarters creditable to the alien.

The six month time frame starts from the date of SSA's initial review and continues until the SSA's review is complete or six months have elapsed, whichever is sooner.

3355 CALCULATING THE AMOUNT OF CREDITS

The SVES response automatically calculates the number of quarters an individual has earned. Remember, credits are not credited until the first day of the quarter and credits may not be given for any quarter in which the individual received SNAP, TANF, Medicaid, or SSI benefits in any month in the quarter from January 1997 and forward. Even though SVES verifies SSI receipt, Specialists will still need to determine if an individual received TANF, SNAP, or Medicaid in that quarter and not count any credits for those quarter(s).

If SVES is not used, and SSA wage information is verified through SSA, it is distributed by a yearly amount, not by quarters. If, at any time during the year, the individual earned an amount equal to 4 quarters for a specific year, the individual (and/or spouse and children) will be credited with 4 quarters (except for the current year because a quarter is not credited until the first day of the quarter). It does not matter if income was earned in one quarter or over the entire year. If the individual earned the amount equivalent to 2 quarters, the individual (and/or spouse-children) will be credited with 2 quarters regardless of the time period the individual worked. If the individual earned 4 quarters (regardless of whether the income was earned in one quarter or the entire year) and received SNAP, TANF, Medicaid, or SSI benefits in 2 quarters (after 1996), only 2 quarters may be credited.

Example for Calculating the Amount Of Credits: Sam worked from January 1, 2021, through March 31, 2021. He earned $700 each month. He did not receive SNAP, TANF, Medicaid, or SSI until he applied December 2, 2021. He is credited with three quarters for 1996, which when added to his previous credits totals 39 credits. He is not eligible for December because his 4th quarter credits are needed to reach 40 and if he were approved for SNAP benefits, the 4th quarter credits could not count. He could however be eligible for January 2022 because he would have received a total of 40 credits.

3360 USCIS DOCUMENTATION

The following documents may be used to verify USCIS status; however, each code has differing eligibility criteria. Refer to the chart in Section 3330 and make sure these regulations are also followed.

1.) I-94, Arrival/Departure Record annotated with:
- **a.) 207: Refugee including Hmong or Highland Laotian**
- **b.) 208: Asylee**
- **c.) 243(h): Deportation Withheld**
- **d.) 241(b)(3): Deportation Withheld**
- **e.) 212(d)(5): Cuban/Haitian Entrant**
- **f.) CU6 or CU7: Cuban/Haitian Entrant**
- **g.) 212(d)(5): Parolee**
- **h.) 203(a)(7): Conditional Entrant**
- **i.) AM1,AM2 or AM3: Amerasian Entrant**
- **j.) Iraqi: Iraqi Special Immigrants: only in effect for 8 months from date of entry or date of special immigrant status change**
- **k.) Afghan: Afghan Special Immigrants: only in effect for 6 months from date of entry or date of special immigrant status change**

2.)	**I-688B, Employment Authorization, annotated with:** **a.) 274a.12(a)(3): Refugee or Conditional Entrant** **b.) 274a.12(a)(5): Asylee** **c.) 274a.12(a)(10): Deportation Withheld**
3.)	**I-766, Employment Authorization , annotated with:** **a.) A3: Refugee or Conditional Entrant** **b.) A5: Asylee** **c.) A10: Deportation Withheld**
4.)	**I-571, Refugee Travel Document: Refugee**
5.)	**I-551, Permanent Resident or Resident Alien, or I-151, Alien Registration Receipt qualifies if meets eligibility criteria or if annotated with:** **a) RE1, RE2, RE3and Hmong or RE4, RE5, R Highland Laotian. [If RE7, RE8, RE86, marked admitted under Section 249 & entered RE9, IC6 or after 01-01-72, cannot be used for IC7 Hmong/Laotian].** **b.) AS6, AS7 Asylee, AS8, or AS9** **c.) R86: Conditional Entrant** **d.) CU6, CU7 or CH6: Cuban/Haitian Entrant** **e.) AM6, AM7 or AM8: Amerasian Entrant** **f.) IB6, IB7 or IB8: Battered spouse/child [if meets battered criteria]** **g.) KIC, KIP or S13: Native Americans** **h.) SI6, SQ6, SI7: Iraqi Special Immigrant, SQ7, SI9, or SQ9** **i.) SI6, SI7, SI9: Afghan Special Immigrant** **j.) C11, UFU, DHS/CBP, UHP: Ukrainian Humanitarian Parolee**
6.)	**Foreign passport with unexpired temporary I-551 stamp may also be used to verify permanent resident status.**
7.)	**Any USCIS document listing lawful residence if the individuals meet the criteria in Section 3300.**
8.)	**Iraqi or Afghan passport with a stamp noting admittance under SI1, SQ1, SI2, SQ2, SI3, SQ3.**

3370 IMMIGRATION AND NATIONALITY ACT (INA) TERMS

Alien status must be verified before the person can be certified. Aliens who are eligible for certification usually can verify their status in one of several specific ways as described below. Aliens who cannot provide acceptable verification cannot be certified at that point and must contact USCIS for clarification of status. Alien status is normally verified through annotations made by USCIS on Forms I-94, I-151, I-551, Passport, G-641, or I-688. Employment Authorization Document (EAD) is not proof of eligibility for the SNAP Program.

3371 FORM I-94 - ARRIVAL/DEPARTURE RECORD

USCIS Form I-94 is acceptable to verify eligible alien status if it is annotated with the number of a section of the Immigration and Nationality Act as identified in Sections 3231 and 3232. These annotations are usually found in the lower right corner of the Form I-94.

I-94s are not acceptable to verify eligible alien status if annotated only with any of the letters A through L, or terms or references to the Act not listed in Sections 3231 and 3232. For example, the terms "Employment Authorized" or "Under Docket Control" are not listed and, therefore, are not relevant in verifying alien status.

3372 I-94 EXPIRATION DATES

Some refugees or parolees I-94s include information which shows conditional entry with an expiration date. Until the card expires, these I-94s are acceptable verification of eligible alien status. If the card has already expired, the alien cannot be certified and must be referred to USCIS for renewal of the I-94. If an alien's card has not expired and the household is being certified, the certification period must not exceed the card's expiration date.

Aliens with I-94s stamped “Cuban/Haitian Entrant (Status Pending) Renewable January 5, 1981” may be certified if otherwise eligible. The January 15 date has since been extended indefinitely and is not to be considered an expiration date.

3373 FORMS I-151 OR I-551

Forms I-151 are no longer issued, however previously issued I-151's are still valid. Form I-551 verifies the person is lawfully admitted for permanent residence. An alien who is lawfully admitted for permanent residence meets the qualified alien criteria however he/she must still pass the eligible alien criteria (identified under Sections 3231 and 3232).
Aliens who marry a US citizen receive an I-551 with a 2 year expiration date. If the alien is still married to the US citizen at the end of the 2 year period, they are given indefinite permanent alien status. The alien is considered a qualified alien and eligible to receive SNAP benefits during the 2 year period if he/she passes the eligible alien criteria (identified under Sections 3231 and 3232).

3374 PASSPORTS

Passport booklets that are stamped "Processed for I-551, Temporary Evidence of Lawful Admission for Permanent Residence" are acceptable verification of eligible alien status.

3375 FORM G-641

Form G-641 is titled "Application for Verification of Information from Immigration and Naturalization Service Records." This form is usually completed by an alien who is seeking to verify his status and is submitted by him to the USCIS office. If acceptable verification documents are not available, the Specialist must advise the household that submission of USCIS Form G-641 to USCIS could be completed by them to obtain the verification.

The form is acceptable to verify eligible alien status if it has been signed at the bottom by a USCIS official and dated.

3380 SPECIALIST CONTACTS WITH USCIS

Specialists may contact the United States Citizenship and Immigration Services (USCIS) on behalf of an alien only at the alien's written request. If the alien does not wish to contact USCIS or give permission for the Specialist to do so, the Specialist will advise the household that it may withdraw its application or be certified without the alien.

The Specialist is responsible for contacting USCIS at the alien's request **only** when the alien has an USCIS document that does not clearly indicate eligible or ineligible status. The Specialist has no responsibility to contact USCIS at the alien's request if the alien has no USCIS document. If contact is needed call (605) 330-4276.

Specialists must report to USCIS only those household member(s) who are known to be unlawfully present as a result of information obtained through the State's finding or conclusion of unlawful presence based on a formal determination by the State agency on an individual's claim for benefits which is subject to administrative review by the State agency and is supported by a determination by Department of Homeland Security.

Specialist must report **only** individuals seeking to receive SNAP benefits for themselves and **only** when they meet the requirements above. Thoroughly document all circumstances in the case record. Specialists are cautioned that a determination that a person is an **ineligible** alien is not equivalent to a determination that a person is an **illegal** alien. Therefore, do not assume that an alien is illegal just because he is disqualified and cannot get SNAP benefits. When a household indicates inability or unwillingness to provide documentation of alien status for any household member, that member must be classified as an ineligible alien. Do not assume an alien is illegal because he cannot or does not provide proof of his status.

If a determination has been made that an individual is residing in the US unlawfully, make the report in writing with the supervisor's signature to the regional USCIS office at:

DHS ICE, Resident Agent in Charge
2708 N 1st Ave
Sioux Falls, SD 57104

3400 SYSTEMATIC ALIEN VERIFICATION FOR ENTITLEMENTS (SAVE)

Federal regulations require verification of all eligible non-citizen USCIS documents, and the Systematic Alien Verification for Entitlement (SAVE) is the process used for that verification. When non-citizens provide USCIS documents for verification of their USCIS status, a SAVE query must be sent to SAVE coordinator in the Benefits Specialists region. (The query document, SAVE, is located on the P Drive). The SAVE coordinator submits the documents to the SAVE system and forwards the response to the local office, generally a week later. If SAVE requests a secondary verification, the coordinator will compile the request and send notification to the local office that the secondary request process has been submitted and that the response will be delayed by at least 2 weeks. When the response is received, it is forwarded to the local office.

The SAVE information can only be used for the following purposes:

1. Verifying the validity of documentation of alien status presented by an applicant;
2. Verifying an individual's eligibility for benefits;
3. Investigating whether participating households received benefits to which they were not entitled, if an individual was previously certified to receive benefits on the basis of eligible alien status; and
4. Assisting in or conducting administrative disqualification hearings, or criminal or civil prosecutions based on receipt of SNAP benefits to which participating households were not entitled.

The SAVE response should be received for all non-citizens prior to approving benefits, unless the verification is waived for one or two months (combined allotment cases) to meet expedited time

frames. If waived for expedited processing, the response must be received prior to approving future benefits.

If a SAVE verification is returned showing the document is not valid because it is altered or counterfeit, notification must be sent to the District Director of the United States of Citizenship and Immigration Services (USCIS).

3500 ALIEN STATUS

An adult household member is required to sign a statement attesting to the citizenship or lawful alien status for each member of the household requesting or receiving SNAP benefits. A non-citizen must provide proof of his eligible alien status before receiving benefits. When either a household or individual indicates inability or unwillingness to attest to the alien status for any household member, the person whose alien status is in question is an ineligible (not illegal) alien. If the individual is determined ineligible, we cannot continue efforts to obtain documentation of alien status. The household will, however, be required to answer questions and submit verifications about the excluded individual's income, resources, etc.

3600 SOCIAL SECURITY NUMBERS (SSN)

A household participating or applying for participation in the SNAP Program must provide the Specialist with the SSN for each household member or apply for one before certification **unless** the individual is a child 6 months of age or younger. If an individual has more than one SSN, all numbers will be required.

The Specialist must explain to applicants and participants that refusal or failure to provide an SSN, without good cause, will result in disqualification of the individual for whom a SSN is not obtained. Households which express a religious objection to obtaining or providing an SSN may participate in SNAP if otherwise eligible. Household with a religious objection should be advised that a method of assigning SSNs to persons without their cooperation or obtaining SSN information from other sources may be developed for use in SNAP. The verification code for these individuals on the ACCESS system will be "U", which will allow good cause for no SSN.

DSS is authorized to use SSNs in the administration of SNAP in accordance with Federal regulations.

The numbers are used for:

- Computer processing;
- Cross matching with other agencies;
- Verification of household circumstances;
- Monitoring compliance with program regulations and program management; and
- Federal and state agencies, as well as private claim collection agencies for claim collection action.

Social Security numbers may also be disclosed to Federal and State agencies for official examination and to law enforcement officials for the purpose of apprehending persons fleeing to avoid the law.

3610 OBTAINING SOCIAL SECURITY NUMBERS FOR INDIVIDUALS OVER 6 MONTHS OF AGE

Most applicants and recipients already have an SSN. If an applicant or recipient has never applied for an SSN, and they are under age 18, they must be referred to the nearest Social Security office

to make application. Application for SSN (SS-5) may still be completed for original SSN applications for individuals 18 or older, or for duplicate SSN requests for individuals of any age. If the individual is referred to SSA, proof of the SSN application is required. Proof may consist of SSA-5028, Receipt for Application for SSN or a statement from the SSA office. For expedited cases, the SSN or proof of application need not be provided until the second issuance or the third issuance if the household received expedited combined allotments.

> **NOTE:** If an individual reports more than one SSN, all numbers should be documented. The Specialist should evaluate the numbers provided and enter the number which appears to be the individual's primary SSN. Individuals reporting duplicate SSNs must be referred to the local Social Security Administration Office so SSA can clear their records.

If the applicant recently applied for a SSN just prior to application, the customer should also be advised to ask for proof of application from SSA. SSA normally uses Form SSA-5028, Receipt for Application for a Social Security Number, as evidence that the individual has applied for a SSN. A signed statement from SSA is also acceptable.

If proof exists that a recipient has applied for a SSN (SS-5, SSA-5028, or signed statement form SSA), the recipient may continue to participate pending federal verification of the SSN. For individuals who furnish their SSN, DSS will record the SSN.

3620 OBTAINING SOCIAL SECURITY NUMBERS FOR NEWBORNS 6 MONTHS OR YOUNGER

When a newborn is added to an existing SNAP household, SSN or proof of application for a SSN for a newborn baby must be submitted at the household's next renewal, or within 6 months following the month in which the baby was born, whichever is later. We do not require proof from SSA or the hospital that a SSN has been applied for unless the newborn does not have a SSN at the next renewal or 6 months following the month of birth, whichever is appropriate. Households should be advised that when a SSN is received, they should report it on a report form or by office contact. If at the time of the next renewal or 6 months following the birth, the baby does not have a number or the household cannot provide proof that a number has been requested, an SS-5 should be completed following procedures identified in the Enumeration Manual for duplicate numbers or the individual should be referred to SSA if they state it is an original request, unless good cause exists. If good cause does not exist, failure or refusal to furnish the SSN, or application for a number, results in ineligibility for the baby. Proof of a SSN application could be SSA-2853 [hospitals will use this form if an application has been made through Enumeration at Birth (EAB)], SSA-5028, Receipt for Application for SSN, completed by SSA when an individual applies for a number, SS-5, or signed statement from the SSA.

> **Example:** Jane's certification ends 06-31. On 05-29, she reported birth of her child on 05-25. Jane should be told she has until December 1 to provide a SSN for the child or proof that a number has been applied for, or good cause on why she does not have a number or proof of an application for a number for the baby. If she does not have good cause, and does not apply or provide the number, the baby is disqualified from receiving benefits.

If the household is applying for assistance and has a child 6 months or younger, proof of an application for a Social Security number or the SSN must be provided before the child turns 7 months old, unless there is good cause. If good cause does not exist, failure or refusal to furnish the SSN or application for a social security number results in ineligibility for the newborn.

3630 NON-CITIZEN SOCIAL SECURITY NUMBER PROCEDURES

A Social Security number will not be assigned, or a replacement card issued to an alien who does not have authorization from the USCIS to work in the United States unless the alien has a valid non-work reason for needing the number. SNAP eligibility requirements are a valid reason for needing a non-work SSN.

Form DSS-EA-274 documents the individual has a valid reason for needing a non-work SSN to the Social Security Administration (SSA). Benefits Specialists should complete Section A of DSS-EA-274 and instruct the applicant that the form must also be completed by SSA, then returned to DSS. Receipt of the returned form verifies the individual has applied for SSN.

3640 VERIFICATION OF SOCIAL SECURITY NUMBERS

As a condition of eligibility, each applicant/recipient must furnish a SSN for all members of the household unless the individual is less than 6 months or younger. It is DSS's responsibility to verify the number with the Social Security Administration, unless the number is questionable. If an individual is unable to furnish a SSN or does not have one, and does not have good cause, DSS will require the individual to submit proof of application of a SSN, or may complete Form SS-5, Application for a Social Security Number, in accordance with enumeration procedures if the request is for a duplicate number, or an original number for individuals over age 18.
Benefits Specialists may continue to accept a social security card or other official document to meet the requirement that an applicant or recipient furnish their SSN or SSNs. However, household members cannot be denied for failure to provide their SSN card or other official document as proof of an existing number, unless the number is questionable.

Once a SSN has been federally verified by the Social Security Administration, ACCESS will show a "X" code by the SSN on the MEMB panel. An "X" code is considered permanent SSN verification. When an individual's SSN has been submitted to SSA for federal verification and the number was not federally verifiable, a printout will be sent identifying the reason the number did not match. Once DSS receives the printout, DSS will require the individual to submit information to resolve the discrepancy or require the individual to submit verification of a SSN application or complete Form SS-5 in accordance with Enumeration procedures.

3650 FAILURE TO COMPLY

If the Benefits Specialist determines that a household member has refused or failed without good cause to provide or apply for a SSN, the individual without the SSN will be ineligible to participate in the program. The disqualification applies to the individual who has not provided a SSN, and not the entire household.

3660 GOOD CAUSE

Good cause applies when a household has made a good faith effort to provide required documents in order to apply for a SSN. In determining what would constitute a "good faith effort" the Benefits Specialist should consider information from the household member, SSA, and DSS.
If the household member applying for a SSN has been unable to obtain the documents required by SSA, the Benefits Specialist should make every effort to assist the individual in obtaining these documents. While the individual is making a good faith effort to obtain documents necessary to apply for a SSN (e.g. birth certificate), the individual may participate. The circumstances must be clearly documented in the case record. The Benefits Specialist must review the individual's circumstances monthly to establish whether the household has applied for a SSN, has obtained the SSN or is still making a good faith effort to apply for a SSN. Good faith effort only applies to providing

required documents. Good faith effort does not apply to illness, lack of transportation or temporary absence, since DSS is completing the SS-5 for the individual.
Once a SS-5 has been filed or proof that a SSN has been applied for, DSS will permit the member to continue to participate pending notification of the member's SSN.

3670 ENDING DISQUALIFICATION

Disqualified household members may become eligible by providing the Benefits Specialist with the SSN or demonstrating that an application has been made at SSA for a SSN.

3700 COMPLETION OF REQUIRED DOCUMENTS

Certain forms are required to be completed prior to approval of benefits. SNAP benefits are unable to be approved without the completed work registration forms.

Other forms are encouraged to be completed, such as the EA-208 Authorization to Release Information. The applicant (head of household) should sign the EA-208. Immediate family members (spouse and adult children) should also sign the EA-208. All other adult household members should sign a separate EA-208. SNAP benefits will be approved without the completed EA-208 form.

If a current EA-208 is not received at renewal, the previous EA-208 can be used, but Benefits Specialists should attempt to obtain a new EA-208 at renewal.

3800 COOPERATION WITH THE DIVISION OF CHILD SUPPORT (DCS)

As a condition of SNAP eligibility, the head of household, who is the natural or adoptive parent with whom the child lives, must cooperate with the Division of Child Support (DCS). If the head of household fails to cooperate without good cause at the time of application, then he/she will not receive SNAP benefits. If the Benefits Specialist is notified by DCS of non-cooperation after initial application and approval of benefits, the customer will be disqualified from SNAP benefits until cooperation with DCS has been established.

If the head of household parent with whom the child lives does not cooperate, only he/she is not eligible for SNAP. His/her resources are still countable in their entirety for the household's SNAP benefit. A prorated share of his/her income is countable for the household's SNAP benefit. Shelter costs (except the utility allowance) are also prorated.

Important: Disqualification from SNAP for non-cooperation with DCS applies **ONLY** to the parent with whom the child lives. The remaining household members are still eligible for their share of SNAP benefits. Below are Examples of cooperation:

1) Applicant applies for SNAP with 3 children, two of the children's parents not living in the home, are currently paying child support. Even though the two parents not living in the home are paying child support, the paperwork for cooperation with DCS still must be completed and referrals made to DCS.
2) Applicant states that they have an unwritten (verbal) agreement with the other parent that neither will request child support from the other parent. In order to be eligible for SNAP, the head of household would still need to cooperate with DCS and complete the required paperwork for cooperation.

3) Two sisters live and eat together on one SNAP case in the same household with their own biological children. Only the sister who is the head of the SNAP household is required to cooperate with child support for her own children.
4) Mom, Dad and 3 children apply for SNAP. Mom is the head of household. The oldest child (age 10) is mom's biological child and dad's stepchild. The other two children are both mom and dad's biological children. Since the mom is the head of household and the child has not been adopted by her husband, she must cooperate with DCS for her oldest child.

The DSS-EA-231, Child Support Enforcement Referral, must be completed for each child with a parent not in the home who is requesting SNAP benefits. The applicant must also sign a DSS-EA-232, Notice of Requirement to Cooperate with the Division of Child Support.

EABS must explain the child support requirement and that the questions on the forms must all be answered completely. Each question must be completed with the answer or "unknown", nothing should be left blank. Forms must be received with a pen/ink signature, pictures of these forms are not acceptable as they are not admissible in a court of law. Incomplete forms received by DCS may result in non-cooperation for SNAP.

A new DSS-EA-231 and DSS-EA-232 must be completed when:

a. New application is received (If this is a reapplication within 12 months, the previous EA-231 may be used if it is the most current version, completed thoroughly, and was signed and dated within 12 months.)
b. Substantial changes are reported that were not reported on the most current DSS-EA-231. If minor changes are reported, staff may make the changes to the current EA231 and initial where the document was updated.
c. New children are reported in the home.

If the parent not in the home is deceased, parental rights have been terminated, or there is a single parent adoption, the 231/232 forms are **not** required to be completed. However, there must be verification that the parent not in the home is deceased, parental rights have been terminated, or the adoption was a single parent adoption. The ABSP panel will be added on ACCESS, and the cooperation code will be coded either 5—Absent Parent Deceased, 6—Parental Rights Terminated, or 7—Single Parent Adoption.

If the parent with whom the children live has an ongoing child support case with the Sisseton Wahpeton Tribal Child Support Office or the Standing Rock Tribal Child Support Office, completion of the DSS-EA-231 & DSS-EA-232 is still required. The EABS must verify the case status with the tribal child support agency. In these cases, the ABSP panel is coded with a "T" and a referral is not made to the state office of child support.

3810 GOOD CAUSE FOR NOT COOPERATING WITH DCS

The head of household may establish good cause for not cooperating with DCS. The customer must complete the DSS-EA-233 form entitled, Good Cause for Refusal to Cooperate with Child Support Enforcement. Evidence of the good cause reason must be submitted within 20 days after the request for good cause is made to the Benefits Specialist. Good cause evidence may include:

a) Birth certificates or law enforcement, child protection or medical records indicated the child was conceived as a result of incest or forcible rape.
b) Court documents or other records indicating legal proceedings for adoption are pending in court.
c) Records indicating emotional or physical harm may come to the child or parent with whom the child lives by the parent not in the home. These can be:

- Police reports
- Court records/orders
- Medical records
- Statements from CPS

d) A written statement from a public or private agency confirming the parent is being assisted in the decision to keep the child or give the child up for adoption.
e) Written statements from individuals, other than the parent with whom the child live, who have knowledge of the household's circumstances which provide the basis for a good cause claim.
f) A written statement from the parent with whom the child lives, which provides sufficient basis for a good cause claim.
g) A written statement from the parent with whom the child lives that the parent not in the home is living in another country and is unable to join the family due to political violence.

While Benefits Specialists are responsible for making all "good cause" determinations, there may be occasions when the Division of Child Support (DCS) grants good cause. If this occurs, DCS will send a copy of the completed SE-422C Good Cause document to the Benefits Specialist, who should scan it into File Director. ACCESS should be updated with appropriate coding to reflect good cause.

Adult non heads of households with children who have a parent living outside the household, are allowed good cause for not cooperating with DCS

3820 CURING NON-COOPERATION WITH DCS

If a SNAP head of household has a previous non-cooperation with DCS, they must clear up the sanction with DCS before they can be added to SNAP.

If the customer states they would now like to cooperate with DCS, EA Staff will assist the customer in determining what actions he/she must take to remove the non-cooperation. EA and DCS staff should work together to help the customer cooperate and then cure the sanction. If there are situations that are proving difficult to resolve, please contact SNAP state office staff for assistance.

For households that may be expedited, EABS will need to approve the case with the head of household sanctioned if they do not resolve the sanction with DCS prior to the 7th day. For non-expedited households, the household should be given the full 30 days to resolve the sanction prior to approving the case.

3830 COOPERATION WITH DCS WHEN ADDING CHILD(REN)

When an ongoing SNAP household is adding a child(ren) or when a newborn is being added, the head of household, who is the parent with whom the child is living, is required to cooperate with DCS by completing the EA-231/232. In these situations, the head of household must be given 10 days to complete these forms, providing information about the parent who is not in the household. In order to meet the required timeframes, if there are not 10 days remaining in the month, the child should be added to the household and the head of household given the full 10 days to cooperate.

If the information is not received within 10 days, then the head of household is sanctioned and removed following 10 day adverse action.

3840 ENDING COOPERATION WITH DCS

The cooperation requirement with DCS ends when a child turns 18. The month in which the child turns 18, DCS cooperation is no longer required. On the ABSP panel, a removal date for the child should be entered using the month the child turns 18. If this is the only child on the ABSP panel, then the panel should be deleted at the next renewal or six-month report period as it is no longer needed for SNAP.

In addition, if a child is removed from the household where cooperation with DCS is a requirement, the Benefits Specialists must also ensure removal dates have been entered on the ABSP pnl for the child removed from the SNAP case, regardless of age. If a parent has been sanctioned for non-cooperation, the removal date entered for the child will cure the sanction.

Example: Jane has been in a sanction status for not cooperating with DCS for the father of her child, Tyler. Tyler is turning 18 on September 13th. In August, the EABS receives an edit on Jane's case for the benefit month September stating Tyler is turning 18. The EABS should go in to the ABSP panel where Tyler is listed and enter the removal date on Tyler's line as showing he is removed for September. This will cure the sanction for Jane and make Jane eligible for SNAP once again. At the next renewal or 6-month report, the ABSP pnl should be deleted since Tyler is the only child on the case.

3900 OTHER GENERAL REQUIREMENTS

3910 NATIONAL VOTER REGISTRATION ACT REQUIREMENTS

The National Voter Registration Act (NVRA) requires that states provide customers with the opportunity to register to vote when an application for assistance, recertification form, or a change of address is submitted for a public assistance program such as SNAP, TANF, Medicaid, LIEAP, and Child Care Assistance.

The Voter Preference Question "If you are not registered to vote where you live now, would you like to apply to register to vote here today?" is included on all DSS application/recertification forms and the DSS-EA-214 Six Month Report form. If the customer marks "Yes" to this question or if they leave the question blank, EABS must send a Voter Registration Application to the customer to complete.

For all in-person transactions, DSS will provide the Voter Registration Application during the transaction itself, rather than mailing it to the client following the transaction.

When the customer reports a change of address, a Voter Registration Application is automatically sent to the customer when the address is updated on ACCESS. If a customer reports a change in address, it is important that the address be updated on ACCESS so that this form is automatically sent to the customer.

For changes of address conducted remotely:

For address changes reported by telephone, the employee who speaks with the customer shall inform the customer that they will receive a Voter Registration Application by mail and may seek assistance in completing the Voter Registration Application at any local DSS office.

For address changes reported by email, DSS will promptly email a confirmation notice to the customer notifying them that DSS will mail a Voter Registration Application and that they may seek assistance in completing the Voter Registration Application at any local DSS office.

For address changes submitted online, DSS will promptly notify the customer by email, text message, or other electronic means that DSS will mail a Voter Registration Application and that they may seek assistance in completing the Voter Registration Application at any local DSS office.

To register to vote in South Dakota an individual must:

a. Be a United States citizen
b. Be a resident of South Dakota for 30 consecutive days
c. Be at least 18 years old on or before the next election
d. Not currently serving a sentence for a felony conviction which included imprisonment, in an adult penitentiary.
e. Not be judged mentally incompetent by a court of law.

Benefits Specialists may assist an individual complete the voter registration application, however, DSS is prohibited from doing the following:

a. seeking to influence an applicant's political preference or party registration; or
b. displaying any political preference or party allegiance; or
c. taking any action or making any statement to an applicant to discourage the applicant from registering to vote; or
d. taking any action or making any statement that may lead the applicant to believe that a decision to register or not to register has any bearing on the availability of services or benefits.

DSS will help an individual complete the Voter Registration Application. You must "provide to each applicant who does not decline to register to vote the same degree of assistance with regard to the completion of the registration application form as is provided by the office with regard to the completion of its own forms, unless the applicant refuses such assistance." (52 U.S.C. § 20506(a)(6)(C))

Completed Voter Registration Applications must be date stamped with the date it was received in the office.

Completed Voter Registration Applications must be mailed to the county auditor no later than one business day after the office receives it. The original application must be mailed, not emailed, faxed, or scanned; as the county auditor must have the original signature. DSS will record the date each Voter Registration Application was transmitted to the county auditor and the method of delivery (first-class mail, hand delivery, etc.).

South Dakota law recognizes a bifurcated voter registration system under SDCL § 12-4-1.3:

- **Full Registration:** Allows participation in all federal, state, and local elections.
- **Federal-Only Registration:** Limits participation to federal offices (President, Vice President, U.S. Senate, and U.S. House of Representatives).

Applicants who fail to meet either the residency requirement or provide documentary proof of citizenship at the time of registration will be classified as Federal-Only Registration.

Verification of citizenship **does not** affect currently registered voters.
The requirements apply only to

- Individuals registering to vote for the first time or

- Individuals who are registering to vote after having previously been removed from the voter registration list.

The following individuals are **not subject** to the new proof of citizenship requirement:

- Currently registered voters and
- Inactive voters who remain on the voter rolls.

Acceptable Documentary Proof of Citizenship For Voter Registration Only

1. A South Dakota driver license or nondriver identification card issued after July 1, 2025;
2. A driver license or nondriver identification card from another state indicating citizenship has been verified;
3. A tribal identification card; or
4. A photocopy of one of the following:
    - Birth certificate;
    - United States passport;
    - Consular Report of Birth Abroad issued by the U.S. Department of State; or
    - Any other documentation permitted under 42 C.F.R. § 436.407.

Benefits Specialist must ensure narratives reflect the following:

- The applicant's answer to the voter registration question
- **Assistance offered** in completing forms or updating registration
- Any forms completed in the office or sent to the customer

3920 CONVICTED FELON ATTESTATION PROCEDURES

Certain convicted felons not in compliance with the terms of their sentence or parole are ineligible to receive SNAP if the conviction happened after February 7, 2014. Additionally, a question on the application asks them to attest if they have a felony conviction and if so, are they in compliance with their sentence or parole provisions.

If customers answers "Yes" to this question, then the Benefits Specialist must review the list of ineligible convictions to determine if the customer is ineligible based on the information provided. If the customer's conviction is found on the list in Section 7370 the Benefits Specialist must not give them eligibility for SNAP. Instead, these individuals will be coded as fleeing felons. Benefits Specialists will use code "F" under the "SNP SPDQ" field on the MEMS panel.

If they answer "No" and the Benefits Specialist suspect that the answer is questionable, then they must send a request for investigation using the 889 form. Verification is not needed and cannot be requested unless their response is questionable.

Once information is received from ORFI and the information affirms they are a convicted felon not in compliance with the terms of their sentence, then they will be disqualified from SNAP, and the Benefits Specialist may also pursue an SPV.

If the case is expedited, but is pending investigation, the Benefits Specialist must approve the case and then act on the results of the investigation once received.

CHAPTER FOUR: APPLICATION PROCESS

4000 APPLICATION PROCESS

4100 FILING AN APPLICATION

Applications must be readily available and can be filed in any of these ways:

- In person
- By mail
- By fax
- By email
- Via online application

If a customer contacts DSS by phone, but is unable/does not wish to come into the local office to file an application, then:

1. Provide the online application website
2. If the customer prefers, mail an application form the same day the call is received
3. If the customer prefers, email an application to the individual the same day the call is received.

If a customer sends a written request for an application and includes a phone number, then:

1. Call to see if the customer prefers to complete the application online, have the application mailed to them, or have the application emailed to them.
2. If the customer cannot be reached by phone, then the application will be mailed to the customer the same day or next working day after the written request was received.

Important:
The individual must be informed of the right to same day filing and that benefits are calculated from the date the application is filed.

If the application is emailed, remind the customer that a written signature must be on the application. We cannot accept electronic signatures at this time.

4110 APPLICANT FILING RIGHTS

Applicants and participants must receive timely, accurate, and fair service. Applicants must be allowed the opportunity to file an application and complete the application process without undue hardship to them.

a) Applicants have the right to file an application in any DSS office regardless of where the applicant resides. If an applicant goes to an office in a county, he/she does not reside in, the office will offer an opportunity to complete the application **and interview** at that time. If the individual declines to interview that day, he/she must be asked to complete page one, so the application date is set.

   If the individual has a valid reason for preferring the application to be handled from that office, make an appointment and give him/her the rest of the application and the DSS-EA-300, Cover letter and Verification Checklist.

If the individual does **not** have a valid reason, provide the resident county office contact information and tell the applicant that he/she will be contacted with an appointment time and place, along with a verification checklist. Then contact the Supervisor in the resident county for transfer information and alert him/her that a pending application will be scanned, and an appointment needs to be made. Scan the application the same day, if possible, or if not, then the next working day. Resident county rules apply regardless of where the case is kept. Rules that differ depending on county residence are work registration (Minnehaha and Pennington counties are Employment & Training) and ABAWD exemptions.

b) Households with special needs **must** be allowed the opportunity to file an application and complete the application process without undue hardship on them. Special needs households include households with members:
   - Who are elderly or disabled
   - Who reside in remote rural areas
   - Who are homeless
   - Who are not proficient in English
   - With earned income (working households)

   If individual states they are unable to come to the office during normal working hours and the request is reasonable, alternate application and interview processes must be determined. Alternate procedures could include:
   - The use of a knowledgeable authorized representative
   - Mailed application
   - Telephone interview
   - A prescheduled home visit
   - Making an appointment outside of regular business hours (before 8:00 a.m., over the noon hour, or after 5:00 p.m.)
   - Arranging for interpreters to be available at the scheduled interview time

c) Applications may be filed by an adult member of the household or the household's authorized representative.
   - If the full application is filed, as long as an adult household member or the AR has signed the back of the form, a signature is not required on the first page.
   - If only page 1 is filed, a signature is required on the first page, and also required on the back page when the remainder of the application is submitted.
   - If the AR is applying on behalf of the household, it is acceptable to only have the AR signature on the application.

d) For initial month benefits, the day the signed application or signed first page is received is the application date and the date benefits will be prorated from. The filing date for an online application or an emailed application is the date the application was submitted, unless it is submitted after 5:00 p.m. Central Standard Time, or the offices are closed. Then it is the next working day.

   The following are exceptions to the application date designation:
   - The application date is the date an individual was released from an institution if the individual jointly applied for SSI and SNAP prior to leaving an institution
   - The application date is the date the SSI office received the signed SNAP application if SSI takes the SNAP application during the SSI application or redetermination process.
   - The application date is the date an individual is released from a correctional institution for those situations when a Dept. of Corrections staff has assisted the individual in applying for SNAP prior to his/her release date.

4120 RIGHT TO SAME-DAY FILING

Individuals **must** be advised of their right to file an application form (printed or online) on the same day contact is made with DSS during office hours. The DSS-EA-301, Economic Assistance Application, also advises households of the right to file an application on the same day initial contact with the office is made. Individuals do not have to be interviewed before filing the application form as long as the form contains the applicant's:

- Name
- Address
- Signature of a responsible household member or the Authorized Representative (page one of the DSS-EA-301 Economic Assistance Application)

Individuals should also be told that benefits start the date the first page of the application form is received during working hours. If the initial contact is by phone, encourage the individual to come to the office that day or to file online. If the individual is in the office, DSS must ask that he/she complete the first page of the application form. The individual may decline to complete page one if he/she chooses. Every attempt should be made to also set up an appointment the same day the application is filed (see section 5100 for more information).

DSS must document the date the application was filed by recording on the application the date it was received by the DSS office. DSS will also provide an application form to anyone requesting one.

Note: These requirements also apply to households applying for TANF.

When a resident of an institution is jointly applying for SSI and SNAP benefits prior to leaving the institution, the filing date of the application is the date of release of the applicant from the institution. Social Security or the Department of Corrections is responsible to notify DSS when the individual is released from the institution to start the application processing period.

4130 DSS EMPLOYEE APPLICATIONS

To avoid conflict of interest, ensure privacy, and protect the agency from potential fraud, all applications received for DSS employees MUST be processed by an EA Supervisor, Regional Manager, Program Specialist, or Program Administrator. Additionally, a second supervisor must review the eligibility determination. The second supervisor could be a supervisor in another office, Regional Manager, Program Administrator, etc. Eligibility systems do not support or require dual approvals, so thorough documentation in the case narrative will be necessary. The case file (all supporting documentation) is to be stored in the secure file director folder. The narrative section narratives should state "hard copy narrative on file" and stored with the other supporting documentation in the Secure File Director folder for the case. All household, income, resource, and expense panels should be entered into the mainframe system to ensure correct eligibility determinations.

When the recipient is no longer a DSS employee, the case can return to normal processing guidelines and storage at the next renewal.

In addition, Benefits Specialists will **not** process benefits for relatives, close friends, or any person where there is a real or perceived conflict of interest. The Benefits Specialist MUST notify the supervisor prior to starting the application process or accepting responsibility for an on-going record.

4140 PAPER APPLICATION PROCESS

Paper applications are received by mail, fax, drop off, or email at the local office. If the applicant drops off the application, they are given the option of seeing a Benefits Specialist right away or scheduling an appointment for a later date.

If the application is received by mail, fax, email, or in a drop box, **within 1 working day from the date the application form is received**, the Benefits Specialist must enter it on ACCESS and complete the DSS-EA-300, Cover letter and Verification Checklist, to notify the household of what action the household needs to take to complete the application process.

Within two working days of receipt of a signed application, the Benefits Specialist must enter the initial application information on the STAT panels with the information that is available **AND** enter an initial application narrative on ACCESS.
The DSS EA 300 should indicate:

- A list of the required verification(s)
- The appointment date (if the interview has not been completed)
- A list of the non-required verifications
- The date by which the required verification must be received

If the application is received via mail, fax, drop off, or electronically, the pending notice (DSS-EA-300) should be mailed to the household **within 1 working day of the receipt of the application or first page**. A pending notice is also given to the household at the close of the interview whenever some action is required by the applicant or DSS to complete the application process.

4150 ELECTRONIC APPLICATION PROCESS

Applicants can apply online at https://eaportal.sd.gov/. The website has instructions for the applicant on how to file an online application. Customers may electronically submit the entire application or page one (name, address, and signature) of the application. The customer may also start the application process and save the information for submission at a later date.

4160 NOTIFICATION OF PENDING APPLICATION

Whenever information is needed in order to make a determination on the case, a pending notice must be sent informing the household of the necessary information that is needed. The DSS EA-300 cover letter and verification checklist is considered the pending notice and should be used to inform the household of any necessary information to complete the application process. The cover letter has space for the Benefits Specialist to add any notes that the checklist may not cover. The checklist will also include the timeframe the household has to return the information before the application is denied. *See Appendix 2 for examples for use of the EA-300.

4200 APPLICATION MONTH

A household's benefit level for the initial application month of certification will be prorated based on date the application was received by the DSS office.

The date of application is the date an application for SNAP is received by DSS as outlined below:

- Online Application: The application date will be the current date if the application is filed prior to 5:00 p.m. (CST). If the application is filed after 5:00 p.m. (CST), the application date will be the following day.

- In-Person: The application date is the date the application is received in the Department of Social Services' office.
- Mail: The application date is the date the application is received in the Department of Social Services' office.
- If the application is received in a drop box, email, or fax after 5:00 p.m., it will be date stamped the following day.

4210 INITIAL MONTH

The initial application month is the first month a household applies if the head of household (usually the applicant) was not certified for SNAP benefits in South Dakota the previous month.

> **Exception**: If the household's SNAP case was correctly closed for the month, and later in the month, the household became eligible and reapplies; it will be considered an application month, and benefits will be prorated from the application date.

A household's eligibility will be determined for the month of application by considering the household's circumstances for the entire month of application even when the certification decision may not be made until the following month. This rule does not apply to households that delay completing their application past the end of the allowed processing period.

4220 COMBINED ISSUANCE

Households applying for initial benefits after the 15th of the month, who have completed the application, have provided all required verification within 30 days of the date of application, and have been determined eligible to receive benefits for the initial month of application and the next subsequent month, will receive their prorated allotment for the initial month of application and their first full month's allotment at the same time.

- ACCESS approval for combined allotments **must** be done on the same day.
- After approving the initial month's eligibility, make sure the eligibility results have completely gone through background before approving the second month's benefits.
- Double check that both months' eligibility results remain approved prior to the end of the work day.

Households who apply for initial benefits after the 15th of the month **and** are eligible for expedited service provisions, have verifications postponed for both months, provided the household is eligible and the eligibility results are approved on the same day.

Households applying after the 15th of the month who have been determined ineligible to receive benefits for the initial month of application or the next subsequent month or households with missing or postponed verification will have their application processed according to normal processing procedures.

4230 BENEFIT AVAILABILITY

A household **determined eligible** for SNAP through the eligibility determination process **must** have an opportunity to use the benefits as soon as possible, but no later than 30 days following the date the application was filed (7 days if expedited). The first day of the 30 day period is the day following the application date. When the 30th day falls on a non-workday (weekend or holiday), the case must be approved by the end of the day on **Friday before the weekend** or the **last working day before the holiday.**

Example:
An individual applies on June 5th. The 30th day for approval is Sunday, July 5th. The EABS must approve the case on Friday, July 3rd in order for the benefits to be available in the applicant's EBT account on Sunday, which is the 30th day.

An opportunity to the benefits means:

- The household must be able to use their benefits on or before the 7 or 30 day processing period expires.

If the EABS is still waiting on required verification to determine eligibility for SNAP and the 30th day falls on a weekend or holiday the EABS must wait until the next working day to determine eligibility. If the required verification is received on the next working day and the case is approved, the case is still considered timely since eligibility could not be determined until the required verification was received.

Example:
An individual applies on June 5th. The 30th day for approval is Sunday, July 5th. The EABS is waiting on verification of tribal casino payment. The verification is not received by Friday, July 3rd, so the EABS must wait until Monday, July 6th to see if the verification is received. The verification is received on Monday July 6th, so the case is approved on the 31st day and is considered timely approved.

Households who are determined eligible for expedited service **must** have their benefits available in their EBT account no later than 7 calendar days following the date of application. The fact that a weekend or a holiday may be included in the 7 calendar day period does not lengthen the processing time frame.

Whenever the approval is unavoidably delayed until the last day of the processing period, the EBT benefits will be automatically put into the customer's EBT account that night when the EBT payroll runs, thus meeting the 7 or 30-day processing requirement.

Residents of public institutions who apply jointly for SSI and SNAP benefits prior to release from the institution, or correctional facility residents who apply for benefits prior to their release, must be provided an opportunity to participate as soon as possible but not later than 30 days (7 days if expedited) following the date of release of the applicant from the institution. (The application date is the date of release.) The 7/30-day count starts the day following the application date.

4240 FORMULA FOR PRORATING INITIAL MONTH BENEFITS

DSS will use a standard 30 day calendar month. A household applying on the 31st of a month will be treated as though it applied on the 30th of the month.

- The formula for prorating initial month's benefits will be:

$$\text{Full month's benefits} \times \frac{(31 - \text{date of application})}{30} = \text{allotment}$$

Example: The household applies on August 18th and is approved for $275 for a full month's benefits.

$$\$275 \times \frac{(31-18)}{30} = \$119 \text{ (allotment for August)}$$

After determining the allotment, benefits will be rounded down to the nearest whole dollar. If the computation results in an allotment of less than $10, then no issuance will be made for the application month.

4250 MINIMUM ISSUANCE

Except during an initial month, all eligible one-person and two-person households shall receive minimum monthly allotments equal to the minimum benefit. The minimum benefit is 8% of the maximum allotment for a household of one, rounded to the nearest whole dollar.

> **Reminder**: When a prorated allotment is less than $10, no benefits are issued for the application month.

Any one or two person households who are categorically eligible are entitled to a minimum amount. Households are not provided a minimum monthly allotment in the event of a nationally ordered suspension, cancellation or reduction in benefits of 90% or more or if the household's allotment is being reduced to recoup an overpayment.

4300 DELAYS IN PROCESSING

When it is not possible to determine eligibility by the end of the application processing period, the Benefits Specialist must determine the cause for the delay before denying the application.

4310 DELAY CAUSED BY HOUSEHOLD

Households that fail to provide necessary information or complete the application process, **must** be issued a notice of denial on the 30th day. The household should have the maximum allowable time to establish eligibility and receive benefits.

> **Note:** This policy does not apply to households who have actively refused to cooperate in the application process.

The reason for denial due to delays caused by the household is required to be documented. The documentation must include an explanation that the four conditions below have been met. (If these conditions have **not** been met, DSS is at fault and the case must be held open.)

1. The Benefits Specialist offered, or attempted to offer, reasonable assistance to the household in completing the application form.
2. The Benefits Specialist must have informed the household of the need to register for work and allowed at least 10 calendar days for the member to register or go to work.
3. When verification is incomplete, the household was provided with a statement of required verification, DSS-EA-300, Verification Checklist, and assistance was offered to the household in obtaining the required verification. The household was allowed at least 10 calendar days to provide the verification.
4. If the household missed an interview, a notice of missed appointment was sent with a request that the household reschedule the appointment.

When the household postpones a rescheduled interview or when the interview cannot be rescheduled until after the 20th day, then the household must:

- Physically appear for the interview
- Bring verification
- Register members for work by the 30th day
- Complete the application process by the 30th day

If the household does not do so, the delay is the fault of the household. If the household misses both interviews and requests a third, any delay is the fault of the household.

If by the end of the processing period further action cannot be completed on the application and the delay is the fault of the household, a notice of denial **must** be issued on the 30th day following the date the application was filed or in the case of a non-work day, the next working day. The household loses its rights to benefits for the month of application.

4320 DELAY CAUSED BY DSS

When DSS fails to process an application within the required time limit, immediate corrective action **must** be taken. The application will **not** be denied, and the household must be notified by the end of the 30 day period that its application is still being considered. This notice also must inform the household if any action by the household is needed. A SPEC C NOTC may be used for this purpose.

If the household is determined eligible during the second 30 day period, the household is entitled to benefits beginning with the date of application. However, if the household is found to be ineligible, the application is denied.

If DSS is at fault for not completing the application process within 60 days of the application date when all the required information had been received, the application must be processed as soon as possible for the original 60 day period. A new application is then required after the original 60 day period.

If DSS is at fault for not completing the application process within 60 days of the application date and the required information is not complete, deny the application and notify the household it must reapply if it wishes to receive benefits. The household is advised of possible restoration of lost benefits because of DSS delay. Such benefits would be calculated beginning with the date of application.

If the delay was the household's fault in the initial 30-day period, and DSS is at fault in the second 30-day period, benefits begin the month following the month of application.

If the delay was the fault of DSS during the first 30-day period, but the fault of the household during the second 30 days, the application must be denied, and the household is not entitled to restored benefits for either period. The household must be advised that it must reapply if it wishes to obtain benefits.

4400 DUPLICATE ASSISTANCE

An individual may **not** be certified to participate in more than one SNAP household in the same month unless the individual is in a battered woman's shelter.

Individuals may **not** receive SNAP benefits in two different states in the same month. When individuals move to South Dakota and make application for assistance, contact the other state to verify their SNAP participation. Also, verify ABAWD months if there is an ABAWD residing in the household.

- If the individual received benefits in the other state, deny the application for that month.
- If the individual received benefits in two states for the same time period, the state that certified the individual last is required to complete the over issuance claim.

An individual may not receive SNAP and commodities (through the Food Distribution Program on Indian Reservations [FDPIR]) in the same month, unless the individual is in a battered woman's shelter.

- If an individual applies for SNAP benefits the same month he/she has already received commodities or SNAP with another household, his/her application must be denied for that

month, unless they are in a battered women's shelter.

- If the applicant did not receive SNAP or commodities in the application month but resides with a household that did, the applicant is allowed to have separate household status for one month, if otherwise eligible. The situation must be resolved by the second month.
- If an individual is sanctioned for SNAP benefits (other than an IPV) the individual can apply and receive commodities while the rest of the household receives SNAP. In this situation, the individual that is sanctioned is not considered to be receiving SNAP benefits.

When it is established that an individual received SNAP and commodities in the same month, an overpayment claim is filed **only** if the household received (picked up) commodities first because the household was never entitled to SNAP. If the household was certified for SNAP first, then no claim is needed because the household was legally entitled to SNAP benefits. (Commodities were erroneously received in that instance).

If a household reports they have joint custody of their children, determine if it is truly a joint custody situation in which both households have the children for the same amount of time.

- If it is not a true joint custody situation, the household where the child receives the majority of his/her meals is the household allowed to receive benefits for the child.

> **Example:** Joe and Sally have joint custody of Henry. Henry stays with Sally on the weekdays and Dad on the weekends. The majority of his meals are eaten with Sally on the weekdays. Sally is eligible to receive benefits for Henry. Even though Joe and Sally state they have joint custody, Henry is with Sally the majority of the time and eats most of his meals with her.

- If it is a true joint custody situation and both parents are applying for the children, the household where the child resides on the 1st of the month is the household allowed to receive benefits for the children. This may mean changing the children from one household to another household throughout the certification period.

> **Example:** Matt and Ali are divorced, and both are applying for SNAP assistance with their daughter Autumn. They both state they have joint custody of Autumn. Autumn lives with Matt on Monday – Wednesday and every other Sunday. Autumn lives with Ali Thursday – Saturday and every other Sunday. The Benefits Specialists would need to determine what day the 1st of the month is each month. Autumn would be allowed in Matt's case if the first of the month fell on Mon –Wed or the Sunday he has custody. Conversely, Autumn would be allowed in Ali's case if the first of the month fell on Thurs – Sat or the Sunday that Ali has custody. The benefits specialists would have to flag the case to add Autumn to the appropriate case depending on the when the first of the month falls.

- If it is a true joint custody situation but only one household is applying for the children, that household is allowed benefits for the children.

> **Example:** Sheri and Alan have joint custody of Brittney. Sheri applied for SNAP for her and Brittney. Alan is not applying for SNAP. Sheri is eligible to apply for SNAP herself and Brittney.

If a household reports a new member in their household and that member is already receiving benefits in another household, the following steps should be followed:

- If both households reported the change, remove the member from the current household following 10 day adverse action or adequate notice requirements.
- If only the new household reports the change, remove the member from the current

household if the 10 day adverse action time frame can be met.
    - Send the "Member claimed in two households" macro (or Spec C Notc) to the current household giving 10 days to respond. If no response, add the member to new household after the 10 day period.
- If both households claim the same member, remove the member from the current household following 10 day adverse action time frames.
    - Send the "Member Removed" macro (or Spec C Notc) and do not add the member to the new case until the households resolve the member's residence. Make the change when the two households agree to the member's residence.

4500 APPLICATION CHANGES

Due to anticipated changes in household circumstances, a household may be eligible for the month of application, but then ineligible for the following month. If this occurs, approve the application for the application month, then close the case for the following month, using the appropriate source code.

Similarly, a household may be ineligible for the month of application, but eligible for the following month. Even though the household was denied in the month of application, the household will be approved the following month without being required to complete another application.

Changes which cannot be reasonably anticipated in regard to the date and/or amount must be handled as interim changes occurring after certification.

Changes reported after the interview but **prior** to the application approval must be acted on, regardless of whether the change is a decrease or increase. Changes reported **after** approvals are budgeted as interim changes. This includes information reported from the household as well as information from other sources such as new hire hits, IEVS, etc. The household is not required to report changes between the interview and approval of the application, other than if their income goes over 130% of FPL or if there is an ABAWD that stops working, but if the household reports a change prior to approval of the application, the Benefits Specialist must act on it.

Example: Application received July 1, and the interview was completed July 7th. A change in income was reported July 15th.

- Application still pending: The change must be verified and budgeted prior to July approval.
- Application already approved: Budget the change as an interim change for August.

4510 REAPPLICATION AFTER DENIAL

If the application has been denied and the household contacts DSS for reapplication or takes the required action no more than 60 days following the date the application was filed, the Benefits Specialist must use the original application. The household will not be required to file a new application to obtain benefits. The household is required to report changes which have occurred since the application was filed, preferably by updating the application on file, but if this is not possible, than the Benefits Specialist can update the 301 and initial the changes. The application date is the date the household contacts DSS for reapplication or if the case was denied because of failure to provide a required verification or failure to do take a required action, the application date is the date the verification is provided, or the required action was complete.

4520 WITHDRAWAL OF APPLICATION

If a customer decides that they want to fully withdraw their application and does not want an eligibility determination made on their case; the application must be entered on the system and a withdrawal code entered on the case (STAT-STAT panel). The withdrawal request may be given verbally, in writing, or the EA-335 may be used to document the request. A thorough narrative must be completed explaining the reason for withdrawal. The customer must also be informed that they can reapply at any time in the future.

4600 EXPEDITED SERVICE

When an applicant contacts DSS to discuss potential application for assistance, or an application is received, prescreening for expedited service **must** be completed. Applicants do not request expedited service processing; it is automatically granted if the household meets the criteria.

Expedited service means that the household's benefits must be available (in their EBT account) by the 7th day after the date of application. Expedited service also means that verifications, other than identity, are waived until the following month.

There are three ways in which a household meets eligibility for expedited service processing:

1. **The countable gross monthly income is less than $150 and countable liquid resources do not exceed $100**
    - ACCESS will deduct legally obligated child support payments from the countable income before determining if the income is less than $150.
    - ACCESS will deduct the monthly farm/ranch loss amount from the countable income before determining if the income is less than $150.
    - Liquid resources are resources that readily available to the household such as cash on hand, checking, savings, CDs, stock, bonds).
    - ACCESS totals income from the JINC, BUSI, RBIN, and UNEA panels and then deducts amounts from the CCON panel. If the result is less than $150, ACCESS totals the CASH, BANK, and IVST panels. If the result is less than $100, expedited service is granted.

2. **Destitute migrant or seasonal farm work households whose liquid resources do not exceed $100**
    - If the households meet the destitute migrant or farm work definition, enter "Y" on the ACCESS STAT panel under the Migrant Indicator field. If liquid resources (CASH, BANK, and IVST) do not exceed $100, expedited service is granted.

3. **The household's monthly rent or mortgage plus the appropriate utility standard exceeds the household's monthly countable gross income and liquid resource amounts**
    - ACCESS will deduct legally obligated child support payments from the countable income before determining if the income is less than the total shelter costs.
    - ACCESS will deduct the monthly farm/ranch loss amount from the countable income before determining if the income is less than the total shelter costs.
    - Liquid resources are resources that readily available to the household such as cash on hand, checking, savings, CDs, stock, bonds).
    - ACCESS totals amounts from the RENT or HOME and UTIL panels if this amount is greater than the income amount (JINC, BUSI, RBIN, UNEA, less CCON) plus the liquid resource amount (CASH, BANK, IVST) expedited service is granted.

In order to screen an application for expedited benefits, enough information must be provided on the application to determine if the case meets the 3 criteria above. If only the first page of the application is received, and the household does not stay for an interview or a conversation about the household's circumstances does not occur, every effort should be made to receive the full application from the household within the first 7 days. The case cannot be approved for expedited benefits until a signed full application is received. A signature on the first page of the application locks in the date of the application, but the signature on the back signature page is what is needed to approve the case.

If the household submitted a signed first page and the application was incomplete, the application must be completed during the interview. If the interview is in person, the application must be completed during the office visit. If the interview is by telephone, the application must be completed by the Benefits Specialist during the interview and a copy of the completed application mailed to the household on the same day for a signature on the back of the application. The expedited time frame continues while the application is mailed to the customer. Mailing time includes the day the application is in the mail to and from the household, and the days the application is in the household's possession for review and signature.

There is no limit to the number of times a household can be certified under expedited procedures as long as prior to each expedited certification, the household either completes the verification requirements that were postponed at the last expedited certification or was certified under normal processing standards since the last expedited certification. The benefits specialist should read through the prior narratives to make sure the verifications were provided.

Example 1: In January the household was certified for expedited service. The case closed for February because the household did not submit verification of job quit. Household reapplies in June. Verification of job quit is no longer relevant unless the household had discontinued employment in the last 60 days. The household may receive expedited service since the verification is no longer relevant.
Example 2: In January the household was certified for expedited service. The case closed for February because the applicant did not submit a social security number or make good faith effort to obtain one. Household reapplies in June. The applicant's social security number was not provided. It is still required, so expedited service will not be allowed until the SSN (or proof of effort to obtain it) is submitted.

4610 PRESCREENING FOR EXPEDITED SERVICE

Benefits Specialists **must** screen applications when they are received to determine if the household is entitled to expedited services. When prescreening incoming applications or handling requests for applications, the following items may indicate that the household is eligible for expedited service:

- The applicant indicates verbally or on the application form that the household has no income and no liquid assets.
- The household has countable income less than $150 and the household's liquid assets are less than $100.
- The household's combined monthly gross income and liquid resources are **less than** the household's monthly shelter expenses.
- The household indicates that it is a household of migrant or seasonal farm workers.

Please note that if just the first page of the application is received and no conversation with the household has occurred, it is not possible to screen for expedited. All efforts should be made to contact the household to obtain information to determine if the case is expedited or not.

4620 EXPEDITED SERVICE TIME FRAMES

Households eligible for expedited service processing **must** have their benefits in their EBT account within 7 calendar days following the application date. The first day of the 7 day processing time starts the day after the application date. The fact that a weekend or a holiday may be included in the 7 calendar days does not lengthen the 7 day processing time frame.

A resident of an institution who applies prior to his/her release from the institution, and who is entitled to expedited service, must have the opportunity to receive benefits within 7 days from the date of release from the institution (application date).
Households entitled to expedited service that applied after the 15th of the month, provided identity verification, completed the application form, completed an interview, and were determined eligible for the first and second months **must** have both months' benefits available no later than the 7 calendar days following the date of application.

4630 EXPEDITED SERVICE REQUIREMENTS

If the case has been determined expedited, expedited service cannot be granted if the following does not occur within 7 days of the application date:

1. The household did not complete an interview; or
2. The household did not submit verification of identity (ACCESS will not allow approval of benefits without verification of identity), or
3. The household did not provide postponed verifications from the last expedited issuance, if the verification is still relevant to the household's circumstances.

If any of the three requirements are not met within 7 days following the application date, the EABS is not required to provide expedited service to the household. The application follows normal processing time frames however, the case is still considered "untimely" for Quality Control review purposes. For this reason, it is important to make every effort to assist the household in completing an interview within the 7 day period, providing a complete application, and providing identity.

If the household does meet all expedited requirements, it is important to remember the following:

- If necessary, to meet the expedited time limits, verification (other than identity) **must** be postponed. The identity of the person making application must be verified in all cases. The household's residence must also be verified whenever possible but must be waived if not provided within 7 days. Readily available documentary evidence or a collateral contact will be used for waived verifications.
- Within the expedited time limit, using readily available documentary evidence or collateral contacts, all reasonable efforts must be made to verify household income (including the lack of income), liquid assets, legally obligated child support payments, and all other required factors. However, benefits will not be delayed beyond the 7 day processing time solely because these eligibility factors have not been verified.
- It is important to make all reasonable efforts to verify income and liquid assets within the appropriate time standards because income and liquid assets are criteria for entitlement to expedited service. If legally obligated child support payments are used in the eligibility or benefit determination level, verification should be obtained with reasonable efforts.
- Obtain as much verification as possible during the application process. Do not unreasonably delay the expedited approval for further verification if it is unlikely the additional verification can be completed within the time limit.

4640 EXPEDITED SERVICE REQUIRED APPLICATION INTERVIEW

If a household is determined to meet the expedited service criteria, an interview must be made available within 7 days following the application date. If the applicant doesn't complete the interview within 7 days following the application date, or meet any of the other 2 criteria, the applicant loses his/her rights to expedited service and the application follows normal processing time frames and regulations.

4650 LATE EXPEDITED DETERMINATION

All expedited cases **must** have benefits available (in their EBT account) within 7 days following the application date to meet the application processing timeliness standard. In some circumstances, a case may not be identified as expedited until after the 7 day timeframe has passed. Failure to identify eligibility for expedited service may be due to:

- Prescreening fails to identify a household which is entitled to expedited service and this entitlement is not discovered until a later date.
- Information is not known until after the 7 day time frame to determine expedited service.

In these cases, the application does not meet the QC timeliness standard. Although the case does not meet the application processing timeliness standard of 7 days, it is still important to have benefits available to the household within 7 days of the date it was discovered as expedited. This is defined as the "Date of Discovery". Once the EABS discovers the case is eligible for expedited service, benefits must be available to the household no later than 7 days after the date of discovery.

> **Example:** The household has self-employment income but does not know the monthly income and did not submit the income tax forms or ledgers until the 10th day. If the household is eligible for expedited service after the self-employment income is determined, the benefits must be available to the household no later than 7 days after the information is received.

4660 POSTPONED VERIFICATION FOR EXPEDITED HOUSEHOLDS

Expedited households are the only households where the mandatory verifications (excluding identity) can be postponed. All mandatory verifications, including questionable information, must be postponed if unable to verify within the expedited time frames.

If required verifications (other than identity) were postponed to meet expedited time frames, the verifications must be completed prior to approving the next month's benefits for all applications taken before the 16th of the month. If the application is taken the 16th of the month or later, the verification may be postponed until the end of the second month.

The household must be notified of the requirement to submit the postponed verifications and the time frame for submitting them. The notice also must advise the household that if the verification process results in changes to the household's eligibility or level of benefits, the changes will be acted on without advance notice of adverse action.

- The DSS-EA-300 should be used to notify the household of the postponed verification requirement. The notice must be sent the same day the expedited benefits are approved.

If the verifications are not received by the end of the month (or second month for combined issuance cases), close the case for failure to provide required verifications. If the household provides the verifications after benefit termination and still wants to receive benefits for that month, a new application is required. The same DSS-EA-301 may be used if it the verifications are received within 60 days of the initial application submission.

Examples of postponed verifications are:

- Social Security Numbers: Households must be asked to furnish or apply for a social security number for household members that wish to apply for benefits but will not be required to do so until after they have received their first allotment, if the application date is prior to the 16th of the month. Individuals unable to provide SSNs, do not have a SSN, or have not furnished proof of an application for a SSN after the postponed time frame has elapsed will be excluded.
    - If the application is on the 16th of the month or later, the household members may postpone furnishing or applying for a social security number until the end of the second month.

> **Exception:** Social Security numbers are not required for individuals under 6 months of age.

- Work registration: The applicant will be required to register for work unless exempt or unless the household has designated an authorized representative to apply on its behalf. The applicant may also register other non-exempt household members by completing the registration form, but registration of non-applicant members will be postponed if the registration cannot be accomplished within expedited time frames. Expedited benefits must not be delayed if work registration of the other members or questionable exemptions from registration cannot be accomplished within the time limit.

- Citizenship: The citizenship status for all household members requesting benefits should be marked in the member panels on the DSS-EA-301, Economic Assistance Application. If citizenship status is not marked for all requesting household members, request the information during the interview, and if possible, have the applicant mark the status. If the applicant is unable to mark the status, the benefits specialist may mark the citizenship status, initial, date the change and have the applicant sign the application. Documentation in the record file is also essential. If an individual chooses not to provide citizenship status, he/she is an excluded member.

- If a household member is listed as a non-citizen, and the applicant states the individual meets one of the non-citizen requirements, verification of the individual's U.S. legal residency documentation may be postponed for the expedited month (or two months for combined allotments). Document what the applicant reports and how the non-citizen(s) meet eligibility requirements. If the individual is determined not to be eligible when the documentation is received, the household is responsible for any over issuance.

4700 AUTHORIZED REPRESENTATIVE (AR)

An adult who is aware of relevant household circumstances may be designated as an authorized representative (AR) when all responsible household members are unable to:

- Complete the application and/or renewal process and/or report changes; or
- Obtain and/or use benefits.

There are two types of authorized representatives:

1. Needed for assisting in the application, renewal or reporting change process; and/or
2. Required for Community Support Provider facility or alcohol/drug center residents

The authorized representative must be appointed in writing and have knowledge of the household's circumstances. If the authorized representative is completing the Supplemental Nutrition Assistance application process on behalf of the household, their ID must be provided and verified. (see section 3100 for details on Identification) ID is not required for an AR if the AR is not applying for the applicant.

Except for community provider support facilities or drug/alcohol treatment centers acting as an authorized representative, the household is liable for any over issuance of benefits because of any incorrect information the household's authorized representative provides.

All authorized representatives will be identified on the ALTR panel on ACCESS.

4710 AUTHORIZED REPRESENTATIVE DESIGNATION

The head of household, spouse or other responsible adult household member can choose an authorized representative (AR) to complete the application process, report changes, close the case and use SNAP benefits on behalf of the household only with the household's knowledge and consent. To apply or report changes, the AR must know about the household's circumstances. The head of household, spouse or other responsible adult household member must appoint the AR in writing if the AR is completing the SNAP application process.

Children under 18 may be named as an authorized representative by the head of household, spouse or other responsible adult household member **only** for the ability to use the EBT card to purchase food for the household. A household member under the age of 18 may not sign the application form, unless he/she is emancipated and applying for benefits on his/her own.

4720 AUTHORIZED REPRESENTATIVE APPLICATION PROCESS

The head of the household, spouse, or another responsible adult member usually completes the application process, with the exception of community support provider facilities and alcohol/drug treatment centers. If the head of household, spouse or another responsible adult member cannot complete the application process because of employment, health, transportation, or similar reasons, then he/she may choose an adult who is not a household member as an Authorized Representative(AR), which allows them to apply on behalf of the household. The head of the household or spouse should complete or review the application, if possible, even though another adult member or the AR is actually interviewed. The responsible adult household member or the AR may also give any information necessary to register the household members for work who must meet work registration requirement.

Community support provider facility and alcohol/drug treatment center staff are required to be the authorized representative for their residents. The residents are not allowed to apply on their own behalf, unless they move into independent living.

Verification of the head of household's identity and the authorized representative's identity is required when an authorized representative applies on behalf of a household.

4730 WHO CAN BE AN AUTHORIZED REPRESENTATIVE

When the head of household or the spouse cannot make application, another responsible adult household member may apply or an adult, non-household member may be designated as the AR for this purpose. Adults who are non-household members may be designated as ARs for certification purposes **only** if they:

- Are designated in writing by the head of the household, or the spouse, or another responsible member of the household. This designation must contain the name and address of the designated person, the signature of the member making the designation, and the date of the designation. If the designation is being made by a member who cannot sign, his/her mark must be witnessed. The witness' signature, address, and the date of

witnessing must all appear on the designation. The witness must be a person other than the AR. A separate written statement filed in the record meets this requirement; and
- Are sufficiently aware of relevant household circumstances. The AR must co-sign and date the application if they are applying on behalf of the household; or
- Are appointed as authorized representative by the community provider support facility or drug/alcohol treatment center's director.

In the event the only adult member of a household is classified as a non-household member, that person may be designated as the AR for the minor household members.

4740 WHO CANNOT BE AN AUTHORIZED REPRESENTATIVE (AR)

The following individuals may **not** be designated as AR:
- DSS employees who are involved in the certification process and retailers that are authorized by FNS to accept SNAP benefits may not act as ARs without the specific written approval of the designated DSS official, such as the local supervisor, after a determination has been made that no one else is available to serve.
- Individuals disqualified for intentional program violation will not act as ARs during the period of disqualification, **unless** the disqualified individual is the only adult member of the household able to act on its behalf and it has been determined that no one else is available to serve. The Benefits Specialist will separately determine whether these individuals are needed to apply on behalf of the household and to use the card for the purchase of food for the household.
- Homeless meal providers may not act as authorized representatives for SNAP households.

4750 EMERGENCY AUTHORIZED REPRESENTATIVE (EAR)

The head of household or other adult household member may designate an emergency authorized representative (EAR) at any time in the certification period to use the EBT card to obtain benefits for the household when the regular AR is not available. The EAR is not intended to be a regular AR for the household; it is only at those times due to unforeseen circumstances; the household or regular AR cannot access the EBT card to purchase food for the household. Each EAR designation can only be used once. Households must be advised of the availability of naming an EAR when they apply for benefits.

To name an EAR, the household must have a written statement that names the person as the EAR contact. The statement must be signed by a household member and must also be signed by the person being named as the EAR. The household cannot be required to come to the office to execute the EAR. The EAR may bring in the written statement to the office, fax, email, or mail the statement to the office. The benefits specialist must put the statement in the case file and narrate the one time use of this person as the EAR. No photo ID is required for the EAR.

4760 AUTHORIZED REPRESENTATIVE DISQUALIFICATIONS

If evidence has been obtained that an AR has misrepresented a household's circumstances and has knowingly provided false information pertaining to the household, or has made improper use of the EBT card, the authorized representative may be disqualified from being an AR for up to one year.

Before disqualifying the AR, written notification must be provided to the affected household(s) and the AR 30 days prior to the date of disqualification. The notice must include the:

- Proposed action;
- Reason for the proposed action;
- Household's right to request a fair hearing;
- Telephone number of the office; and,
- Person to contact for more information.

Once a person is disqualified as an AR for a particular case, the benefits specialists should narrate this on the case and flag the case for one year, so that if the household wants to name this person as an AR again, they can do so after the year has expired.

If there is no other AR available for the household, the benefits specialist should discuss with the supervisor and a special exception may be allowed to have this person as the authorized representative. Special consideration should be taken to determine if the household is in need of an AR or not.

This provision is not applicable in the case of drug and alcohol treatment centers and the community support provider (CSP) facilities which act as ARs for their residents.

4800 SEPARATION OF DUTIES

In order to safeguard certification and issuance of benefits from unauthorized creation or tampering, Benefits Specialists who have permission to approve eligibility determinations, will not have the ability to issue EBT cards. Benefits Specialists may have query permissions for the EBT system but will not have the ability to issue cards.

CHAPTER FIVE: INTERVIEW

5000 INTERVIEWING HOUSEHOLDS

5100 STANDARDS FOR INTERVIEWS

All households, including expedited and those submitting applications/renewals by mail or electronically, must have an interview. The interview will be conducted by qualified staff prior to approval/denial, or closure of the initial application or renewal. The individual interviewed may be:

- The head of household
- Spouse
- Any other responsible adult member of the household
- An authorized representative.

The customer may bring any person he/she chooses to the interview.

Interviews may be conducted in person or by telephone. If the customer submits the DSS-EA-301 form in person, a face-to-face interview should be offered at that time. If the customer is unable to stay or declines a same-day interview, one must be scheduled within 7 days—unless the household declines to schedule within that timeframe.

Same-day interviews should be offered regardless of which office is later assigned the case or where the customer resides in South Dakota.

If an application is received by mail, the Benefits Specialist should attempt to contact the household by phone to schedule an interview within 7 days of receipt. If the household cannot be reached by phone, the DSS-EA-300 checklist should be mailed with an interview date scheduled within the 7-day window.

A face-to-face interview is required when the household:

- Does not have a telephone
- Requests a face-to-face interview
- The Benefits Specialist determines that a face-to-face interview is appropriate
- Information or household circumstances are unclear, and a face-to-face interview is needed to resolve the issues.

Regardless of the type of interview, the interview must be thorough and gather all the information needed to make an accurate, timely determination.

The Benefits Specialist will not only review the information that appears on the application, but also review past history (narratives, verifications, etc.). The Benefits Specialist will explore and resolve, with the household, any unclear and incomplete information. During the interview, the household will be:

- Fully advised of their rights and responsibilities including:
  - Reading through the Rights and Responsibilities and Penalties on the DSS-EA-301 form
  - A verbal explanation of the appropriate application processing timeframes
  - The household's responsibility to report changes
  - The household’s responsibility to report if they are a 6 month reporter
- Informed of the importance of keeping the EBT card secure and the correct usage of the benefits received.

If the household is also applying for or receiving TANF, the interviewer must advise them that:

- Time limits and other TANF requirements do not apply to the receipt of SNAP benefits (other than the TANF carryover disqualification policy).
- If TANF eligibility stops, the household may still qualify for SNAP benefits.

The interview will be conducted as an official and confidential discussion of household circumstances. The individual's right to privacy **must** be protected during the interview. The limits of the interview may not go beyond household circumstances directly related to determination of eligibility or benefit level. The interview must be conducted in an area that is adequate to preserve the privacy and confidentiality of the interview. Interviews are not required for residents of community support provider facilities. Telephone interviews should be conducted for residents in shelters for battered women if the residents are in danger if they leave the shelter.

The type of interview completed should be documented in the narrative and also is required to be entered on the ACCESS STAT panel. The codes are:

- “T” for telephone interview
- “I” for in-person interview
- “O” for other interview

As a last resort, interviews may be conducted through the mail. Mail interviews are **only** allowed if the household meets hardship conditions and cannot appoint a knowledgeable authorized representative to complete the interview process.

If an interview is not completed, the case will be denied or closed for failure to interview.

5110 FRAMING WORK AS AN OPPORTUNITY

During the interview, use a positive, consolidated approach that frames work as a valuable, inherent part of the benefits being provided, rather than a condition for maintaining eligibility. Instead of emphasizing work as something participants must do to "earn" benefits, phrase as a supportive and empowering activity that helps individuals improve their circumstances and achieve long-term stability. Emphasize the advantages – frame it as a choice that leads to better outcomes.

Describe work is an integral part of the benefits participants receive. Offer it as a tool for personal and economic development, not a barrier to eligibility. Promoting the idea that engagement in job-related activities is a positive opportunity for personal growth, skill-building, and community engagement. Encourage participants that this is a part of the program that adds value rather than something that must be done.

Here are several messaging examples that convey this sentiment and emphasize choice and flexibility while still acknowledging requirements:

- "Although this is a necessary step, you have the flexibility to decide how you'd like to meet it."
- "This requirement is in place, but you get to choose the path that works best for you."
- "While this is a key part of the program, you have control over how you fulfill it."
- "This is an important step, but you have the flexibility to approach it in the way that fits your needs and goals."
- "This is a required activity, but you have options for how to complete it that suit your individual preferences."

A customers' progress is not just their ability to fulfill a work requirement, but also on their personal development, job satisfaction, and financial independence.

5200 SCHEDULING THE INTERVIEW

All applicants must have a specified date and time for the initial interview, if they are not able to be interviewed when they first come to the office. The DSS-EA-300, Cover Letter and Verification Checklist, should be sent to the household **within 1 working day** of receipt of the application to schedule the interview and to inform the household of what information may be needed for the interview. Scheduling of the interview should take into consideration the needs of the household as much as possible.

> **Example:** Working individuals should not be scheduled during their working hours but should be scheduled during their days off, lunch times, break times, or before or after their employment hours.

DSS will schedule all interviews as promptly as possible and must allow the household at least 10 days to provide requested verifications before the end of the 30 day processing time. The interview must also be conducted, and benefits approved to ensure that eligible households receive an opportunity to participate within 30 days following the date the application is filed.

If the interview is scheduled at a location other than the office, both the Benefits Specialist and customer must agree to the location.

- If the location is the individual's residence, the individual must agree to the home visit, and the interview time must be approved by the individual prior to the visit.
- If there is no agreement to an alternative interview site, the interview must be conducted at the DSS office.

5300 MISSED INTERVIEW APPOINTMENTS

If the DSS-EA-301, Application, has been filed and a household fails to appear for the first scheduled interview or only a partial interview is completed, the Benefits Specialist will notify the household of the missed interview and of the household's responsibility to reschedule. The notice of missed interview (DSS-EA-333 or missed appointment macro) must be sent **within 1 working day** of the missed appointment. If a DSS-EA-301 (or page one) has not been filed, no further action is required by DSS.

When a household misses the first scheduled interview appointment and contacts our office for a second interview, we must schedule a second interview. The second interview should be made, if possible, to allow the household at least 10 days to provide requested verifications before the end of the 30 day processing time frame. The household does not need to show good cause for missing the first appointment.

If the household does not schedule a second appointment within the 30 day application processing time, the application must be denied on the 30th day following the application filing date. If the 30th day falls on a weekend or holiday, the notice must be sent on the next working day following the 30th day.

> **Example:** Mrs. Jones filed an application on 12-1 but failed to keep her initial appointment. A notice of missed interview was sent. She did not contact our office for a second interview. Her application must be denied on December 31, and she will be required to file a new application if she wants to receive benefits.

5400 CONDUCT OF INTERVIEW

The interview is the primary contact between the Benefits Specialist and the customer. It is an important source of information, both for DSS (about the customer's situation) and for the customer (about the program, the customer's rights and responsibilities, and the customer's needs).

5410 GOALS

The goal of the interview is to obtain the most accurate case information as the basis for determining the customer's eligibility for SNAP. In addition, a cooperative relationship should exist between a customer and the benefits specialist so exchanges of information will occur during the interview and when the customer's situation changes.

The three main goals of the interview are:

1. Family Assessment
   - Gathering information about the needs of individuals and families who are seeking assistance
2. Referral
   - Identifying options and resources available to meet the identified needs
3. Eligibility Determination
   - Reviewing the application and additional information used to determine SNAP eligibility

5420 PREPARATION

In order for an interview to be successful, the benefits specialists should prepare for each interview. Part of this preparation should include reviewing any available information prior to the interview. Sources of available information include:

1. The completed, current application form
2. The previous narratives, applications, forms, etc.
3. The Benefits' Specialist own knowledge of program requirements.

The above sources of information, combined with the information shared by the customer, will identify any gaps in information and areas needing verification. Questions should encourage the customer to talk about gaps and inconsistencies.

5430 TECHNIQUES: TONE AND RAPPORT

DSS Guiding Principles:

- We believe in collaborative communications, teamwork, partnerships, and trust for essential family services.
- We believe in respecting individual and cultural differences by treating people with dignity, fairness, and respect.

Interviewing techniques helpful in obtaining the best possible information for establishing eligibility must go beyond the completion of forms and the listing of customer's rights and responsibilities. The Benefits Specialist must approach the interview prepared to listen beyond the customer's initial verbal responses and ask appropriate questions.

The Benefits Specialist needs to be aware of his/her own attitudes and those of the customer, which may prevent sharing of accurate case information. The Benefits Specialist also needs to be prepared to remove or reduce the interference of such attitudes through honest, non-judgmental statements and responses.

When interviewing, it is important for the Specialist to remember that it is not only their responsibility to fill in the blank lines of the application, but also to assess the family's needs (DSS-EA-221A) by learning about the family, living quarters, work, means of transportation, etc. This will ensure the Specialist is able to refer the customer to adequate resources to meet their needs.

Tone

The tone of the interview should be business-like and directed toward the objectives established in the preparation stage. A brief explanation of the purpose of the interview should be presented in simple, non-threatening language.

Benefit Specialists should engage in conversations about work as a positive and valuable experience, rather than a requirement. Messaging should be consistent while interacting with customers and one another. Instead of saying "work requirement", use terms like "job-readiness services," "career development support," or "employment opportunity services."

Benefit Specialists should explore what "work" means to the customer and how it fits into their personal goals. This encourages an open dialogue, where customers feel like partners in the process. "What matters to you, matters to us." Discuss with customers their current goals, what they find meaningful, and what they consider important at this stage in their life. Use this information as a foundation for further development.

Here are several messaging examples that can help facilitate the discussion:

- "What are some of the skills (life skills, professional development skills, etc.) you feel you'd like to develop?"
- "What kind of support or resources do you think could help you take the next step in your career?"
- "Are there any professional development opportunities you've been wanting to explore?"
- "Looking ahead, what are some areas you would like to focus on?"
- "Are there any skills or experiences you think would make an impact on reaching your goals?"
- "What kind of training or resources would be most helpful to you as you continue to grow?"

These questions can help uncover the individual's development needs and clarify their career goals, facilitating a productive conversation around growth and next steps.

Rapport

It is important to establish rapport with the customer to ensure a cooperative atmosphere in which the customer will more readily share the necessary information. There are many ways to build rapport including, but not limited to:

1. Be Flexible
   - Make sure to adapt your interview approach to meet the customer's needs.
2. Listen and Repeat Back

- Really listen to ensure you and the customer are on the same page, repeat back what the customer said.

3. Use their first name or Mr./Ms. so-and-so
   - This helps the customer feel like a real person, not just a number
4. See it from the customer's perspective/be empathetic
   - Imagine yourself in the customer's shoes.
   - Imagine you are assisting a relative or close friend.
5. Don't rush
6. Take a personal interest
7. Be respectful -- Never talk down to or talk over a customer.
8. Be understanding/avoid assumptions
9. Build Trust
10. Keep focused
    - Don't be distracted by other things (e.g. emails, cell phones, etc.)
    - Stay 100% focused on the customer and interview at hand.
11. Don't leave them waiting/wondering/without needed information.
    - No Wrong Door Approach
12. Use empowering language when discussing work and benefits with customers. Here are several messaging examples that can help facilitate the discussion:
    - "We want to support you in finding a job that fits your goals."
    - "Our programs are here to help you build skills for success."
    - "By making the most of these opportunities, you can set yourself up for success."
    - "We're here to help you achieve your goals."
    - "You have the power to choose the benefits that best suit your lifestyle and goals."
    - "These programs can provide you with the tools and resources needed every step of the way."

5440 CONTENT

The interview is an official and confidential discussion of household circumstances with the applicant. It is intended to furnish the applicant with program information, and the Benefits Specialist with facts needed to make an accurate eligibility decision.

In all instances, the household's right to privacy must be respected. Information contained in the application and, previous applications, is used as the basis for the interview. The interviewer must not simply review the information contained in the application form, but must explore and resolve, with the household, any unclear and incomplete information.

During the interview, Specialists must be sure the applicant understands:

1. Each step of the certification process
2. The reason for asking certain questions
3. The confidentiality of information
4. The customer's rights and responsibilities,
   a. Gross income guidelines
   b. Reporting Lottery Winnings
   c. ABAWD reporting
   d. EBT card safety, including protecting the EBT card from Skimming
   e. Voter Registration options
   f. Other reporting responsibilities for their household
5. Processing standards (7 day/30 day)

Family Assessment Form (DSS-EA-221A)
The assessment form is a tool designed to solicit information to:

1. Determine individual or family needs,
2. Identify barriers to self-sufficiency, and
3. Offer guidance for suitable referrals.

The assessment form is required for all SNAP interviews (applications and renewals) and additionally when the Benefits Specialist determines it is appropriate.

When talking about Employment/Career Development/SDCareerLink, Benefit Specialists should explore what "work" means to the customer and how it fits into their personal goals. This encourages an open dialogue, where customers feel like partners in the process. “What matters to you, matters to us.” Discuss with customers their current goals, what they find meaningful, and what they consider important at this stage in their life. Use this information as a foundation for further development. Offer printed SDCareerLink materials for additional information.

Here are several messaging examples that can help facilitate the discussion:

- "What are some of the skills (life skills, professional development skills, etc.) you feel you'd like to develop?"
- "What kind of support or resources do you think could help you take the next step in your career?"
- "Are there any professional development opportunities you’ve been wanting to explore?"
- “What kind of training or resources would be most helpful to you as you continue to grow?"

These questions can help uncover the individual’s development needs and clarify their career goals, facilitating a productive conversation around growth and next steps.

5450 CLOSING

The interview may be concluded when:

1. All the factual information which reasonably can be expected has been obtained.
2. Plans for obtaining additional verifications have been made.
3. The Benefits Specialist is confident that the customer knows his rights and responsibilities.
4. The customer understands how to complete and file a six month report (EA-214) if applicable.
5. The customer has been given information about other appropriate social service programs and outside agencies.
6. The customer’s questions are answered.

If the customer is eligible or potentially eligible, the manner of notification and payment should be explained. The procedure for requesting a fair hearing should also be discussed. See Appendix 3 for detailed procedures for the interview.

CHAPTER SIX: NARRATIVE

6000 NARRATIVE

6100 DOCUMENTATION

The SNAP narrative must have sufficient documentation to support eligibility, ineligibility, and benefit level determinations. Documentation must be in sufficient detail to permit a reviewer to reasonably determine the basis for and the accuracy of the case action.

The following should be documented thoroughly in the narrative:

1. How was the information verified?
2. If information is questionable, why is it questionable?
3. If information provided is inconsistent, why is it inconsistent?
4. What was used to resolve the questionable information?
5. If an alternate source of verification was needed, such as a collateral contact, who or what was the alternate source of verification.
6. If verbal verification was obtained, thorough documentation of the person who verified the information along with any contact information for that person must be in the narrative. The information should include the name, date, and telephone number of the individual who provided the information.

In addition to the mandatory verification and documentation discussed in this section, narratives must contain the following:

1. The method used to identify the household member or authorized representative interviewed.
2. A record that the customer was advised of DSS's fair hearing, nondiscrimination, and other policies required during the interview.
3. Clarification of all discrepancies in information between the application form completed by the customer, previous case information, and the benefits specialist's information gathered in the interview.
4. A record of all forms and correspondence to the customer, including dates, if copies are not in the case file.

Narratives should not contain acronyms that are not commonly used in DSS circles. Narratives are key in understanding what is happening in a case and if acronyms are used that are not commonly known, it is difficult to determine what is happening in the case.

6200 TYPES OF NARRATIVES

There are three types of case narratives:

1. Application/renewal narratives
2. Monthly/ongoing narratives
3. Six Month report narratives

6210 APPLICATION/RENEWAL NARRATIVE

When entering the application/renewal narrative at the top of the Interview Display are the following fields:

"INTVW: __/__/__ "ALTR:" __ "CERT PRD: _____ THRU _____"

The INTVW date should be the date the actual interview took place (not the 301 receipt date). The ALTR field is to specify if there is an authorized representative. Enter a "Y" if there is an

Authorized Representative or an “N” if there is not. The CERT PRD is the date the new certification period is starting thru the last month the case is certified.
The following information should be documented in your application/renewal narrative (ANAR):

1. Introduction/Household Composition:
    a. State who completed the application, who was present, where the application was taken, and explain why they are applying
    b. List all household members, relationship and programs applied for
    c. List any other people who live in the household and why they are not included in the SNAP household (Separation of HH agreement)
    d. Explain any questionable situations
    e. Indicate homeless/ migrant status/living on the reservation
    f. On renewals, if the case is being closed for failure to renew, list this information here
2. Identity/Proof of Relationship:
    a. How was identity verified? (Driver’s license, photo ID, work or school ID card, voter registration card, etc.)
    b. If AR is applying on behalf of the household, how was identity verified?
3. Social Security Numbers:
    a. Was the SS number provided? If not, why not?
    b. Is the SSN federally verified on access? (System generated “X” in the SSN field)
4. Citizenship:
    a. Self-declaration for SNAP unless questionable.
    b. If not a citizen, explain why someone is eligible or not, and what documentation was used
5. Work Requirements:
    a. List all household members and their status as mandatory or exempt and that they were **screened** for appropriateness to whichever status.
    b. If exempt from work registration, explain why
    c. Indicate that a verbal explanation of work requirements was provided to the customer
6. ABAWD Information:
    a. If not ABAWD, indicate why (e.g. Children under 18 years old)
    b. If ABAWD, note how many months previously used
7. Deprivation: (different definition for SNAP than TANF)
    a. List the parent not in the home and the associated child
    b. What child support forms have been completed/not completed
    c. Was Good Cause allowed for non-cooperation with DCS and why allowed?
8. School Status:
    a. List all household members attending school and explain full time/half time
    b. Explain if any HH members are attending college and if they are eligible students
    c. For ineligible students, explain why they are not an eligible student
    d. Are any children attending boarding school?
9. Resources:
    a. List all resources (cash, cars, CD’s bonds, stocks) and explain the value and whether it is countable or not countable
    b. If SDCARS was completed, document why this was completed for SNAP.
    c. If questionable resources, document how the value of the resources was verified (bank letters, NADA value, etc.)
10. Income:
    a. Document all income, current, new and terminated income, available to the household.
    b. Earned Income – list employer, how often paid, number of hours per pay period. List each check that was used for the basis of prospective income with date and amount. If an average is used, explain.

c. Unearned Income – identify the type (SSI, TANF, TWEP, rental, VA, child support, Reemployment Assistance, etc.) the amount, how often received and how it was verified
d. Explain how prospective income was computed, what information was used to come up with the amounts?
e. Does the DLR query indicate anything unusual, if so, how was it resolved?
f. If employment has terminated, explain circumstances and if is a job quit penalty is applicable? If not, why is good cause allowed?
g. If no income, how is the household meeting personal needs or other household expenses.
h. Document that the gross income guideline sheet was reviewed and given to the household.

11. Shelter Costs/Residency:
    a. Residency verification is required at application. If they have moved during the renewal period, it must be re-verified. If they have not moved, then residence verification is not required at renewal.
    b. How is the residence address verified?
    c. Does the applicant have expenses for rent, lot rent, mortgage, tax, insurance? If so, list each amount and how it was verified.
    d. Does the household have utility expenses? If so, what type of deduction allowed and how was it verified?
    e. If there are multiple households, how are the shelter expenses divided?
    f. If there are shelter expenses, but no income, how is the household paying shelter expenses?
12. Child Care:
    a. Is the household billed, and do they pay for child care expenses for work, school or training?
    b. If a child care expense is not allowed, why?
    c. Does the household receive child care assistance?
13. Child Support Expense:
    a. Does the household pay child support? To whom is it paid?
    b. Is the support court ordered? How is this verified?
    c. How much is paid, how often paid, and how was this verified?
14. Medical Deductions:
    a. Document who has the expense. Are they elderly or disabled?
    b. Is the expense reimbursable by Medicare or private health insurance?
    c. Indicate 314 on file and what expenses are being allowed, the amount of the expense, and whether it is a one-time expense, averaged or prorated over certification period.
    d. Document any expenses not allowed.
    e. Indicate if the standard deduction is being used or if actual expenses are being used.
15. Medical Insurance: (N/A)
16. Forms: No longer necessary to mark.
17. Other services and Referrals
    a. Narrate what things were marked on the EA-221A and what referrals were made.
    b. SDCareerLink - inform customers of program information and provide brochure, rack card, or flyer if needed.
    c. How EBT safe guards were explained to customer
    d. Document that voter registration was discussed and customer chose to complete or not complete form.
18. Application Action/Other comments:
    a. Document what verifications are pending to determine eligibility.

b. Is the case expedited, were any verifications waived for expedited?
c. If the application is approved, narrate what amount of benefits and if they are pro-rated, what is the pro-rated amount. If the application is denied, document why.
d. Document any remaining questionable situations or future known changes.

6220 MONTHLY/ONGOING NARRATIVE

Narratives should be entered in the monthly/ongoing narrative (MNAR) any time an action is taken on a case, a change is reported, or a complaint is made in an interim month. The narrative should explain the situation fully and what action (if any) was taken on the case. The following are examples of when a narrative should be entered when information is received or acted on in an interim month:

Examples:

1. Household composition changes
2. Income and shelter changes
3. Changes that may not be acted on right away
4. Customer calls to dispute information on their case
5. Reports from other sources including, but not limited to, CPS, ASA, QC, anonymous reports, etc.
6. Changes that were a result of information known at application, renewal, or 6 month report
7. Narrate phone calls from customers that may contain information that may be helpful in future benefit months.

6230 SIX MONTH REPORT NARRATIVE

Narratives for 214's (Six Month Report) should include any and all changes in a case. The following must be documented:

1. Forms mailed to customer and date mailed.
2. Contacts with other agencies, landlord, etc.
3. Date EA 214 was received and if the Report form is complete or incomplete.
   a. If complete document the following:
      - New HH member, date entered the home, relationship to applicant, programs requesting, income and resources of new member
      - HH member who left home and the date the member left
      - Change in rent, utilities and how verified,
      - Residence verification if the household has moved, if no move, no verification is required.
      - Daycare/child support obligation and how verified
      - Earned Income-source, gross amount, when received, and how verified
      - Unearned Income-source, gross amount of each check, when received, and how verified
      - If no income and no changes in income, narrate "No changes from previous report"
      - Changes in resources
      - Benefit amount
   b. If incomplete document the following:
      - Reason EA-214 is incomplete
      - Note when EA-349 was mailed

CHAPTER SEVEN: HOUSEHOLD COMPOSITION

7000 HOUSEHOLD COMPOSITION

7100 HOUSEHOLD CONCEPT

A household is defined as individuals living together who usually purchase, prepare, and consume food together. Individuals may be certified separately if they share living quarters with the household but do not customarily purchase, prepare, and consume food with the household as long as the individual(s) do not meet the criteria outlined in 7200 (B) listed below.

This category also includes live-in attendants who reside with a household to provide medical, housekeeping, childcare, or other similar personal services whether or not they receive meals in the household in which they live.

Individuals may be certified separately if they are filing an application as a separate household while living with others, they depend on for support only if their intention is to purchase, prepare, and consume their own food separate from the others when they get their SNAP benefits.

> **Example 1:** Mr. Jones filed an application as a separate household on September 19. On August 20, he had lost his only income so moved in with a friend. Mr. Jones states that if he is eligible, upon receipt of his SNAP benefits he will begin purchasing, preparing and consuming his own food. He may be certified as a separate household.

> **Example 2:** A spouse who is an interstate truck driver, and who has no separate residence may not claim separate household status even though meals are consumed away from home.

An individual may not be certified to participate in more than one SNAP household in the same month unless the individual meets the battered woman requirements.

An individual cannot receive SNAP and commodities (through the Food Distribution Program on Indian Reservations (FDPIR)) in the same month. If an individual applies for SNAP in the same month, they have already received commodities or SNAP with another household, their application must be denied for duplicate eligibility in the application month. If the applicant did not receive SNAP or commodities in the application month, but resides with a household that did, the applicant is allowed to have separate household status for one month, if otherwise eligible. The situation must be resolved by the second month.

If a household is certified for SNAP but is receiving $0 benefits, they **are** eligible to receive FDPIR (commodity) benefits. In addition, if an individual is sanctioned, other than IPV, the individual can apply and receive commodities while the rest of the household receives SNAP. In this situation, the individual that is sanctioned is not considered to be receiving SNAP benefits.

If it is established that an individual received SNAP and commodities in the same month, a claim is filed **only** if the household received (picked up) commodities first because the household was never entitled to SNAP. If the household was certified for SNAP first, then no claim is needed because the household was legally entitled to their SNAP benefits (it is commodities that were erroneously received).

7110 HEAD OF HOUSEHOLD

The SNAP head of household is the person in whose name application is made for participation in the program. Typically, it is the person who is the household's primary source of income.

The Benefits Specialist may designate the head of household or permit the household to do so. The Specialist should suggest persons serving as the TANF case head of household also be considered the head of household for the SNAP case. Do not impose additional requirements based on the classification of head of household, such as requiring that the head of household, rather than another responsible adult member of the household, appear at the certification office to make application for benefits. In the event that the head of household is unable to file the application, the spouse, another responsible household member, or an authorized representative may apply for the household.

7120 CHILDREN UNDER 18

A child under age 18 is considered under parental control of an adult household member if any adult household member is the child's legal guardian, managing conservator, or has legal custody of the child. The parental control test is not applied to a legally assigned foster child.

If none of these persons is a household member, consider the child under parental control of a member if:

A. Verification from the child's parent, guardian or conservator outside the household shows that the child is under a member's control; or
B. The household states that a member controls the child; or
C. The child is dependent upon the adult member for financial support.

NOTE: The fact the minor child may or may not have a spouse or children does not change the financial dependency requirement.

7200 HOUSEHOLD DETERMINATION

The following explains who is and who is not included in the household.

A. A household may be composed of any of the following individuals or groups of individuals:

1. An individual living alone. Also, a group of people who live together and customarily purchase food and prepare meals together for home consumption.
2. An individual or group of people, who, while living with others, customarily purchase food and prepare meals for home consumption separate from the others.
3. An individual or group of individuals who are blind or disabled residents of an authorized Community Support Provider facility and who meet the definition of disabled.
4. An individual and their children, residing for the purpose of regular participation in a drug or alcohol treatment program at a facility or treatment center authorized to accept SNAP benefits.
5. A resident(s) in a public or private non-profit residential facility that serves battered women and children. DSS considers persons temporarily living in shelters for battered women and children individual household units if they apply for and receive SNAP benefits.

6. A resident(s) in a non-profit center for the homeless.

7. An individual 60 years of age or older (and their spouses) who cannot prepare their own meals because they suffer from disabilities considered permanent under the Social Security Act (SSA) or some other permanent physical or mental non disease-related disabilities may be a separate household even if living and eating with others. This rule is limited for those cases where the countable income of the individuals with whom the disabled/elderly person resides (excluding the income of the elderly/disabled individual and his/her spouse) does not exceed 165 percent of the poverty level.

   The key factor in determining whether or not a disability would qualify a household for separate status under this rule is inability to purchase and prepare meals. In most cases someone with a disability considered permanent under the SSA can be assumed to be incapable of purchasing and preparing meals. If it is obvious the applicant cannot purchase and prepare his/her own meals as easily as a nondisabled person, separate household status may be granted. However, when the inability to purchase and prepare meals is not obvious, request a doctor's statement indicating that the person is unable to purchase and prepare their own meals.

8. Residents of public institutions who apply for SSI prior to their release from an institution under the Social Security Administration's Prerelease program for the Institutionalized (42 U.S.C. 1383 (j)).

B. The following people **cannot** be certified separately if they live together:

1. Parents and their children (natural, adopted, or step) under age 22.

2. Children under age 18 who are under the parental control of an adult household member who is not their parent. Foster children or an adult in foster care may be separate household members if the household so designates.

3. Spouses. A spouse is either of two individuals who were legally married in a jurisdiction where the marriage was conducted. A marriage may consist of a man/woman or same-sex couples as long as the marriage was legally performed in that state.

C. Non-household members include the following individuals who reside with the household but **cannot** be considered household members when determining the household's eligibility allotment. Non-household members who are otherwise eligible may participate as separate households.

1. Roomers - Individuals to whom a household furnishes lodging, but not meals, for compensation.

2. Live-in attendants - Individuals who reside with a household to provide medical, housekeeping, child care, or other similar personal services. The individual(s) must be living in the residence of the individual requiring the personal care to be allowed separate household status. (In other words, the individual requiring the service cannot move into the attendant’s residence for this provision to apply.)

3. Others - Other individuals who share living quarters with the household but who do not customarily purchase food, prepare and consume meals with them. For example, if the applicant household shares living quarters with another family to save on rent, but

does not purchase, prepare and consume food together with that family, the other family members are not members of the applicant household.

Children 22 and older who reside with their parents and do not customarily purchase food and prepare meals with their parents would be considered non-household members in their parent's SNAP household.

D. Excluded or disqualified household members **cannot** participate as separate households during their period of exclusion. Excluded household members include:

1. Ineligible alien - Individuals who do not meet the citizenship or qualifying alien status and/or the eligible alien criteria.
2. SSN Disqualified - Individuals disqualified for failure to provide a social security number.
3. Work Registration activities - Individuals disqualified for failure to comply with Work Registration activities, voluntary quit, or reducing hours of employment.
4. Intentional program violation disqualified - Individuals disqualified for intentional program violation.
5. Citizenship/Alien Status Signature - Individuals disqualified for failure to attest to their citizenship or alien status by failing to complete the citizenship status question on the household member section of the DSS-EA-301.
6. Duplicate Benefits - Individuals disqualified for fraudulently receiving duplicate benefits. To be disqualified for 10 years, the individual must be found to have made a fraudulent statement with respect to the identity and place of residence that allowed an individual to receive multiple SNAP benefits simultaneously.
7. Trafficking - Individuals convicted of trading benefits for weapons, ammunition, explosives, or drugs or buying/selling benefits in excess of $499.
8. Fleeing Felons/Parole/Probation Violators/Convicted Felons - Individuals disqualified for fleeing from a felony/violating parole/probation or convicted of a felony and not compliant with their sentence.
9. Disqualified for failure to comply with public assistance requirements - Individuals disqualified for failure to comply with TANF program requirements.
10. Non-exempt able-bodied adults without dependents (ABAWD) who have received their time limited benefits and are not meeting the work requirements.
11. Food Distribution Program on Indian Reservations (FDPIR) Carryover IPV Disqualifications – Individuals disqualified from FDPIR (known as commodities) are ineligible to receive SNAP assistance during the time he/she is disqualified.
12. Disqualified for Non-Cooperation with Division of Child Support – Head of Household disqualified for failure to cooperate with DCS for his/her biological or adoptive child living in their household that has a parent living outside the household.

E. The following **cannot** be considered members of any household and are ineligible for SNAP benefits.

1. Residents of boarding houses, or individuals (boarders) who live with others and pay the others a reasonable amount for meals.
2. Institutional residents who receive more than half of their meals each day from the institution as part of the institution's normal services. Including students who eat 50% or more of their meals by purchase of meal plans. This does not apply to residents of homeless shelters.

   Neither residents of federally subsidized housing for the elderly built under Section 202 of the Housing Act of 1959 or Section 236 of the National Housing Act nor persons described in A(3),(4), or (5) above, are considered institutional residents.
3. Students who are required to meet special eligibility criteria but fail to do so.
4. Individuals who are detained in Federal, State, or local penal, correctional or other detention institutions for more than 30 days. Prison matches are completed after application and renewal and if a match occurs, the information must be followed up on, and appropriate action taken.

F. The household has the option to include or exclude foster care children or adults as household members.

G. Households are disqualified from receiving SNAP if a household member refuses or refused to cooperate with a Quality Control reviewer. The disqualification period continues until the member cooperates, but no later than 125 days after the end of the federal fiscal year the review was completed for. The disqualification period remains with the household member who refused to cooperate; therefore, if the household member moves into a new household, that household then becomes ineligible.

EXAMPLE: The federal fiscal year is Oct – Sept., the disqualification ends Feb 2nd each year.
- February 2, 2024, for reviews completed for the benefit months 10/22 – 09/23

7210 TEMPORARY ABSENCES

There are times when household members are temporarily absent from the household but may still be considered in the household composition. This usually occurs if the individual is absent from the household for less than 30 days. There may be times that the 30-day period can be extended. If an individual is away from the household for longer than 30 days, but less than 60 days, then the situation should be discussed with a supervisor and, if needed, SNAP program staff should be consulted.

7300 SPECIAL HOUSEHOLDS

This section explains certification procedures for specific households. Some of the following examples differ from general certification procedures. These households are considered special because their income or other circumstances may be substantially different from typical SNAP households.

7310 STUDENTS

This section has the policies and procedures unique to students. Students attending institutions of higher education must follow the special eligibility criteria defined in the following sections.

7311 ELIGIBILITY CRITERIA FOR STUDENTS

A. **Special eligibility criteria** – Individuals ages 18 through 49, physically and mentally fit, and enrolled at least half time in an institution of higher education are ineligible unless they meet at least one of the following criteria. Documentation in the narrative and a copy of the completed Student Eligibility Checklist, DSS-EA-328 is required.

1. Are employed for pay at least 80 hours per month. If self-employed, work at least 80 hours per month and earn at least the federal minimum hourly wage times 80 (gross income).

2. Participate in work study during the regular school year.

3. Be responsible for the care of a dependent household member under age six. Student eligibility criteria based on responsibility for the care of dependents is to be consistent with work registration exemptions based on the same criteria. Traditionally, the work registration provision has always referred to the physical care of a dependent and has always been limited to allowing only one person to claim an exemption as the primary person responsible for the care of a dependent in situations where more than one person shares such responsibility. If both parents are students, they have more than one child under 6, and each claim responsibility for one of the children, both would be eligible students.

4. A single parent enrolled full-time in an institution of higher education with responsibility for the care of a dependent child under age 12. The single parent must be enrolled full-time. This exemption rule applies regardless of the availability of adequate child care.
    a.) This provision applies in those situations where only one natural, adoptive or stepparent (regardless of marital status) is in the same SNAP household as the child.
    b.) If no natural, adoptive or stepparent is in the same SNAP household as the child, another full-time student in the same SNAP household as the child may qualify for eligible student status under this provision if he or she has parental control over the child and is not living with his or her spouse.

5. Be responsible for the care of a dependent household member who has reached the age of six but is under age 12 where the Specialist has determined that adequate child care is not available to enable the student to attend class and comply with 1 or 2 above. (Specialists have the discretion to accept reasonable statements from the student that adequate child care is not available and to take other considerations into account such as location of nearest day care facility, availability of funds to pay for adequate child care, etc.)

6. Receiving benefits from TANF or Tribal TANF. If the student is sanctioned from TANF or Tribal TANF, he/she is not an eligible student based on TANF or Tribal TANF eligibility.

7. Be assigned to or placed in an institution of higher learning through a program under the Workforce Innovation and Opportunity Act (WIOA).

8. Be assigned or placed in an institution of higher learning through a program under Section 236 of the Trade Act of 1974 (Trade Adjustment Assistance - TAA - handled through the Department of Labor. The payments under TAA are labeled Trade Readjustment Allowances (TRA).
9. Be assigned or placed in an institution of higher learning through an on-the-job training program. Eligibility only exists during the time the person is being trained by the employer.

B. **Exceptions to special eligibility criteria** – Individuals listed below in 1-4 are not required to meet the special student eligibility criteria, but they are still considered students. These individuals are treated for SNAP the same as other household members, meaning they do not have to meet the additional criteria for students:

1. Under age 17 or age 50 or over
2. Physically or mentally disabled
3. Attending high school
4. Enrolled less than half time, or enrolled full time, in schools or training programs which are not considered institutions of higher education

C. **Meal Plans** – Students who eat 50% or more of their meals through a meal plan are considered residents of an institution and are therefore **not eligible to receive SNAP** benefits. Benefits Specialists will need to discuss with the student what type of meal plan was purchased and determine whether or not the numbers of meals purchased is equal to 50% or more of three meals daily in any given month.

7312 VERIFICATION OF STUDENT ELIGIBILITY

Verification of student eligibility status is required. The verification may be obtained from the student, another source, or school. Examples of verification are:

A. Student's age: Birthdate listed on 301, unless questionable. If questionable, verification is required (examples; driver's license, birth certificate, etc.)

B. Responsibility for child: Student's statement he/she is responsible for the child if there is an age appropriate child in the household. His/her explanation about the availability of adequate childcare should be written and is acceptable, unless questionable. If questionable, further clarification is needed.

C. Physical or mental impairment: If the disability is evident to the Specialist, no further verification is required. If not, verification may consist of temporary or permanent disability payments (paid because the individual is unable to work) from governmental or private sources (SSA, SSI, etc.), or a statement from the individual's physician or licensed or certified psychologist that the individual is unable to work.

D. School status: Statement from the student that he/she is enrolled at least half time is acceptable unless questionable. If questionable, verification is required (examples; awards letter, statement from school regarding number of credit hours student is attending and how many credit hours are needed for at least half-time, etc.)

E. Income eligibility: Work Study, TRA/TAA, and WIOA may be verified by the student (awards letters, copies of checks, etc.), school (financial aid officer), or source (Job Services). TANF may be verified via ACCESS

F. On-the-job Training: Documentation from the employer that the individual is attending school as part of the employee's training.

7313 INSTITUTION OF HIGHER EDUCATION

An institution of higher education for this purpose is a college, university, business, technical, trade, or vocational school that normally requires a high school diploma or an equivalency certificate, such as a GED, for enrollment.

Colleges or universities normally require diplomas or certificates but allow exceptions for some students to enroll in a regular curriculum who are not high school graduates. These institutions still are considered institutions of higher education.

A. Enrollment Status – Enrollment status in an institution of higher education begins on the first day of the first school term at the institution, even though the student might register early for classes. For example, a high school senior might be accepted by a college and register for classes before graduation; however, enrollment status does not begin until the start of the college term.

   Once enrolled, enrollment status continues through normal periods of class attendance, vacation, and recess until the person graduates, is suspended or expelled, drops out, or otherwise does not intend to register for the next normal term (excluding summer school). A student thus retains enrollment status during summer vacations, for example, unless the student does not intend to return to school in the fall.

7314 WORK STUDY PROGRAMS

To qualify under this criterion, the student must be approved for a Federal or State Work Study Program and anticipate working during the school term at a work study job. There is no minimum number of work hours a week to qualify as a work study program. The exemption would continue until the end of the month in which the school term ends, or it becomes known that a student has refused an assignment. Work study eligibility would not continue between terms when there are breaks of a full month or longer for which work study has not been approved. The eligibility criteria only apply during the months in which the student is approved for work study. Eligibility will no longer be allowed during the summer months unless the student is approved for work study during the break or meets other student eligibility criteria.

If a student anticipates a work study job, and it does not materialize during the school term, a claim will not need to be completed unless the student gave wrong or misleading information. The following clarify situations involving approved Federal or State work study funds:

A. At application, the student does not yet have a Federal or State funded work study job but anticipates getting a job later that month.
   - The student meets work study eligibility criteria and retains eligibility during the school term unless they refuse a work study job assignment.

B. Student applies September 5. They do not have a Federal or State work study job but anticipate getting one sometime in the school term.
   - The student meets work study eligibility criteria for September and retains eligibility during the school term unless they refuse a work study job.

C. On-going case, student reports on the six-month report form that she has been approved for Federal or State work study funds on October 15 and anticipates getting a work study job.
   - The student meets student eligibility criteria for November. If this were an October application, and work study was approved prior to approval, the student could be eligible for October benefits because the eligibility criteria was met the month of work study approval or the month in which the school term starts, whichever is later.

D. The student has a Federal or State work study job, works for a couple of months, and the job finishes prior to the end of the school term.
   - Once begun, the eligibility criteria are met until the end of the month in which the school terms ends, or it becomes known that the student refused an assignment. If the student quit the work study job, the quit would be considered a refusal and the eligibility criteria would no longer be met.

E. The student has Federal or State work study and is working in May, and the student anticipates returning to school in September.
   - The student would lose his/her work study eligibility over the summer months because the break between terms is at least a full month or longer and the student is not participating in work study during the break.

7314.1 Title IV-C, Higher Education Act

Some programs might involve state as well as federal funding. These programs are work study programs if the federal portion is funded under Title IV-C of the Higher Education Act. Participating institutions maintain lists of students who participate under that federal funding.

7314.2 Cooperative Programs

Under some federally funded cooperative education programs, persons are full-time students one semester and work full time the next. These are not considered work study programs because the work and study do not occur together. A student might qualify, however, by participating in another work study program or by obtaining a regular job during the school semester.

Students who must work to fulfill academic requirements, such as a medical student required to intern in hospitals or student teachers who must obtain actual teaching experience as part of their degree requirements, also do not meet the work study criteria.

7320 ELDERLY OR DISABLED

For SNAP purposes an "elderly or disabled member" means a member of a household who meet one of the definitions below.

a. Definition of Elderly:
   Individuals 60 years of age and older are defined as elderly. This includes people who are 59 years old when they apply but who will become 60 on or before the last day of the month of application.
b. Definition of Disabled:
   Individuals who meets one of the following criteria:
   1. Eligible to receive or receiving SSI benefits, including presumptive SSI payments, or eligible under SSI 1619 B criteria
      a) SDX or SVES verifies SSI benefits and individual must be receiving SSI benefit or approved to receive SSI benefits.

b) 1619B status is verified on the MEDX screen on the SDX when MED ELIG displays C ELIG and PAYMENT STATUS displays N01-NON-PAY.

2. Receives SS disability or blindness payments.
   a) Verified via BNXV or SVES.
3. Receives a disability retirement benefit from a local, state, or federal government agency and the disability is considered permanent according to Social Security Administration's definition of disabled.
4. Receives federally or State-administered supplemental benefits provided the eligibility to receive the benefits is based on the SSI disability or blindness criteria. (South Dakota does not have disability-based State general assistance benefits however someone moving to South Dakota may have received this benefit from another State.)
5. Receives a disability annuity payment under the Railroad Retirement Act of 1974 and is:
   a) Is determined disabled under SSI criteria; or
   b) Is eligible to receive Medicare by the Railroad Retirement Board.
6. Receives disability related medical assistance provided that the assistance is based upon disability or blindness criteria which are at least as stringent as those used under Title XVI of the Social Security Act. The disability-based SD Medical Programs meeting the criteria are listed below. Eligibility for these programs is determined in the BEES system:

Program Code	Program	Aid Categories
DAC	Disabled Adult Child	22, 32
DCP	Disabled Children's Program	32
DWW	Disabled Widow(er)s	22, 32
FSW	Family Support Waiver	31, 32, 33
MWD	Medical Assistance for Workers with Disabilities	32
OTH	Hospitalized Individual	12, 13,32, 33
PIC	Pickle Amendment Eligible	12, 22, 32
RET	Retroactive Medicaid for SSI Recipients	32
WPA	Assistive Daily Living Services	31, 32, 33
WSD	HCBS Waiver: Choices & CFCM-Only Cases	35, 36,37, 38
WSE	HOPE Waiver: Assisted Living, In-Home, Structured Family Caregiving, Community Living Home	15, 16

7. Receives federally or State-administered supplemental benefits under Section 212(a) of P.L. 93-66.

8. Veterans who receive VA benefits because they are rated a 100% service-connected or non-service connected disability or who, according to the VA, need regular aid and attendance or are permanently housebound.
9. Surviving spouses of deceased veterans who meet one of the following criteria according to the VA:
    a) need regular aid and attendance,
    b) permanently housebound, or
    c) receives or has been approved for benefits from the VA because of the veteran's death and could be considered permanently disabled for Social Security purposes.
10. Surviving children (any age) of a deceased veteran who the VA:
    a) has determined are permanently incapable of self-support, or
    b) has been approved for benefits because of the veteran's death and could be considered permanently disabled for Social Security purposes

c. Social Security's Definition for Disabled: Any of the following 11 conditions determine, according to SSA, if a recipient is disabled:
    1. Permanent loss of use of both hands, both feet, or one hand and one foot.
    2. Amputation of leg at hip.
    3. Amputation of leg or foot because of diabetes mellitus or peripheral vascular diseases.
    4. Total deafness, not correctable by surgery or hearing aid.
    5. Statutory blindness, unless caused by cataracts or detached retina.
    6. IQ 59 or less, established after the person becomes 16 years old.
    7. Spinal cord or nerve root lesions resulting in paraplegia or quadriplegia.
    8. Multiple sclerosis in which there is damage to the nervous system caused by scattered areas of inflammation. The inflammation recurs and has progressed to varied interference with the function of the nervous system including severe muscle weakness, paralysis, and vision and speech defects.
    9. Muscular dystrophy with irreversible wasting of the muscles, impairing the ability to use the arms or legs.
    10. Impaired renal function caused by chronic renal disease, resulting in severely reduced function which may require dialysis or kidney transplant.
    11. Amputation of a limb of a person at least 55 years old.

d. Definition of SSI Household: A person receiving Supplemental Security Income (SSI) is:
    1. Federal payments made under Title XVI of the Social Security Act, as amended, to the aged, blind, and disabled.
    2. Federally administered optional supplementary payments under Section 1616(a) of that Act, or
    3. Federally administered mandatory supplementary payments made under Subsection 212(a) of Public Law 93-66.

7330 HOMELESS INDIVIDUALS

Homeless individual means an individual who is imminently homeless because they lack a fixed and regular nighttime residence or an individual whose primary nighttime residence is:

A. A homeless shelter or supervised shelter designated to provide temporary accommodations;
B. A halfway house or similar institution that provides temporary residence for individuals intended to be institutionalized;

C. A temporary accommodation in the residence of another individual if the accommodation is for no more than 90 days; or

D. A place not designed for, or ordinarily used, as a regular sleeping accommodation for human beings (a hallway, a bus station, a lobby, or similar places).

Homeless individuals may receive SNAP benefits if residing in a homeless shelter even if meals are provided, unless the shelter is an approved FNS retailer.

7340 BOARDERS

Boarders are ineligible to participate in SNAP independent of the household providing the board. At the household's request, they may participate as members of the household providing the boarder services to them.

A. Definition of a Boarder:
Boarders are individuals to whom a household furnishes lodging and meals and who pay a reasonable monthly payment for meals. Boarder status will not include persons paying less than a reasonable monthly payment for meals. A person who is furnished both meals and lodging by the household, but is paying less than a reasonable amount, is a household member. When the amount paid for meals can be distinguished from the amount paid for lodging, only the amount paid for meals is evaluated to determine if the payment is reasonable. If the amount paid for meals is inseparable from that paid for lodging, the total payment is evaluated. The reasonable monthly payment for meals must be paid in cash.

B. Reasonable Monthly Payment: A reasonable monthly payment will be one of the following:
1. More than two meals daily. Boarders whose board arrangement is for more than two meals a day will pay an amount equal to or exceeding the full monthly allotment for the appropriate size of the boarder household; or,
2. Two or less meals daily. Boarders whose board arrangement is for two meals or less each day will pay an amount which equals or exceeds two-thirds of the full monthly allotment for the appropriate size of the boarder household.

C. Who Cannot be Considered a Boarder: Boarder status will not be extended to any of the following:
1. A spouse of a member of the household; and
2. Children under 18 years of age if under the parental control of a member of the household; and
3. Parents who reside with their natural, adopted, or step children if the child is under 22 years of age; and
4. Children, under age 22, if residing with their parents; and
5. Individuals paying less than a reasonable monthly payment for meals alone. Individuals furnished both meals and lodging by a household but paying less than a reasonable monthly payment are considered members of that household.

D. Boarding Houses:
Residents of commercial boarding houses are not eligible for benefits. The proprietor's household may participate, separate and apart from the residents, if otherwise eligible. A boarding house is defined as either of the following:
1. An establishment licensed as a commercial enterprise and offering meals and lodging for compensation.

2. In communities which have no licensing requirements, a commercial establishment offering meals and lodging with the intent to make a profit.

In either case, the number of residents has no effect on whether the establishment is or is not a boarding house.

7350 STRIKERS

Households with striking members will be ineligible to participate unless:

- The household was eligible for benefits the day prior to the strike and is otherwise eligible at the time of application.
- The striker is exempt for the work registration requirement the day prior to the strike for any reason other than that they are employed.

Certified households with members who go on strike are not entitled to increased benefits if their income decreases because of the strike.

A. Definition of a Striker: A striker is anyone who participates in a strike or concerted work stoppage by employees, including slowdowns and other concerted interruptions of the employer's operations. A strike often affects others besides those directly participating in the strike. DSS does not consider these others to be strikers if:

1. They can't work because of the strike, or;
2. They fear to cross the picket line because of threatened harm or vandalism.
3. They are locked out of their jobs by their employers.

EXAMPLE: Airline pilots strike; in sympathy ticket handlers strike; baggage handlers cannot work because there is no work; and mechanics fear retaliation if they cross the picket line. The pilots and ticket handlers are strikers. The baggage handlers and mechanics are non-strikers.

B. Eligibility and Benefits for Strikers:

Pre-strike eligibility is determined by considering the day prior to the strike as the day of application and assuming the strike did not occur.

Eligibility at the time of application is determined by comparing the striking member's income before the strike (as calculated for pre-strike eligibility) to the striker's current income and adding the higher of the two to the current income of non-striking members during the month of application.

To determine benefits (and eligibility for household's subject to the net income eligibility test), deductions are calculated for the month of application as for any other household. Whether pre-strike earnings are used, or his current income is used, the earnings deduction is used, if appropriate.

EXAMPLE (Striker income): An applicant household has one member who is on strike. This member earned $800 monthly on the job immediately before the strike. At the time of application, the striker receiving $350 per month strike benefits plus $350 from a part-time job. Pre-strike income is $800 while post-strike income is $700. Therefore, the higher of the two incomes will be used or $800 when determining eligibility benefits. This is added to the rest of the household's income.

7360 PRISONER RE-ENTRY APPLICANTS

Individuals who are incarcerate in state correctional facilities may apply for SNAP benefits up to two weeks before their scheduled release from the facility, with assistance from Department of Corrections (DOC) case managers.

DOC case managers will not submit applications for individuals being released to another temporary correctional facility where they will not be SNAP eligible (example CTP, CPR, etc.), alcohol/drug treatment center, or moving in with a spouse/child.

Even though the application forms, verifications, and interview may be completed prior to the individual's release, the application date is the prisoner's release date.

> **EXAMPLE:** An individual is scheduled for release June 18th. The application was processed June 5th (301 received, interview completed, etc). The date entered on the Appl panel is June 18th and benefits are not approved until the 18th, when the individual is released.

The application will be identified on ACCESS on the APPL panel by entering a "P" in the "RSN" (reason) code. Entering the "P" allows for entry of a later application date, and also provides statistical data that is needed for the federal waiver process.

The SNAP case will remain with the designated DSS EABS until all required information and verifications are processed.

If the individual's case closes and the individual re-applies for benefits at a later date, it is important to remember to remove the "P" code from the APPL panel, if the "P" code is still showing.

> **Example:** Expedited Prisoner re-entry appl received May 4th. Residency verification is not available before the individual's May 10th release, so case is approved for May without the verification. (Residency verification is required before June benefits are approved.) Verification of residence is received May 24th and case is approved. The case is then transferred to the appropriate county. (If the release date was after the 15th of the month, combined issuance rules would apply, meaning, the case would not be transferred to the appropriate county until the postponed verifications were processed for July.

7370 CONVICTED FELONS

Certain individuals convicted of felonies and not in compliance with the terms of their sentence will be ineligible to receive SNAP benefits if the conviction is after February 7, 2014.

A. Attestation:
   a. Requires every individual applying for SNAP benefits to attest to whether the individual, or any member of the individual's household, has been convicted of a crime covered in the applicable convictions section (See B below) and whether the household member is in compliance with the terms of their sentence.
   b. Attestation can be done in writing, verbally, or both, providing that the attestation is legally binding in the law of the State and the method is reasonably and consistently applied.
   c. Verification of the felon status is only required when the attestation is questionable.

d. If the Benefits Specialists has knowledge that would suggest the attestation is questionable then the Benefits Specialists will complete the 889 to have an investigator complete a review of the person in question.

B. Applicable Convictions:
   a. Aggravated sexual abuse under section 2241 of title 18 US code
      i. Aggravated Sexual Assault
   b. Murder under section 1111 of title 18, US Code
      i. Murder
   c. An offense under chapter 110 of title 18, US Code
      i. Sexual exploitation of children
      ii. Selling or buying of children
      iii. Material involving the sexual exploitation of minors
      iv. Material constituting or containing child pornography
      v. Misleading domain names on the Internet
      vi. Misleading words or digital images on the Internet
      vii. Criminal forfeiture
      viii. Civil forfeiture
      ix. Civil remedy for personal injuries
      x. Record keeping requirements
      xi. Record keeping requirements for simulated sexual conduct
      xii. Failure to report child abuse
      xiii. Mandatory restitution
      xiv. Production of sexually explicit depictions of a minor for importation into the United States
      xv. Penalties for registered sex offenders
   d. A Federal or State offense involving sexual assault, as defined in section 40002(a) of the Violence Against Women Act of 1994;
      i. Sexual Assault

7400 PARTICIPANTS IN SPECIAL PROGRAMS

7410 PARTICIPANTS IN ALCOHOL/DRUG TREATMENT CENTERS, BATTERED WOMEN AND CHILDREN SHELTERS, OR HOMELESS SHELTERS

The following participants in special programs may choose to receive SNAP:

A. Narcotic addicts or alcoholics, and their children, who regularly participate as residents in an approved drug or alcohol treatment program.

B. Residents in approved shelters for battered women and children. (Note: These residents must meet the same income and resource standards as other households.)

C. Residents of public or private non-profit shelters for homeless persons.

The special procedures in this section for residents in shelters for battered women and children apply to persons living in private or public non-profit residential facilities that usually serve meals.

The special procedures in this section for residents in shelters for battered women and children apply to persons living in private or public non-profit residential facilities that usually serve meals. Residents of this type of shelter may participate in SNAP as individual household units or as part of a group of individuals like any other household. They are not eligible for the provisions described in this section. Shelters that do not serve meals as part of their normal services are not classified as institutions.

7411 THE FACILITY AS AUTHORIZED REPRESENTATIVE

A. Residents, and their children, of drug/alcohol treatment centers apply for, purchase, and use SNAP benefits with the facility acting as their authorized representative.

   Facility residents who are not regularly participating in a drug/alcohol treatment/rehabilitation program are not eligible under this provision to participate in SNAP.

B. Residents in shelters for battered women and children may apply for SNAP, receive EBT cards, and use the allotment on their own behalf. The facility does not have to be the Authorized Representative, unlike drug/alcohol treatment centers. Households may appoint a shelter representative or any other person to act as AR the same as any other household.

   Individual households may use their allotments to buy meals prepared for them at a shelter approved by USDA to use SNAP benefits as a wholesale food business. Specialists must ask a shelter representative if the shelter is approved by USDA.

C. Homeless SNAP households will be permitted to use their SNAP benefits to purchase prepared meals from homeless meal providers. Homeless meal providers may not act as authorized representatives for homeless SNAP recipients.

7412 APPROVED CENTERS

A. Drug or alcohol treatment and rehabilitation centers must be approved (licensed/certified) by the appropriate agency of the State. Approval by USDA is not required. However, if the Benefits Specialist verifies that USDA has certified the facility as a retailer, then eligibility is confirmed.

   The specialist must also ask facility for verification that the facility is a nonprofit organization. If the facility is nonprofit, a current, valid Internal Revenue Service exemption must be provided for verification. Normally, the licensing agency determines the nonprofit status of the facility, and this determination can be used as verification.

B. Shelters for battered women and children must be public or private non-profit residential facilities that serve battered women and children. If a facility serves other persons, part of the facility must be set aside on a long-term basis to serve only battered women and children.

   Before certifying any household in this type of shelter, the Benefits Specialist must decide if the shelter meets the definition of an approved shelter and document the basis of this decision. If the Specialist determines that USDA has certified the shelter as a retailer, eligibility is confirmed.

   The specialist must document the shelter's status as a non-profit organization. The shelter should have a current certificate from the Internal Revenue Service.

C. Shelters or establishments for the homeless that are meal providers must be approved (licensed/certified) by an appropriate State or local agency or **must be authorized by FNS as a retail food store**.

   Such meal providers must be public or private non-profit organizations as defined by the Internal Revenue Service (I.R.C. 501(c)(3)) and must serve meals that include food purchased by the provider. Homeless meal providers serving meals, which consist wholly of donated food, will not be eligible for authorization to accept SNAP benefits as payment for meals.

7413 PROCESSING PARTICIPANT APPLICATIONS FOR AUTHORIZED RETAILER FACILITIES

The usual processing standards for initial and later eligibility decisions, handling reported changes, and other program actions as well as usual verification and documentation requirements apply to residents in homeless shelters, treatment centers, and shelters for battered women that are operate as authorized retailers.

For eligible residents of drug or alcohol rehabilitation centers, battered women and children shelters and homeless shelters who meet the expedited service regulations, the specialist must ensure benefits are available no later than the seventh calendar day after the application date.

Resident households have the same rights to notices of adverse action, fair hearings, and lost benefits as other households. A notice of adverse action, however, is not required when the drug or alcohol treatment center or homeless shelter loses either:

A. Certification from the state, or
B. Its status as an authorized representative because USDA revoked its retail status, prohibiting it from receiving SNAP.

The exemption from the notice of adverse action does not apply to shelters for battered women because the residents participate as individual households, and each household decides how it spends its allotment.

There are a few special processing standards for residents in treatment centers, and shelters for battered women participants. They are as follows:

A. Residents of treatment centers, if otherwise eligible and have no children residing in the center with them, must be certified for program participation as one-person households. If the child(ren) of the resident resides in the treatment center with them, the child(ren) must be certified as household member(s) in the resident's household. DSS certifies non-resident participants under normal procedures.

   Specialists determine SNAP eligibility for shelter residents based on their income and resources and the expenses they are responsible for. The amount of shelter expense is determined after deducting a one person allotment amount from the amount of the room and board payment. ACCESS automatically makes this calculation on the GLEX panel, so it is important that the room and board payment is entered on ACCESS.

B. Residents of battered women and children shelters may apply on their own or use the shelter or other person as an authorized representative. DSS determines the eligibility of these applicants as individual households.

   These shelter residents may have left a household that includes the person who abused them. The former household may already be certified for SNAP benefits and its certification may be based on a household size that included the woman and children who left. An application from a shelter resident who received SNAP benefits as a member of their former household may be certified as a separate household. The allotment would be based on the new household size.

   The Specialist must report the change in household composition of the former household to the office where the former household's case file is located.

DSS considers jointly held resources inaccessible and considers room payments to a shelter as shelter expenses.

Specialists must encourage shelter residents to use the facility's post office box as their mailing address, if available, to maintain a confidential residence address.

7420 SPECIAL CONDITIONS FOR DRUG OR ALCOHOL TREATMENT CENTERS

Items 7421-7424 applies only to drug or alcohol treatment centers; they do not apply to shelters for battered women and children because if the shelter is appointed authorized representative, its responsibilities are the same as any other authorized representative.

7421 CENTER RESPONSIBILITY

A. Applies on behalf of the residents (ID of individual applying must be provided), and
B. Receives the EBT card and training, and
C. Buys and prepares food for eligible residents on a group basis, or buys meals delivered to the individual residents.
D. The resident and authorized representative should personally sign the SNAP application form.
E. The facility acting as authorized representative is liable for any misrepresentation or fraud which it knowingly commits in the certification of participants it is representing. Therefore, the facility must be knowledgeable about household circumstances and should review those circumstances with the participants before applying for SNAP benefits on the participants' behalf.
   The facility is responsible for:
   1. Reporting required changes in participant’s circumstances;
   2. All losses or misuse of SNAP benefits held on behalf of participants, and
   3. All over-issuances which occur while the participants are residents of the facility.

Specialists must report incidents of suspected misuse or misappropriation of SNAP benefits through channels to SNAP program staff, which in turn, will refer to USDA. If the facility is disqualified by USDA as a retailer, it may not serve as an authorized representative for participants as long as it is disqualified. Also, if the facility loses its license or certification from the appropriate State Agency, it may not serve as authorized representative.

7422 LIST OF RESIDENT PARTICIPANTS

Each month, each facility director must give the local SNAP office a list of resident participants in SNAP. The list must be signed by an employee of the facility and given to the local office within five workdays after the end of the month for which it is prepared. Certification office staff use the list to:

A. Monitor facility caseload on a monthly basis,
B. Make periodic on-site visits, and
C. Ensure that office records are current.

Specialist must also ensure that the person the facility appoints to act as AR for participants knows of the reporting requirements. If the list of residents is not sent within the required time frame, the specialist should remind the facility representative of the reporting requirement. Repeated failure of the facility to report resident participants should be reported, through supervisory channels, to the SNAP program staff.

7423 PERIODIC ON-SITE VISITS

Benefits Specialists, or other designated staff, must make on-site visits to facilities on a periodic basis to:

A. Verify the accuracy of the listings, and
B. Ensure that local office records are consistent and current, and
C. Verify the center's certification is current.

The Specialist must document the date of the visit on the list being checked and must verify the number of residents through an inspection of facility records, such as admission and departure cards or ward lists. Specialists also must verify the facility's approval as a certified group living arrangement.

7424 RESIDENTS LEAVING DRUG/ALCOHOL TREATMENT CENTERS

Drug and alcohol treatment facilities that have the household's EBT card must provide departing residents with their EBT card. If the benefits have been received, the facility must:

A. Provide the departing household with the EBT card and a prorated amount of the benefit allotment due the household based on the day the household leaves the facility; even if all benefits have already been spent on behalf of that household. A proration chart has been provided to each facility and the minimum amount of benefits given to the resident must be at least the amount on the appropriate day and total issuance on the chart.
B. Provide the departing household with instructions to go to the local DSS office for EBT training and PIN change. They also should be instructed to contact their benefits specialist to discuss continuing their eligibility.
C. Complete DSS-EA-307, SNAP Exit Form, and return the form to the DSS office within 5 days after the resident left.
D. If the household leaves without notifying the facility, the facility must send the household's EBT card (with prorated benefits) with the DSS-EA-307, to the local DSS office.

Once DSS receives the DSS-EA-307, they must make the appropriate changes to the case, and send a copy of the form to the household. The form must be provided to the household within 10 days of receipt. If the household indicates they did not receive the benefits identified on the form, a copy of the form and the recipient's statement should be forwarded to EBT program staff.

If the departing resident fails to report the change in his circumstances as required, and the Specialist is unable to locate the household, the Specialist must stop the delivery of future benefits.

7430 PARTICIPANTS IN COMMUNITY SUPPORT PROVIDER FACILITIES

Residents in CSPs (group homes) must be disabled. If the individual does not meet the disability criteria, the individual is ineligible as long as he/she is a resident of a CSP facility. The procedures identified in 7431–7435 pertain only to residents in CSP facilities.

7431 THE FACILITY AS AUTHORIZED REPRESENTATIVE

Residents of the facility will apply and be certified through use of an authorized representative employed and designated by the CSP. The persons in the group living arrangement are certified as one person households. The facility may either:

A. Receive the EBT card to purchase food for meals prepared by and/or served to the eligible resident either communally or individually; or
B. Allow the eligible resident to receive the EBT card to use all or any part of the allotment on his/her own behalf.

If USDA suspends the facility's status as an AR (retailer), it may no longer act on the customer's behalf.

7432 APPROVED CENTERS

Group living arrangement means a public or private nonprofit residential setting that serves no more than 16 residents that is certified under regulations issued under Section 1616 (e) of the Social Security Act. The South Dakota Department of Human Services (DHS), Division of Developmental Disabilities, certify CSPs under 1616(e) of the Social Security Act. A list of certified homes is maintained at with SNAP program staff in State Office.

CSPs are required to be certified by USDA as a retailer. This certification will also confirm the CSP's eligibility. USDA's certification of a facility is valid until revoked.

7433 PROCESSING PARTICIPANT APPLICATIONS

Residents of CSP facilities must meet the usual processing standards for initial applications and renewals, including the usual verification and documentation requirements.

Eligible group home living residents who meet expedited service requirements must have their benefits available no later than the seventh calendar day after the application date.
Residents have the same rights to notices of adverse action, fair hearings, and lost benefits as other households. A notice of adverse action, however, is not required when the group living arrangement loses either:

A. Certification from the state, or
B. Status as an authorized representative because USDA revoked its retail status, prohibiting it from receiving SNAP.

Special processing standards for CSP participants are as follows:

A. Residents must apply through the facility's authorized representative and must be certified as one-person households.
B. A face-to-face or telephone interview is required for applications and renewals. Applications and renewals may be processed through the mail with interview conducted over the phone.
C. Proration of benefits occurs at application and when a resident leaves the facility.
D. A change in residence or the individual moving from the facility are to be reported as soon as it occurs.

Determination of SNAP eligibility for group living participants is based on the individual's income, resources, and the expenses they are responsible to pay. The amount of group living shelter expense is determined after deducting a one-person allotment amount from the amount of the room and board payment. ACCESS automatically makes this calculation on the GLEX panel, so it is imperative the gross room and board payment is correctly entered on ACCESS.

7434 SPECIAL CONDITIONS FOR CSP FACILITY ARRANGEMENTS

7434.1 Center Responsibility

A. Applies on behalf of the residents, and
B. Receives the EBT card and training, and
C. Buys and prepares food for eligible residents on a group basis, or buys meals delivered to the individual residents.
D. The authorized representative must sign the SNAP application form. The resident should also sign the SNAP application form, if at all possible.
E. The facility acting as authorized representative is liable for any misrepresentation or fraud which it knowingly commits in the certification of participants it is representing. Therefore, the facility must be knowledgeable about household circumstances and should review those circumstances with the participants before applying for SNAP benefits on the participants' behalf. The facility is responsible for:
    1. Reporting required changes in participant's circumstances
    2. All losses or misuse of SNAP benefits held on behalf of participants, and
    3. All over-issuances which occur while the participants are residents of the facility.

Specialists must report incidents of suspected misuse or misappropriation of SNAP benefits through supervisory channels to SNAP state office program staff, which in turn, will refer to USDA. If the facility is disqualified by USDA as a retailer, it may not serve as an authorized representative for participants as long as it is disqualified. Also, if the facility loses its license or certification from the appropriate State Agency, it may not serve as authorized representative.

7434.2 List of Resident Participants

Each month, each facility director must give the local SNAP office a list of resident participants on SNAP. The list must be signed by an employee of the facility and given to the local office within five work days after the end of the month for which it is prepared. Certification office staff use the list to:

A. Monitor facility caseload on a monthly basis,
B. Make periodic on-site visits, and
C. Ensure that office records are current.

Specialists must ensure that the person the facility appoints to act as AR for participants knows of this reporting requirement. If the list is not sent within the required time frames, contact should be made with the facility representative to remind them of the reporting requirement. If repeated failure to report results occurs, the Specialist should notify SNAP program staff through the appropriate channels.

7434.3 Periodic On-Site Visits

Specialists, or other designated staff, must make on-site visits to facilities on a periodic basis to:

A. Verify the accuracy of the listings, and
B. Ensure that local office records are consistent and current, and
C. Verify the center’s certification is current.

The date of the visit must be documents on the list of items reviewed at the facility along with verifying the number of residents through an inspection of facility records, such as admission and departure cards or ward lists. Verification of the facility's approval as a certified CSP must also be completed with the on-site visit.

7434.4 Residents Leaving CSP Facilities

CSP facilities provide departing residents with their EBT cards, and any **unused** benefits issued for the resident. If at the time the resident leaves, no benefits have been spent on behalf of the

resident, the facility must return the full value of any benefits already debited from the resident's current monthly allotment, regardless of the time of the month the resident leaves.

However, if the facility has already debited benefits and spent any portion of them on behalf of the individual, the facility must do the following:

A. If the resident leaves the facility prior to the 16th of the month the facility must provide the household with half of its monthly allotment amount for the current month.
B. If the resident leaves the facility on or after the 16th of the month and benefits have already been debited and used on behalf of the resident, the household does not receive any benefits.

In all situations the facility must do the following:

A. Provide the departing resident with the EBT card
B. Provide the departing resident with the DSS office address and telephone number so the resident can contact DSS to continue his/her eligibility and update his/her EBT card.
C. Complete DSS-EA-307G, SNAP CSP Exit Form and return the form to the DSS within 5 days after the resident left.
D. If the individual leaves without notifying the facility, the facility must return the EBT card (with remaining benefits) to SNAP program staff along with the DSS-EA-307G.
E. In the event of a resident's death, the card and benefits (following the above time frames) must be returned to the local office.

Once DSS receives the DSS-EA-307G, they must close the individual's SNAP case and send a copy of the form and a DSS-EA-301, Statement of Need, to the individual. The forms must be provided to the individual within 10 days of receipt. If the individual indicates they did not receive the benefits identified on the form, a copy of the form and the recipient's statement should be forwarded to EBT program staff. If the resident leaves the facility without notice, after the EBT card is received from the facility, it is immediately deactivated.

7435 CSP ALLOTMENTS

Eligible CSP residents will receive SNAP benefits based on their individual circumstances and normal SNAP eligibility requirements will apply.

Allotments are required to be prorated for approvals of new applicants based on the date the application is received. ACCESS calculates the prorated allotment based on this date.

7440 PARTICIPANTS IN PREPARED MEALS SERVICES

7441 COMMUNAL DINING

Any member of an eligible household who is 60 years of age or older may use all or any part of his SNAP benefits to purchase meals prepared at a communal dining facility authorized by USDA for these purposes. In addition, if the household member lives only with a spouse, the spouse, regardless of age, also may purchase meals from a communal dining facility provided the spouse receives SSI.

A communal dining facility means any facility such as senior citizens' centers, apartment buildings occupied primarily by elderly persons, any public or tax-exempt nonprofit private school which prepares meals especially for elderly persons during special hours, and certain other public or tax-exempt nonprofit private establishments which prepare and serve meals for the elderly. It also means a private establishment which is under contract with a state or local agency to offer, at concessional prices, meals prepared especially for the elderly. Such facilities may accept SNAP

benefits only after authorization by USDA. Local communal dining facilities authorized by USDA to accept SNAP benefits in payment for prepared meals may be identified through the local USDA office.

7442 MEAL DELIVERY SERVICE

Any member of an eligible household who is 60 years of age or older may use all or any part of his SNAP benefits to purchase meals from a nonprofit meal delivery service authorized by USDA for this purpose provided the individual is housebound, feeble, physically disabled, or otherwise disabled to the extent that he is unable to adequately prepare all his meals. In addition, if the household member lives only with spouse, the spouse, regardless of age or disability, also may purchase meals from a nonprofit meal delivery service. An example of a meal delivery service would be Meals On Wheels.

A nonprofit meal delivery service means a political subdivision or a private nonprofit organization which prepares and delivers meals, which is recognized as tax-exempt by the Internal Revenue Service, and which is not receiving federally donated foods from USDA for use in the preparation of meals to be exchanged for SNAP benefits. These organizations may accept SNAP benefits only after authorization by USDA.

7450 SIMPLIFIED SNAP – IMPROVED NUTRITION (IN) PROGRAM

Individuals who receive SSI and live on their own or live with a spouse, who also receives SSI, can apply for a simplified SNAP, Improved Nutrition benefits. The IN program is a simplified process to apply for SNAP benefits, with no interview required, verification requirements that are normally required are waived, 3 year certification period is allowed, and a households receive a standard amount of SNAP benefits based on their shelter circumstances. There are no reporting requirements during their 3 year certification period as all information is received through Social Security Administration data matches.

7451 DETERMINING IF AN SSI RECIPEINT IS ELIGIBLE FOR IN BENEFITS

In order for an SSI recipient to be eligible for IN benefits they must meet the following criteria:

- Their SSI payment must have a current pay status (CO1 on the SDX screens).
- They must be at least 18 years of age
- If single and living with others, the SSI recipient must purchase and prepare food separately from others.
- If married, the SSI recipient's spouse must also be receiving SSI benefits in current pay status.
- The SSI recipient must not live an institution.
- The SSI recipient cannot have children under the age of 22 living with them.

7452 APPLYING FOR IN BENEFITS

Individuals can apply for IN benefits using the DSS EA-301 application or the DSS EA-301I application. Benefits Specialists should review the application for potential IN eligibility by using the criteria above. If IN elig is suspected, the Benefits Specialist should use the IN prescreening tool to determine if IN or SNAP benefits are greater. If IN benefits are greater, then the IN program should be offered to the individual and they can choose the simplified application process. If the applicant applies for SNAP benefits using the EA-301, the Benefits Specialist must review their application for potential IN eligibility using the above criteria. If the above criteria is met, then the Benefits Specialist should use the IN pre-screening tool to determine if SNAP or IN benefits are

greater. The IN program should be discussed with the customer and they can choose whether to finish the regular application for SNAP or do the IN application The applicant always has the choice to choose to receive of IN or SNAP benefits. Remember IN benefits do not require any verification so if the applicant chooses IN benefits, then no verifications should be requested.

7500 NON-HOUSEHOLD MEMBERS, INELIGIBLE MEMBERS, EXCLUDED AND DISQUALIFIED PERSONS

7510 NON-HOUSEHOLD MEMBERS

Non-household members include individuals who reside with the household but do not purchase/prepare meals, roomers, and live-in attendants. Non-household members may not be considered household members when determining the household's eligibility. The non-household member is not allowed to participate, their income/resources/allowable expenses are not considered in the household's budget, and the individual is not included when assigning a benefit level to the household. Non-household members may participate as separate households if they apply and meet eligibility criteria.

If the non-household member is paying the entire expense, then no deduction is allowed. If the household shares expenses with the non-household member, only the amount actually paid or contributed by the household is deducted as an expense except for utilities. The utility allowance is never prorated so if the household shares in the utility costs with a non-eligible member, the full allowance is allowed. If the non-household member and a member of the household have a joint checking account, and the expense is paid from that account, then the expense would be prorated among the number of people who own the joint account, and the eligible member(s) share would be counted as a deduction. If the household's portion cannot be separated from the non-household member's portion, the Specialist deducts the household's prorated share.

7520 INELIGIBLE HOUSEHOLD MEMBERS

Ineligible household members include individuals who reside with the household but are not eligible because they are boarders, institutional residents, or ineligible students. Ineligible members are not allowed to participate, their income/resources/expenses are not considered, and they are excluded when assigning a benefit level to the household. They may not participate as separate households. If an ineligible student is paying or contributing toward an expense, and their amount cannot be differentiated from other household members; the expense is prorated evenly among persons paying or contributing to the expense, then, only the remaining eligible household members pro-rata share can be used as a deduction. If the ineligible student shares the household's utility expense, the full utility allowance is allowed.

7530 EXCLUDED AND DISQUALIFIED MEMBERS RULE

A member or members of the household can be excluded from participation in SNAP while the remaining members continue to participate. Excluded persons are household members, although not allowed to participate, and their circumstances including income, resources, and allowable expenses, are subject to verification the same as any other member.

Exclusion may occur for the following reasons:

A. SSN disqualified - Individuals disqualified for failure to provide a SSN as set forth in Section 3700. ACCESS: Member panel - SSN code: "R".

B. Ineligible alien - Individuals who do not meet the citizenship or eligible alien status. (Individuals, whose alien status is questionable, are ineligible aliens but should not be considered illegal aliens.) ACCESS - Member panel - Alien Info Codes: “I” Ineligible or appropriate alien code.

C. Non-Compliance with Citizenship/Alien Signature Statement - Household members who fail or refuse to sign the statement attesting to their citizenship or alien status. ACCESS - Alien Info Code: *I* Ineligible.

D. Able-bodied adults without dependents who have received their time limits and are not exempt from the ABAWD provisions.

E. Non-cooperation with Child Support – If the head of household does not cooperate with DCS or does not complete required forms for referral to DCS, he/she is not eligible to receive SNAP benefits until he/she cooperates.

The following rules apply to excluded member in A, D, or E above:

- Is not included when assigning a benefit level to the household
- Income and most allowable expenses are prorated among household members
- Resources are counted in their entirety
- If the excluded member shares heating/cooling costs with the household, the household is entitled to the full SUA.

The following rules apply to excluded member B (Ineligible Aliens) and C above:

- Is not included when assigning a benefit level to the household
- Income is counted in its entirety
- Allowable expenses are prorated among household members
- Resources are counted in their entirety
- If the excluded member shares heating/cooling costs with the household, the household is entitled to the full SUA.

Excluded members F – J below are not included as members when assigning a benefit level to the household. Resources, income and allowable expenses of the excluded member are counted in their entirety.

F. Non-compliance with Work Registration- Individuals who do not comply with Work Registration requirements, includes individuals who voluntarily quit a job or reduce hours of employment without good cause. ACCESS: Mems panel – SNAP SANC Code: “28”-Work Sanction; “30”-Voluntary quit/reduction of hours.

G. Intentional program violation (IPV) disqualified - Individuals disqualified for an intentional program violation. ACCESS - Mems panel - IPV.

    1. If individual is disqualified from TANF or Tribal TANF through an IPV, the individuals is excluded as a SNAP member and removed from the SNAP household count during the time period. The full amount of TANF (prior to the IPV) the household would have received is still counted on the UNEA panel.

H. Duplicate Benefits - Individuals found guilty of receiving duplicate SNAP benefits (both out-of-state and in-state) because they made a fraudulent statement regarding their identity or place of residence are disqualified for 10 years. The guilty decision must have been issued from an Administrative IPV Hearing, signed waiver, or State or Federal court anywhere in the nation. The 10 year time frame starts the month following the month the individual signed the waiver or was found guilty. ACCESS - Mems panel – SNP SPDQ - “B”, Dup. Date - Date 10 year time period starts.

I. Trafficking - Individuals are permanently disqualified if they are convicted of or sign a disqualification consent agreement for:

1. trading benefits for weapons, ammunition, and/or explosives on or after September 1, 1994; and/or
2. Buying or selling SNAP benefits in an aggregate amount of $500 or more after August 22, 1996. (If the amount is less, the individual will be disqualified following IPV disqualification time frames – 12 months 24 months, or permanently.)

ACCESS - Mems Panel – SNP SPDQ. - “C”

Individuals are disqualified for 2 years, for the first occurrence, if they are convicted or sign a disqualification consent agreement for trading SNAP benefits for a controlled substance on or after September 1, 1994. If there is a second occurrence, they are permanent disqualified. ACCESS - call help desk.

J. Fleeing Felons/Parole/Probation Violators/Convicted Felons – as defined in chapter 2 definitions, are disqualified members and are not eligible to receive SNAP benefits. ACCESS - Mems – SNP SPDQ.- “F”.

K. Disqualification for failure to comply with federal, state and local general assistance requirements - Individuals disqualified for failure to comply with TANF or Tribal TANF requirements may not have their benefits increased because of the disqualification (Currently TANF and Tribal TANF are the only programs that meet this definition in South Dakota).

If the individual is disqualified during the application process for TANF or Tribal TANF; or was disqualified from TANF or Tribal TANF before receiving SNAP benefits, there is no carry-over disqualification because disqualifications are only for on-going TANF, Tribal TANF and SNAP recipients, not applicants.

TANF or Tribal TANF (letter K above) disqualifications carried over to excluded members are:

1. If an individual is disqualified from TANF or Tribal TANF for a time controlled period (100% sanction, voluntary quit, reduction in hours, or failure to accept an increase in employment hours), the individual is an excluded SNAP member and removed from the SNAP household count during the time period he/she is disqualified from TANF/Tribal TANF. ACCESS Mems panel – SNP SPDQ.: “O” for 100% sanctions and “I” for the others

2. If an individual is disqualified from TANF or Tribal TANF for Intentional Program Violation (IPV), the individual is an excluded SNAP member and removed from the SNAP count. ACCESS - Mems Panel – SNP SPDQ. “I”.

An Individual with a TANF or Tribal TANF disqualification listed in 1 or 2 above is not included when assigning a benefit level to the household. The excluded member’s resources, income, and allowable expenses are counted in their entirety.

3. If an individual’s TANF or Tribal TANF grant is reduced by 50%, or $50 child reduction penalties, the individual remains an eligible member and the grant reduction is added back as income automatically by ACCESS.

4. If TANF or Tribal TANF disqualifies a teen parent for not residing with a parent or in an approved setting, or not attending school full-time, but approves the teen parent's minor child for TANF or Tribal TANF benefits, there is no carry-over disqualification. The individual is ineligible for TANF or Tribal TANF, not sanctioned.

Individuals with a TANF or Tribal TANF grant reduction (3 & 4 above) are not considered excluded members and continue to be in the SNAP household count.

L. Quality Control Disqualifications - Individuals refusing to cooperate with a Quality Control (QC) review are disqualified for 125 days (February 2) following the end of the federal fiscal year (10/1-09/30). The household where the individual is receiving benefits is ineligible until the individual cooperates with QC, leaves the household or the disqualification period ends. If the individual moves into another SNAP household, that household is then ineligible because the disqualification goes with the individual. ACCESS - Mems – QC DSQ".

M. Food Distribution Program on Indian Reservation (FDPIR, commonly called Commodities) IPV Carryover Disqualification: Individuals disqualified from FDPIR for IPV must be disqualified from SNAP for the same time period they are disqualified from FDPIR. ACCESS - Mems – SNP SPDQ" "R"-12 months, "E"-24 months, or "V"-permanent.

7540 OTHER EXCLUDED MEMBERS

This section pertains to individuals excluded for:

1. Work Registration; or
2. Intentional Program Violation (IPV); or
3. Voluntary quit/reduction of hours; or
4. Duplicate Benefits; or
5. Trafficking; or
6. Fleeing Felon/parole/probation violator; or
7. Disqualified from TANF or Tribal TANF.

The earned or unearned income of an excluded individual listed above will continue to be counted in its entirety to the remaining household members.

Be aware that an individual may be in more than one category at a time.

- If an individual is both an ineligible alien and an ineligible student, the rules for ineligible alien apply.
- If a household member is disqualified for failing to comply with Quality Control, the entire household is ineligible.
- If an individual is both an IPV disqualified member and an ineligible student, the rules for IPV disqualification apply until the sanction expires, then the ineligible student rules apply.

> **EXAMPLE:** Jane began her IPV disqualification in July. In August, she enrolled in college and became an ineligible student. Jane maintains her status as an IPV disqualified member until her sanction expires. Then Jane becomes an ineligible student if her circumstances have not changed.

7600 HOUSEHOLDS CONTAINING SPONSORED ALIENS

7610 DEFINITIONS

1. A “sponsored alien” is a person lawfully admitted for permanent residence into the United States (Section 3200) for whom a sponsor has executed an affidavit of support (INS Form I-864 or I-864A) on behalf of the individual.
2. A “sponsor” is a person or organization signing the affidavit on behalf of the alien as a condition of entry. If the sponsor’s spouse also signed an affidavit on behalf of the alien, the sponsor’s spouse income and resources must also be deemed.
3. “Date of entry” or “Date of admission” means the date established by the Immigration and Naturalization Service as the date the sponsored alien was admitted for permanent residence.
4. The affidavit of support (I-864 or I-864A) is a legally enforceable contract between the sponsor(s) and federal government for the benefit of the sponsored immigrant.

   The affidavit is required for all applications for immigrant visas or adjustment of status filed on or after December 19, 1997 (unless the individual is not required to have a sponsor under Immigration and Nationality Act (section 5820, C).

   By executing Form, I-864 or I-864A, the sponsor(s) agrees to provide the financial support necessary to maintain the sponsored immigrant at an income that is at least 125% of the federal poverty line, unless the obligation has terminated (Section 5830).

7620 EXCEPTIONS TO SPONSORED ALIEN RULES

A. Aliens who are members of the sponsor’s SNAP household.

B. Aliens who are sponsored by an organization.

C. Aliens not required to have a sponsor under the Immigration and Nationality Act such as refugees, parolees, asylees, and Cuban or Haitian entrants. Children, under age 18, who are legally residing in the U.S.

D. Sponsor deeming does not apply to children who are legally residing in the U.S. and under 18 years of age.

E. A battered alien spouse, alien parent of a battered child, or a battered alien.
   1. An exception from sponsor deeming for certain battered spouses and children is allowed for a one-year period.
   2. This exception is for immigrant spouses and children who have been battered or subject to extreme cruelty in the United States by their spouses, parents, or by another family residing in the household who was allowed to commit the acts.
   3. The battery or cruelty must have a substantial connection to the need for the public benefits.
   4. The spouse or child subjected to cruelty must not be living with the person who committed the abusive acts.
   5. The battered spouse exception may extend beyond the initial one-year period if the INS judge or an administrative law judge formally recognizes the battery or extreme cruelty occurred. The local department must also determine that the abuse continues to have a connection with the spouse or child’s need for benefits.
   6. SNAP program staff assistance may be requested if this situation occurs.

F. An indigent alien whose sponsor’s contribution is so inadequate that the immigrant is unable to obtain food and shelter.

1. "Unable to obtain food and shelter" means the total amount of the eligible sponsored alien's household own income, plus any cash, food, housing, or other assistance (including in-kind) provided by other individuals, including the sponsor(s), does not exceed the gross income test for the household's size (130% of the federal poverty level).
2. To make this determination, add the alien's countable income less farm loss or legally obligated child support paid to a non-household member, plus any cash, food, housing, or other assistance provided by other individuals, including the sponsor(s), in the month of application.
    a) In-kind assistance is defined as performing some work or service in lieu of paying for a product or service. Determine the amount of in-kind assistance by estimating a value for it. For example, if the alien does work for the sponsor for his room, ask the sponsor how much he normally charges for the room rent. Documentation is essential.
3. Compare the total income, contribution and value of in-kind assistance to the gross income limit for the alien's household size. If the total is greater than the gross income limit, the alien is not indigent, and sponsor deeming must occur. If it is less, the alien is indigent.
4. If the alien is indigent, the indigent exemption continues for 12 months from the month of determination. After 12 months, a new indigent determination is required (follow steps 1-3).
5. During the 12 months the alien is considered indigent, count only the actual amount of cash support paid to the alien from the sponsor(s) for sponsor deeming, beginning with the month of determination.
6. When an indigent determination is made, report to the US Attorney General in writing.
    a) The Attorney General, US Department of Justice, 950 Pennsylvania Ave., NW, Washington, DC 20530-0001
    b) Include the name of the indigent alien, the name of the sponsor, and the 12 month indigent time frame.
    c) Send a copy of the letter to SNAP program staff.

G. Sponsor deeming rules only apply to eligible aliens so if the individual is an ineligible alien, no deeming is completed.

7630 TERMINATION OF SPONSOR OBLIGATION

The sponsor's support obligation terminates when the sponsored alien:

A. Becomes a citizen of the United States; or

B. Has worked, or can be credited with 40 qualifying quarters of work (Section 3222); or

C. Ceases to hold the status of an alien lawfully admitted for permanent status and has departed the U.S; or

D. Dies; or

E. The sponsor's obligation also terminates if the sponsor dies; or

F. If the alien changes sponsors, use the new sponsor's income and assets.

7640 REPORTING AND VERIFICATION RESPONSIBILITIES

A. The eligible sponsored alien is responsible to report all or any of the following:
   1. Obtain the cooperation of the sponsor(s) and provide the agency with any information or documentation necessary to calculate deemed income and resources;
   2. Provide names and other identifying information of other aliens for whom the alien's sponsor(s) has signed an affidavit of support, if known;
   3. Report if the sponsor(s) changes, and provide required information;
   4. Report a change in income if the sponsor(s) changes or loses employment or dies.

   INS offices are in agreement with USDA to provide information to State agencies that is needed to carry out verification requirements in this Section.

B. If the sponsored alien is unable to provide information or verification:
   1. Offer assistance in obtaining the information, if appropriate.
   2. The alien is ineligible until the information or verification is received.
      a) If the alien is the only sponsored member, eligibility must be determined for the remaining household members.
      b) The ineligible alien's resources count in their entirety and income and expenses are prorated.
   3. No sponsor deeming is required for ineligible aliens.
   4. If the same sponsor(s) are responsible for all members of the household, the entire household is ineligible until the information and verification are received.

C. If the sponsored alien refuses to cooperate in providing information or verification:
   1. Other adult members, if any, must provide the information and/or verification needed to determine eligibility. If no other adult member, then stop here as the individual is ineligible until the information is provided.
   2. DSS must offer assistance to the other adult household members in obtaining the information, if appropriate.
   3. The alien remains ineligible until the information or verification is received.
   4. If the same sponsor(s) are responsible for all members of the household, the entire household is ineligible until the information and verification is received.

7650 SPONSOR(S) INCOME AND RESOURCE CALCULATION

A. Resources of the sponsor and the sponsor's spouse (if the spouse also signed an affidavit) must be determined following SNAP procedures for resources.

Step 1	ADD	Allowable assets
Step 2	SUBTRACT	$1500
Step 3	DIVIDE BY	Number of aliens sponsored, if known. If not known, the entire amount counts
Step 4	EQUALS	Amount of resources deemed per member sponsored

B. Income of the sponsor and the sponsor's spouse (if the spouse also signed an affidavit) must be determined following SNAP procedures for income.

Step 1	ADD	Earned income of sponsor(s)
Step 2	SUBTRACT	20% of the earned income
Step 3	ADD	Unearned income of sponsor(s)
Step 4	SUBTRACT	Legally obligated child support payment and/or farm/ranch loss
Step 5	SUBTRACT	Gross monthly income limit for family size (number of dependents who are, or could be, listed on the Federal Income Tax Form)

Step 6	DIVIDE BY	Number of aliens sponsored, if known. If not known, the entire amount counts
Step 7	EQUALS	Income deemed per member sponsored

Actual money paid to the alien by the sponsor(s) is not considered income to the alien, unless the amount paid exceeds the amount deemed (as determined above). Consider the excess as unearned income to the sponsored alien in addition to the amount deemed.

7660 CLAIMS AGAINST SPONSORED ALIENS/SPONSORS

Any over issuances will be the sole responsibility of the household because the sponsored alien is responsible for obtaining and reporting sponsor information and verifications.

7700 CATEGORICALLY ELIGIBLE HOUSEHOLDS

Categorically eligible households may not be denied benefits because their income and/or resources are over SNAP maximum amounts. Therefore, the $3000/$4750 resource test and maximum gross/net income tests are automatically passed for categorically eligible households. All other eligibility criteria must be met. The reason for categorical eligibility should be thoroughly documented in the case file.

A. If the household meets one of the definitions listed below, the household is entitled to categorical eligibility **unless** a household member is disqualified for IPV or the head of household is disqualified.

1. All household members receive or authorized to receive Supplemental Security benefits (SSI); or
2. All household members receive or authorized to receive TANF or Tribal TANF benefits; or
3. All household members receive or authorized to receive TANF, Tribal TANF, or SSI benefits; or
4. TANF/SSI/Tribal TANF recipients whose benefits are suspended or recouped; or
5. TANF/SSI/Tribal TANF eligibles who receive no grant because the benefit is under $10.00; or
6. The household has one member receiving or authorized to receive Child Care Services (CCS) benefits; or
7. A formal TANF application was diverted within the last 12 months [201 was signed]; or
8. The TANF case closed within the last 12 months; or
9. The Tribal TANF case closed within the last 3 months

B. Recipients who are only eligible for Title XIX (Medicaid) benefits are not categorically eligible unless their Title XIX eligibility is because their SSI is suspended or being recouped.

C. Under no circumstances will any household be considered categorically eligible if:

1. Any member is disqualified for an intentional program violation (IPV)
2. The head of household is disqualified because the individual failed to comply with work registration, voluntarily quitting a job, reducing employment hours without good cause), and/or non-cooperation with DCS.
3. The head of household is disqualified because he/she is a fleeing felon or parole/probation violator, was convicted of receiving duplicate benefits after 09-23-97,

was convicted of trading benefits for weapons, ammunition, explosives, or drugs, or buying/selling benefits in excess of $499 after 09-23-97.

D. The household may be categorically eligible if it contains non-eligible household members (e.g. ineligible students, ineligible aliens, and ABAWDs who are ineligible because of time limits).

E. Postpone denying a potentially categorically eligible household until the 30th day to allow potential TANF, SSI, Tribal TANF, or Child Care Services (CCS) benefit approval. Within 30 days following the denial date, if the household notifies DSS or DSS becomes aware of approval of TANF, SSI, Tribal TANF or Child Care Services, which makes the household categorically eligible, benefits will be paid using the original application information and any additional information since the time of application. The Benefits Specialist will make contact with the household to discuss any other changes that have occurred since the original application. If the household provides changes in information or if any information obtained differs from original information provided by the household, the benefits specialist will arrange for the household or its authorized representative to initial all changes, resign and re-date the updated application and provide the necessary verification.

CHAPTER EIGHT: INCOME

8000 INCOME

8100 DEFINITION

In determining the household's eligibility and basis of issuance, the income considered is that income already received by the household during the certification period & any anticipated income the household and the Benefits Specialist are reasonably certain will be received during the remainder of the certification period. If the amount to be received or when it will be received is uncertain, only that portion of the household's income that is certain will be considered.

It is important for the benefit specialist to consider the source of the income and make a reasonable estimation of when it could be expected to be received.

> **Example:** Applicants for TANF or SSI do not normally receive these benefits during the first month in which they apply for them.

8200 INCLUDED AS INCOME

For SNAP purposes, income includes the following:

8210 EARNED INCOME

A. **Earnings**
All wages and salaries for services performed as an employee.

B. **Self-Employment Income**
If the household has self-employment expenses and does not opt to use actual expenses, self-employment is calculated using the gross income for the business times 45%.

If the business does not report any allowable business expenses or the household opts to use actual business expenses, total gross income from a self-employment enterprise is determined by adding total gross income and capital gain from the sale of capital goods or equipment plus capital assets related to the business plus depreciation minus cost of doing business.

Ownership of rental property is also considered to be self-employment; however, the income received from rental property is considered to be earned income only if a household member is engaged in management of the property at least an average of 20 hours a week. If this criterion is not met, the rental income is counted as unearned income and is not eligible for the self-employment standard deduction for expenses.

Payments from a roomer or boarder are also considered self-employment income.

C. **Training Allowances**
Training allowances from vocational or rehabilitative programs recognized by federal, state, or local governments to the extent they are not a reimbursement, except for allowances received through programs authorized by WIOA.

D. **Income of an Excluded Person**

The earned income of an individual excluded for SSN, ABAWD time limits, or DCS Non-Cooperation is counted as earned income less that individual's prorated share.

The **entire** earned income is counted fully for individuals disqualified for IPV, fleeing felon, parole/probation violator, ineligible alien, duplicate participation, work registration or voluntary quit or reduction of hours, trafficking in excess of $499, or disqualified because of a carryover disqualification from TANF or Tribal TANF.

E. **Military Pay and Allowances**

Military pay (such as base pay or flight pay) is considered earned income, with the exception of additional payments for combat pay (hazardous duty pay). Allowances for quarters, housing, subsistence, and/or food are payments for normal household living expenses and are also budgeted as earned income. Allowances for job-related or other expenses such as uniforms are considered reimbursements and excluded. Payments made under the Family Subsistence Supplemental Allowance Program (FSSA) are earned income. Free meals or meal tickets & provided housing are in-kind benefits.

The salary of some military personnel may be reduced to fund the G.I. Bill. Section 303(a)(1) of the Omnibus Veterans Benefits and Health Care Authorization Act of 1986 provides that the reduction of pay is not under the control of the individual. Based on this, the amount of reduction will not count as income for SNAP purposes.

> **Example:** If the pay is $1500 per month, but the customer receives $1400 with $100 diverted to the G.I. Bill, $1400 is budgeted. Once an individual leaves the service, the amount that has accumulated will be treated as income and/or resources depending on whether or not the individual enrolls in any educational institution or training program.

Reenlistment bonuses, if received in a lump sum, are exempt from income under lump sum provisions. However, they are counted as a resource in the month received. If one-half of the bonus is paid initially, and the remainder paid in equal annual installments, the income must be counted as earned income as received.

F. **Payments Under Domestic Volunteer Service Act**

Payments under Title 1 (VISTA) of the Domestic Volunteer Service Act of 1973 (Public Law 93-113 as amended), excluding those payments made to households specified in Section 8314 (C).

G. **Workforce Innovation and Opportunity Act (WIOA)**

1. Income is countable if it is an on-the-job training programs paid under Title I of WIOA and is counted as earned income unless paid to individuals under 19 years of age who are dependents (living with parents or under parental control of an adult household member), or OJT as described below in 2b. If paid to dependents under age 19, it is not counted as income regardless of the child's student status. Job Services can identify Title I WIOA on-the-job training programs if the program funding is in question.

2. WIOA income is excluded if paid for:
   a) Summer Youth Payments are excluded. The income is excluded regardless of the age of the child, the child's school enrollment, or whether or not the child is a dependent.
   b) On-the-job WIOA payments made to migrant and seasonal farm workers, Native Americans, dislocated workers, Job Corps, affirmative action programs, labor market information programs, and veterans' employment programs are excluded.

c) Work experience WIOA payments are excluded.
d) Training experience WIOA payments are excluded.
e) AmeriCorps and Youthbuild Program income are excluded.

8220 UNEARNED INCOME

A. **Assistance Payments**

Assistance payments are those from federal or federally aided public assistance programs such as SSI, TANF, general assistance programs, or other assistance programs based on need. Assistance payments from programs which require, as a condition of eligibility, the actual performance of work without compensation other than the assistance payments themselves, will be considered unearned income. TANF diversion payments are excluded as income.

All income received by assistance recipients is counted in the budget process for all households. Exemptions from income used in computing assistance grants are not exempted in computing SNAP income. Assistance households receive the income exclusions and deductions provided in sections on income deductions in this manual. For households with both Cash recipients and non-Cash persons, the total income of all members is considered in determining eligibility and basis of issuance.

When a mixed SNAP household is involved, it is the responsibility of the PA worker to inform the appropriate SNAP Specialist when the PA grant changes.

Complementary Assistance is counted as unearned income. This assistance is usually based on need or achievement. Examples of this assistance are subsidized adoption assistance and subsidized guardianship assistance. If the assistance is anticipated to be paid one time, it may be excluded under lump sum rules.

Complementary Assistance received for a child that is attending boarding school should be counted towards the household even though the child is not currently receiving SNAP benefits. (See Section 8310)

If the assistance payment is a transitional employment allowance (TEA) payment, the TEA payment is counted as income.

B. **Annuities & Pensions**

Payments received as an annuity; pension; retirement; veteran or disability benefits; workmen's or Reemployment Assistance compensation; old-age survivors or social security; and strike benefits are countable income.

SSI and SS retroactive disability payments may be paid in monthly installments for individuals who are disabled because of drug addiction or alcoholism. The payments are countable income as long as they are made for addiction or alcoholism disabilities. If a large SSI retroactive payment is made in installments (not more than 3 installments in a 6 month interval) and is not made for drug addiction or alcoholism caused disabilities, the payments are not counted as income because they are considered lump sum.

Retroactive SSI payments made to individuals under 18 may be direct deposited into a dedicated account with a representative payee. These payments may also be paid in installments. These payments are not counted as income because they are considered lump sum payments.

C. **Rental Income**
If rental income is received and the individual is not involved in the management of the property at least 20 hours/week or more, then the use of the standard deduction (simplified calculation) is not allowed.

Rent payments made from one household to another when they reside together will be exempt as a pass through payment up to the full amount of rent charged. If the payment is more than the full amount of rent charged, the excess payment is added to a UNEA panel and is considered unearned income to the household receiving the payment. Contract for deed income is also considered rental income; it is counted as received or it can be annualized. Whatever is best for the customer's circumstances.

D. **Gifts**
The portion of cash gifts over $100 received by a household member for a recurring occasion is counted. Amounts $100 and less are excluded. Recurring occasions are events that are reasonably expected to reoccur (birthdays, anniversaries, Christmas, etc.). If the gift is paid for non-recurring occasions, it is considered a lump sum resource. Examples of non-recurring occasions are graduations, marriages, etc.

> **Example:** Jane received a birthday gift of $150. $50 would be budgeted as unearned income.

A gift received by one member of the household who states it is intended for the entire household is divided in a way that is most advantageous to the household.

> **Example:** John reported a Christmas gift of $500 and stated it was intended for all four members of his household. The $500 should be prorated by 4 which results in a gift of $125 per person. $25 per person is counted ($125 – $100) as gift income.

E. **Income of an Excluded Person**
The unearned income of an individual excluded for SSN, ABAWD, FDPIR IPV Carryover disqualifications, or non-cooperation with DCS is counted as unearned income less that individual's prorated share.

The **entire** unearned Income is counted fully for individuals disqualified for IPV, fleeing felon, parole/probation violator, ineligible alien, duplicate participation, work registration or voluntary quit or reduction of hours, trafficking in excess of $499, or disqualified because of a carryover disqualification from TANF/Tribal TANF. If the individual's TANF/Tribal TANF grant was reduced by 50%, $50, or prorated because of failure to comply with TANF/Tribal TANF requirements, 100% of the grant must be budgeted.

F. **Support and Alimony Payments**
Count support or alimony payments made directly to the household from non-household members.

G. **Cash Payments from Non-household Members**
Cash payments from non-household members are considered income unless they are pass through rent payments and equal to or less than the full amount of rent.

H. **Trust Income**
Withdrawals or dividends from a trust fund which have been exempted from resources are income.

If the terms of the trust makes interest income available, interest income from a trust is unearned income as long as the household receives the interest income.

Trust dividends are counted as income if the household could receive them, whether or not the household actually collects them. For example, dividends are income if the household has an ongoing option to receive them or reinvest them in the trust. They are not income if the dividends can only be reinvested.

I. **Sponsor Deeming**
Sponsor deeming occurs for non-citizens who arrived in the US December 19, 1997, and forward, and had a sponsor. The sponsor is required to sign an Affidavit of Support, INS Form I-864. The sponsor and his/her spouse's income will be deemed fully to the non-citizen's household. The deeming ends when the non-citizen becomes a US citizen, meets the 40 quarters of work requirements, leaves the US permanently, or dies. Refugees, asylees, and individuals whose deportation was withheld do not have sponsors.

J. **Tribal Casino Payments**
Payments made to tribal members from the profits of tribal casino operations are counted as income if the income is anticipated to be recurring (monthly, semi-annually, annually, etc.). If the payment is a one-time payment (non-recurring), it is also counted as unearned income.

K. **Reception and Resettlement Funds**
May be paid to or used on behalf of refugees within 90 days of their arrival. If the funds are paid in cash, the income is counted as received.

L. **All Other**
Payments from government sponsored programs, dividends, royalties and all other direct money payments from any source which can be construed to be gain or benefit. Some examples would be lottery or gambling winnings, bingo, and other cash winnings.

8300 EXCLUDED AS INCOME

Only the following payments received by household members are not considered income to the household.

8301 IN-KIND PAYMENTS

Any gain or benefit which is not in the form of money payable directly to the household such as meals, clothing, public housing or produce from a garden, is excluded from income. The income is excluded regardless of whether it is earned or unearned income.

> **Example:** Jane works 8 hours a week at the YMCA in exchange for free membership. No income is budgeted for her employment because she receives no money, and none is legally obligated to her.

8302 VENDOR PAYMENTS

A payment made in money on behalf of a household is considered a vendor payment when an individual or organization outside of the household uses its own funds to make a direct payment to household's creditors or to a person or organization providing service to the household. Vendor payments are excluded from income.

Example: If a relative who is not a household member uses his/her own money to pay the household's rent directly to the landlord, the payment is considered a vendor payment and excluded. The household would **not** be allowed a shelter deduction for the rent payment.

Payments made by a government agency, such as payments from Child Care Services to a child care provider for child care expenses, for a household member are considered vendor payments and excluded.

Payments made directly to the household are counted as income and are not excluded as vendor payments unless they are pass-through rent payments and equal to or less than the full amount of rent.

Example: When a non-household member gives money directly to the household to pay an expense, such as day care, the payment is considered as income to the household, unless otherwise excluded.

Money legally obligated or otherwise payable to the household, but which is diverted by the provider of the payment to a third party for a household expense, is considered income and not excluded as vendor income. Examples of diverted income that are not vendor payments are:

A. Earnings of a household member garnished or diverted by an employer and paid to a third party for a household's expenses, such as rent, are considered as income. If the employer paid the rent directly to the landlord in addition to paying the household member his/her regular wages, the rent payment would be excluded as a vendor payment. In addition, if the employer provides housing to the employee, the value of the housing is **not** counted as income.

   Example 1: Jane is employed by Smith Farms. Mr. Smith pays Jane a monthly salary of $500 and provides her a house on the farm. Mr. Smith pays all utility expenses. $500 gross wage would be budgeted and no deduction for shelter allowed.

   Example 2: Jane is employed by Jones Farms. Mr. Jones agrees to pay Jane $800 a month. Mr. Jones rents a house for Jane and pays the landlord $200 a month. Mr. Jones deducts the $200 monthly rent payment from Jane's salary. $800 gross wage would be budgeted and a rent deduction of $200 allowed. $800 is legally obligated to Jane even if Mr. Jones diverts $200 to the landlord.

   Example 3: Jane is employed at Doe Farms. Mr. Doe pays Jane a monthly salary of $800. Mr. Doe rented a house for Jane and pays the landlord $200 a month. Mr. Doe pays the rental cost in addition to paying Jane $800 a month. $800 gross wage would be budgeted with no deduction for rent allowed. The $200 landlord payment is not legally obligated to Jane, therefore is considered a vendor payment and excluded.

B. All or part of a public assistance grant normally provided in a money payment to the household, but which is diverted to a third party or a protective payee for purposes such as managing the household's expenses, is counted as income to the household. Any payments in excess of the household's normal grant that normally would not be provided to the household are excluded as vendor payments, if paid directly to a third party. This rule applies even if the household has the option of receiving a direct cash payment.

C. Money deducted or diverted from a court-ordered support or alimony payment (or other binding written support or alimony agreement) to a third party for a household expense will be considered as income. However, payments specified by the court order or other legally binding agreement to go directly to the third party rather than to the household, and support payments not required by a court order or other legally binding agreement (including payments in excess of amount specified in a court order or written agreement) which are paid to a third party rather than the household will be excluded as a vendor payment, even if the household agrees to the arrangement.

> **Example:** Court order states $700 is the monthly child support obligation payable to child custodian, of which $100 is expected to be paid for child care. The entire $700 is counted as income regardless of whether or not the payee pays the money to the custodian or the child care provider (legally obligated). However, if the court order states $600 is to go to the custodian parent and $100 to be paid to the child care provider (separate obligations), the $100 would be excluded as a vendor payment if paid to a third party. If paid to the custodian parent, and he/she was billed for at least $100 child care, the $100 could also be excluded as a reimbursement. If no child care obligation, and custodian parent receives the $100 it is counted as unearned income.

8303 UTILITY REIMBURSEMENT

All HUD utility payments will be totally excluded as income (both direct and vendor payments).

8304 FOSTER CARE

If the household chooses to include a foster care child or adult as a household member, the entire foster care payment counts as income to the household. If the household chooses to exclude the foster care child or adult, the entire foster care payment is excluded from income consideration. Households should be informed of the impact to their benefit based on the inclusion or exclusion of the foster child or adult.

A. Structured Family Care Program (SFC) is an adult foster care program designed for family members who take care of their loved ones at home. The SFC program connects experienced coaches with family caregivers telephonically and through a secure mobile app to provide guidance, skills and support to families along their caregiving journey. The Department of Human Service Division of Long Term Services and Support pays a financial stipend to ensure that caregivers have access to the resources needed to manage the progression of the individual medical conditions.

8305 IRREGULAR INCOME

This exclusion applies only to non-reporting households. Income in the certification period is excluded if received too infrequently or irregularly to be reasonably anticipated. Such infrequent or irregular income of all household members cannot exceed $30 in a 3 month period.

8306 CHARITABLE DONATIONS

A. Cash donation or assistance from a business, organization, agency, community endeavor, or church intended and used for purposes other than the household's basic month-to-month needs are excluded, unless the source is a government agency. Assistance from government agencies is **not** considered a charitable donation.

B. One-time cash donation from a business, organization, agency, community endeavor, or church intended for and used for basic needs is a lump sum resource.
C. If not excluded above, cash donations based on need received by the household from one or more private nonprofit organizations will be excluded from income consideration up to but not exceeding $300 in a Federal fiscal year quarter. Federal fiscal quarters run October-December, January-March, April-June, and July-September.

> **Example:** Household received $100 in February from an organization and another $250 in March from a different organization. The household would be entitled to an income exclusion for the $100 received in February and $200 of the $250 received in March for a total income exclusion of $300 in that quarter (January-March).

D. If the cash donation does meet one of the above criteria (A-C), the income is counted as unearned income.

> **Example:** Jim received $400 in November and $300 in December from his parent to help with rent costs. The income must be counted as unearned income.

8307 LOANS

All loans, including loans from private individuals as well as commercial institutions and educational loans on which payment is deferred, are excluded from income. Loans, other than educational loans, are considered resources since they are available as liquid resources (that is, cash on hand or checking accounts) until the money from the loan is spent. Educational loans are excluded during the period the income is intended for (school term).

8308 REIMBURSEMENTS

Reimbursements, for past or future expenses, are excluded to the extent they do not exceed actual expenses and do not represent a gain or benefit to the household.

Reimbursements for normal living expenses of the household, such as rent or mortgage, personal clothing, or food eaten at home, are a gain or benefit and, therefore, are not excluded. To be excluded, these payments must be provided specifically for an identified expense, other than normal living expenses, and used for the purpose intended. When a reimbursement, including a flat allowance, covers multiple expenses, each expense does not have to be separately identified as long as none of the reimbursement covers normal living expenses. The amount by which a reimbursement exceeds the actual incurred expense is to be counted as income. Reimbursements should not be compared to actual expenses unless the provider of the reimbursement or the household indicates the amount is excessive. Excludable resources include, but are not limited to:

A. Reimbursements or flat allowances for job or training related expenses such as travel, per diem, uniforms, and transportation to and from the job or training site. Reimbursements which are provided over and above basic wages for these expenses are excluded. However, these expenses, if not reimbursed, are not otherwise deductible. Reimbursements for the travel expenses of migrant workers are also excluded. Workfare (community service) $25 payments and/or supportive service payments are excluded as reimbursement payments.

B. Reimbursements for out-of-pocket expenses of volunteers incurred in the course of their work.
C. Medical or dependent care reimbursements.
D. Educational income is excluded regardless of earmarking or use. Educational income includes but is not limited to Title IV income, scholarships, grants, loans, work study, veteran's benefits, BIA educational assistance, etc.
E. Reimbursements received by households to pay for services provided by Title XX of the Social Security Act.
F. Individual and Family Grant assistance received under Section 408 of the Disaster Relief Act of 1974.

8309 THIRD-PARTY FUNDS

Money received and used for care and maintenance of a third-party beneficiary who is not a household member is excluded. If a single payment is received for two beneficiaries and only one is a household member, any identifiable portion of the payment intended and used for the care and maintenance of the non-household member is excluded. If the non-household member's portion cannot readily be identified by means of receipts or other documentary evidence, the payment must be prorated among the intended beneficiaries. The exclusion would then be applied to the non-household member's prorated share or the amount actually used, whichever is less.

8310 BOARDING SCHOOL STUDENTS/TEMPORARY INSTITUTIONAL CHILDREN

If a child's needs continue to be included in the TANF/BIA/TWEP grant when the child leaves to attend boarding school or is temporarily placed in a treatment facility (institution), $50 per child has been identified as that portion of the grant intended and used for the care and maintenance of the child and must be removed from the grant. ACCESS will adjust the income provided entry is done correctly:

- A "7" must be entered as the SNAP member code
- A removal date entered
- A "5" entered for the absence code and for boarding school students
- A SCHL panel must exist with school type "6" or if temporarily institutionalized
- An INST panel coded "25".
- The income panel will **not** be updated by ACCESS but rather the third screen of eligibility will display a boarding school/institution deduction.

If the child receiving TANF/BIA/TWEP returns to the home:

- The member code must be changed to a "1"
- An add date entered
- The absence code must be removed in order for the income to again be counted.

If a case exists where the amount of the deduction would exceed the amount of the grant, the Specialist must:

- Keep the SNAP member coded as a "1"
- Manually remove only the amount of the grant as exclusion.

The household is required to sign the Boarding School/Institution Documentation form (DSS-EA-305) (TANF Form) when they report their child is attending boarding school or is temporarily placed in a treatment facility and the TANF/BIA/TWEP continues to include the child in the grant calculation. It is necessary to obtain this form at each renewal interview as long as the household has children who will be or are currently attending boarding school or temporarily placed in a treatment facility (institution).

Income received by or for a child that is attending boarding school/Temporary Institution, should be counted towards the household even though the child is not currently receiving SNAP benefits. Income that would count in this situation could include, subsidized adoption/guardianship assistance, SSI/SSA, Child Support, etc. The $50 grant reduction only applies to TANF payments and cannot be deducted from any of the above income.

> **Example:** Tabitha has 3 children and is receiving subsidized guardianship payments for each of the children. All three children are attending boarding school. The full guardianship payments Tabitha receives are counted in the SNAP budget even though the children are not included in the household count for SNAP while in boarding school.

If the child is in boarding school or institution but NOT on TANF/BIA/TWEP:

- A "1" should be entered for the SNAP member code
- A removal date entered
- A "5" entered for the absence code
- A SCHL panel must exist with school type 6 or INST panel coded 25.

8311 EARNINGS OF A CHILD

Income is excluded which is received as compensation for services as an employee or income from self-employment by a child under age 18 if he/she is attending an elementary or secondary school, GED, or home training at least 1/2 time. Home training classes must be recognized, operated, or supervised by the student's state or local school district or training program. Half-time attendance is defined by the local school district or training program.

The student must be living with a parent or residing with an adult with parental control to be allowed this exclusion.

The exclusion of this income will not be altered by temporary interruptions in school attendance, such as semester or summer vacations, provided the child's enrollment will resume following the break.

Benefits Specialists should not request children's income if they are under the age of 18.

When the child's earnings or amount of work performed cannot be differentiated from that of other household members, total earnings must be prorated equally among the working members and the child's share excluded.

> **Example:** A mother and her 15 year old son make $50 a week doing part-time janitorial work at night. Their earnings would be prorated, and the child's share excluded.

When the child turns 18, his/her income is countable for the month following the child's 18th birthday because the child retains the earned income exclusion if at any time, he/she is under age 18. If a child turns 18 in an interim month, no change to the case is made if the income **has not** been verified. ACCESS will budget the income when a primary source is received.

> **Reminder:** AMND is only used to budget **verified**, future known changes that were reported at application, renewal, or six month report.

When the next renewal/six month report is received, verification of the income will be requested, and the income will be budgeted at that time.

> **Example 1:** Mark turned 18 on May 5th. It was previously reported he was working at Taco John's, but the income was not verified. The household's 6 month report is due in August. Verification of his income would be requested and budgeted for the August's report month.
>
> **Example 2:** Mark turned 18 on May 5th. Income for Mark from Taco John's was previously reported and verified at the Renewal in March. Since this was a future known change (as it was reported at renewal) the AMND code would be used in June to budget Mark's income.

The same methodology is used if the child graduates, drops out, or otherwise loses his/her half-time school attendance.

> **Example:** A child graduates May 25. The child's earned income would be updated to show as countable for July benefits (observing 10 day notice). If there is no primary source, the income would not be budgeted until a primary source is received.

If a new hire hit is received for a child turning 18 in an interim month, we would treat this just like any other new hire hit. (See section 8403 for how to act on new hire hits.)

8312 NON-RECURRING LUMP SUM PAYMENTS

Nonrecurring lump sum payments such as, but not limited to, income tax refunds, rebates or credits, retroactive lump sum Social Security, SSI, TANF, one-time charitable cash donations, gifts received for non-recurring occasions, railroad retirement benefits or other payments; retroactive lump sum insurance settlements; and refunds of security deposits on rental property or utilities are all excluded as income. These payments are considered a resource in the month received, unless excluded by other Federal laws.

SSI and SS retroactive disability payments may be paid in monthly installments for individuals who are disabled because of drug addiction or alcoholism. The payments are not considered lump sum payments and are countable income as long as they are made for addiction or alcoholism disabilities. If a large SSI retroactive payment is made in installments (not more than 3 installments in a 6 month interval) and is not made for drug addiction or alcoholism caused disabilities, the payments are considered lump sum and not counted as income.

Retroactive SSI payments made to individuals under 18 may be direct deposited into a dedicated account with a representative payee. These payments may also be paid in installments. These payments are considered lump sum payments and not counted as income.

8313 SELF-EMPLOYMENT COSTS

The cost of producing self-employment income is excluded.

8314 INCOME EXCLUDED BY FEDERAL LAW

The Benefits Specialists will exclude any income that is specifically excluded by Federal statute from consideration as income for the purpose of determining eligibility for the SNAP Program. The following laws provide such exclusions:

A. RELOCATION ASSISTANCE

Reimbursements from the Uniform Relocation Assistance and Real Property Acquisition Policy Act of 1970 (P.L. 91-646, Sec. 216).

The following payments are included under Title II of this act:

1. Payments to persons displaced as a result of the acquisition of real property;
2. Relocation payments to a displaced homeowner toward the purchase of a replacement dwelling. Such payment may only be made to a displaced owner who purchases and occupies a dwelling within 1 year following displacement; and;
3. Replacement housing payments to displaced persons not eligible for a homeowner's payments. Also excluded are payments to US citizens of Japanese ancestry and resident Japanese aliens of up to $20,000 each and payments to certain eligible Aleuts of up to $12,000 each. (P.L. 100-383, Wartime Relocation of Civilians.)

B. NATIVE AND INDIAN CLAIMS

Income derived from Indian lands held in trust by the United States government up to $2000 per year is excluded. The Indian lease income may be in the form of farm lease, range unit lease, etc., and may be paid into an Individual Indian Money (IIM) account administered by BIA or may be a direct lease and paid to the individual. Any portion of the income that is derived from a land sale is excluded because it is a lump sum payment.

Payments received under the Alaska Native Claims Settlement Act (P.L. 92-203, Sec. 29) or income derived from certain sub marginal land of the United States which is held in trust for certain Indian tribes are exempt. Income from the disposition of funds to the Grand River Band of Ottawa Indians (P.L. 94-540) are likewise excluded from income.

In addition, 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 (P.L. 95-433) and payments to the Passamaquoddy Tribe and the Penobscott Nation or any of their members received pursuant to the Maine Indians Claims Settlement Act of 1980 (P.L. 96-420, Section 5) are excluded from income.

Payments of relocation assistance to members of the Navajo and Hopi Tribes under Public Law 93-531 are excluded as income.

Indian per capita payments of $2,000 or less for each household member per payment (P.L. 97-458, P.L. 93-134, and P.L. 98-64.) are excluded as income.

Income derived from certain sub marginal land held in trust for certain Indian tribes is excluded from income under Public Law 94-114, section 6.

Per capita payments distributed to the following Tribes under the corresponding Public Law are excluded from income:

- Assiniboine Tribe of Fort Belknap Indian Community, Montana - P.L. 98-124
- Assiniboine Tribe of Fort Peck Indian Reservation, Montana - P.L. 98-124
- Chippewas of Mississippi - P.L. 99-377
- Red Lake Band of Chippewa Indians - P.L. 98-123
- Sac and Fox Tribe, Oklahoma - P.L. 94-189, Section 6

- Sac and Fox Tribe of the Mississippi, Iowa - P.L. 94-189
- Chippewas of Lake Superior - P.L. 99-146, Section 6 (b)
- Lac Courte Oreilles Reservation, Wisconsin - P.L. 99-146
- Bad River Reservation - P.L. 99-146, Section 6 (b)
- Sokaogon Chippewa of Mole Lake Band - P.L. 99-146
- St. Croix Chippewa Indians, Wisconsin - P.L. 99-146

Funds distributed to the following Tribes under the corresponding Public Law are excluded from income:

- Turtle Mountain Band of Chippewas, Arizona - P.L. 97-403
- Blackfeet, Montana - P.L. 97-408
- Grosventre, Montana - P.L. 97-408
- Assiniboine tribes, Montana - P.L. 97-408
- Papago, Arizona - P.L. 97-408
- White Earth Band of Chippewas, Minnesota - P.L. 99-264
- Saginaw Chippewa Indian Tribe of Michigan - P.L. 99-346
- Puyallup Tribe, Washington - P.L. 101-41
- Senaca Nation - P.L. 101-503

Funds paid under the Old Age Assistance Claim Settlement Act under Public Law 98-500, Section 8, are excluded except for per capita payments in excess of $2000. Each payment received the $2,000 deduction.

Funds paid to the Seminole Indians (Seminole Nation of Oklahoma, Seminole Tribe of Florida, and the independent Seminole Indians of Florida) are excluded except for per capita payments in excess of $2000. Each payment received the $2,000 deduction.

Funds paid to Confederated Tribes of the Colville Reservation Grand Coulee Dam Settlement Act (PL 103-436).

C. DOMESTIC VOLUNTEER SERVICE ACT

The following payments are excluded from income: any payment to volunteers under Title II Retired Senior Volunteer Program (RSVP), Foster Grandparents, Title III Service Corps of Retired Executives (SCORE), and Active Corps of Executives (ACE) of the Domestic Volunteer Services Act of 1973 (P.L. 93-113), as amended.

Payments to volunteers under VISTA and other Title 1 programs are excluded only for individuals receiving SNAP or public assistance at the time they joined, except that persons receiving the VISTA income exclusion at the time of conversion to the new Food Stamp Program of 1977 will continue to have that income excluded for the length of their volunteer contract in effect at the time of conversion. Temporary interruptions in SNAP participation will not alter the exclusion once an initial determination has been made. Programs established under other Acts may have names similar to programs under the Domestic Volunteer Service Act. Payments from such programs are countable income.

> **Example:** An individual is receiving SNAP and joins VISTA. He is sent for training and does not receive SNAP for two months. When he reapplies, his VISTA income is excluded because he was receiving SNAP when he joined. New applicants who are not receiving public assistance or SNAP at the time they joined VISTA will have these volunteer payments included as earned income.

D. COMMUNITY SERVICES ADMINISTRATION

Payments from the Crisis Intervention Program (CIP) administered by the Community Services Administration (CSA) are exempt.

E. INCOME TAX REFUNDS AND EARNED INCOME TAX CREDITS

Under Section 728 of the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 (P.L.111-132), income tax refunds and Earned Income Tax credits are excluded from income consideration.

F. ENERGY ASSISTANCE

Exclude payments or allowances made for the purpose of providing energy assistance under Federal law and any one-time payments or allowances made under Federal or State law for the costs of weatherization or emergency repair or replacement of an unsafe or inoperative furnace or other heating or cooling device. To qualify for the exclusion, energy payments must meet the following conditions:

1. All payments made by the Low Income Energy Assistance Program (LIEAP) are excluded.
2. Individual payments must be identifiable as energy assistance. Energy payments which are combined with other payments must be identifiable as to the dollar amount of the energy assistance portion of the payment. Only the energy assistance portion is excludable under this provision. If the check or warrant itself does not provide sufficient information, certification staff may need to verify with the provider the nature and amount of the payment.
3. Utility reimbursements from low-income housing are excluded fully. A utility deduction is allowed if out of pocket heating or cooling expenses are incurred.
4. The energy allowance must be calculated based on the seasonal home energy needs of typical households over a period not exceeding six months per year. Payments may be made in the form of warrants or checks, as lines of credit, as vendor payments, or similar allowances. Two-party checks issued to the customer and a provider are normally considered vendor payments because the check cannot be negotiated by the household alone. Payments may be one-time or may be ongoing. Payments may also be for energy saving items such as weatherization and insulation as well as for assistance with utility bills. As an exclusion, the amount of the energy assistance payment need not be verified. However, it may be necessary to verify whether or not the payment is in fact energy assistance.

G. RECOUPMENT FOR PRIOR OVERPAYMENTS

Money withheld from an assistance payment, earned income or other income source, or moneys received from an income source which is voluntarily or involuntarily returned to repay a previous overpayment **from that same income source** (e.g. SSA and SSI are from the same source) is excluded as income, regardless of the reason for the overpayment.

Money withheld from an income source used to repay a previous overpayment from a **different source** is counted as income.

Example: Customer was overpaid SSI benefits of $500. SSA is taking $20 of their current SSI payment of $735 to pay for the overpayment. The EABS would budget $715 since the overpayment is from the same income source (SSA).

Exception: TANF recoupments withheld to repay an intentional program violation (IPV) must have the IPV recouped amount added back into the TANF grant in the SNAP budgeting process.

H. CHILD SUPPORT PAYMENTS

Legally obligated child support payments paid by a member of the household to or for an individual not residing in the payer's residence are excluded from the payer's household income. The exclusion is allowed regardless of whether it is current or arrearages. Legally

obligated means the household has a legal obligation to pay the support (e.g. court order, administratively ordered, legally enforceable separation agreement, etc.). Verification of the legal obligation must be obtained, however cannot be used as verification of the actual child support payment. Verification of the amount paid is also required.

Example: John pays court ordered child support to Jane in the amount of $300 a month. He has verified the court order and the amount he pays. Jane does not live with John. John's gross income is $1300 but only $1000 is used in the eligibility/benefit determination.

Legally obligated child support payments made to a third party on behalf of an individual who is not residing in the payer's house are also allowed as an exclusion. The payment must be a legal obligation and verification of the order and amount must be obtained. Common examples of third party payments are health insurance premiums, rent payments paid to a landlord, etc.

Exception: Legally obligated child support payments made to an individual or agency outside of the household may be allowed as an exclusion even if the child for whom the support was paid is a household member. This allows an exclusion if the child moves in or out of the payer's house, or if arrearages are being paid to an outside agency, usually the Division of Child Support.

IRS tax intercept payments are **not** allowable as an exclusion.

Following are the budgeting procedures to allow the child support exclusion:

a) 6 Month Reporting Households: The amount paid must be reported on the report form. After initial verification of the legal obligation and amount paid has been received, verification is only required if the legal obligation or amount changes, or the amount is questionable.

b) Change Reporting Households: If the individual has paid 3 or more months, an average of the last 3 months' payments would be used for the prospective amount, unless the household anticipates a change in the legal obligation or payment amount, or a change is known to the agency. If the average amount is used, the household is only required to report changes in the legal obligation such as a child reaching an age limit where support is no longer required or a change in the legally obligated amount. If changes are reported or otherwise become known to the agency, they must be acted on. A new average must be re-determined at the next renewal.
   If the individual does not have a stable payment history (less than 3 months), the anticipated amount will be based on the amount the individual anticipates paying, until a stable history can be determined. Three month certification periods are required for households with an unstable payment history. At the next renewal, the three months' payment history is established, and the average method could be used. Until the payment history/average procedure is used, the household is required to report changes in legal obligation, including if the legally obligated amount changed.

c) Child Support payments received by TANF recipients, who must be transferred to the Child Support Enforcement Office (Public Law 93-647) to maintain TANF eligibility, are excluded as income.

I. WORKFORCE INNOVATION AND OPPORTUNITY ACT (WIOA)

WIOA income is **excluded** if paid for:

a) Summer Youth Payments are excluded. The income is excluded regardless of the age of the child, the child's school enrollment, or whether or not the child is a dependent.
b) On-the-job WIOA payments made to migrant and seasonal farm workers, Native Americans, dislocated workers, Job Corps, affirmative action programs, labor market information programs, and veterans' employment programs are excluded.
c) Work experience WIOA payments are excluded.
d) Training experience WIOA payments are excluded.
e) AmeriCorps and Youthbuild Program income are excluded.

WIOA income is **countable** if paid for:

a) On-the-job training programs are counted as earned income **unless** paid to individuals under 19 years of age who are dependents (living with parents or under parental control of an adult household member) or paid as mentioned in (b) above. If paid to dependents under age 19, it is not counted as income regardless of the child's student status. Department of Labor and Regulation can identify on-the-job training programs if the program funding is in question.

J. OLDER AMERICANS ACT

Payments received by participants of projects funded under Title V (section 509) of the Older Americans Act of 1987, such as the Experience Works Program and Senior Community Service Employment Program (SCSEP), are excluded from income (P.L. 100-175).

K. MILITARY PAY

The portion of a military retirement payment which goes to an ex-spouse under a divorce decree property settlement is not counted as income to the retiree. (P.L. 97-252, the Uniform Service Former Spouse Protection Act.) Mandatory deductions from military pay for education purposes while the individual is enlisted (P.L. 99-576) are not counted as income.

L. AGENT ORANGE

Exclude payments made from the Agent Orange Settlement Fund or any other fund established pursuant to the settlement in the In Re Agent Orange product liability litigation, M.D.L. No. 381 (E.D.N.Y.). The disabled veteran receives yearly payments, and survivors of deceased veterans receives a lump sum payment from the AETNA Insurance Company. (Public Laws 101-201, 101-239).

M. FARM EMERGENCY PAYMENTS

When the Secretary of Agriculture determines that a farm emergency exists due to a natural disaster, any payments to farmers made pursuant to such determination will be excluded.

N. PLAN TO ACHIEVE SELF-SUPPORT (PASS) FUND

Money diverted from an individual's income to a PASS account is excluded as income (PL 102-237).

O. DISASTER PAYMENTS

Exclude payments paid as a result of an emergency or major disaster as defined in the Disaster Relief Act of 1974 (P.L. 93-288, P.L. 100-707) or the Disaster Relief & Emergency Assistance Amendments of 1988. A major disaster is any natural catastrophe, or regardless of fault, any fire, flood, or explosion which the President determines causes damage of sufficient severity and magnitude to warrant major disaster assistance. An emergency is an occasion or instance for which the President determines that federal assistance is needed to save lives and protect property and public health and safety.

P. RADIATION EXPOSURE ACT
Payments made under the Radiation Exposure Compensation Act are excluded from income (P.L. 101-426).

Q. CRIME VICTIM'S COMPENSATION
Exclude from income any compensation made under the Crime Act of 1984 to crime victims (PL 103-322). This includes any payment made to crime victims under South Dakota's Victim's Compensation Program.

R. NAZI PERSECUTION
Exclude from income any payments made to individuals because of their status as victims of Nazi persecution (PL 103-322).

S. SPINA BIFIDA
Exclude from income any payments made to children of Vietnam veterans who are born with spina bifida. Payments started October 1, 1997 and will range from $200 to $1200 per month.

T. RICKY RAY HEMOPHILIA RELIEF FUND ACT
Income received from the Ricky Ray Hemophilia Relief Fund Act is excluded. (P.L. 105-369)

8315 CENSUS INCOME

Income earned from Census employment is countable, unless specifically noted as a special rule during the gathering of census data. State Office will let staff know of any changes in how census income is counted.

8316 EDUCATIONAL INCOME

All educational income (Title IV, BIA educational income, scholarships, educational grants, fellowships, deferred payment loans for education, veteran's educational benefits—GI Bill, etc.) is excluded from income regardless of earmarking or use. This includes educational assistance from community programs such as Catholic Charities, County Assistance, Salvation Army, Goodwill, etc.

> **Exception:** Military stipends received for housing costs are counted as income as they are considered housing assistance, not educational income.

8317 DISABLED CHILD OF WOMEN VIETNAM VETERANS

Veteran benefits paid to children born with birth defects to women Vietnam veterans are excluded from income. The monthly amounts may range from $100 to over $1,200. (P.L. 106-419)

8318 MILITARY COMBAT PAY (HAZARDOUS DUTY)

Additional income received because a member of the United States Armed Forces deployed to a designated combat zone is excluded. Income must be received as a result of the service member's deployment to or service in an area designated as a combat zone. It also must not have been received prior to the service member's deployment to or service in a Federally designated combat zone.

Verification of military combat pay can be verified by requesting the household to provide one of the following:

a) A Copy of the service member's deployment order;
b) A copy of the leave and earnings statement (LES) of the service member immediately before deployment; and
c) A copy of the LES after deployment

If households cannot provide one of the above documents, then refer to SNAP program staff for assistance in verifying the combat pay.

8320 NATIVE AMERICAN INCOME SETTLEMENT PAYMENTS

Cobell Settlement Funds: Payments are excluded as income and resources for one year from the date of receipt.
Nez Perce Settlement Funds: Payments are counted as income in the month received if more than one payment is anticipated; one-time payments are excluded as income and counted as a resource.
Keepseagle Settlement Funds: Payments are excluded as income and counted as a resource.
Cheyenne River Sioux Tribe Equitable Compensation Funds: Payments are excluded as income and resources.

8330 REPRESENTATIVE PAYEE FEES

Payee fees that are deducted from Social Security and SSI payments are not counted as income to the individual. These fees are subtracted from the gross Social Security/SSI payments and only the portion after the payee fee is deducted is counted as income. On ACCESS the amount of the payee fee is entered in the "PAYEE FEE" field on the UNEA panel and ACCESS will deduct the amount from the gross SS/SSI and budget the net amount in the eligibility panels. Only payee fees should be entered in this field on the UNEA panel.

8340 MEDICARE ADVANTAGE SUPPLEMENTAL BENEFITS

Medicare Advantage organizations (i.e. Humana, United Health Care, etc.) may administer additional benefits through regularly issued spending cards (i.e. U Cards) limited to certain covered items or services that vary by insurer, such as food, transportation, utilities, or other items that improve or maintain the health or overall function of the enrollee.

These benefits are not countable as income as they are considered reimbursements for past or future expenses to the extent, they do not exceed actual expenses, and do not represent a gain or benefit to the household. CMS governs these organizations and approves these supplemental benefits as "primarily health related" or "improve or maintain the health or overall function of the enrollee."

8400 VERIFICATION OF INCOME

Staff must verify income at application. Verification is also required at each renewal and six month report form.

Verification is required at six month report if:
1. The income is from a new source
2. Earned income changed by more than $100 or
3. Unearned income changed by more than $100.

Verification is required at renewal if:
1. The income is from a new source
2. Earned income changed by more than $50 or
3. Unearned income changed by more than $50.

When the customer reports changes in income during the interim months, the change should be entered on ACCESS and verification requested. It is essential that the correct income amount is budgeted because Quality Control (QC) and other management information show income is the most frequent area in which program errors and wrong allotments are made.

Customers usually can provide documentary verification of earned income such as pay stubs, W-2 forms, and income tax returns. Ledgers, bookkeeping records, tax forms, or sales and expenditure records may be used as verification for self-employed persons.

Income not from earnings also must be verified. The following are suitable: SSA, SSI, and RSDI award letters (be alert for later changes and cost of living increases); award letters for Reemployment Assistance (RA), VA, pensions, railroad retirement, and similar benefits; support and alimony payments from a court order, DCS child support screens, divorce decree, or separation papers; contribution checks; and benefit warrants.

Verification from other sources includes SVES, social security district office files, employer's records, union records, workmen's compensation records, Veterans' Administration, insurance company records, tax records, and Railroad Retirement Board records, Vital Statistics Records, obituaries, etc.

Customers who cannot give acceptable documentary proof of income must identify a collateral source the benefits specialists can use to get the needed information.

8401 INCOME AND ELIGIBILITY VERIFICATION SYSTEM (IEVS)

IEVS provides information on Social Security, SSI, IRS wage and unearned income, and Department of Labor for wage and Reemployment Assistance (RA) information. Information obtained through IEVS will be used to verify eligibility, benefit amounts, and potential overpayments. IEVS hit information is located on ACCESS at INFC/IEVP (information by individual) REPT/IEVW (information by Benefits Specialist) or REPT/IEVD (information by region). The IEVS hit may be resolved from any of the locations.

8402 WAGE VERIFICATION AND REMPLOYMENT ASSISTANCE COMPENSATION ON-LINE VERIFICATION

Wage verification and Reemployment Assistance (RA) information may be queried on-line (e.g. DLR, the Work Number). On-line wage and RA queries should be completed for all adult household members at application, renewal, and to verify questionable wage information; these should also be completed when adding adult household members to the SNAP household. On-line wage and RA queries contain names of recipients, employers, and wages individuals received during a past period (not necessarily the last three months). Staff should use the information to plan conversations during the interview to confirm the household's earlier statements about income, or to discover unreported income. Wage information should be used as follows:

A. To review the accuracy and timeliness of income reported by the household.

B. Review information at application and renewal to determine if an individual had recent employment changes; such as termination of employment or new or changed income to report.

> **Note**: Give priority to potential unreported income situations when reviewing information at application and renewal.

Example: The household did not report any earned income for an individual at application, nor did they report income at the renewal. However, the wage information shows the person has earned income during those months or if the wage information shows the earned income is over the household's maximum gross income limit, but the household failed to report this.

While many of these situations are legitimate, others reveal large amount of unreported income which must be resolved quickly. Discuss discrepancies (between the wage information and file information from the same time period) with the customer. If it is determined income that should have been reported, the household is responsible to resolve the discrepancy and provide verification of the income, even if from a previous certification period. Households that cannot resolve the discrepancy or give satisfactory documentary evidence must designate a collateral source for the Specialist to use in verifying the information.

8403 NEW HIRE HITS (SD EMPLOYERS)

New hire hits are currently received from South Dakota employers through a weekly match with the SD Department of Labor and Regulation. These alerts are sent to Benefits Specialists through ACCESS mail. The ACCESS mail will show the case number, hire date, name of the individual hired, and the employer information including name, address, and phone number.

Once a new hire hit is received Benefits Specialists are to double check to see if the income has been reported by the household. If the income has not been reported, then use the following procedures:

1. Send the "New Hire" macro to the household and narrate.

   Example Narrative 1: Information was received from SD DLR that Angela may be employed with McDonalds. New Hire notice was sent to Angela.

2. Information received from the new hire hit should be added to a JINC panel with $0 income prospected, "OTH" as the source code and "N" for verification.
3. If the household reports the income, at the next 6 month report or renewal, the Benefits Specialists should update the JINC panel to reflect the appropriate income, source code and verification code.
4. If the household fails to report the income at the next 6 month report or renewal, the 6 month report or renewal should pend until clarification of the job hit is received.
   a. If it is a 6 month report form, the Benefits Specialists should incomplete the form and send the EA-349 requesting information about the employment.
   b. If it is a renewal, the EA-300 should be sent requesting information about the employment.

Specialists should contact the household directly when a new hire hit is received, and the household is within $100-$200 of the income limit for a household of their size.

8404 NATIONAL DIRECTORY OF NEW HIRE (NDNH) DATABASE

On a monthly basis, SNAP recipients are matched with a National Directory of New Hire (NDNH) database. The database is administered through the National Office of Child Support Enforcement and matches with employers in **other** states. The NDNH file does **not** include matches from South Dakota employers.

The monthly NDNH match is sent for individuals aged 18-59 that were approved for SNAP in the prior month on a new application, renewal, or 6 month report. Matches are returned on a monthly basis.

SNAP program staff receives the monthly matches from NDNH and pre-screening is completed by SNAP program staff prior to sending the matches to local office. SNAP program staff pre-screen cases for the following information:

1. Matches that are already known to DSS. If SNAP program staff identifies that the information is already known to DSS, these cases will **not** be sent to the local office for review.

2. Matches that are considered interim changes, which are not required to be reported by the household until their next reporting period. If SNAP program staff identifies that the information is an interim change, these case will be sent to the local office for the Benefits Specialist to take the appropriate action.

Supervisors and Regional Managers will receive the NDNH monthly file with matches for their respective counties and distribute to their Benefits Specialists. Benefits Specialists must act on the information within 30 days.

8404.1 NDNH INFORMATION ALREADY KNOWN TO DSS

If the employment was already reported by the household, SNAP program staff will check the information received from the new hire hit to ensure the accuracy of the information on file. If the information is the same, this information will be reported as already known.

8404.2 NDNH INFORMATION NOT KNOWN TO DSS

If the employment was **not** reported by the household, the information received through the NDNH match will aid the Benefits Specialists in determining if income was required to be reported at the time of application, six-month report or renewal. If the information was **not** required to be reported it is considered an interim change.

8404.3 NDNH INFORMATION: INTERIM CHANGE

If the information received through the NDNH is an interim change, then the following steps will be followed:

1. The Benefits Specialist must send the “New Hire” macro to the household and narrate.

2. Information received from the new hire hit should be added to a JINC panel with $0 income prospected, “OTH” as the source code and “N” for verification and a narrative added that information was received from a computer cross match that there is possible new/unreported employment information.

   Example Narrative 1: Information was received from a computer cross that James may be employed with Disney World. New Hire notice was sent to James.

3. If the household reports the income, at the next 6 month report or renewal, the Benefits Specialists should update the JINC panel to reflect the appropriate income, source code and verification code.

4. If the household fails to report the income at the next 6 month report or renewal, the 6 month report or renewal should pend until clarification of the job hit is received.

c. If it is a 6 month report form, the Benefits Specialists should incomplete the form and send the EA-349 requesting information about the employment.
d. If it is a renewal, the EA-300 should be sent requesting information about the employment.

8404.4 NDNH INFORMATION: RESPONSE FROM HOUSEHOLD REQUIRED

If the new hire date is **not** considered an interim change, then the household was required to report the employment information at the application, six-month report, or renewal and the following steps will be followed:

1. Send the EA308 Information Request - Required Report of New Hire and allow the household 10 days to provide the information
    a. If the requested information is received, any necessary corrective action must be taken allowing for 10-day notice
    b. If the information is **not** received, close the case with 10-day notice

2. If the household provides verification of the employment, then adjust benefits appropriately with 10-day notice and complete a claim, if necessary.
    a. If the verification of employment results in a reduction of SNAP benefits or in case closure, report that information to SNAP program staff (see reporting instructions below).

3. If the information is **not** received close the case
    a. Send the EA324 Wage Verification Form to the employer. If the EA324 is returned, then a claim can be completed, if necessary.
    b. Document in the case file that there may be an outstanding claim issue. If the household reapplies at a later date, the Benefits Specialist will follow-up with the household on the employment.

If the household needs assistance verifying their employment information, the Specialist can utilize the employer information that was sent with the NDNH match. The employer may be contacted using the EA324 employment verification form sent to the address from the NDNH hit.

8404.5 REPORTING NDNH RESULTS TO SNAP PROGRAM STAFF

Benefit Specialists will be required to report results for each NDNH hit back to SNAP program staff. Each month, a spreadsheet will be sent with each NDNH hit.

The Specialist must complete the following fields on the spreadsheet for each hit:

1. Information Already Known (will be completed by SNAP program staff)
    - Yes (already knew about employment). If yes, no additional information is needed.
    - No (did not know about employer). If no, move on to #2.
2. Interim Change (will be completed by SNAP program staff)
    - Yes. Choose “Yes” if the hire date listed is considered an interim change.
    - No. Choose “No” if the hire date is not considered an interim change.

3. Employment Verified
    - Yes. If yes, move on to #4 and #5.
    - No. If no, no additional information is needed.

4. Resulted in Reduced Benefits
    - Yes. Choose “Yes” if the NDNH hit resulted in a reduction in SNAP benefits.
    - No. Choose “No” if the NDNH hit did **not** result in a reduction in SNAP benefits.

5. Resulted in Case Closure
    - Yes. Choose “Yes” if the NDNH hit resulted in case closure.
    - No. Choose “No” if the NDNH hit did **not** result in case closure.

8404.6 USE AND DISCLOSURE OF NDNH INFORMATION

Federal regulations strictly limit the use and disclosure of information received through the NDNH to purposes directly related to the administration of SNAP. NDNH information must be safeguarded and may **not** be released to any agency or individual, including the applicant or recipient.

Do NOT print or include NDNH information in case files. Information that specifically addresses where the hit came from (NDNH) will **not** be included in the case file or the narrative. When referencing the hit from NDNH, the Benefits Specialist should narrate that the information was received through computer matching.

> **Example Narrative 1:** Information was received from computer matching that James may be employed with Disney World. New Hire notice was sent to James.
>
> **Example Narrative 2:** James did not report information on his 6 month report about possible employment with Disney World. We received notification through computer matching that he began employment on June 12th at Disney World. EA-349 sent requesting verification of this employment.

8405 SPECIAL PROCEDURE FOR CHILD SUPPORT INCOME OF TANF RECIPIENTS

If a customer is receiving TANF, any court ordered child support payments are to go to DCS rather than to the TANF recipient. If an individual applies for TANF, the EABS will deny TANF if the amount of child support received equals or exceeds the TANF grant.

If TANF is ongoing, the customer will not receive and child support from DCS until the TANF for that child has ended. At that point, the child support payments are directed to the customer.

According to state law, TANF recipients must return to DSS any child support payments they receive from the payor of support. When a Specialist finds that a TANF recipient is getting direct child support payments, the specialist must report that information immediately to the Division of Child Support.

8406 BENDEX/SDX

If documentary evidence of social security benefits or Supplemental Security Income (SSI) is not readily available from the applicant, the benefits specialist may verify income through the State Verification and Information Exchange System (SVES), Beneficiary Data Exchange (BENDEX), or the State Data Exchange (SDX).

The SDX and BENDEX files are used to verify other eligibility criteria such as VA, RSDI, or railroad retirement benefits. If SVES, BENDEX or SDX information contradicts the household's information, the benefits specialist may use the household’s verification if it is more current.

Information verified through SVES, SDX, or BENDEX need not be re-verified.

8407 CHILD SUPPORT PAID

Specialists must verify the legal obligation of the child support payment prior to allowing the exclusion. Legal obligation may be verified via court orders (e.g. divorce decrees, custody orders, etc.), administrative orders, legally enforceable separation orders, ACCESS DCON panels, etc. Verification of legal obligation may not be used to verify the payment amount. The amount paid may be verified with canceled checks, wage or Reemployment Assistance withholding statements, statements from the custodial parent regarding direct payments, receipts of third party verifications, ACCESS DCON panels, Clerk of Court receipts, etc.

> **Note:** Alimony payments do not count as a child support deduction and are not allowable as a deduction. If child support and alimony payments are combined, only the child support payment is allowed as a deduction.

8408 INFORMATION NOT AVAILABLE

Occasionally, the employer or agency which is the source of income might fail to give necessary information or even refuse to cooperate. In nearly all these cases, another source for getting acceptable verification can be located with the household's help.

When all attempts to verify income have been unsuccessful because the payer fails or refuses to provide information and no other verification can be found, determine an amount that can be used in the SNAP case based on the best available information and document the result.

8409 VERIFICATION OF EXCESS INCOME

Excess Income is a term that is used when a household is over the income limit for SNAP. If a customer applies for SNAP and it is determined they are over income simply based on the information reported on the application, verification of income **is required** before the application can be denied. EABS must not encourage or discourage a customer from withdrawing their application if it is determined the income is over the SNAP limits. The application must be processed accordingly, unless a customer specifically states they want their application withdrawn.

8500 DOCUMENTATION OF INCOME

The method used to verify, and compute income must be documented in the file at each initial application and subsequent renewal/application. Since household eligibility is determined primarily on the basis of income, it is of utmost importance to the validity of a SNAP case that all sources, figures, dates and computations be recorded in the case narrative.

8501 DOCUMENTATION OF EARNED INCOME

Earned income usually is verified by paycheck stubs or wage statements. If paycheck stubs are not used, documentation must explain how the income was arrived at and verified. At a minimum, the following information must be entered:

A. The name of the payer.
B. How the anticipated income was determined.
C. The frequency of receipt of income on each stub or statement (e.g. weekly, every two weeks, twice a month, monthly, etc.)

D. The date the income is normally received (e.g. if it is considered stable monthly or semi-monthly income, variable income, etc.)
E. Calculations made to arrive at a monthly gross income.

Earned income verified by telephone call to the employer, or by any other acceptable means must be documented with detail.

8502 DOCUMENTATION OF OTHER INCOME

The method used to verify income other than earned income must be documented. This includes the type of income, the check or document seen, the amount from the check or document, the date the income was verified, and any computations performed to determine the total income.

Self-employment income documentation must consist of recording the business records, income tax forms and method used to average income, the costs of doing business allowed as deductions, documentation that the household has no allowable deductions or requests to use actual deductions if the simplified self-employment calculation isn't used, and the number of hours the individual is engaged in the enterprise for work registration purposes. Any other considerations which guide the Specialist's decision, such as influence of seasonal or local economic factors, also must be documented. Documentation contained in the case file is sufficient recording of TANF household income.

8600 COMPUTATION OF INCOME

Income and expenses prospectively budgeted are used to determine net SNAP income for the application month and future benefit months. It is essential that the best available information is used in prospective budgeting. This may mean using the past 30 days wages, obtaining a wage verification form from the employer, or averaging the income. The budget should be accurate for the household and to the best extent possible, for future benefit periods.

8601 DETERMINING MONTHLY INCOME

In determining the household's eligibility and basis of issuance, income already received by the time of interview and any anticipated income the household and the Specialist are reasonably certain will be received during the remainder of the certification period, are considered countable income.

Income received in the past 30 days may be used as an indication of income that will be received by the household on a monthly basis. The income should be counted in the month it is received or anticipated to be received; income that is paid weekly or bi-weekly will be converted by using a conversion factor of 2.15 for bi-weekly payments and 4.3 for weekly payments.

Households receiving income on a recurring monthly or semi-monthly basis will not have their monthly income varied merely because of changes in mailing cycles or pay dates, or because of weekends or holidays cause additional payments to be received in a month. If the household has stable earned or unearned income that is received in the form of a monthly or semi-monthly payment, the income should be counted in the month it was intended to cover, and on the date it would have normally been received. Temporary mail delays or other temporary problems should not result in the household showing two or three payments in one month and only 1 payment in the following month. This regulation, however, only affects income that is stable and income that is received monthly or semi-monthly, not bi-weekly.

Example: John is paid the 1st and the 15th of each month unless the 1st or 15th falls on a weekend or holiday. He receives his pay on the working day prior to the holiday. His income would be budgeted as if received on the 1st and 15th of the month, regardless of when actually received.

When income is received on an hourly wage, shift work, or piece-work basis, weekly income may fluctuate if the household member works fewer hours than his normal schedule or works overtime. In this situation, the Specialist should consult with the household and determine the "normal" amount of income to be expected for one week's work. A determination should also be made to ensure that this amount is reasonably certain for the rest of the certification period. If the household is unsure of the amount and based on the verification provided a reasonable amount cannot be determined, then a 3 month average should be obtained to determine the prospective income amount.

When an employee requests that wages be held, this money is counted as income in the month they would otherwise have been paid by the employer. If, however, wages are held by an employer as a general practice, even if held illegally, they cannot be counted as income unless the household anticipates it will ask for and receive an advance or the household anticipates receiving income from previously held wages.

Advances are to be considered income only if reasonably anticipated. If income is advanced, it is counted as received. When the advanced wages are deducted from income by an employer, Benefits Specialists must take the gross income minus the deduction for advanced wages and count the remaining income. Even if the advanced income was never budgeted to the household, the repayment of the advanced wages must be deducted from the gross income.

Whenever a full month's unearned income is anticipated, but the income is paid once a week or once every two weeks, the income must be converted to a monthly amount. The monthly amount is determined by using the following:

A. Income received once a week - multiply by 4.3.
B. Income received once every two weeks - multiply by 2.15.
C. Income received twice a month - multiply by 2.

8700 HOUSEHOLDS WITH SPECIAL INCOME SITUATIONS

8701 SELF-EMPLOYMENT INCOME

Households in which one or more members are engaged in an enterprise for gain either as an independent contractor, franchise holder, or owner-operator must be considered as self-employed, provided that the member(s) is actively engaged in the enterprise on a day-to-day basis. In instances when the member(s) hires or contracts for another person or firm to handle the day-to-day activities of such enterprise, the member(s) will have self-employment income but will not be considered as self-employed for purposes of work registration.

The receipt of income from self-employment, which may constitute all or only a portion of the income of the household, does not automatically exempt the member(s) from the work registration requirement.

Corporations are considered a self-employment enterprise; however, the income individuals receive is not considered self-employment income. Wages paid to an individual from a corporation are counted as received, just like all other wages. Dividends paid from a corporation (identified on

Schedule E of the income tax forms) are considered unearned income and annualized. Corporation losses are not budgeted in any way.

> **Note:** Self-employment for SNAP purposes is not computed the same as it is for Internal Revenue Service (IRS) purposes. The income tax return forms may only be used for verification purposes.

8701.1 Averaging Self-Employment Income

A. **Self-Employment as Primary Annual Support**
When a household receives its annual support from self-employment income, such income is to be averaged over 12 months to determine the household's average monthly income from this source. This policy applies even if the income is received in only a short period of time or the household receives income from other sources in addition to the self-employment income. However, if the average annualized amount does not accurately reflect the household's actual circumstances because the household has experienced a substantial increase or decrease in business, a new calculation is completed on the self-employment income on anticipated earnings and not on the basis of prior income (e.g. income tax returns).

B. **Self-Employment as Partial Support**
Households may receive income from self-employment which is intended to support the household for only part of the year. Such self-employment income must be averaged over the period it is intended to cover.

> **Example:** An individual does gardening only in the summer months and works as a janitor for the remaining 9 months. His wife has year round employment. Since the self-employment is seasonal and only intended for the household's needs in the summer, the self-employment income is budgeted over the 3 or 4 months the individual is self-employed.

> **Example:** A vendor who works only in the summer and supplements his income from other sources during the rest of the year would have his self-employment income averaged over the summer months rather than over a 12-month period because the income is only intended to meet the person's needs for the summer months only.

8701.2 Self-Employment From a New Source

Income from a self-employment enterprise that has been in business less than a year is to be averaged over the period of time the business has been in operation and the monthly amount projected for the coming year. Self-employment ledgers will need to be completed monthly until a reasonable average for income can be determined.

8701.3 Capital Gains

Capital gains from last year are counted as income only if they are expected to recur in the current year. Proceeds from the sale of capital goods for equipment will be calculated in the same manner as a capital gain for Federal income tax purposes. To compute capital gain income, compare the sales price to the "cost or other basis." (The "cost or other basis" in general is the cost of the property, purchase commissions, improvements and sales expenses such as broker's fees and commissions minus depreciation, amortization and depletion.) These figures are listed on the income tax form 4797 under Part II. If the sales price is greater there is a gain and if the costs are greater there is a loss. The total amount of the capital gain is counted as income. When entering the income on the BUSI panel, make sure the correct type of self-employment (F- Farm, O – Other) is listed.

8701.4 ACCESS Entry of Self-Employment Income

Each self-employment business, including capital gains and/or losses and partnership income, must be entered on a separate BUSI (or UNEA) panel on ACCESS. The DBUS panel will need to be completed in order for ACCESS to calculate self-employment income. Self-employment losses from self-employment gains, and farm/ranching losses from other income will automatically be calculated. Remember non-farm/ranching losses will only offset other self-employment income whereas Farm/ranching losses will be offset other income ONLY if the annual farm/ranching income is at least $1000.

Example 1 (Farm/Ranch Self-Employment Loss Can Offset Earned Income):
Todd and Tammy apply for SNAP with their 4 children. They are self-employed farmers, Todd also works for the local school district. Their tax return shows the farm made over 40,000 for the year, but when ACCESS calculates their actual monthly income, the farm shows a 2,000 loss each month. Todd earns 3,500 a month from the school. Because farm and ranch losses *can* offset other earned income, ACCESS subtracts the 2,000 loss from Todd's 3,500 wages, leaving 1,500 countable income per month.

Example 2 (Non-Farm Self-Employment Loss Cannot Offset Wages):
Paul and Pearl apply for SNAP. Paul owns a repair shop, Pearl works at a grocery store. Paul's business shows over 35,000 in annual earnings, but his actual monthly income shows a 1,500 loss. Pearl earns 2,250 a month at the grocery store. Because Paul's self-employment is *not* farm or ranch income, his 1,500 loss ***cannot*** be used to offset Pearl's wages. Pearl's full 2,250 counts.

Example 3 (Self-Employment Losses Can Offset Other Self-Employment Income):
Sam and Sally apply for SNAP with their 2 children. Sam sells insurance and has a monthly profit of 3,500. Sally makes and sells blankets. Her business earned 10,000 for the year, but her actual monthly income shows a 1,500 loss. Because both incomes are self-employment, ACCESS can offset Sally's 1,500 loss against Sam's 3,500 profit.

Corporation dividend income is not entered on a BUSI panel, it is entered on a UNEA panel coded "7". For rental self-employment, the income is entered on a BUSI panel using "R."

See Appendix 4 for instructions on how to enter Self-employment in ACCESS.

8701.5 Simplified Self-Employment Calculation Process

The simplified calculation process is completed by taking each business' gross self-employment income times 45%. If the income is from farming/ranching, lump sum crop insurance payments and all disaster payments are then excluded. (If the crop insurance payment is paid more than once a year, the income is countable thus it is not excluded in the calculation.) The simplified calculation is used for most self-employment business income UNLESS the self-employment business doesn't report at least one allowable self-employment expense or the household requests that actual self-employment expenses be used.

A survey of self-employment income and expenses revealed that an average of 55% of self-employment income is offset by self-employment expenses. Therefore, the simplified process automatically provides households a self-employment expense deduction of 55% of their self-employment (multiplying the gross income x 45% provides the automatic 55% expense deduction). Households should be encouraged to use actual self-employment expenses if their net self-employment income is a loss under SNAP budgeting procedures. Households whose net self-employment income shows a loss after deducting allowable expenses from income on monthly ledgers should also be encouraged to claim actual expenses.

8701.6 Exceptions to the 55% standard expense deduction

The following types of income are **not allowed** the 55% standard expense deduction. The self-employment returns for these types of income will be calculated by designated staff within each region.

A. Partnership income
B. Capital gains and/or losses
C. Corporation Income – is budgeted as unearned and annualized dividend income.
D. Rental Income - is considered unearned self-employment (if the household is not working at least 20hrs/wk.)

8701.7 Calculating Self-Employment Income When No Expenses Are Budgeted or the Household Requests Actual Expenses be Budgeted

Designated staff in each region will calculate self-employment income if they report no business expense or request actual expenses be used. When this occurs, the business forms, shelter verifications, and household contact information should be sent to the regional staff for that area. Email or fax the information to them as soon as possible so that the calculations may be completed in a timely manner.

Once the information is sent for calculations, the regional contact will complete the calculation, update the BUSI panels, and return the information to the EABS to complete the case. If there is a possibility that the case is expedited, it is important to get the self-employment information to the regional contact as quickly as possible as there are several steps they must go through to calculate the income.

If ledgers are completed rather than an income tax return, these self-employment cases are completed in the local office by the EABS. Use the Self Employment tool to determine if the standard deduction or actual expenses will be used to determine the income.

8701.8 Depreciation

Depreciation is not allowed as a cost of doing business; it is counted as income. Recaptured depreciation is not counted as income but may be considered in the capital gain computation of capital goods or equipment.

A farmer must recapture depreciation when a capital item is sold prior to the end of its useful life.

Example: Farmer buys a combine. IRS states the combine has a useful life of six years. However, IRS requires that the combine be fully depreciated over a three year period. Should the combine be sold prior to the end of its useful life, a portion of the depreciation must be recaptured or declared as income. Although the recaptured depreciation results from the sale of a capital asset, it is treated as ordinary income by IRS rather than capital gains income and counted at 100% value by the IRS. Recaptured depreciation appears on the face of the 1040 and is backed up by the 4797.

Determine net income from self-employment by deducting from gross income any identifiable costs of doing business. Examples of identifiable costs of doing business are the costs of labor, stock, raw material, equipment, capital assets, property, seed and fertilizer, and insurance premiums. Self-employment losses must be deducted from other self-employment gains. Farm/ranching losses must first be deducted from another self-employment income and then may be deducted from any other household income. The farm/ranching loss must be current, not from previous tax years.

IRS Mileage rates are allowed for self-employment expenses. (If mileage is used, do not use other vehicle expenses such as gas, insurance, etc.) The 2026 updated IRS Mileage rate is .76 (cents) per mile (effective July 1, 2026).

Payments and the interest on the principal of real estate mortgages on income-producing property may be deducted as costs of doing business, as well as taxes on the property. Make sure that the amount deducted is for the business share only, and that the interest is not deducted twice. Money paid to purchase capital assets, equipment, machinery, real estate, and other durable goods is a deduction, including the interest as long as the assets are needed for the self-employment business.

When the self-employment property is connected to the home property, no portion of the costs of the home (such as rent, mortgage, taxes, insurance, and utilities) is deductible as a business cost. If the home is connected to the business property and costs cannot be divided, they are not allowed as a business or shelter expense. If the costs can be separated, a portion should be used for home personal expense and a portion for the self-employment expenses. Exception: If utilities are for both the home and the business, no deduction is allowed for the business unless the business utilities are on a separate utility meter.

If the self-employment enterprise meets the office in the home requirements, and the simplified calculation is used, all the verified home expenses will be budgeted in the SNAP shelter deduction. If actual expenses are being calculated by the self-employment Specialist, and the household completed IRS form 8829, Office in the Home, the self-employment Specialist will advise what amount to use as the shelter deduction.

In determining the amount to be deducted from gross income as the cost of producing income, the following may not be deducted.

A. Do not deduct any amount claimed as the net loss sustained in any prior period.
B. Do not deduct federal, state, and local income taxes, money set aside for retirement purposes, and other work-related personal expenses (such as the cost of self-employed individuals traveling to and from their place of business) because these expenses are accounted for by the 20 percent earned income deduction.
C. Do not deduct depreciation.

8701.10 Offsetting Losses of Self-Employed Farmers/Ranchers

A farmer/rancher must receive (or anticipate receiving) annual gross proceeds of **$1,000** or more from the farming/ranching enterprise before losses can be offset.

A. Eligibility Tests: The dollar amount of a farm/ranch loss must be first subtracted from all other countable household self-employment income and then subtracted from all other income prior to applying the gross income test.

B. Budgeting Income:
    1. Calculate income by adding together all self-employment income (BUSI). Offset the farm/ranch loss. If the loss is absorbed allow the 20% earned income deduction on the balance of remaining self-employment income. If the loss is not absorbed, go to step 2.
    2. Total all other income (JINC, UNEA). Offset the farm/ranch loss. The 20% earned income deduction is allowed on the total wages (JINC) prior to the farm/ranch loss offset.

8701.11 Self-Employment From Boarders

Households owning and operating a commercial boarding house must have their income calculated the same as any other household with self-employment income as discussed previously. Payments received by households from boarders in a noncommercial situation also are considered as self-employment income and are determined as follows.

Income from boarders includes all direct payments to the household for room and meals, including any contributions for part of the household's shelter expenses. Shelter expenses paid directly by boarders to someone outside the household are not considered household income. In determining if the household will receive a shelter deduction, all shelter costs the household actually incurs are considered, even if a boarder contributed to the household for part of the shelter expenses. Only those shelter costs the boarder pays directly to a third party, such as a landlord or utility company, are to be disregarded in determining the household's shelter expenses.

8701.12 Allowable Deductions From Boarder Payments

The cost of doing business is excluded from the total boarder's payment to the household provided the cost does not exceed the boarder's payment to the household. The cost of doing business is defined as:

A. The cost of the monthly SNAP allotment for a household size equivalent to the SNAP allotment for the appropriate size boarder group. If actual costs are used, only separate and identifiable costs of providing rooms and meals to boarders are excluded.
B. The actual documented cost of providing room and meals if the actual cost exceeds the SNAP allotment for the appropriate size boarder group. If actual costs are used, only separate and identifiable costs of providing rooms and meals to boarders are excluded.

8702 LEASE INCOME

Real property held in trust -- As a resource, the ownership of real property held in trust by the United States government does not affect eligibility. The first $2,000 of income per year derived from this property is excluded; however, any amount over $2,000 per year does affect eligibility and is considered as income in the budgeting process. This income should be listed on the UNEA panel.

For SNAP purposes, the lease income will be related to on a twelve-month period between July 1 and June 30 even though the BIA is on an October through September (Federal) fiscal year. The reason for the July through June time frame is that often ledgers are not available until January and this month is unfavorable for the BIA to verify the accounts.

The form DSS-EA-241 is designed to provide a uniform method for obtaining and recording receipt of lease income. The Form DSS-EA-208, Authorization to Furnish Information and Release Information, is to accompany the Form EA-241 request when submitted to the BIA for verification.

The Bureau of Indian Affairs (BIA) maintains ledger accounts indicating income credited into individual annual IIM (Individual Indian Money) banks. Income credited to these accounts includes sources such as range unit lease, farm lease, land sale, and other such as gravel pit contract sales. BIA records income from all the above sources which have been deposited and disbursed from the IIM account. If the lease income is in excess of $2000, Specialists must review the ledgers to determine if any of the income is from the sale or transfer of the property. If so, that amount must be deducted from the lease income because it would be a lump sum resource, not income.

In some instances, the applicant or recipient may have made an independent arrangement for leasing his property with the income being paid directly to him or her rather than going through his IIM account. Where the applicant/recipient cannot provide the information or if it is not readily

available, the Specialist also should complete and forward to the Superintendent of the Reservation where the trust land is located a Form EA-241 and Form EA-208 requesting the name and address of the leasee. The Specialist should, upon receiving the requested information, contact the leasee to determine the amount of lease income to be considered available to and deducted from the customer's needs.

Former recipients who had a cycle established prior to going off assistance would remain in the same cycle if eligible.

Verification at Application

If the applicant reports lease in excess of $2,000 per year, or the amount of lease income is questionable, the Specialist will explain that verification is needed within 30 days and it is the applicant's responsibility to request assistance if they are unable to obtain the verification from BIA.

If the verification has not been received within the 30 days and the applicant has not requested assistance, the application may be denied. If the applicant has requested assistance, the Specialist must attempt to get the verification (signed EA-241) from BIA and proceed on a case-by-case basis to either approve or deny within Department time frames.

In some areas of the State, it may be more expedient for the Specialist to obtain the information for the EA-241 directly from BIA. Different procedures are permissible in order to handle the verification as expeditiously as possible.
Verification is only required for applicants who report lease income of at least $2,000 a year, or for situations where the lease information appears to be questionable.

8702.1 Steps to Follow When Considering Lease Income

Lease income is considered in two separate fiscal year cycles. First is the verification cycle July 1st through June 30th, secondly is the budgeting cycle October 1st through September 30th. For example, lease income in excess of $2,000 is to be budgeted effective October 1 through September 30 and is used from the verification cycle July 1 through June 30.

8702.2 Determining Lease Income at New Applications

A. Verify lease income from the previous fiscal verification cycle (verify the amount expected to continue in the current fiscal year) if in excess of $2,000 or is questionable.
B. Prorate the amount of lease income by dividing by 12 and budget this amount as unearned income in the budget for the approval month (UNEA panel using code 22) to continue in the remaining months through September 30th. On October 1st a new budget cycle begins. ACCESS will deduct $166.67 internally and will only budget the amount in excess of that figure.
C. Lease income that has terminated because of land sale, transfer, etc., after the 1st of July but before the application date will be deducted from the total amount of lease income and will not be prorated in the budget process.
D. Lease income received from the acquisition of land after the 1st of July, but before the application date will only be budgeted in the first regular budgeting cycle, which begins October 1st following the application date if it is in excess of $2,000.
E. Verify lease income (if in excess of $2,000 or is questionable) again in July for the current fiscal verification cycle and continue the prorated share adjustment in October for the current fiscal budget year. Remember to remove income from a land sale or transfer of land since it is a lump sum resource.

Verification for On-Going Cases with Lease Amounts Greater than $2,000 or Questionable Situations

The benefits specialist should begin preparation for the annual lease verification in June by preparing a list of cases which will require lease income verification. By June 15, contact should be established with those cases that do not already have a signed EA-241 (Lease Income Letter).

Between August 1 and September 1, the signed EA-241 will be submitted to BIA for verification. In cases where BIA has not complied with the Department's request for this information via the EA-241 submitted (by September 1), another contact with the customer should be made. It is then up to the customer to obtain the completed EA-241from BIA.

If BIA has not returned the form or the customer does not return the completed EA-241 with their Monthly Report (EA-214) due by September 20th, the Benefits Specialist will make a determination based on the best available information. The time frames are illustrated below:

June 15	August 1 – September 1	September 1 – September 20	September 20
Letter Explaining Process	State attempts to get verification from BIA	If no response from BIA, the customer responsible to obtain verification	If not obtained, EABS would assess BIA's willingness to cooperate, and if a determination of non-cooperation is made, the EABS would proceed using the best method available.

8703 INTEREST INCOME FROM TRUST ACCOUNTS

Only interest income received from trust accounts is countable. If the interest is not from a trust account, the amount is totally excluded. The terms of the trust must make the interest income available, and the household must receive the income at which point it should be annualized. If the trust interest income is recurring, the annualized amount must be updated prior to each June issuance. Documents which may be used to obtain annual interest amounts include a written statement from the trustee, the 1040 form, 1099 statements, or the annual interest statement from the bank.

The following clarification is offered for situations where last year's interest income does not reflect current circumstances.

A. The trustee has reduced all or a portion of the interest income sources from the previous calendar year.
B. The trust's only interest income was from a $1000 CD which has since been liquidated. Since there is no longer the source of interest income, no interest income should be budgeted. For an on-going case, interest income would also be removed if the household reports and verifies that they no longer have the source of interest income.
C. The trust had two $1000 CDs last year. One CD was liquidated, and one remains valued at $1000. The interest income from the CD which was liquidated is not budgeted. The interest income from the $1000 CD the household still has is annualized.
D. The household had no interest income in the previous calendar year but now has a source of interest income (e.g. Trustee purchased a CD or opened a savings account.)

The benefit specialist should verify interest accrued to date and average it over the period of time the interest income has been accrued and the resulting monthly amount projected for the coming year.

8704 DESTITUTE HOUSEHOLD

Migrant or seasonal households with little or no income at the time of application may be in need of immediate food assistance even though they receive income at some other time during the month of application. The following procedures must be used in determining when households in these circumstances may be considered destitute and entitled to expedited service and special income calculation procedures.

Households other than migrant or seasonal farmworker households cannot be classified as destitute.

A. A household is considered to be destitute when the household's only income for the month of application was received before the date of application and was from a terminated source. A household may have lost its only source of income because of layoffs, or they received their last wages from a grower. Households in these or similar circumstances may be without income for some time and unable to wait as long as 30 days for food assistance.

   Income received monthly or more frequently is considered to be coming from a terminated source if it will not be received from the same source during the remainder of the month in which the application is filed or in the following month.
   For households whose income is received in intervals of more than a month, the income must be considered as coming from a terminated source if it will not be received in the month in which the next payment is normally due. For example: if income is received quarterly (that is, January 1, April 1, July 1, October 1) and the household applies in mid-January, the income would be considered as coming from a terminated source if no income is anticipated to be received in April.

B. Households whose only income for the month of application is from a new source are considered to be destitute. These households are entitled to expedited service if by the 10th calendar day from the date the household files its application or by the end of the month, if sooner, the income received from the new source totals $25 or less. These households may expect to receive income from a new job or may, for example, have applied for, but have not yet received TANF, Reemployment Assistance compensation benefits, SSI, and/or social security benefits. These households may be without income from the new source for several weeks and unable to meet their current food needs.

   Income normally received monthly or more often is considered to be from a new source of income of more than $25 has not been received from that source within 30 days before the date the application was filed.

   Income normally received less often than monthly (such as quarterly and once every two months) is considered to be from a new source of income of more than $25 was not received within the last normal interval between payments. For example: Mr. A applies on January 2. He just started a new job January 1 and expects to be paid once every three months beginning January 15. The income will be considered from a new source if it was not received in the previous quarter which began October 1.

C. Households are considered destitute which receive income both from a terminated source before the date of application and from a new source after the date of application, if:
   1. No other income is received in the month the application is filed; and
   2. Income from the new source will not exceed $25 by the 10th day from the application file date or by the end of the month if less than 10 days are left in the month.

8704.1 Calculating Benefits for Destitute Households

Applications from destitute households which meet all other eligibility criteria must be processed on an expedited basis. For destitute households only the income received between the first day of the month and the date the applications was filed is used for purposes of the gross and/or net income eligibility test and for use in determining the household's benefit level for the month of application. Any income from a new source anticipated 10 days after the day of application must be disregarded for the application month.

A household member who changes jobs but continues to work for the same employer is considered to still be receiving income from the same source. Similarly, a self-employed household member who does work on a contract basis or receives income from different customers is considered to be receiving income from the same source.
These special eligibility and benefit calculations apply to initial applications and renewals, but only for the first month of each certification period. For renewals, income from a new source is disregarded in the first month of the new certification period if the income from the new source will not exceed $25 by the 10th calendar day after the date of the household's normal issuance cycle.

8704.2 Travel Advances (for Destitute Households)

Travel advances paid to new employees are not counted as income and are not considered in determining whether a household is destitute, to the extent the advance is excluded as a reimbursement.

Money received for the expenses of traveling to a new location for employment may be received in the form of a travel advance or as an advance of wages.

Advances of wages for travel costs are counted as income. They are not considered in determining whether the household is destitute or whether later payments from the employer are from a new source of income. Such a payment is considered an advance of wages only if, by written contract, it will be subtracted from wages later earned by the employee.

> **Example:** A household applies on May 10 and has received a $50 wage advance for travel from a new employer on May 1 but will not begin receiving any other wages until May 30. This household qualifies as destitute. The Specialist should disregard the earnings anticipated to be received May 30 but should consider as income the wage advance received May 1.

8705 CONTRACT DEFINITION/EMPLOYEES

Households with members who receive contract income which is renewable on a yearly basis or intended for their annual support will have this income averaged over a 12-month period to determine household eligibility.

To be considered contract income, a contract must be written or implied and the salary amount identified in the contract must be for a set dollar amount, not an hourly or piece meal basis. Additionally, the salary must be paid based on the set dollar amount, not paid by how many hours were worked or the amount of work that was completed.

If the contract indicates an hourly wage and a further contact with the employer verifies the contract is for a predetermined total salary amount, the income is considered contract income. If the contract indicates a predetermined total salary amount, but the individual is paid based on the number of

hours worked or the amount of work that was completed, it is not contract income and is treated as normal earned income. See the example below as further explanation of contract and non-contract income.

Example: John signed a contract for 9 months as a school janitor and the contract states he will receive $9000 in monthly installments. John states the income is intended for his annual support:
If John is paid $1000 every month regardless of the hours he works, it is a true contract situation, and we would budget $9000 by 12 months = $750 monthly.

However, if John's monthly wages vary by the number of hours he works per month, it is not a true contract because John is being paid by the hour, not by the contract amount. [For example, one month his wage shows 160 hours X $6.25 per hour and 20 hours X $9.38 overtime, and the next month shows 100 hours X $6.25, and the pay is equal to the hourly rate.] John's income would be budgeted as received in this situation, not annualized or averaged over the period of the contract.

Contract income that is intended for the household's annual support will be budgeted for an entire year, even though predetermined non-work periods are involved, or actual compensation is scheduled for payment during work periods only. The provisions of this paragraph may apply, for example, to teachers and other school employees, or to sharecroppers, but not to migrant farm workers.

8705.1 Contract Renewal

The renewal process may involve the signing of a new contract each year, may be automatically renewable, or, as in cases of school tenure, rehire rights may be implied and not require a written contract. For ongoing employment (that is intended for annual support) that has the contract renewed, the new income should be annualized and budgeted the month the income will start.

8705.2 Work/Non-work Cycle

The fact that this type contract is in effect for an entire year does not necessarily mean that the contract will stipulate work every month of the year. Rather, there may be certain predictable non-work periods or vacations, such as the summer break between school years.

8705.3 Income

Income from the contract will be considered as compensation for a full year regardless of the frequency of compensation as stipulated in the terms of the contract, as determined by the employer or by the employee.

8705.4 Determination of Eligibility and Benefits for Contract Employees

The yearly income that household members receive from contractual employment, described above, must be averaged over a 12-month period to determine the member's average monthly income. To determine household eligibility, all other monthly income from other household members must be added to this average monthly income. Income exclusions and deductions are applied to the gross monthly income, as in any other case, to determine the household's benefit level.

Contract income received over a period of less than one year that is not intended for annual support is prorated over the period of intent. The contract income must not affect more benefit months than the number of months in the period it is prorated.

8705.5 Exceptions for Contract Income

When the other party to the contract cannot or will not make payments specified in the contract; or when labor disputes interrupt the flow of earnings specified in the contract, then the income is no longer considered contract income and is budgeted as received just like any other income.

Example: Mary signed a contract for 9 months as a food service worker. The contract states she will receive $10,800 in monthly installments over a 9 month period. This is Mary's only source of income and is intended for her annual support. Mary receives $1,200 each month. In the third month of her eligibility Mary reports that her employer is reducing her pay if she misses work. This income is no longer considered contract income and should be counted as income received.

CHAPTER NINE: RESOURCES

9000 RESOURCE ELIGIBILITY STANDARDS

The resource eligibility standards apply to all households, unless otherwise noted.

9010 MAXIMUM ALLOWABLE RESOURCES

Eligibility will be denied or terminated if the value of nonexempt resources exceeds the following:

A. $4,750 for all households with an eligible disabled household member or an eligible household member age 60 or over
B. $3,000 for all other households.

> **Exception:** Categorically eligible households do not have resource limits.

If there is only one member in the household who is disabled or age 60 or over, the household's resource limit is $3,000 **if** that member is not receiving SNAP benefits due to any of the following:

- he/she is an ineligible alien or disqualified for no SSN,
- duplicate benefit conviction,
- fleeing felon,
- parole/probation violator,
- trafficking conviction,
- TANF carryover disqualification,
- work registration sanction,
- IPV disqualification,
- FDPIR IPV carryover disqualification,
- an ineligible student, roomer, or live-in attendant, or
- disqualified due to non-cooperation with DCS.

9100 DEFINITION OF RESOURCES

The resources that are available at the time the household is interviewed are used to determine SNAP eligibility. In determining the resources of a household, the following will be included and documented in sufficient detail.

9110 LIQUID RESOURCES

Liquid resources are resources such as:

1. Cash on hand
2. Money in checking, savings, Health Savings (HSA) accounts
   - Money in a checking or savings account is not counted as income and as a resource in the same month.
   - For HSA, count the total value of the account minus any penalties for early non-medical expense withdrawal. If the customer can document that only part of the account is accessible, then only count the value of that portion of the account that is accessible as a resource.
3. Money in PayPal and Venmo accounts, or other similar third-party fund transfer account
   - These types of account are typically used in tandem with traditional banking and/or savings accounts. However, because money can be held in these accounts,

independent from the attached checking or banking account, it is important to consider these accounts as a resource. Also, similar to money in a checking or savings account, the money housed in these account is not counted as income and as a resource in the same month.

4. Savings certificates
5. Stocks or bonds
6. Nonrecurring lump-sum payments
   - Money received in the form of a nonrecurring lump sum payment, including but not limited to, rebates, or credits; retroactive lump sum Social Security, SSI, public assistance, railroad retirement or other payment; retroactive lump sum insurance settlements; and refunds of security deposits on rental property or utilities are considered as resources in the month received, unless specifically excluded from consideration as a resource by other Federal laws.
7. Cryptocurrencies such as Bitcoins, Ethereum, Litecoin, and other blockchain-based assets
   - The value of digital currencies should be determined at the time the household is interviewed.
   - If the virtual currency is listed on an exchange the value should be determined by converting the currency into USD currency using the exchange rate listed on the exchange the currency is stored in.
   - If the digital currency is not held on an exchange the Benefit's Specialist should use the most reasonable rate of exchange and document the website URL that was used and the exact exchange rate at the time of interview, the amount of digital currency the household owns, and a screen shot of the exchange site the customer is using.

Exclude the following from liquid resources:

1. Current month's income deposited into a checking or savings account.
2. If a check has been written and sent to the payee, even it has not yet been cashed; the money is not available for other purposes and is deducted from the account balance before the balance is shown as a resource.
3. Any funds held in a retirement plan, contract, or account, described in Sections 401(a), 403(a), 403(b), 408, 408A, 457(b), and 501(c)18 of the Internal Revenue Code and the value of funds in a Federal Thrift Savings Plan as provided in Section 8439 of Title 5, US Code. This includes retirement funds in Individual Retirement Accounts (IRA), Roth, and 401(k) plans. (See chart in section 9400 C below)
4. Any funds held in a qualified tuition program described in Section 529 or 530 of the Internal Revenue Code.

Income Tax Refunds:

Income tax refunds have separate federal exclusion requirements and must **not be counted as a resource for 12 months after receipt**.

Before denying or terminating a household's benefits due to excess resources, the Benefits Specialist **must** ask the household if they received an income tax refund in the last 12 months.

- If yes, then the amount of the refund should be subtracted from their total resources (liquid or non-liquid), and the adjusted amount is the countable resource amount entered in ACCESS. Document the reason for the adjustment in the case file. Verification of the refund amount is <u>not required</u> unless it is questionable.

> **Note:** It doesn't matter if the household kept the tax refund or spent it, the amount must be deducted before determining countable resources.

9120 NON-LIQUID RESOURCES

Non-liquid resources are resources such as:

1. Personal property
2. Licensed and unlicensed vehicles
3. Buildings
4. Land
5. Recreational properties
6. Any other property not specifically excluded from resources

The value on non-exempt resources (except for licensed vehicles not used primarily for income producing purposes) will be the equity value. The equity value is the fair market value less encumbrances (what the customer owes). The encumbrance could include a mortgage, loan, etc. that would need to be dissolved if the property were to be sold.

> **Example:** A lot has a fair market value of $7900 and the household owes $6200 against it. Therefore, the Specialist would count $1700 as a resource.

9200 JOINTLY OWNED RESOURCES

Resources owned jointly by separate households will be considered available in their entirety to each household; unless the applicant household can demonstrate that the resources are inaccessible to them. The resource will be considered totally inaccessible to the household if it cannot be practically subdivided and the household's access to the resource is dependent on the agreement of a joint owner who refuses to comply. The same policies used to determine whether a resource is accessible to the household also apply to resources attributed to the household but owned by an excluded member (including ineligible aliens living with the household).

If the household can demonstrate that it has access to only a portion of the resource, only that portion will be counted toward the household's resource limitation.

Jointly owned resources are not considered accessible to individuals if a legal separation or divorce has been filed as per State Law 25-4-33, unless the other owner has given consent for accessibility.

Jointly owned certificates of deposits (CD's) are available in their entirety to both owners unless one owner refuses to release it the other owner. Verification of the co-owner's refusal to cash the CD should be obtained. (If the CD is identified as purchased under the Uniform Gifts to Minor's or Uniform Transfer to Minor's Act, it is countable regardless of who possesses it.)

Resources held jointly by persons living in shelters for battered women and children and their former households are considered inaccessible if:

A. The resources are jointly owned by the household in the shelter and by members of their former household, and
B. The shelter resident's access to the value of the resources depends on the agreement of a joint owner who still lives in the resident's former household.

9300 AVAILABLE RESOURCES

Resources will be considered inaccessible to the household as long as they were truly unknown to the household. Once the household discovers resources that are legally available to them, the resource must be counted in determining the household's eligibility for SNAP.

At the point in time the household is made aware of the resource, the resource will be considered available to them from that time forward. This applies regardless of the manner in which the household is made aware of the resource.

> **Example:** Jane's grandfather purchased CDs for Jane's children but never told Jane or the children of the existence of the CDs. The CDs were not considered available to the household until Jane was informed of their existence. Once Jane is made aware of the CDs, they are counted as a resource.
> In this situation, **no** claim would have been created for the months Jane was unaware of their existence.

9400 RESOURCE EXCLUSIONS

The following list of resource exclusions is all inclusive:

A. Exclude the home and surrounding property that is not separated from the home by intervening property owned by others.
   - Public rights of way, such as roads which run through the property and separate it from the home, will not affect the exemption of the property.
   - The home and surrounding property remain exempt when temporarily unoccupied because of employment, training for future employment, illness, or inhabitability caused by casualty or natural disaster, if the household intends to return.
   - Households not currently owning a home who own or are purchasing a lot on which they intend to build or are building a permanent home will receive an exclusion for the value of the lot and, if it is partially completed, for the home.
   - Property essential to the self-employment of a household member engaged in training will continue to be excluded for one year from the date the household member terminates his/her self-employment from farming/ranching.

B. Exclude household goods, personal effects, including such items as furniture, appliances, jewelry, and the cash value of life insurance policies.

C. The cash value of pension plans, and tax deferred education savings plans will be excluded per the charts below:

Retirement Plan/Account Type and Internal Revenue Code Section #	What is it?
Pension or traditional plan – Section 401(a)	Employer based retirement plan that promises retirees a certain benefit upon retirement, regardless of investment performance
Cash Balance Plan – Section 401(a)	Employer based "hybrid" plan that combines features of defined benefit and defined contribution plans
Keogh Plan – Section 401(a)	Individuals who are self-employed
Employee Stock Ownership Plan – Section 401 (a)	Similar to profit sharing plan, benefits are offered in the form of employer's stock
Money Purchase Pension Plan – Section 401(a)	Employer-based defined contribution plan under which annual contributions are fixed by a set formula

Profit Sharing Plan – Section 401(a)	Employer-based plan which may be linked to profits
401(k) Plans – Section 401(a) (Also called "CODA" Cash or Deferred Arrangement.)	A contribution plan that allows employees to defer receiving compensation in order to have the amount contributed to the plan. Employees have a pre-tax contribution from wages.
Simple 401(k) Plans – Section 401(a)	Available to small businesses
403(a) or 403 (b) Plans – Section 403(a) and 403 (b)	Annuity or custodial account plans offered by tax-exempt organizations or public educational institutions
Individual Retirement Accounts (IRA) – Section 408	Individual pre-tax retirement plan controlled by individuals rather than employers
Roth IRA – Section 408(a)	Similar to IRAs except that qualified distributions are tax exempt
myRA – Section 408A	Same as IRA, except that qualified distributions are tax exempt
TRUMP Accounts	Allows Parents/Guardians/Other individuals to establish an IRA for children
SIMPLE retirement account IRA – Section 408(p)	Employer-based IRA (to which employees & employers contribute) available only to small businesses
Simplified Employee Pension Plan (SEP) – Section 408(k)	Employer-sponsored plan available only to small businesses; allows employer to contribute to employee accounts that function as IRA's and are subject mostly to IRA rules. (Generally ceased to apply in 1996)
Eligible 457(b) Plans – Section 457(b)	Funded plan offered by state and local governments or unfunded plan offered by non-profit organizations.
501(c)(18) – Section 501(c)(18)	Offered by unions pre 1959 – mostly obsolete
Federal Thrift Savings Plans – Section 8439 of Title 5 of US Code	Plan offered by the Federal government to its employees

Tax Deferred Education Account and Internal Revenue Code Section #	**What is it?**
Qualified Tuition Programs – Section 529	Allows owners to prepay a student's educational expenses or contribute to an account to pay those expenses
Coverdell Education Savings Accounts – Section 530	An IRA type of account designed to pay a student's education expense.

D. Exclude one burial plot per household member, including disqualified household members.

E. Exclude the value of one funeral agreement per household member.

F. Licensed vehicles will be excluded as specified in Section 9510

G. The portion of property, real or personal, that is directly related to the maintenance or use of a vehicle excluded under section 9510(A) 1, 2, or 5.

> **Example:** A household which owns a produce truck as part of self-employment may be prohibited from parking the truck in a residential area. The household may own a 100-acre field (not income producing) and only use a quarter-acre to park and/or service the truck. Only the value of the quarter-acre would be excludable, not the entire 100 acres.

All of the exclusions listed in 9510(A) remain in effect when the vehicle is temporarily not being used.

> **Example:** A taxi driver is ill and cannot work, or a fishing boat is temporarily out of order and cannot be used, or the vehicle is not being used because of temporary unemployment.

H. Exclude property that is annually producing income consistent with its fair market value, even if only used on a seasonal basis, such property includes rental homes and vacation homes.

I. Exclude property, such as farm land, or work-related equipment such as the tools of a tradesman or machinery of a farmer/rancher, that is essential to the employment or self-employment of a household member. Property essential to the self-employment of a household member engaged in farming/ranching will continue to be excluded for one year from the date the household member terminates his/her self-employment from farming/ranching.

> **Example:** Cattle or other livestock are always excluded as personal property, income-producing property or property essential for self-employment, depending on the circumstances.

J. Exclude installment contracts for the sale of land or buildings if the contract or agreement is producing income consistent with its fair market value. The exclusion also applies to property sold under an installment contract or held as security in exchange for a purchase price consistent with the fair market value of that property.

K. Exclude governmental payments designated for restoration of a home damaged in a disaster, if the household is subject to legal sanction for not using the funds as they are intended.

> **Examples:**
> 1. HUD payments through the individual and family grant program
> 2. SBA disaster loans or grants.

L. Exclude any resource that, as a practical matter, cannot be sold for a significant return. A significant return means estimating any return amounting to greater than $1500 after estimating the costs of sale or disposition and taking into account the household's ownership interest. This could occur if the household's interest is relatively slight or the costs of selling the household's interest would be relatively great.
   - This exclusion does **not** apply to financial instruments that may be negotiable such as stocks, bonds, etc. Additionally, if the household's licensed vehicle value is not more than $1500, the vehicle is excluded as a resource. Verification from the customer is

required only if the information is questionable; however, the Specialist must document this information in the case record.

If the resource is owned jointly with non-household members, the resource is limited to the household's share.

If the resource is jointly owned and not accessible to the household because the joint owner(s) refuse to sell, and the household cannot sell the resource without consent of the joint owner(s), it is excluded until the household may sell the resource.

> **Example:** A household member is one of four siblings who together inherit 160 acres of land. The household's share is 40 acres. The household may sell the 40 acres without the consent of his/her siblings. The land's value would be considered a resource unless the 40 acres were put up for sale (3660.K), or the household's anticipated net return of the profit is $1500 or less.

M. Exclude resources whose cash value is not accessible to the household, such as, but not limited to, irrevocable trust funds, security deposits on rental property or utilities, property in probate, and the real property that the household is making a good faith effort to sell at a reasonable price and that has not been sold.
   - The Specialist may verify that the property is for sale and that the household has not declined a reasonable offer. Collateral contacts or documentation such as advertisement for public sale in a newspaper, or real estate broker listing are acceptable methods of verification.

   Resources will be excluded if they cannot be sold for a significant return. A significant return is defined as over $1500. If the sale of the resource is unlikely to produce over $1500 for the support of the household, the value of the resource is excluded. Verification of the resource exclusion is required only in questionable situations; however, documentation is mandatory.
   Funds in a Uniform Gifts to Minors or Uniform Transfer to Minors Act accounts are considered a countable resource regardless of whether or not the guardian is a member of the household or will release funds from the account.

   Funds in a trust or transferred to a trust and the income produced by that trust are considered inaccessible if:
   1. The trustee administering the funds is either:
      (A) a court, or an institution, corporation, or organization which is not under the direction or ownership of any household member, or
      (B) an individual appointed by the court who has court-imposed limitations placed on his/her use of the funds which meet the requirements of this paragraph;
   2. The funds held in irrevocable trust are either:
      (A) established from the household's own funds, if the trustee uses the funds solely to make investments on behalf of the trust or to pay the educational or medical expenses of any person named by the household creating the trust, or
      (B) established from non-household funds by a non-household member.
   3. The trust investments do not directly involve or assist any business or corporation under the control, direction or influence of a household member; and,
   4. The trust arrangement will likely continue throughout the certification period; and,
   5. No household member has the power to revoke the trust arrangement or change the name of the beneficiary during the certification period.

N. Exclude Supplemental Security Income (SSI) or Temporary Assistance for Needy Families (TANF) participants' resources if they receive benefits or "are entitled to receive benefits" from Supplemental Security Income (SSI) or Temporary Assistance for Needy Families (TANF) from the remainder of the household's resource determination.

O. Exclude resources such as those of self-employed persons or students that have been prorated as income.

P. When an exclusion applies because of use of a resource by or for a household member, the exclusion also applies when the resource is being used by or for an ineligible alien or disqualified person whose resources are being counted as part of the household's resources.

> **Example:** Work related equipment essential to the employment of an ineligible alien or disqualified person is excluded as will one burial plot/funeral agreement per ineligible alien or disqualified person.

Q. Non-liquid resource, which a lien has been placed against, as a result of taking out a business loan, and the household, is prohibited by the security or lien agreement with the lien holder (creditor) from selling the resource(s).

R. Indian lands held jointly with the tribe, or land that can be sold only with the approval of the Bureau of Indian Affairs.

S. Resources that are excluded for SNAP purposes by express provision of Federal statute:
    1. Exclude WIC program benefits (PL 100-435).
    2. Exclude payments of "Wartime Relocation of Civilians" made to certain United States citizens of Japanese ancestry, resident Japanese aliens, and certain eligible Aleuts under Title I of Public Law 100-383.
    3. Exclude reimbursements from the Uniform Relocation Assistance and Real Property Acquisition Policy Act of 1970 (PL 91-646).
    4. Exclude payments received from Youth Incentive Entitlement Pilot Projects, the Youth Community Conservation and Improvement Projects, and the Youth Employment and Training Project under Title IV of the Comprehensive Employment and Training Act Amendments of 1978 (Public Law 95-524).
    5. Exclude payments or allowances made under any Federal, State, or local laws for the purpose of energy assistance. These payments or allowances must be clearly identified as energy assistance by the legislative body authorizing the program or providing the funds. Among the Federal payments that would be excluded are energy assistance payments provided through the Department of Health and Human Services' Low-Income Energy Assistance Program and the Community Services Administration's Energy Crisis Assistance and Crisis Intervention Programs. (PL 99-425)
    6. Exclude mandatory deductions from military pay for educational purposes while the recipient is enlisted. (PL 99-576.)
    7. Exclude payments made from the Agent Orange Settlement Fund or any other fund established pursuant to the settlement in the Agent Orange product liability litigation, M.D.L. No. 381 (E.D.N.Y.). The disabled veteran will receive yearly payments, and survivors of deceased veterans will receive a lump sum payment from the AETNA Insurance Company. (Public Laws 101-201, 101-239)

8. Any Income Tax Refunds, Earned Income Tax, and Child Care Tax Credit are excluded as income and as a resource in the month of receipt and 12 months following receipt of the refund. If an individual is over resources the Benefits Specialist must ask the individual if he/she received an income tax return within the last 12 months, if yes, then the amount of the refund is subtracted off of his/her total resources, and the adjusted amount would be the countable resources.
9. Exclude payments paid as a result of an emergency or major disaster as defined in the Disaster Relief Act of 1974 (PL 93-288, PL 100-707) or the Disaster Relief & Emergency Assistance Amendments of 1988. A major disaster is any natural catastrophe or regardless of fault, any fire, flood, or explosion which the President determines causes damage of sufficient severity and magnitude to warrant major disaster assistance. An emergency is an occasion or instance for which the President determines that federal assistance is needed to save lives and protect property and public health and safety.
10. Payments made under the Radiation Exposure Compensation Act are excluded from the resource determination. (PL 101-426)
11. Exclude from resources any compensation made under the Crime Act of 1984 to crime victims (PL 103-322). This includes any payment made to crime victims under South Dakota's Victim's Compensation Program.
12. Exclude from resources any payment made to individuals because of their status as victims of Nazi persecution (PL 103-322).
13. Exclude from resources any value of assistance to children from the School Lunch Program, Summer Food Service Program for Children, Commodity Distribution Program, and the Child and Adult Care Food Program (PL 7-3096 of the National School Lunch Act). Note: the exclusion is only for assistance provided to children, rather than that paid to providers.
14. Exclude from resources any payments made to children of Vietnam veterans who are born with spina bifida October 1, 1997 and forward (PL 104-204).
15. Individual Development Accounts (IDAs) are excluded from resources. An IDA is a restricted savings account that is used for a specific purpose (education, business start-up, home ownership, etc.) in which money contributed by the household is matched by private or public funds. (PL 104-193; PL 106-554)
16. Settlement payments made under the Ricky Ray Hemophilia Relief Fund Act are excluded. (PL 105-369)
17. Indian per capita payments of $2,000 or less for each household member per payment. Purchases of $2,000 or less made solely with funds distributed after December 31, 1981 but prior to January 12, 1983 are totally excluded from resources. Purchases made after January 12, 1983 count in their entirety. (PL 93-134, PL 97-458 and PL 98-64.) These payments come from funds distributed as a result of judgment awards from breaches of treaty provisions and funds held in trust by the Secretary of the Interior from the sale or lease of oil, gas, and other tribal trust assets. Payments made to tribal members from the profits of tribal casino operations are counted as unearned income whether they are recurring or a one-time payment.
18. Payments received under the Alaska Native Claims Settlement Act or the Sac and Fox Indian claims agreement (PL 92-203, 100-241)
19. Payments received by certain Indian tribal members under Public Law 94-114, Section 6, regarding sub marginal land held in trust by the United States.
20. Payments received from disposition of funds of the Grand River Band of Ottawa Indians (Public Law 94-540).

21. Payments received by the Confederated Tribes and Bands of the Yakima Indian Nation and the Apache Tribe of the Mescalaro Reservation from the Indian Claims Commission as designated under Public Law 95-433, Section 2.
22. Payments to the Passamaquoddy Tribe, Houlton Band of Maliseet, and the Penobscot Nation or any of their members received pursuant to the Maine Indian Claims Settlement Act of 1980, Public Law 96-420, Section 5.
23. Payments of relocation assistance to members of the Navajo and Hopi Tribes under Public Law 93-531.
24. Per capita payments made under PL 98-124, Distributions to the Assiniboine Tribe of the Fort Belknap Indian Community, Montana, and the Assiniboine Tribe of the Fort Pack Indian Reservation, Montana.
25. Per capita payments made to the Chippewas of Mississippi under PL 99-377 and payments made to the Red Lake Band of Chippewa Indians under PL 98-123.
26. Per capita payments made to Sac and Fox Tribes of Oklahoma, Sac and Fox Tribe of the Mississippi in Iowa (PL 94-189); Chippewas of Lake Superior, Lac Courte Oreilles Reservation of Wisconsin, Bad River Band Reservation, Sokagon Chippewa Community of the Mole Lake Band of Chippewa Indians, St. Croix Chippewa Indians of Wisconsin (PL 99-146).
27. Funds paid to Turtle Mountain Band of Chippewas, Arizona (PL 97-403); Blackfeet, Grosventre, and Assiniboine Tribes of Montana and Papago, Arizona (PL 97-408); White Earth Band of Chippewas in Minnesota (PL 99-264); Saginaw Chippewa Indian Tribe of Michigan (PL 99-346); Puyallup Tribe, Washington (PL 101-41); Seneca Nation (PL 101-503).
28. Funds paid under Old Age Assistance Claims Settlement Act to heirs of deceased Indians except for per capita payments in excess of $2000 (PL 98-500).
29. Funds paid to the Seminole Nation of Oklahoma, Miccosukee Tribe of Florida, and independent Seminole Indians of Florida (PL 101-277) are excluded except for per capita payments in excess of $2000.
30. Funds to Confederated Tribes of the Colville Reservation Grand Coulee Dam Settlement Act (PL 103-436).
31. Veterans benefits paid to children of women Vietnam veterans who suffer from birth defects. (PL 106-419).
32. Educational funds (loans, grants, scholarships, etc.) are excluded as a resource during the period they are intended to cover.
33. Cobell Settlement Funds: Excluded as income and a resource for a year after receipt. Any funds remaining after the year are counted as a resource.
34. Nez Perce Settlement Funds: Counted as a resource in the month received if it is a lump sum payment; counted as income in the month received and resources thereafter if it received as multiple payments.
35. Keepseagle Settlement Funds: Excluded as income and counted as a resource.
36. Cheyenne River Sioux Tribe Equitable Compensation Funds: Excluded from income and resources.

T. Exclude ABLE accounts per Public Law 113-294 (Tax increase prevention Act). Able account funds exceeding $100,000 are considered a resource.

9410 HANDLING EXCLUDED FUNDS

Money excluded from resources and kept in a separate account is exempt as a resource. This money is exempt indefinitely, **unless** combined in an account with money which is not excluded. If excluded and non-excluded money is combined, the excluded funds are exempt for six months from the date the funds were combined. The six-month limit begins for each separate deposit of exempt funds on the date it is combined with non-excluded funds. If excluded money is placed in

a separate, interest-bearing account, the interest is counted as income in the month received. After the month of receipt, the interest would become a countable resource to the household. Any funds in the combined account are counted as a resource when the six-month period expires.

> **Question:** A customer has one checking account which includes both his self-employment business and his personal account. Since they are not separated, do we count the full balance as a resource?
> **Answer:** Yes, if this account was not recently commingled, it is counted in its entirety. If the customer recently combined a personal checking account and a business account, the portion for the business account may be excluded for six months from the date they were commingled. After six months, all funds in the commingled account will be counted as a resource.

Money exempt as a resource because it is prorated as income is, if combined with non-excluded funds, exempt for the time over which it is prorated. Examples of this type of income are student and self-employment income which has been prorated.

Income tax refunds keep their 12 month exclusion regardless of if the funds are commingled or not.

9500 VEHICLES

9510 LICENSED VEHICLES

The resource value of licensed vehicles is determined as follows:

A. The total value of the following licensed vehicles is excluded:
   1. One vehicle per household is automatically excluded. This typically means a vehicle used for transportation to and from work, school, etc. This does not typically include vehicles used for recreation. If in doubt check with a supervisor.

   2. Vehicles used for income-producing purposes are excluded.

      > **Examples:** Taxis, trucks, fishing boats, vehicles used for deliveries or to call on customers, etc.

      - If the vehicle is a condition of employment it is excluded.
      - Vehicles are **not** excluded if they are only used for commuting to and from the job site.
      - Licensed vehicles, which have previously been used by a self-employed member engaged in farming/ranching but are no longer used because the household member has terminated his/her self-employment from farming/ranching will continue to be excluded as a resource for one year from the date the household member terminated his/her self-employment from farming/ranching.

   3. Vehicles which annually produce income consistent with their fair market value, even if used only on a seasonal basis.

   4. Vehicles necessary for long-distance travel when the travel is essential to the employment of a household member or disqualified household member but not including daily commuting.

Example: the vehicle of a traveling salesperson or of a migrant farm worker who is following the migrant stream is exempt.

5. Vehicles used as the household's home.

Note: If the vehicle is used as a home, it does **not** need to be licensed. It is excluded as the household's home regardless of whether or not it is licensed.

6. Vehicles necessary to transport physically disabled individuals residing in the household or disqualified members who are physically disabled, regardless of the purpose of the trip.
   - If the household has more than one vehicle, only the primary one for transporting a disabled person can be excluded.
   - There is no requirement that the vehicle be used exclusively by or for the disabled person.
   - Work registration's physical disability criteria is used to determine disability for this exclusion.
   - "Necessary to transport" means that if the household has a disabled individual residing with them who requires transportation, they are entitled to a vehicle exclusion.
   - The determining factor for a vehicle exclusion is the fact that a physically disabled individual lives in their household and requires a vehicle for transportation.
   - This exclusion includes vehicles specially equipped to meet the specific needs of the disabled persons and also normal vehicles used to transport the disabled person.

7. Vehicles used to carry water or the primary source of fuel for heating the home, if the household does not have piped-in heating or water, are excluded regardless of any other use of the vehicle.

8. A vehicle will be excluded if its sale would produce an estimated return of $1500 or less. The equity value may or may not be same as the estimated return if the vehicle is sold.

Example: A household owns a vehicle with a Fair Market value of $7000. They owe $4000 against the vehicle thus their equity value is $3000. However, they have provided a statement that the vehicle is in bad shape and would not sell for more than $1000, if that. Since the household does not anticipate receiving more than $1500, the vehicle is excluded under this rule. The ACCESS fair market value would need to be entered as $1000 for this exclusion and the narrative documented explaining the vehicle exclusion.

9. Vehicles are totally excluded for TANF/SSI recipients and categorically eligible households.

All vehicles that can be excluded must be excluded; therefore, if a household has more than one vehicle, check each vehicle against the exclusion rules. Each vehicle should be coded to the appropriate vehicle exclusion rule on ACCESS.

Example: The household has three vehicles.

- Vehicle #1 has a fair market value of 10,000
- Vehicle #2 has a fair market value of $7,000
- Vehicle #3 has a fair market value of $2,000

All of the vehicles are paid in full. Also, the household has a physically disabled individual residing with them.

- Vehicle #1 is totally excluded as the primary vehicle
- Vehicle #2 is totally excluded for transporting a physically disabled household member
- Vehicle #3 is excluded because the equity is excluded for adult household member, and the fair market value is less than $4650

B. Equity value is excluded for one licensed vehicle per each adult household member and any other licensed vehicle a household member under age 18 uses for transportation to and from employment, training or education (including all regular courses of study at high school or college) preparatory to employment or looking for employment.

Household members include disqualified members or ineligible aliens whose resources are being considered available to the household.

The fair market value of each of these vehicles in excess of $4650 must be considered a resource to the household, regardless of any encumbrances (debt owed) on the vehicle or the household's investment in the vehicle.

- The Specialist's evaluation of the fair market value in excess of $4650 should be made for each individual vehicle.
- If the vehicle's value does not exceed $4650, it is exempt as a resource. This exemption remains in effect for vehicles used for employment purposes even during temporary periods of unemployment.

C. All other licensed vehicles, including recreational vehicles, not listed above must be evaluated for both fair market value in excess of $4650 and full equity value. Equity value is the fair market value less encumbrances (debt owed).

- The greater of the either the fair market value in excess of $4650 or the equity value must be considered a resource to the household.

Example: A son's car (not used for employment/education purposes) must be evaluated for fair market value in excess of $4650 & for equity value. Fair market value is $5000, and the equity value is $2000. Therefore, the equity value would be credited to the household as a resource because the equity value of $2000 is greater than the $350 ($5000-$4650) that the fair market value exceeds $4650.

D. Unlicensed vehicles, including recreational vehicles, are tested for equity value only, unless they meet total exclusion as a home.

Example: Recreational Vehicles (snowmobiles, jet skis, boats, RV, etc.)
If the recreational vehicle cannot be excluded, it will be evaluated in the same manner as any other vehicle.

- Licensed: Consider the greater of the either the fair market value in excess of $4650 or the equity value
- Unlicensed: Consider the equity value only

Type of Vehicle	Status
Licensed Vehicle is Primary Vehicle	Totally Exempt
Licensed Vehicle is Income Producing	Totally Exempt
Licensed Vehicle is Used for Disabled Individual	Totally Exempt
Vehicle is Used as a Home	Totally Exempt
Licensed Vehicle is Used to Carry Water or Primary Source of Heating Fuel for Home Use	Totally Exempt if no piped in water or fuel for heat
Type of Vehicle	**Status**
Licensed Vehicle if the sale of vehicle would produce less than $1500 or less	Totally Exempt
Licensed Vehicle is for Each Adult Household Member	Count Fair Market Value in Excess of $4650 - Exclude Equity Value
Licensed Vehicle is Used by Household Member Under 18 for Work or Education Preparatory for Work	Count Fair Market Value in Excess of $4650 - Exclude Equity Value
Other Licensed Vehicles, including Recreational Vehicles	Consider Greater of Fair Market Value Over $4650 or Equity Value
Unlicensed Vehicles, including Recreational Vehicles - If Not Used as Home	Count Equity Value – No Fair Market Value
SSI or TANF Individual – Categorical Eligible Household	Totally Exempt

The fair market value of licensed automobiles, trucks, vans, and recreational vehicles will be determined by the average trade-in value or the wholesale value as listed by JD Power and Associates.

- If the household indicates that the value the Specialists determines is inappropriate because the vehicle is in less than average condition, for reasons such as body damage or inoperability, the household may provide verification of the true value from a reliable source.
- Never should the basic value of the vehicle be increased by the Specialist because of factors such as low mileage or optional equipment.
- Households must be asked to acquire verification of the value of licensed antique, custom made, or classic vehicles, if the Specialist is unable to make an accurate appraisal.
- Vehicles that are specially equipped with apparatus for the physically disabled, a JD Power and Associates value will be assigned as if the vehicle were not so equipped.

For vehicles without a listed average trade-in value, Specialists should use the low retail value or a percentage of low retail value in place of trade-in value. The household's estimate of the value of automobiles no longer reported on JD Power & Associates, is to be used unless the Specialist has reason to believe the estimate is incorrect.

- If the vehicle's value would affect the household's eligibility, the household is required to obtain an appraisal or provide other evidence of its value, such as a tax assessment or a newspaper advertisement indicating the amount at which like vehicles are being sold.

> **Note:** Specialists do not need to determine the value of a vehicle if it is exempt, not questionable, and/or the household is not near the resource limit.

9520 UNLICENSED VEHICLES

Unlicensed vehicles are tested for equity value only and this amount is credited to the household's resources.

Exception: If the unlicensed vehicle is the home; it is totally excluded from resource consideration.

9530 JOINTLY OWNED VEHICLES

Jointly owned vehicles are considered accessible and countable in their entirety unless they meet other exclusion criteria, or the household demonstrates they have no access to the vehicle.

Example of Inaccessibility:
If the co-owner has the vehicle and his/her whereabouts are unknown, or the co-owner has the vehicle and refuses to sell or release the vehicle to the household member.
If the joint owners have filed for divorce or legal separation, and the court has issued an injunction against both parties from disposing of the vehicle, the vehicle is excluded from the resource determination until the injunction is revoked.
If the vehicle is considered inaccessible, documentation must clearly identify the reason the vehicle is excluded.

There are **four** tests to use when determining whether or not the household's vehicles are a countable resource. If the vehicle does not meet any of the definitions in the first test, then continue to go to the second, then the third test, and finally, the fourth test.

1ST TEST VEHICLES ARE **TOTALLY EXCLUDED** FROM RESOURCE CONSIDERATION	
Vehicle Definition	**ACCESS Instruction**
All Vehicles if the owner is receiving **SSI** or **TANF;** or if household is **categorically eligible**	Code "N"
One Licensed Vehicle per household (**primary vehicle**)	Code "N"
Licensed Vehicle is **income producing** or **required for employment**	Code "I"
Licensed Vehicle used for **physically disabled individual**	Code "D"
Licensed Vehicle used to carry **water** or primary source of **heating fuel** for home use	Code "T"
Licensed Vehicle if sale of the vehicle would result in less than $**1501**	Code "C" or "E"
Any Vehicle used as a **home**	Code "H"
2nd TEST VEHICLE'S **FAIR MARKET VALUE** ABOVE $**4650 COUNTS**	
Vehicle Definition	**ACCESS Instruction**
Licensed Vehicle for each adult **household** member	Code "C" or "E"
Licensed Vehicle used by **minor child at least age 14 and under age 18** if used by the child for **employment or training**	Code "E"

3rd TEST HIGHER OF THE FAIR MARKET VALUE OVER $4650 OR EQUITY VALUE COUNTS	
Vehicle Definition	**ACCESS Instruction**
Licensed Vehicle Not Excluded Above	Code “C” or “E”

4th TEST VEHICLE’S EQUITY COUNTS	
Vehicle Definition	**ACCESS Instruction**
Vehicle is **unlicensed**	Code “U”

9600 INCOME-PRODUCING PROPERTY

Property, which annually produces income consistent with its fair market value, even if only used on a seasonal basis, or other property essential to the employment or self-employment of a household member such as tools of a tradesman, machinery or land of a farmer, goods, and property is exempt as resources.

Rental homes used by households for vacation purposes at some time during the year qualify under this exemption as long as they are producing income consistent with their fair market value.

The value of installment contracts for the sale of land or other property is exempt if the contract or agreement is producing income consistent with its fair market value.

The value of any property sold under an installment contract and property held as security in exchange for a purchase price is exempt if consistent with the fair market value of that property.

9700 TRANSFERRING RESOURCES

Households who have knowingly transferred resources for the purpose of qualifying for SNAP are disqualified from participation in the program for up to one year from the date the transfer is discovered. The disqualification applies if the resources of any household member or disqualified member were **knowingly** transferred in the three months before application or any time after the household is determined to be eligible for benefits.

> **Example:** A certified household receives a lump sum social security payment. The household transfers the payment to prevent exceeding the maximum resource limit. The transfer would disqualify the household. Acceptance of the customer's statement at the time of the interview is sufficient to establish the reason for the transfer.

The disqualification begins in the month of application unless the household is participating in SNAP when the transfer is discovered. If the household is participating at the time of discovery, a notice of adverse action is required and the procedures for adverse actions are followed.

9710 TRANSFER NOT AFFECTING ELIGIBILITY

Transfer of the following resources does not affect eligibility:

A. Resources which would not otherwise effect eligibility, such as furniture or of money that, when added to other non-exempt household resources, total less at the time of the transfer than the allowable resource maximums
B. Resources sold or traded at or near fair market value
C. Resources transferred for reasons other than qualifying or attempting to qualify for SNAP (e.g. a parent placing money in an educational trust fund)
D. Resources transferred between members of the same household (including excluded persons).

9720 LENGTH OF DISQUALIFICATION FOR TRANSFERING RESOURCES

For households qualifying or attempting to qualify the period of disqualification will begin with the month of application.

For households already receiving SNAP benefits, the disqualification period will begin with the first allotment to be issued after the notice of adverse action has expired, unless a fair hearing and continued benefits have been requested by the household.

Length of disqualification will be as follows:

Amount in Excess of Resource Limit	Periods of Disqualification
$0 through $249.99	One (1) Month
$250 through $999.99	Three (3) Months
$1,000 through $2999.99	Six (6) Months
$3,000 through $4,999.99	Nine (9) Months
$5,000 or more	Twelve (12) Months

Example: A one-person household transferred ownership of a vehicle worth $6000. The first $4650 of the vehicle's value is exempt. The amount of the vehicle that is counted towards resources is $1350. The person also has $1,750 in a bank account.

$3000 resource limit less $1750 existing resources (bank account) allows $1250 of the $1350 (vehicle resource) to meet the $3000 maximum. The transfer disqualification period would be 1 month since the total is $100.

- $3000 (resource limit) - $1750 (bank account) = $1250
- $1350 (vehicle resource) - $1250 (remaining resource limit) = $100
- $850 = Three Month Disqualification Period

Entering the Disqualification on ACCESS

1. Enter TRAN.01 (Transferred Resource) in the command
2. Enter the Date of Transfer
3. Enter what was transferred under Resource Description
4. Enter the Source
5. Enter Allowed as Y or N
    - Y = Resource is not counted
    - N = Resource is countable
6. Enter the Resource Value (Amount transferred)

9800 RESOURCES OF NON-HOUSEHOLD AND EXCLUDED MEMBERS

Resources of non-household members will **not** be counted as available to the household.

Resources of excluded household members **will be** counted as available to remaining household members. Excluded household members include:

A. Persons disqualified from the program for intentional program violation
B. Persons disqualified for failure to comply with Social Security requirements
C. Persons who are ineligible aliens and who would be considered a household member if not for his or her ineligible alien status
D. Persons disqualified for failure to comply with work registration or Employment & Training requirement, including voluntary quit or reduction hours
E. Persons disqualified for fraudulently receiving duplicate benefits; convicted of trafficking benefits for weapons or drugs in excess of $499; fleeing felons or parole/probation violators; or disqualified for failure to comply with TANF
F. Able-bodied adults without dependents (ABAWDS) who are not eligible because they have received their time limited benefits.

9900 VERIFICATION OF RESOURCES

Only seek verification of resources if:

1. The information reported by the customer is questionable, or
2. The value of nonexempt resources is close to the resource limit.

Benefits Specialist's must use prudent judgment when determining whether or not the information provided is questionable.

9910 VERIFICATION OF RESOURCES FOR MIGRANT WORKERS

Special care should be taken with migrant cases to determine if there are out-of-state resources or income from real property in the home base area.

Particular attention should be paid to real property in the home base area. Each household is allowed one home and surrounding property as an exemption from resources. Shelter costs on the current residence and also the temporarily unoccupied home may be budgeted according to shelter costs or unoccupied home in Section 10330.

> **Example:** A migrant who claims Michigan as home and who is applying for SNAP in South Dakota should be asked about available resources in both states. If the applicant has a home in Michigan and does not own a home in South Dakota, the Michigan home is exempt.

Additionally, the Specialist should explore the possibility that the out-of-state real property is being rented or is producing income in some way. If the property is producing income, the income must be added to all other household income in determining eligibility and amount of stamps.

9920 VERIFICATION OF RESOURCES FOR STRIKERS

Special emphasis should be placed on determining resources available to the household because of the striker's recent long-term, regular employment. In particular, the possible existence of extra cars or recreational equipment (such as boats or campers), stocks, bonds, or credit union accounts should be explored. In most cases, verification of resources will be necessary.

Property, which normally is considered income producing, such as the tools of a tradesman, continues to be exempt from resources during a strike.

CHAPTER TEN: DEDUCTIONS

10000 DEDUCTIONS

10100 INCOME DEDUCTIONS

Only the following deductions are allowed in determining a household's net SNAP income.

10110 STANDARD DEDUCTION

A standard deduction is allowed for each household. The amount of the standard deduction is determined by the number of **eligible** household members. To be considered an eligible household member, the individual must be counted in the SNAP allotment determination. Individuals that are not counted include individuals who are disqualified, sanctioned, ineligible students, ineligible aliens, non-household members, and able bodied adults without dependents (ABAWDS) who are disqualified due to time limits.

The Standard Deduction amounts as of 10/1/2026 are:

- **$217** is the standard deduction for 1-3-person households;
- **$229** is the standard deduction for 4-person households;
- **$268** is the standard deduction for 5-person households; and
- **$308** is the standard deduction for 6 or more-person households.

> **Example:** Household has six members. One is disqualified for an IPV, one is disqualified for a fleeing felon status, and one is disqualified for a work registration sanction. The standard deduction is $209 because only 3 individuals are counted in the SNAP allotment determination.

10120 EARNED INCOME DEDUCTION

A deduction of 20% of gross earned income is allowed. Excluded earned income is **not** subject to this deduction unless it is:

1. Earned income offset by a farm/ranch loss
2. Earned income reduced because of legally obligated child support payments.

> **Example:** Household's gross earned income is $1500 but $500 is offset because of either a farm loss or legally obligated child support payments. $1000 is used for the gross income test but $1500 is multiplied by 20% to determine the earned income deduction ($300). If the household's only income was excluded earned income, such as work study, no 20% deduction is allowed because no earned income is budgeted.

10200 DETERMINING DEDUCTIONS & EXCLUSIONS

In addition to the standard deduction and 20% earned income deduction, allowable deductions can include costs for:

- Medical expenses, including the standard medical deduction
- Dependent care (allowed in the month the expense is billed or otherwise becomes due)
- Shelter

The household must be expected to pay the expense before a deduction can be allowed.

> **Example:** John's rent is $100 a month. A $100 a month rent deduction is allowed even though John hasn't paid any rent for the last few months because John is billed for the amount and the landlord expects him to pay his rent.

An exclusion is allowed for legally obligated child support paid to or for an individual who is not residing with the payer. The payment is allowed as an exclusion from gross income when paid, regardless of whether the payment is for current support or arrearages. If the payment is made to an individual or agency outside of the household for a child in the payer's household, the payment may be allowed. This allows a child support exclusion if the child moves in and out of the household or if arrearages are being paid to an outside agency, usually the Division of Child Support (DCS).

10210 MEDICAL DEDUCTIONS FOR PERSONS OVER AGE 60 OR PERSONS WITH A DISABILITY

In some instances, a deduction is allowed for certain household's medical expenses. To qualify as a deduction, the expense **must** be incurred by a household member who is a person over age 60 (elderly) or a person with a disability (disabled). The person with a disability must meet the definition of a disabled person. Spouses or other household members receiving benefits as a dependent of SSI or Social Security disability recipient are **not** entitled to this deduction.

Only the portion of non-reimbursable medical expenses that **exceeds $35** per month for an eligible household member is allowed. The $35 applies to all eligible combined expenses for the household. If there are two or more eligible household members, all allowable medical expenses for those members are added, and then $35 is deducted.

If the household's allowed medical expenses are at **least $36 and less than $201**, the household will receive a standard medical expense of $200. (The $200 is before the $35 disregard thus the actual medical deduction is $165.)

Households with allowed medical expenses **greater than $200** will receive a deduction for actual expenses, less the $35 disregard, unless they opt for the $200 standard medical expense.

Medical Expense Amount	Allowable Deduction
Less than $35	No deduction is allowed
At least $36, but less than $201	A standard deduction of $165 is allowed
Greater than $200	$35 is subtracted and the difference is allowed

> **Example:** John and Jane are both 65. John has allowable medical expenses of $100 and Jane has allowable medical expenses of $235.00. The $100 and $235 amounts are entered on ACCESS, but the amount used in the eligibility and benefit calculation is $300 ($335 - $35).
> If John had $25 and Jane had $35, the amount used in the eligibility and benefit calculation is $200. ACCESS FMED panels will have the $25 and $35 entered but the third screen of eligibility will show $165 ($200 – $35).

The household may choose to report changes in medical expenses during the certification period; however, they are not required to do so.

The DSS-EA-314, Medical Expense Sheet, is required to be completed by the household at application and renewal if on the DSS-EA-301 the medical expense question is marked "Yes". It is **not** required to be updated when changes are reported during the certification period. The electronic DSS-EA-314 should be used to calculate medical expenses.

If the household reports a change in medical expenses during the certification period, the expense should be looked at to see if the reported medical expense will give them enough to receive the standard medical expense, if they are not already receiving it. If they are requesting more than the standard medical expense (over $200), then they must verify all expenses. If the household reports but does not submit verification of a change in their medical expenses, the reported changes should be updated on ACCESS panels. They will be acted on the following way:

- If it would decrease benefits, the change will be budgeted.
- If it would increase benefits, verification must be received before the change is made.

All medical expenses reported for elderly or disabled members must be listed on ACCESS FMED panels, even if not allowed or not verified.

- If **not** allowed, enter code "N" under FS Med Exp Countable Code.
- If **not** verified, enter code "N" under FS Med Exp Verif Code.
- The verification date on the FMED panel must be completed to report when the expense was verified.
- The Opt Std Med Exp must be coded:
  - "Y" for households with at least $36 allowed medical expenses and less than $201,
  - "0" if the medical expense is greater than $200 and households requests the standard
  - Blank if actual expenses are to be used.
- Actual expenses are used if the total allowed expenses are over $200 and the household doesn't request the standard, or if the total medical expenses are less than $36.

The cost of a special diet is **not** considered a medical expense. If the household has been or will be reimbursed for the medical expense only the unreimbursed part can be included as part of the medical deduction.

Medical expenses must be current bills within the past 30 days, or payments arrangements must have been set up within 30 days of the bill or insurance settlement, in order for the expense to be allowed. If the bills submitted are older than 30 days or no payment arrangements were made for payment, the medical expense is not allowed. If a medical expense is a for a one time occurrence, the household has the choice of allowing it in one month only or having it pro-rated over the remainder of their certification period. Benefits Specialists should discuss with the household what would be most beneficial.

10211 ALLOWABLE MEDICAL COSTS

Below is a list of allowable medical costs:

A. Medical and dental care, including psychotherapy and rehabilitation services provided by a licensed practitioner authorized by State law or other qualified health professional, such as a midwife.

B. Hospitalization or outpatient treatment, nursing care, and nursing home care. Medical payments made for an individual who was an elderly or disabled household member immediately prior to passing away or entering a hospital or nursing home are also allowed

if the remaining household members are legally responsible for the payment, even if the remaining household members are not aged or disabled.

C. Prescription drugs when prescribed by a licensed practitioner authorized under State law and other over-the-counter medication (including vitamins and insulin) when approved by a licensed practitioner or other qualified health professional. Costs of medical supplies, sick-room equipment (including rental) or other prescribed equipment are also deductible.
    - Costs of special diet or dietary supplements (such as Ensure) are **not** allowed as a medical deduction, even if prescribed by a licensed practitioner.

D. Health and hospitalization insurance premiums. Only the portion of a medical insurance premium assigned to the elderly or disabled household member may be considered when computing the deductible amount.
    - If the policy does not spell out how much of the premium is for each household member, the Specialist may prorate the premium amount among all household members. Only the prorated amount for the eligible member would be considered a deduction.
    - If the policy holder is not elderly or disabled, but the family policy includes a person who is eligible for the medical deduction, that part of the premium for the eligible member may be used in computing the deduction.

    Costs of health and accident policies such as those payable in lump sum settlements for death or dismemberment or income maintenance policies such as those that continue mortgage or loan payments while the beneficiary is disabled are not deductible. However, if the insurance policy (e.g., policies for cancer, nursing home, etc.) states the insurance benefits are to cover medical expenses, the premium is allowed.

    Examples:
    - Premiums for AFLAC or other insurance benefits that **reimburse** medical costs, are not allowed as a deduction for insurance premiums.
    - Medical Health Care Sharing plans are not an allowable medical expense as they are not considered health care insurance and are not regulated insurance. Individuals pay into a collective pot of money and at the end of the month the managing group decides which bills are paid on behalf of the individual member.

E. Medicare premiums (including Medicare Part D for drug costs) and any cost-sharing or spend-down expenses incurred by Medicaid recipients.

F. Dentures, hearing aids, and prosthetics.

G. Securing and maintaining a service animal including the cost of the animal, food and veterinarian bills. A service animal must be individually trained to provide assistance to an individual with a disability. The customer must demonstrate the animal is trained to do something special that helps the customer's condition (other than being a companion or pet), the animal could be allowed as a medical expense

    Examples: A guide dog, which compensates for limited vision, and monkeys, which can bring food, use a microwave, turn pages, and do other things for people with limited mobility, are examples of service animals with special training.

H. Eyeglasses prescribed by a physician skilled in eye disease or by an optometrist.

I. Reasonable cost of transportation and lodging to obtain medical treatment or services. Current State mileage and actual motel costs up to the current State allowed motel rate are defined as reasonable costs.

Current State Rates:
- Mileage: .70 Cents per Mile (eff 10/25)
- Lodging In-State: $110 + tax (eff 10/25)
- Lodging Out-of-State: $175 + tax

J. Cost of maintaining an attendant, homemaker, home health aide, or childcare services, housekeeper necessary due to age, infirmity, or illness. In addition, an amount equal to the one-person allotment will be deducted, if the household furnishes the majority of the attendant's meals. The allotment for this meal related deduction will be that allotment in effect at the time of initial certification. The allotment amount will be adjusted, if necessary, at the time of renewal. If a household incurs attendant care costs that could qualify under both the medical deduction and dependent care deduction, the cost must be treated as a medical expense.

K. Payments on a loan for a one-time medical expense are allowed, as long as the medical expense was current at the time the loan was received. The interest on the loan is not allowed.

L. Medical expenses billed on a credit card as long as the expense was current when the credit card was charged. The interest charges for the billed expense cannot be allowed as a deduction.

10212 MEDICAL EXPENSES VERIFICATION

Only the first $35 in medical expenses is required to be verified if the household is requesting the standard medical deduction. Verify the first $35 of deductible medical expenses, including the amount of any reimbursements, before allowing the deduction. When medical costs are claimed, but the first $35 in expenses is not verified, no deduction is allowed.

If the household is requesting more than the standard medical deduction (over $200) all medical expenses must be verified. Verification of other factors is required if questionable, such as whether the service is an allowable expense or whether the person incurring an expense is eligible for the deduction.

The following are some examples of the types of documents that may be used as proof of medical expenses:

Bills from Medical provider	Receipt of payments to provider	Statements from Pharmacy

Note an EOB (Explanation Of Benefits) does not count as proof of a medical deduction because the EOB is not a bill. It is a document that let's the person know what the health care provider filed a claim for, what the insurance claim was for, whether it was approved, and for how much. An EOB is not a bill nor a guarantee of what is the patient's responsibility for paying.

Some examples of what the proof of expense documents may need to show:

Name person	Date of care	Provider	How much billed	How much customer paid	Still owed

10220 DEPENDENT CARE DEDUCTIONS

The amount of actual costs is an allowable deduction for the care of a child or other dependent when necessary for a household member:

1. To seek, accept or continue employment,
2. Comply with employment and training requirements,
3. Attend training or education preparatory to employment.

Dependent care expenses are allowed **only** in the month the expense is billed, regardless of when the expense is paid. Deductions may **only** be allowed for expenses the household is responsible for. If the expense is paid by a vendor payment or reimbursement fund, the expense is **not** allowed. The household is allowed the total amount of dependent care expense they are billed and responsible for, as long as the expense is not questionable.

10221 DEPENDENT CARE PAYMENTS ALLOWED AS A DEDUCTION

Unreimbursed dependent care expenses billed to a household directly from the provider for employment, work registration requirements, or training are allowed as a deduction. In addition, transportation costs to and from the care facility, and activity or other fees associated with the care provided to the dependent that are necessary for the household to participate in the care.

10222 DEPENDENT CARE PAYMENTS NOT ALLOWED AS A DEDUCTION

1. Payments made for a household from Child Care Services (CCS) are paid directly to the provider and not counted as income to the household nor is the portion of the dependent care expense paid by CCS allowed as a deduction to the household.
2. If dependent care funds are paid from one household member to another household member, the funds are not income to either household member if they are both included in the same SNAP household. A deduction is also not allowed.
3. Dependent care expenses paid by the household with earmarked educational assistance funds may not be allowed as a deduction.

10223 VERIFICATION OF DEPENDENT CARE COSTS

Verify costs for child or dependent care before allowing the deduction. If the dependent care costs are claimed but not verified, no deduction is allowed.

10300 SHELTER DEDUCTIONS

Households are allowed a monthly shelter deduction for the costs in excess of 50 percent of the household's net income after all applicable deductions have been allowed. However, the **maximum (capped) shelter deduction is $769** for all households.

> **Exception:** The shelter deduction will not exceed the maximum **unless** the household includes a member who is over age 60 or a person with a disability. Households with an elderly or disabled individual receive the full amount that exceeds 50% of the household's monthly income after all other deductions have been allowed.

Only the most current bills can be used for shelter costs. Past due amounts are **not** an allowable expense. Expenses do not need to be in the household's name but must be incurred by the household and the household must be expected to pay the expense.

If heat is included in the rent payment and the household is eligible for Low Income Energy Assistance Payments (LIEAP), LIEAP will pay up to 30% of the rent expense to the household. The household will in turn be able to use this amount to pay their rent or if they have paid their rent by the time they receive the payment, they can use this money for other household items. Allow the full rent payment prior to the LIEAP payment because all LIEAP payments are exempt for SNAP purposes.

If heating or cooling is included in the rent, the SUA is only allowed if over $20 in LIEAP payments were made on behalf of an **elderly or disabled** household member in the current month or the last 12 month period. If there is not an elderly or disabled household member in the household, and heating or cooling is included in the rent, then the SUA is **NOT** allowed if receiving a LIEAP.
Shelter deductions apply only to continuing charges for shelter currently occupied by the household. The shelter deduction is adjusted periodically as per Consumer Price Index changes.

10310 ALLOWABLE SHELTER DEDUCTIONS

The following is a list of allowable shelter deductions.

1. Rent, mortgage, and other continuing charges leading to ownership of the property, such as loan repayments for the purchase of a home, including interest on such payments. Payments on any liens or loans for which the home property is used as collateral are allowable. Condominium fees are considered an on-going shelter cost and allowed if verified.
2. Property taxes and insurance on the shelter itself but not on the contents of the shelter. If the insurance does not separate coverage on the shelter from the coverage on the contents, the entire premium is allowed as a shelter cost.
3. If the household is billed for heating, cooling, cooking fuel, electricity, water, sewage, garbage, and telephone expenses, including charges for initial installation of the utility, and the household is expected to pay the expense, the household is allowed a utility allowance. If the household receives a utility reimbursement payment, a utility allowance is allowed only if the utility expenses are greater than the reimbursement amount.
    a) Households with an **elderly or disable household member**, whose heating or cooling costs are paid by LIEAP will be allowed to claim the standard utility allowance (SUA) as long as a LIEAP payment **over** $20 was paid in the current month or the past 12 months for the elderly or disabled household member. The $20 payment can be a single payment or multiple payments.

> **Exception**: Elderly or Disabled Individuals living in CSP facilities that have a group living expense (GLEX) are not allowed any other shelter deduction other than what is listed on the GLEX panel; even if they received LIEAP in the last 12 months.

4. Charges for the repair of the home which was substantially damaged or destroyed because of a natural disaster, such as a fire or flood. Shelter costs will not include charges for the repair of a home that have been or will be reimbursed by private or public relief agencies, insurance companies, or from any other source.

   Yearly payments or expenses billed less often than on a monthly basis may be allowed in the month they are billed or may be averaged over the period they are intended to cover.
5. If the household is homeless and has shelter costs equal to or greater than $205.66, but less than $206, the household will receive a homeless shelter deduction of $206. If the household's shelter costs exceed $206, the household will receive their actual shelter cost amount as their deduction.

10320 SHELTER COSTS NOT ALLOWED AS A DEDUCTION

Shelter costs do **not** include:

1. One-time deposits.
2. Any other shelter-related expenses not specifically listed above.
3. Closing costs, as a whole, would not be counted toward shelter costs. If the closing costs can be itemized to identify costs which are allowable deductions, such as insurance and property taxes, then these costs can be deducted as shelter costs.

10330 SHELTER COST OF UNOCCUPIED HOME

The shelter costs may be deducted for a home not currently occupied by the household for reasons of employment or training away from home, illness, or abandonment of the home caused by a natural disaster or casualty loss. For these costs to be deductible, **all** of the following criteria must be met:

1. The household must intend to return to the home.
2. The current occupants of the home, if any, must not be claiming the shelter costs for SNAP purposes.
3. The home must not be leased or rented during the household's absence.

The household may claim both the shelter costs of its current residence and the costs of the unoccupied home in computing the shelter deduction, but the appropriate shelter deduction for the household applies. Only one utility allowance is allowed regardless of whether or not the household must pay utility expenses for their temporary home and the vacant home. Use the highest applicable utility standard for the expense of the temporary home or the vacant home.

Charges are allowed for the repair of a home which was substantially damaged or destroyed because of a natural disaster, such as a fire or flood. Such costs do not include charges for the repair of the home that have been or will be reimbursed by private or public relief agencies, insurance companies, or other sources. These charges would be added to their current home or rent charges. The benefits specialists should narrate these circumstances thoroughly.

10340 VERIFICATION OF RESIDENCE AND SHELTER COSTS AT INITIAL APPLICATION AND RENEWAL

Residency verification is **required** (mandatory verification) at initial application. It is not required at renewal, if there is current residency verification in the case file and it has not changed and is not questionable. If residency verification is required and not received within 30 days following the date the DSS-EA-301 application is received, deny the application. If it is a renewal and the information is not received, the case will be closed if not received within 30 days of the date of the DSS-EA-301 renewal.

Verification of shelter costs (rent, mortgage, lot rent, taxes, insurance, utility expense) is never required unless the household wants to use the expense for eligibility/benefit determination, or the shelter arrangement is questionable.

If the applicant reports a rent/home expense but does not verify it, put the expense amount on the appropriate ACCESS panel and enter “N” for verification. Also, request the expense on the DSS-EA-300, Verification Checklist, under the Expenses/Other Verification section. If there isn’t any mandatory verification requested and the interview is completed, the denial date on the EA300 form should be blank.

If the applicant does not verify utility expenses, enter the appropriate utility allowance on the UTIL panel with an "N" for verification.

> **Exception:** If an **elderly or disabled** household member has had a LIEAP or weatherization payment over $20 made in the current month or past 12 months, and does not provide verification of utility expenses, the appropriate utility code is "L". The verification code should be entered depending on if the LIEAP was verified or not. The SUA will be budgeted only if the verification code is "Y."

If obtaining verification of expenses would delay the application, the applicant may choose to have the application processed without the deduction, as long as the shelter arrangement is not questionable.

- If questionable, the situation must be resolved.
- If not questionable, eligibility and allotment determination will be calculated without the shelter expense if the household has verified residency and either does not submit verification of the shelter expense within 30 days following the application date, or requests the application be processed without the expense.

Documentation is essential. The household's notice will explain that if the household submits verification at a later date, benefits may potentially be increased as long as the expense is listed on ACCESS with an "N" for verification.

10350 SHELTER CHANGES

If a household has a change in residence during the certification period, the new residence is required to be verified at the next renewal or six month report, whichever occurs first. Households must report and verify changes in shelter costs in order to receive a deduction. If a household reports a change of residence in an interim month, Chapter 14 section 14213 details how to budget reported changes in shelter expenses.

10400 DETERMINING UTILITY COSTS

Households **cannot** claim actual utility costs (expenses) and are only entitled to one of the four utility allowances. If the household is billed for heating, cooling, cooking fuel, electricity, water, sewage, garbage and telephone expenses, including charges for initial installation of the utility, and the household is expected to pay the expense, the household is allowed a utility allowance. If the household receives a utility reimbursement payment, a utility allowance is allowed only if utility expenses are greater than the reimbursement amount.

If there is an **elderly or disabled** household member in the household, whose fuel costs are paid by LIEAP in excess of $20 in the current month or last 12 months, the household will be allowed the Standard Utility Allowance (SUA). If there is not an elderly or disabled household member receiving LIEAP, then the SUA is not allowed for receipt of LIEAP over $20.

> **Exception**: Individuals living in CSP facilities that have a group living expense (GLEX) are not allowed a utility deduction as the GLEX amount covers all shelter costs even if they received LIEAP.

10410 UTILITY DEDUCTIONS (ALLOWANCES)

There are four different utility deductions that are referred to as utility allowances. A household can be eligible to receive only one of the utility allowances listed below.

1. **Standard utility allowance (SUA) of $984**
   Household must be responsible for heating/cooling costs. If there is an **elderly or disabled** household member that meets LIEAP/Weatherization requirements (payment on behalf of an adult elderly or disabled household member over $20 in the current month or past 12 months or received a weatherization payment in last 12 months) the household can receive the SUA due to receipt of LIEAP. If there is not an elderly or disabled household member receiving LIEAP, then the household must prove they are responsible for heating or cooling costs in order to receive the SUA.
2. **Limited utility allowance (LUA) of $274**
   Household must be responsible for at least two non-heating/cooling utility expenses.
3. **One utility allowance (OUA) of $113**
   Household must be responsible for only one non-heating/cooling utility expense. The OUA is not allowed if the household's only utility expense is a telephone (the telephone standard should be allowed).
4. **Phone utility allowance (PUA) of $62**
   Household must be responsible for any portion of the basic service fee for a telephone (including cellular phones) and it is the household's only allowable utility expense.

The utility expense does not have to be incurred each month. A household which incurs utility costs on an irregular basis may continue to receive the allowance between billing periods if the household is otherwise eligible to receive the allowance.

> **Example 1:** A household incurs a heating expense September through May, but no cooling expense is incurred in the summer. The household is still entitled to the standard utility allowance in summer months. The EABS only needs to determine that an expense is regularly incurred during the appropriate season.

> **Example 2:** A household pays an excess electricity payment for the summer months. The household has an air conditioner. The household is allowed the standard utility allowance year-round. (If the household did not have an air conditioner, the household could receive the limited utility allowance or the one utility allowance, whichever is appropriate.)

If the household is billed for a utility expense and is expected to pay the expense, the household is allowed the full utility allowance, even if an ineligible or disqualified individual shares in the expense. If the ineligible/disqualified individual pays the entire cost of the utilities, the household is **not** allowed a deduction. (An ineligible member is a non-household member like an ineligible student, individual who does not purchase/prepare meals with the household, etc. A disqualified individual for this exemption is defined as an individual disqualified for ABWAD time limits, IPV, work sanctions including voluntary quits, SSN, TANF sanction, or alien status or FDIR IPV carryover disqualification.)

Two households residing together who purchase, prepare and consume meals separately and share the utility costs each receive the same utility standard. If two households in different residences share a utility expense via the same meter, each receives the full allowance.

10411 STANDARD UTILITY ALLOWANCE (SUA): $984

The standard utility allowance (SUA) will be available to households that incur either heating or cooling costs separate and apart from their rent/mortgage or if an **elderly or disabled** household member received a **verified** Low Income Energy Assistance Program (LIEAP) payment greater than $20 made in the current month or the immediately preceding 12 months.

Eligibility for the SUA should be the first step in the utility allowance determination. If the household is not eligible for the SUA, eligibility for the other three remaining utility allowances (LUA, OUA, PUA) should be determined. The following are ways that the household may be eligible for the SUA:

A. **Heating Costs**
Definition: expenses incurred from a primary source of heat for which the household is billed separate from their rent or mortgage.

Households responsible for any portion of the heating costs are entitled to receive the Standard Utility Allowance (SUA) as long the household did not receive a utility reimbursement payment in excess of the actual heat expense. Sources of heat include but are not limited to propane, oil, and electricity. If the household's primary source of heat is wood, use of wood does not entitle the household to the standard allowance **unless** the household purchases their wood. If the household gathers their own wood without having to purchase it, no deduction is allowed.

Households billed on a monthly payment schedule (year-round) established by a fuel distributor are entitled to claim the Standard Utility Allowance, even if the household does not have cooling costs.

Example 1: The household rents a house for $300 plus they are responsible for all utilities. The utilities are on a separate meter and are in the household's name. SUA is allowed if the utilities are verified.

Example 2: The household rents a house for $300 plus they are responsible for all utilities. The utilities are in the landlord's name. The household is entitled to the SUA if the landlord bills the household for the utility costs and verifies the household is responsible for them.

Example 3: The household rents a house for $300 plus $200 for heat. The household is entitled to the SUA if the utility expense is verified.

Example 4: The household has two sources of heat. The household's primary heating source is propane. A supplemental heat source is wood, which the household cuts themselves. The household is entitled to the SUA because the primary heat source is propane, if it is verified.

Example 5: Two SNAP households reside together. Each pays 50% of the verified utility expense, which includes heat, electricity, and telephone. Each household member is allowed the SUA because both contribute toward the heat expense.

Example 6: The household rents an apartment for $200 per month. The household is billed separately for electricity not used to heat or cool the home. SUA is not allowed but the household could receive the limited utility allowance or the one utility allowance, whichever is appropriate.

Example 7: The household has two sources of heat for the home. The primary heat utility is wood, which is cut by household members, and has a supplemental propane furnace. The household is not allowed the SUA nor is the household allowed a deduction for the propane unless the propane is also used for cooking fuel. If so, the household may be eligible for the limited utility allowance or the one utility allowance, whichever is appropriate for the supplemental propane cost.

Example 8: Jane and John live in the same apartment but purchase, prepare and consume meals separately. Both pay $100 rent, and Jane pays the heat bill, and John pays the electricity and phone bills, all of which are verified. Both are entitled to the full SUA because both are contributing to the utility expenses and heat is one of the expenses.

B. **Cooling Costs**
Electricity expenses required to operate an air conditioner (window or central unit). Households billed separate from their rent/mortgage for an allowable cooling cost are entitled to claim the Standard Utility Allowance if the expense is verified. Households in public housing units who pay an excess heating or cooling costs are allowed the SUA, even if the costs are only incurred for the season if the expense is verified.

> **Example 1**: The household rents an apartment (either public or private). Besides the monthly rental charge, the household pays $10 a month for the summer months. The $10 a month is to pay for the excess electricity generated by the household's air conditioning unit. The household is allowed the SUA year-round because of its verified cooling costs.
>
> **Example 2:** The household rents a house for $300 plus they are responsible for electricity. The house has central air, which was verified. The household is entitled to the SUA because of the cooling costs.
>
> **Example 3:** The household pays rent plus an excess fee for added electricity costs for a freezer. The household is not entitled to an SUA because it does not have heating or cooling costs. The household may receive the limited utility allowance or the one utility allowance, whichever is appropriate, if verified.
>
> **Example 4:** The household's only utility is electricity. The household uses window fans for cooling. The household is not entitled to the SUA because it doesn't have cooling but is entitled to the one utility allowance if verified.

C. **Weatherization Payments**
Elderly or Disabled households members who live in an individual unit or mutli-unit dwelling and received a qualifying weatherization program payment in the last 12 months, are eligible to receive the SUA. To identify if the household received a qualifying payment the Benefits Specialists should ask the household if they have received a weatherization payment in the last 12 months. Benefits Specialists can verify this through their local Community Action Program (CAP) office. If verification cannot be received through the CAP office, contact State Office program staff for assistance. Use ACCESS code "L" on UTIL pnl for households who have an elderly or disabled household member with a weatherization payment and narrate that a weatherization payment was received in the last 12 months.

A qualifying payment for the weatherization program follows the same guidelines as a LIEAP payment. The payment must be greater than $20 made in the current month or the immediately preceding 12 months.

10412 LIMITED UTILITY ALLOWANCE (LUA): $274

The limited utility allowance (LUA) will be available only to households that incur at least **two** of the non-heating/cooling utilities costs (listed below) separate from their rent or mortgage. Non heating and cooling utility expenses are:

1. **Electricity Costs** are allowed if the electricity is not used for heating or cooling reasons and is billed or incurred separately from the household's rent or mortgage.
2. **Cooking Fuel Costs** are allowed if the cooking fuel is not used for heat and is billed or incurred separately from the household's rent or mortgage.
3. **Water Costs** are allowed if the household is billed or incurs water expenses separately from the household's rent or mortgage.

4. **Sewage Costs** are allowed if the household is billed or incurs sewage costs separately from the household's rent or mortgage.
5. **Garbage Costs** are allowed if the household is billed or incurs garbage costs separately from the household's rent or mortgage.
6. **Telephone Costs** are allowed if the household is billed for basic telephone service incurred separately from the household's rent or mortgage. If the household is billed only for long distance services, no deduction is allowed. Costs for cell phones are allowed as a telephone expense.

Eligibility for the LUA should be the second step in the utility allowance determination. If the household is not eligible for the SUA or LUA, eligibility for the other two remaining utility allowances (OUA, PUA) should be researched.

> **Example 1**: Rent is $200, and the household is responsible for electricity, water, sewage, garbage, and telephone expenses. The household does not pay heating or cooling expenses. The household is entitled to the Limited Utility Allowance (LUA) because they incur at least two non-heating/cooling utility expenses separate and apart from their rent and the expense is verified.
>
> **Example 2:** Household pays rent. The landlord also bills them $100 for water, sewage, and garbage. The household is allowed the limited utility allowance (LUA) if the landlord verified the expense.

10413 ONE UTILITY ALLOWANCE (OUA): $113

The one utility allowance (OUA) will be available to households that incur only **one** non-heating/cooling utility cost separate and apart from their rent or mortgage as long as the sole cost is not a telephone expense. Households whose only utility expense is a telephone must receive the PUA. Utility costs include:

- Electricity that is not used for heat or cooling
- Cooking fuel
- Water
- Sewage
- Garbage

Eligibility for the OUA should be the third step in the utility allowance determination. If the household is not eligible for the SUA, LUA, or OUA, eligibility for the telephone utility allowance should be researched.

10414 PHONE UTILITY ALLOWANCE (PUA): $62

The telephone utility allowance (PUA) is allowed when the household's **only** utility expense separate from their rent or mortgage is for basic telephone service.

> **Example:** The household's only utility expense is a cell phone bill. The household is allowed the telephone utility standard (PUA) if the expense is verified.

10420 UTILITY REIMBURSEMENT PAYMENTS

If a household received a utility reimbursement payment (either directly or vendor), the utility payment is excluded as income. A utility allowance is only allowed if the household incurs or anticipates incurring utility expenses over and above their utility reimbursement payment.

Verification of whether or not the household incurs a utility expense over and above their utility reimbursement is required only if the household's claim to the utility expense is questionable.

Telephone expenses are **not** used in the determination on whether or not the household will pay out-of-pocket utility expenses. If the household receives a utility reimbursement payment and states the payment will cover all utility expenses it is intended for, the household will have the Phone Utility Allowance (PUA), if eligible.

The following information is helpful in determining what utility standard (if any) should be allowed:

1. **New Residence:** Determine if the household reasonably anticipates making payments to any non-telephone utility provider over and above the utility reimbursement payment in any one month during the next 12 months. Documentation of how the anticipated expense was determined is important.
   - If the anticipation is not reasonable, require further information (statement from landlord regarding averaged seasonal bill, or verification from the provider of the averaged seasonal bill, etc.).
   - If the verification does not support out of pocket payments in excess of the utility payment, only allow the telephone standard (if entitled to it) until the household submits verification of the out of pocket expense.

   Example 1: John reported he moved into a low-income apartment. He is billed for propane heat and electricity. John does not have cooling costs. He receives a $100 monthly utility reimbursement payment. The landlord quoted the average propane cost for the heating season at $800 (September - April) and electricity about $50 a month. Anticipated monthly utility expense during the heating season is $150. If John states he spends out-of-pocket money for the heat bill, he is entitled to the SUA during the renewal period. (He is entitled because his anticipated costs are reasonable.)

   Example 2: Jane reported moving into low-income housing. Jane does not have heat expenses but has an air conditioner and pays electricity. She states her utility reimbursement payment is $100 a month and anticipates paying an excess of $100 for electricity. This does not seem reasonable, so verification was requested. The landlord quoted an average electricity payment of $80 during the summer months and $50 during the rest of the year. The SUA would **not** be allowed because the utility payment is in excess of the anticipated electricity bill. If Jane later provides an electricity bill in excess of the utility reimbursement, the SUA may then be allowed.

2. **Same Residence:** Determine if the household reasonably anticipates making payments to any non-telephone utility provider over and above the utility reimbursement payment in any one month during the next 12 months. Determine if the household is eligible for any of the utility standards.

   If yes,
   - Verify what payments were made to a non-telephone utility provider in excess of the utility reimbursement payment any one month in the past 12 months.
   - Allow the appropriate utility allowance and document.

   If no,
   - do not allow any non-telephone utility allowances until the household submits verification of the out of pocket expense for heat or cooling.
   - If the household is not allowed a utility allowance and is responsible for telephone, allow the telephone utility allowance.

Example: During Jane's renewal interview, she reported her utility payment is $150 a month and on-going utility expenses for heat an average $200 a month. She provided verification of utility heating costs in December showing $250, and stated she paid $100 out of pocket for heat costs. Jane is allowed the SUA.

10430 VERIFICATION OF UTILITY COSTS

Specialists are required to verify utility expenses to determine the correct utility standard. If the Specialist cannot verify utility costs before the end of the 30-day processing period, or if the household chooses to not submit verification, eligibility and benefit amounts can be calculated without allowing utility costs.

10440 SHARED SHELTER SITUATIONS

Shelter Costs

Multiple SNAP households (separate purchase, prepare and consume arrangements) residing in the **same residence** are allowed the actual amount of rent they are billed as a shelter deduction. A shelter deduction for each household is allowed based on the amount of rent each household is responsible for.

Any payments made from one household to another for rent expenses when they reside together will be exempt as a pass through payment up to the full amount of rent charged.

- If the payment is more than the full rent changed for the residence, the excess payment would be considered unearned income to the household receiving the payment.

Utility Allowances

Multiple SNAP households (purchase, prepare and consume separately) residing in the **same residence** that share the utility costs are allowed the same utility standard. When this occurs, the utility allowance is determined by the utilities being paid for at the residence. As long as both households contribute toward the utility cost, they receive the full allowance based on the number or type of verified utilities the households are responsible to pay.

An exception to households receiving the same utility standard is if the multiple SNAP households who reside together receive LIEAP. In order for each household to receive the SUA due to receipt of LIEAP, each household must have an **elderly or disabled** household member in their SNAP case. See **Example 9** below.

If multiple SNAP households in **different residences** share a utility expense (same meter), each receives the appropriate utility allowance. In this situation, the utility allowance is determined by the individual household's expenses because the two households are not residing together and each may have differing utility expenses.

Utility payments from shared household members are also considered pass through payments unless the household receiving such payments has no expense (for example, utilities included in the rent). If the household has no expense, the utility payment received by the household would be unearned income.

Example 1: Household A and B reside together but eat separately. The lease and heat expense is in HH A's name, and they pay $200 rent plus all utilities. HH B pays $100 rent and $100 utilities to HH A.
HH A is allowed $100 rent deduction and the $100 received from HH B is considered a pass through rent payment and exempt. HH B is allowed $100 rent deduction. Each household is allowed the SUA.

Example 2: HH A and HH B reside together in the same apartment. HH A is responsible for the rent of $500 and is responsible for heating costs. HH A charges HH B a flat rent amount of $200 and no additional utility charge. The $200 rent payment received by HH A is exempt as a pass through payment up to the full amount of rent charged and HH A is allowed the full SUA. HH B is allowed a rent deduction of $200 and no utility allowance because HH B does not share in the utility expense.

Example 3: Two households reside together but purchase, prepare and consume food separately. Household A pays $100 rent and electricity costs. Household B only pays telephone costs. The residence has two utilities, and both households share in the costs, so each receive the LUA.

Example 4: HH A and HH B reside in the same apartment but eat separately. HH A has a or disabled household member that receives LIEAP assistance and HH B pays all the utility expenses. Both households receive the full SUA, HH A because there is a disabled HH member receiving LIEAP and HH B receive the SUA because they pay all utility expenses.

Example 5: HH A and HH B reside in the same tribal housing unit (house) but eat separately. HH A pays $0 rent and Tribal housing pays a set amount (vendored) of utilities to the utility company for electric heat and electricity. HH A is responsible for heat and electric costs over and above the vendored amount. HH B pays HH A $50 rent and $25 for their share of the utilities. HH A does not anticipate paying over and above the vendored amount. The $50 rent is shown as income to HH A as they have no rental obligation, and the $25 utility amount is counted as income because they do not pass it through to the utility company. Neither household is allowed the SUA because no one is paying the expense.

Example 8: HH A and HH B reside in a duplex (separate apartments), but they share a utility meter for heating and cooling costs. HH A has the utility meter in his name and HH B pays him 1/2 of the utility costs. The payment from HH B is exempt as a pass through unless HH A pays nothing towards utility costs (for example, paid by county welfare). Both HH A and HH B are allowed the full utility standard.

Example 6: The household consists of an ineligible student and an eligible student, and they pay all the shelter expenses from a joint checking account, which includes heat. The household is allowed the full SUA because the utility allowance is never prorated.

Example 7: Household consists of an ineligible ABAWD who pays 25% of the heating/cooling expense. The household is allowed the full SUA because the SUA is not prorated when a household member is ineligible or disqualified for ABWAD time limits, IPV, work sanctions [including voluntary quits], SSN, TANF sanction, or alien status.

EXCEPTION:

Example 9: HH A and HH B reside in the same apartment but eat separately. Utilities are included in the rent and both HH A & HH B split the rent equally. HH A and HH B apply for LIEAP as one household. They are approved for LIEAP and receive a qualifying LIEAP payment. HH A has an elderly household member in their SNAP case. HH B does not have an elderly or disabled member in their SNAP HH. HH A receives the SUA, however since HH B does not contain an elderly or disabled HH member, HH B does not receive the SUA.

10500 BUDGETING EXPENSES

10510 ANTICIPATED EXPENSES

Benefits Specialist's will calculate a household's expenses based on the expenses the household expects to be billed during the renewal period.

The amount considered is the amount anticipated to be incurred by the household during the certification period based on the most recent bill received and any other information available to indicate future changes. The most recent month's bills will be used to anticipate expenses unless the household is reasonably certain a change will occur.

Future projected bills can be averaged for the certification period as long as expected increases or decreases are considered.

10520 BILLED EXPENSES

Household expenses, unless averaged, are deductible only in the month the expense is billed or otherwise becomes due, regardless of when the household intends to pay the expense. Prior payment of the expense is not required in order for it to be included in computing the household's benefits.

> **Example:** A monthly gas bill will be included in the household's shelter cost, even if the household has not paid the expense.

Past due balances (except child support) and any resulting late charges from previous billing periods are not deductible, even if included on the most recent bill and actually paid by the household.

> **Exception:** Legally obligated child support payments paid to an individual residing outside of the payer's household may be used as an exclusion regardless of if the payment is current or an arrearage.

A. **Child Support Payments (Are a deduction from income but are treated like an expense)**
Specialists must verify the legal obligation of the child support payment prior to allowing the expense. Legal obligation may be verified via court orders (e.g. divorce decrees), administrative orders, legally enforceable separation orders, contact with the office of child support enforcement (OCSE), etc. Verification of legal obligation does not necessarily verify the payment amount. The amount paid may be verified with canceled checks, wage or Reemployment Assistance withholding statements, statements from the custodial parent regarding direct payments, receipts of third party verifications, OCSE panels, Clerk of Court receipts, etc. Child support payments paid to or for an individual residing outside of the payer's household are excluded from gross income as paid if they are legally obligated payments.

An individual's child support payments will be anticipated for the application month based on what the household anticipates paying in the application month or averaged if the payment history is stable. If the individual does not have a stable history of child support payments, the anticipated amount will be based on the amount the individual anticipates paying, until a stable history can be established.

B. **Medical Expenses**
For medical expenses, when the household has submitted a bill for reimbursement, the expense is considered deductible in the month in which the reimbursement is determined or otherwise verified rather than when the bill is first received.

10530 AVERAGING EXPENSES

Expenses may be averaged if:

A. The household elects to have fluctuating expenses averaged, or
B. The household elects to have expenses, which are billed less often than monthly, averaged forward over the interval between scheduled billings.
   - If there is no scheduled interval, the expense would be averaged over the period of time it was intended to cover.
   - Households may elect to have one-time only expenses reported at renewal, deducted in a lump-sum or averaged over the renewal period.

Example 1: Mr. B. was billed real estate taxes of $150 on August 4th. He applied for SNAP on September 1st and elected to have his expenses averaged. Since the taxes covered a period of 12 months, 1/12th of $150 would be allowed for each month certified.

Example 2: Mr. B. was billed real estate taxes of $150 on March 10th and applied for SNAP on March 12th and was certified for March. If he elects not to average expenses, the total expenses for the taxes could be allowed in March.

Child Support Payments
Households will have child support payments averaged over the last 3 to 6 months if the payer has not had a stable history of payments. If the household anticipates a change in legal obligation or paid amount, or if the agency is aware of a change, the change will be budgeted. New averages must be obtained at each 6 month report or renewal.

Medical Expenses
Households reporting one-time only medical expenses during the renewal period may elect a one-time deduction or may elect to have the expense averaged over the remaining months of their renewal period. Averaging would begin the month the change becomes effective.

10540 CONVERSION OF DEDUCTIONS

The appropriate conversion factor applies to expenses billed on a weekly, biweekly, or twice per month basis. If the expense is billed:

A. Once a week, then multiply by 4.3.
B. Once every two weeks, then multiply by 2.15.
C. Twice a month, then multiply by 2.

10550 DISALLOWED EXPENSES

Expenses paid by a reimbursement are excluded. Reimbursements made under the Employment and Training (E&T) Program, or an excluded vendor payment, are **not** deductible.

Example 1: Rent paid by an excluded vendor payment is not included in calculating the household's shelter cost.

Example 2: The portion of a household's medical expense, which is reimbursable must be excluded as part of the household's medical expense. Households entitled to the medical deduction will have the non-reimbursable portion considered as a deduction at the time the amount of reimbursement is received or can otherwise be verified.

In some cases, shelter expenses cannot be allowed if the household's home is connected to the business property (or in some cases if the business is in the home), and the expenses are not prorated for business and personal amounts.

Expenses paid by the household through an in-kind benefit or expenses paid for services provided by a household member are not deductible.

Example: A dependent care deduction cannot be allowed if another household member provides the care or if compensation paid to a household member for the care is paid in the form of an in-kind benefit.

When expenses are shared by household members and non-household members, only the amount paid by the household can be budgeted; however, if the household's portion cannot be separated from the non-member's portion, the Specialist deducts the household's pro-rated share.

Exception: If a disqualified individual shares heating of cooling costs with the household, the household is entitled to the full SUA. If a non-household member shares in the utility payment, the household is entitled to the full utility standard as long as the household also is paying the expense.

10600 BUDGETING DEDUCTIONS FOR INELIGIBLE, EXCLUDED, AND DISQUALIFIED HOUSEHOLD MEMBERS

10610 BUDGETING DEDUCTIONS FOR INELIGIBLE HOUSEHOLD MEMBERS

Ineligible household members include the following individuals:

1. Boarders
2. Residents of an institution
3. Ineligible students

Deductions for ineligible members are not allowed unless an ineligible member is paying or contributing toward an expense, and their amount cannot be differentiated from other household members. If this is the case, the expense is prorated evenly among persons paying or contributing to the expense, then, only the remaining eligible household members pro-rata share can be used as a deduction.

10620 BUDGETING DEDUCTIONS FOR EXCLUDED HOUSEHOLD MEMBERS

This section explains how to budget household deductions when a member(s) is excluded for the following reasons:

1. Excluded for no SSN,
2. Ineligible alien,
3. Not signing the citizenship/alien status statement,

4. ABAWD time limits,
5. FDPIR IPV carryover disqualifications,
6. Non-cooperation with child support enforcement (DCS)

Specialists must verify mandatory deductible expenses and expenses that are both questionable and deductible. Specialists do not verify expenses that do not result in a deduction.

> **Example:** Rent, even if questionable, is not verified if the amount of rent does not change the amount of the deduction.

Budgeting Deductions/Expenses:

A. **Standard Deduction**
   - This deduction is given in full to the remaining, eligible household members.

B. **Earned Income Deduction**
   - Applies only to that portion of the excluded person's earned income that has been attributed to the household
   - Applies in-full to the earned income of any of the remaining members.

C. **Countable Expenses (other than utility expenses)**
   - Billed to/Paid by the excluded person must be divided equally among all members, including the excluded member.
   - If ineligible students shares non-utility expenses only the amount paid by the eligible household members is allowed; however, if the household's portion cannot be separated from the ineligible member, the Specialists deducts the household's prorated share.
   - Childcare and/or legally obligated child support payments made by the excluded member to an individual not residing with the payer must be divided equally among all members, including the excluded member.
     - Subtract the excluded person's prorated share and count the remainder with household expenses.
     - Any expense billed to one of the remaining members or child support payments paid by the remaining members is counted in full unless the excluded person pays.

D. **Shelter Expense**
   - Rent, mortgage, taxes, insurance, and/or lot rent, is divided equally among all members, including the excluded member, then the excluded person's portion is removed, and the remaining amount is allowed as an expense.

E. **Utility Expense**
   - For households claiming utilities or telephone standard allowances, the Specialist must verify that the household actually has an expense. There is no need to verify the actual amount of the expense.
   - Households that share utility expenses with an excluded person will receive the entire utility standard, because the utility expense cannot be prorated.
   - If the utility expense is in the excluded person's name and not shared by any other person in the household, the utility expense is not allowed.

F. **Medical expenses:**
   - Disregard any medical expenses incurred by the excluded person even if the expense is billed to a remaining member.
   - Count any allowable medical costs incurred by any of the remaining members (if they are eligible for the medical deduction). Prorate this allowable medical expense between remaining members and excluded member if it is billed to or paid by the excluded person. Allow all but the excluded member's prorated share as a household deduction. The standard medical expense of $200 is allowed if the household's total medical expenses (including prorated amounts) are at least $36 and under $201.

G. **Uncapped shelter Expenses**
   - If the excluded member is the only individual disabled or age 60 or over, uncapped shelter is not allowed. If a SNAP-eligible member is disabled or age 60 or over, the household is entitled to uncapped shelter.

10630 BUDGETING DEDUCTIONS FOR DISQUALIFIED HOUSEHOLD MEMBERS

This section pertains to individuals disqualified for:

1. Work Registration
2. Intentional Program Violation (IPV)
3. Voluntary quit/reduction of hours
4. Duplicate Benefits
5. Trafficking
6. Fleeing Felon/parole/probation violator/Convicted Felon
7. Disqualified from TANF or Tribal TANF.

These individuals are still considered excluded household members, but for eligibility purposes their income and expenses follow disqualified member rules. Disqualified members deductions continue to apply to the remaining household members; such as allowable earned income, standard deduction, medical, dependent care, allowable child support payments, and excess shelter deductions. If the household's allowed medical expenses are at least $36 and under $201, the standard medical expense of $200 is granted.

10700 DOCUMENTARY EVIDENCE

Documentary evidence is defined as written confirmation of a household's circumstances. Specialists may get documentation through the household or from other sources suggested by the household. Examples include wage stubs, rent receipts, utility bills, and similar documents.

> **Note:** Documentary evidence is not necessarily the preferred verification for **residence** and **household size**. These items may be verified through readily available documents, but if none are available, Specialists may substitute collateral contacts as verification.

10710 COLLATERAL CONTACTS

A collateral contact is verbal confirmation of a household's circumstances by the Specialist with a person or organization outside the household. Some examples of collateral sources are:

1. Employers
2. Landlords
3. Social service agencies
4. Migrant service agencies
5. Neighbors

This list is not all inclusive; there may be other collateral contacts that may be identified by the household. The Specialist may make collateral contacts in person or by telephone.

10711 DESIGNATIONS OF COLLATERAL CONTACTS

Households are responsible for designating collateral contacts. However, the household may ask for help from their Specialist in doing so. Designation of a collateral contact is not required in writing; but Specialists must document verbal designations in the case file.

Some collateral contacts (such as banks or other institutions) do not release information without written consent. Therefore, the Specialist may need to use Form EA-208, Authorization to Release Information.

Systems or records DSS has routine access to are not considered collateral sources; therefore, are not designated by the household. Examples are BENDEX, SDX, DLR and Reemployment Assistance reports.

10720 BENEFITS SPECIALIST RESPONSIBILITY

A. Ensure that documentary evidence the household gives is enough for the Specialist to make a decision of eligibility and allotment amount. The same principle applies to collateral sources designated by the household. Specialists are not required to use documents given by the household or collateral sources when these do not give accurate verification. In this situation, the Specialist must ask the household to give more documentation, designate another collateral source, etc.

> **Example:** Information from documents or from collateral sources independent of the household is usually suitable for verification. Information from relatives, close friends, or other sources that have an interest in the household could be less reliable.

B. Take reasonable documentation given by the household or reasonable collateral sources designated by the household. Specialists must be primarily concerned with how adequately the document or collateral source proves the household's circumstances. Specialists may not insist on one type of verification and exclude other reasonable sources. An alternate source frequently is faster and allows the case to be processed more quickly.

> **Example:** An employer is unable to give wage information immediately and verification may take extra time. The household suggests an alternate source which the Specialist can reasonably expect to give accurate information. The Specialist should accept the alternate source if suitable and must not insist that verification come only from the employer.

C. Specialists must give the household a reasonable chance to resolve discrepancies if another source contradicts information given by the household before making a final decision regarding the discrepant information.

> **Example:** A household member reported last March/April/May that he earned $600 a month, or $1800 total. The wage report shows he earned $2400 during that period. The Specialist must give the household a chance to resolve the discrepancy before taking final action on the case.

10730 DECISION WITHOUT VERIFICATION

If a deductible expense must be verified and getting verification delays certification, the Specialist must tell the household that they can complete the certification without receiving a deduction for the expense.

> **Example:** The household is unable to get verification of their rent as their landlord is out of town, rather than a delay in benefits occurring, the Benefits Specialists can determine benefits without the rental expense.

If the expense cannot be verified within 30 days of the application date, the Specialist must determine the household's eligibility and allotment without deducting the unverified expense. If the household later gives verification, the Specialist must compute its benefits again and increase the allotment, if necessary, according to the time standards for reported changes. If the household would be ineligible unless the expense is allowed, the Specialist must handle the application according to procedures for delays in processing.

When households choose not to verify a deductible expense, it will not be considered a Quality Control error providing that the options were explained to the household and the case narrative was documented to show that the household was allowed the opportunity to provide verification prior to certification but opted to proceed without the use of the expense.

10740 VERIFICATION NOT PROVIDED

If a household does not provide required verification, the Specialist will take the following actions:

A. If the household does not verify claimed dependent care costs, the Specialist will not allow the deduction.
B. If the household reports a change in child support (legal obligation or amount paid) and does not verify the change, the deduction should no longer be allowed.
C. If the household does not verify changes in shelter expenses that occurred as a result of a move, household composition change, or shelter is questionable, at the time of 6 month report or renewal, consider the information incomplete and take the appropriate action.
D. If the reported shelter change is not a result of the above criteria, ask for verification, and:
    1. Act on the reported change if it will decrease benefits; or
    2. Not act on the reported change if it would increase benefits.
E. If the household omits information necessary to determine the household's eligibility or to complete the household's level of SNAP benefits, the Specialist will consider the renewal or EA-214 incomplete.

When dependent care or child support payment are reported but not verified and the EA-214 is otherwise complete, the Specialist disallows the deduction when computing the allotment. The Specialist must inform the household of the reason for the disallowance and allow the household ten days to verify the expense in order to receive the deduction.

If the household verifies the expense within the 10 day period, but after cut-off, supplemental benefits are appropriate. Documentation must be completed explaining why the expense was not allowed and identifying how the household was notified of the 10 day period.

CHAPTER ELEVEN: BUDGETING

11000 BUDGETING

11100 BUDGETING HOUSEHOLD COMPOSITION

11110 APPLICATION MONTH

When determining household composition at application, all individuals listed on the application (that are requesting assistance and cannot be a separate household) should be included in the SNAP household determination for budgeting purposes.

If the household reports the addition of a household member(s), after the interview but prior to approval, the member(s) should be included when the application is approved as long as all income and resources have been reported for the new individual. If the income and resources are not reported, then the application is denied for failure to provide information.

11120 SIX MONTH REPORT

Household members that are listed on the six month report form should be included in the household budget for the next six months unless additional information on the report form indicates otherwise.

> **EXCEPTION**: If the six month report form is received after the 1st of the month and a new household member is listed, they cannot be added until the following month.
> ***Example***: Lisa returns her six month report form for December on December 6th. She reports that Bob is now in her household. He cannot be added until January since he was not reported until after the 1st of the month.

If new household member(s) are reported on the six month report form, it is important to include all of the income and resources of the member(s) prior to approval. The household is given 10 days to report and verify income and resources (resources only need to be verified if questionable) for new member(s).

If the household does not report the income and resources for additional member(s), then the case is closed for non-cooperation. If the information is returned prior to the end of the report month, then the case can be reinstated. If information is returned after the report month, then a new application will need to be obtained.

If existing household members that were previously claiming separate household status are now mandatory to be receiving benefits with the household (such as baby born and father of the child is in the household), that member's income and resources must be reported and verified. If not, the case will be closed for non-cooperation.

11130 INTERIM REPORT

If a new household member is reported in an interim month, the person may be added to the following month as long as the income and resources of the member(s) have been reported. If

the income and resources are not reported, the case is closed for non-cooperation. The primary source code of HHSZ is used to add this person to the household.

If a new household member is reported but not eating with the household, the primary source code of HHSZ is still used to add this household member. This means changes that were reported previously without a primary source will now be budgeted.

If adding the member(s) to the household results in an increase in benefits, the income of the new member(s) must be verified. If it is not verified, the member will have an "NVI" code beside the person test in ACCESS and the person will not be added to the case. The income must then be verified at 6 month report or renewal, or the case is closed for non-cooperation.

If adding the member(s) to the household results in a decrease in benefits, as long as there is a primary source, the income will be budgeted whether it is verified or not. If there is not a primary source, then the person and their income will not be added to the case.

ACCESS determines the increase/decrease by using the previous month's income and deductions and compares it with the current month's pay standard. ACCESS does not compare version to version in the month that is being worked on. It compares the previous month's eligibility to the current version that is to be approved, to apply the increase/decrease test.

If a household member(s) is reported to no longer be in the home, the member(s) should be removed following 10 day adverse action time frames, or adequate time frames, depending on who made the report of the person removed from the household.

The household is always a primary source for removal of member(s) (HHSZ). If the household waives 10 day adverse notice and makes the report in writing or verbally waives the ten day notice, then the member can be removed from the household through the last day of the month. If it is the 1st of the month or later, then the person cannot be removed from the household until the following month.

> **EXCEPTION**: If the **last day of the month** falls on a weekend or holiday, household members can still be added/removed as long as it is reported the first working day following the weekend or holiday.

See Appendix 5 for specific examples of interim month household changes.

11140 RENEWAL MONTH

As in the application month, all individuals listed on the application that are requesting assistance and cannot be a separate household, should be included in the SNAP household determination for budgeting purposes. All income and resources of individuals listed on the renewal form should be reported and verified.

If the household reports the addition of a household member(s), after the interview but prior to approval, the member(s) should be included when the application is approved as long as all income and resources have been reported for the new individual. If the income is reported, but not verified, the case will be closed for non-cooperation.

If the household does not report the income and resources for additional member(s), then the case is closed for non-cooperation. If the information is returned prior to the end of the report

month, then the case can be reinstated, but benefits will be pro-rated based on the date of receipt. If information is returned after the report month, then a new application will need to be obtained.

If existing household member(s) that were previously claiming separate household status are now mandatory to be receiving benefits with the household (such as baby born and father of the child is in the household), the income and resources of the member(s) must be reported and verified. If not, the case will be closed for non-cooperation.

11200 BUDGETING RESOURCES

Resources are not required to be verified unless the resources reported are questionable or unless the resources reported put the household close to the resource limit. Remember resource limits are $3,000 or $4,750 for household with a disabled person and/or a person over age 60. Benefits Specialists can run a query of SD Cars, but it is not required. Information obtained through SD Cars cannot be shared with the household.

11210 APPLICATION MONTH

All resources of individuals requesting SNAP need to be listed on the application form. Benefits Specialists should take time during the interview to go over the resources section to ensure all resources are reported.

11220 SIX MONTH REPORT

Households are required to report on the six month report form (DSS-EA-214) if resources have gone over the limit, $3,000 or $4,750 for persons disabled or over age 60. Households are also required to report if they have bought, sold, traded, or added another vehicle since the last report.

11230 INTERIM REPORT

Households are not required to report changes in resources in interim months. If a household reports a change in resources, the resource panel is updated using the “VOL” source code and the updated information is added to the appropriate resource panel.

If resources go over the maximum in interim months, the case will not close until there is a primary source, the next renewal, or six month report form; a claim will not be completed for the months the household was over the resource limit.

EXCEPTION: If a household reports winnings from lottery or casino winnings and the reported amount is over the resource limit (after the deduction of any income tax return), then the case will be closed using the “WINN” primary source code.

**An automatic match is done monthly with South Dakota Lottery for individuals who may have lottery winnings. SNAP program staff will contact the supervisor if there are matches discovered. If the household failed to report these winnings, then the benefits specialist will contact the household to see what amount is left from the winnings. If the household is still over the resource limit, then the case should be closed. If the household has spent winnings, no claim will be completed. **

11240 RENEWAL MONTH

All resources are required to be reported on the renewal form for all households requesting SNAP. Care should be taken to review resources that were previously reported and show on ACCESS compared to what is being reported on the renewal form. Any changes in resources need to be thoroughly documented and discussed with the household at the renewal interview.

11300 BUDGETING INCOME

Prospective income budgeting is used to determine eligibility and allotment amounts for SNAP households. Gross and net income tests are used to determine SNAP eligibility. The gross income eligibility standard is 130% of the Federal income poverty level. Households which contain an elderly or disabled member must meet the net income eligibility standard; all other households must meet both the gross and net income standards, unless categorically eligible. If the household is categorically eligible, gross and net income standards do not apply.

When income is budgeted, it is important that benefits specialists discuss the anticipated budgeted income with the household, especially when income fluctuates, or anticipated amounts are not certain. It is also crucial for the benefits specialist to narrate how they arrived at the prospective income figure that will be budgeted.

11310 APPLICATION MONTH

Count all payments received and anticipated to be received in the application month, taking into consideration if it is a full or partial month's income and if it is new or ongoing income. Prospect income the household and the EABS are reasonably certain will be received during the remainder of the certification period.

Always convert earned income in the application month **unless** only a partial month's income is anticipated to be received by the household. The partial month's income may be due to new employment, terminated employment, or some other reason (e.g. leave without pay). In cases when only a partial month's income is anticipated in the application month, actual income is then used to budget income for the application month.

Ongoing Employment in Month of Application

If the income is from an ongoing source, and the income is representative of what the household anticipates receiving, then income received during the past 30 days will be used to prospect monthly income. Due to changes in income, date started, or other reasons, the Specialist might have to use less or more depending on available information.

Ongoing employment at the time of application must be converted using the conversion standards:

A. Income received weekly: multiply by 4.3
B. Income received bi-weekly: multiply by 2.15
C. Income received twice a month: multiply by 2
D. Income received monthly: do not convert as already a monthly amount

Example: Ongoing Employment in Month of Application
Kelly applies for SNAP on January 10th. Kelly has ongoing employment with the State of SD. Kelly is paid twice per month (1st and 16th of each month). Kelly works 40 hours per week at $13.31/hour.

Income for Application Month of January (ongoing employment at the time of application must be converted):

- January 1st: 88 hours x $13.31 = $1,171.28
- January 16th: 88 hours x $13.31 = $1,171.28
- $1,171.28 X 2 = $2,342.56

Prospective Monthly Income for February and forward:
$1,171.28 x 2 = $2,342.56

New Employment in Month of Application

When the individual has recently been hired and will **not** receive a full month's income in the application month, use the actual income that will be received in the month of application.

The case must be updated the following month to prospect a full month's income. If the application is not expedited and the household is unable or unwilling to anticipate income for the rest of the month, the application may pend until the actual income is received. The application must still be approved so benefits are available by the 30th day.

Example: New Employment in Month of Application
Tim applies for SNAP on June 25th and reports that he began employment at the grocery store on June 5th. Tim will work 25 hours per week at $9.75/hour. Tim is paid weekly. Tim will receive one paycheck on June 29th in the amount of $227.96. Budget actual income for the application month of June. Prospect monthly income for the remainder of the certification period based on Tim's prospected wages.

Budget actual income for the application month of June: $227.96

Prospective Monthly Income for July and forward: $1,048.13
25 hours X $9.75/hour = $243.75/week
$243.75/week x 4.3 = $1,048.13

Example: Wage Verification for New Employment
Kevin applies for SNAP on November 9th. Kevin will begin new employment at the gas station beginning November 18th. Kevin's wage verification states he will work 35-40 hours per week at $8.55 per hour and he is paid bi-weekly. Kevin will receive his first paycheck on November 30th. The November 30th pay period begins on November 8th and ends on November 22nd. Kevin is scheduled to work 24 hours from November 18th through November 22nd. Budget actual income for the application month of November. Prospect monthly income for the remainder of the certification period based on Kevin's prospected wages:

Budget actual income for the application month of November: $205.20
24 hours x $8.55/hour = $205.20

Prospective Monthly Income for December and forward: $1,378.71
37.5 hours x $8.55/hour = $320.63
$320.63/week x 2 = $641.26/bi-weekly
$641.26 x 2.15 = $1,378.71

Using Wage Verification or Paystubs for New Employment:
If the individual has not received income from the new employer, wage verification **must** be obtained from the employer. When wage verification has been obtained from the employer, use that information to prospect income for the application month and the following months.

Step 1: Review the hours the individual has worked and is scheduled to work for the paycheck(s) that will be received in the application month. Use that amount to prospect the first month's income. **Or** Use wage verification from the employer to prospect the income.

Step 2: If wage verification is not used to prospect the income, then you must flag the case to gather more income information. To determine a full month's income, request the income be submitted for the previous month by the 10th of the following month.

If the household states the first full month of income is representative of the income to be received, no changes are anticipated, and there is no questionable information, then the first full month's income may be used for future months. If the information is questionable or the household's states that month's income is not representative, gather the following 2 months of income for a total of 3 months.

Use the AMND code when updating income after the requested verification is receive

Terminated Employment in Month of Application
If the income is from a terminated source, the Benefits Specialist must determine when the final check will be received. If the job ended and the final check was received in the month of application, then actual income would be used to prospect income for the month of application.

If the final check will not be received until the next month, then the conversion factor should be used if the customer is paid weekly or bi-weekly. The case would then need to be updated the following month to show the actual income received from the final pay.

Example 1:
Sarah applies for SNAP on August 22nd. She reports her employment went out of business on August 2nd. She received one paycheck on August 16th in the amount of $725. Budget actual income for month of August in the amount of $725. Updated September income to show $0.

Example 2:
Robert applied for SNAP on July 29th. He reports his job ended on July 28th. He is paid weekly but will not receive his final check until August 5th. Budget converted income for application month of July. Updated actual income for August from the final check rec'd on August 5th.

Example 3:
Carl applied for SNAP on September 22nd. He reports he was let go from his job on Sept 15th. He was paid weekly and received his final check the same day he was let go. Budget actual income for September as it is not a full month's income, and the income terminated in the month of application.

11311 EARNED INCOME (NON-SELF EMPLOYMENT) CALCULATION

A. Conversion of Income

The receipt of income generally occurs weekly, biweekly, semi-monthly or monthly. Pay dates may vary when the normal pay date falls on a holiday or weekend. Conversion factors are used to convert income to monthly amounts when income is received on a weekly or bi-weekly basis and the individual received or expects to receive a full month's income.

1. Weekly Income – Conversion Factor 4.3
    - Pay days that are 7 days apart and normally on the same day of the week, such as every Monday, indicate the individual is paid weekly.
    - If the income is received weekly, multiply the payment by the conversion factor 4.3 to determine the monthly income.
2. Bi-weekly Income – Conversion Factor 2.15
    - Pay days that are 14 days apart and normally on the same day of the week, such as every other Friday, indicate the individual is paid every other week (bi-weekly).
    - If the income is received every two weeks, multiply the payment by the conversion factor 2.15 to determine the monthly income.
3. Semi-Monthly income – Conversion Factor 2.0
    - Two pay days in the month that are normally on the same dates, such as on the 5th and 20th, indicate the individual is paid twice a month (semi-monthly).
    - If payments are received twice a month, then multiply the payment by the conversion factor 2.0 to determine the monthly income.
    - EXCEPTION – If no paystubs or only a partial paystub have been received and a wage verification form shows their weekly number of hours and the hourly rate of pay, the income must be converted to represent a full 30 day period. In this situation, the weekly conversion rate of 4.3 should be used to determine income.
4. Monthly income – No Conversion Factor Needed
    - If income is received in a single monthly payment, no conversion is necessary since it is already a monthly amount.

B. Averaging Fluctuating Income

Fluctuating income is income that changes significantly from month-to-month (e.g. shift differential, on-call employment, changing hours, etc.).

In fluctuating income cases, the Specialist must determine what is representative income for each household based on their unique circumstance. Depending on the circumstances, the best estimate of fluctuating income may be to use the past 30 days of income, the prior 2 months of income, or the prior 3 months of income. Due to changes in income, date started, or other reasons, the Specialist might have to use less or more depending on available information. Additionally, checks may need to be disregarded if they are not representative for the future period.

There must be a discussion with the customer to arrive at the most accurate income figure for the employment, and it must be thoroughly documented in the narrative.

Example 1: Prospecting Fluctuating Income (past 30 day's income)
Kyle applies for SNAP on October 25th. Kyle is a waiter at a restaurant and has worked there for 2 months (ongoing income at the time of application). His income fluctuates due to the varying amount of tips he receives. Kyle is paid weekly on Friday. Kyle provides the following paychecks:

- 9/25: $175
- 10/2: $265
- 10/9: $110
- 10/16: $310
- 10/23: $85
- 10/30: Has not received yet

Total income: $945
Total number of checks submitted: 5
Determine average (total/number of checks): $945/5 = $189
Income for Application Month of October (ongoing employment at the time of application must be converted):

- $189 x 4.3 = $812.70

Prospective Monthly Income for November and forward:

- $189 x 4.3 = $812.70

Example 2: Prospecting Fluctuating Income (2 month's income)
Sarah applies for SNAP on March 15th. She is employed at a grocery store and has worked at the store for the past 6 months (ongoing income at time of application). Sarah is paid bi-weekly. Sarah's income fluctuates from month-to-month as the hours she works each week change frequently.

Sarah provided copies of all paychecks she has received from January to the application date of March 15th.

- January Income: $150, $400, $225 = $775
- February Income: $325, $275 = $600
- March 1-15 Income: $350 = $350

Total income: $1,725
Total number of checks submitted: 6
Determine Average (total/number of checks): $1,725/6 = $287.50

Income for Application Month of March (ongoing employment at the time of application must be converted):

- $287.50 x 2.15 = $618.13

Prospective Monthly Income for April and forward

- $287.50 x 2.15 = $618.13

Example 3: Prospecting Fluctuating Income (3 month's income)
Kevin applies for SNAP on July 14th. Kevin has ongoing employment at a grocery store and is paid weekly on Wednesdays. Kevin's hours fluctuate from week-to-week. Kevin indicates that the past 3 months of paychecks would be most representative of his income.

- 4/1: $345
- 4/8: $275
- 4/15: $315
- 4/22: $480
- 4/29: $125
- 5/6: $210
- 5/13: $395
- 5/20: $310
- 5/27: $450
- 6/3: $275
- 6/10: $490
- 6/17: $360
- 6/24: $225
- 7/1: $450
- 7/8: $310
- 7/15: Has not received
- 7/22: Has not received
- 7/29: Has not received

Total income: $5,015
Total number of checks submitted: 15
Determine average (total/number of checks): $5,015/15 = $334.33

Income for Application Month of July (ongoing employment at the time of application must be converted):

- $334.33 x 4.3 = $1,437.62

Prospective Income for August and forward

- $334.33 x 4.3 = $1,437.62

Circumstances when an Average is **NOT** Appropriate
There are circumstances when averaging income is not appropriate.

Example 4: John's most recent paycheck shows a $9 hourly wage. His six prior paychecks show an $8.50 hourly wage. John states his hourly wage will remain at $9 per hour. The prior paychecks that show an $8.50 hourly wage are not representative of John's prospective income; therefore, an average would not be appropriate.

In this case, we can prospect John's future income by using the prior hours worked multiplied by $9 per hour and using the correct conversion factor for his pay schedule.

If averaging is not used to prospect fluctuating income, there must be a discussion with the customer to arrive at the most accurate income figure for the employment and it must be thoroughly documented in the narrative.

C. Bonus Income

Bonus payments are counted if the household receives it in the application month (actual income) or can anticipate receiving it in future month(s) based on the known timing or the past history of payments (recurring bonus payment). Irregular bonus payments that cannot be reasonably anticipated (non-recurring bonus payment) are not included as income as they are considered a non-recurring lump sum payment and counted as a resource.

If the recurrence of the bonus is questionable, the Specialist must contact the employer to verify whether or not the bonus payment is a recurring or non-recurring bonus.

Note: If a bonus payment is received in the **application month,** then it is counted in the following ways:

- Recurring Bonus (can reasonably anticipate): averaged as income over the period it is intended to cover (including the application month).
- Non-recurring (cannot reasonably anticipate): counted as a resource in the month received (and future months as long as household maintains the resource).

Recurring Bonus payments – Countable Income

At application, six-month report and renewal, the Specialist must verify the last bonus received. The verified amount is always prorated over the period of time it is intended to cover and prospected as income over the review period. The household does not need to report in interim months when the next bonus is received.

In order for the bonus payment to be considered countable income, the following criteria must be met:

- The individual must still be employed by the employer who paid the bonus to the individual.
- If income is received from a bonus, it must be reasonably expected to be received on a recurring basis (e.g. quarterly or annually).

Example 1: Countable Bonus (Annual Bonus)
Sarah works for a seed company. She receives a base salary of $3,000 per month. In December of every year, the seed company pays Sarah an annual bonus. Last year, Sarah received a $15,000 bonus. Sarah's bonus is countable income as it is recurring and can be reasonably expected. Since Sarah receives a bonus once per year, the total bonus amount is divided by 12 (the period of time it is intended to cover) to determine a monthly amount ($15,000/12=$1,250). Sarah's prospected monthly income is $4,250 ($3,000 base + $1,250 bonus).

Example 2: Countable Bonus (Quarterly Bonus)
Kevin works for a grocery store. He receives a monthly wage of $1,600. He also receives a quarterly bonus but does not know the amount prior to receipt. The last bonus Kevin received was $300. Kevin's bonus is countable income as it is recurring and can be reasonably expected. Since Kevin receives a bonus every 3 months, the last bonus received is divided by 3 (the period of time it is intended to cover) to determine a monthly amount ($300/3=$100). Kevin's prospected monthly income is $1,700 ($1,600 base + $100 bonus).

Example 3: Countable Bonus (Quarterly Bonus)
James works for a sporting goods store. He receives a monthly wage of $1,600. He also receives a quarterly bonus in January, April, July, and October, but does not know the amount prior to receipt. James' bonus is countable income as it is recurring and can be reasonably expected. The most recent bonus James received in October was $1,200, which he reports is **not** typical. Therefore, James requested that the past year of bonus payments be used to find a monthly average. James provided verification of the past 12 months of bonus income:

- January: $250
- April: $275
- July: $250
- October: $1,200
- Total: $1,975

Since it is verified that James' most recent quarterly bonus is not representative of his typical bonus, he provided the past 12 months, which will be used to determine a monthly average. The total amount of bonus income received in the past 12 months is divided by 12 (the period of time it is intended to cover) to determine a monthly amount ($1,975/12=$164.58). James' prospected monthly income is $1,764.58 ($1,600 base + $164.58 bonus).

Non-Recurring Bonus Payments – Excluded Income/Countable Resource
If the bonus is a one-time payment or the household cannot reasonably anticipate receipt of another bonus, it is treated as a non-recurring lump sum and **not** counted as income; however, it is counted as a resource in the month received and continues to be counted as a resource in future months if the bonus is not spent.

Example: Lump Sum Bonus – Counted in Month Received
Kevin works for a large manufacturing company. Kevin works 40 hours per week at a rate of $16.50 per hour. He is paid weekly ($16.50x40 = $660x4.3 = $2,838 monthly). Last year, the manufacturing company paid a one-time bonus to all employees in the amount of $10,000. Kevin does not expect to receive another bonus from the company. Kevin's bonus is considered a lump sum payment and countable as a resource in the month received. Kevin's bonus is non-recurring and cannot be reasonably expected in the future. If Kevin has any of the bonus left, this is considered a countable resource for as long as he maintains the resource.

D. Stable Income Policy

Stable income received monthly or semi-monthly is budgeted on the pay dates the employer reports, even though there may be times the pay is received on a different date.

Example: Employer indicates normal pay dates are the 1st and 15th. If the 1st or the 15th falls on a non-work day, the pay is received on a different day. The income is prospected using the normal pay dates of the 1st/15th regardless of the day the income is actually received.

E. Receipt Date Questionable

Do not count income in the application month if the receipt date is questionable. If an individual applies for TANF and SNAP at the same time, do not count the TANF income in the SNAP budget unless it is certain the TANF case will be approved prior to the approval of SNAP. Documentation in this situation is essential.

F. Training Hours for Employment

If individuals are paid a different rate for training, then they will be paid for employment, prospect the training pay/hours only during training period. The case must be flagged and changed prospectively to the amount/hours the household/employer anticipates the individual will work and earn when the training period has ended.

> **Example:** John is hired mid-January. He will train for 80 hours and receive $800 in January.
>
> John applies for SNAP in January. Use actual income for January in the amount of $800.
> To prospect income for February and future months, use the income that John or his employer anticipates (and covert based on pay schedule). Receipt of wage verification is preferable. If wage verification is not available, require John to submit his February wages by March 10th. Use those wages to prospect income for April and future months.
>
> If February wages are reflective of what the household will continue to receive, no further changes are required.
>
> If it is uncertain whether the income is accurate, require March wages to be received by April 10th. Use an average of February and March wages to prospect income for May and future months.
>
> Use the AMND code when updating income after the requested verifications are received.

G. Seasonal Income (non-self-employment/non-contract)

Seasonal Income can be budgeted in a variety of ways. It can be budgeted as received, averaged if fluctuating over the period received, or budgeted over a specific period of intent. The following are types of seasonal income and examples of how they are budgeted:

- Hourly Seasonal Income: Income that is paid on an hourly basis (not on contract) for a specific period of time.

> **Example**: Jim works 9 months a year at a school and is paid 9.50/hr. Jim's income is budgeted as received for the 9 months he received the income. If his work hours vary, fluctuating income policy is followed. See section 11311(B)

- Seasonal Job Income and Reemployment Assistance Income: Income that is received for a specific period of time and then the rest of the time Reemployment Assistance is received should be budgeted as received.

> **Example**: John works 7 months of the year at a construction firm. The remaining 5 months he received Reemployment Assistance income. This has occurred the last 2 years. John's case should be flagged to update the changes in income throughout the year.

- Multiple Seasonal Jobs: Individuals that have multiple seasonal jobs throughout the year should have the income budgeted as received.

Example: Vonda has a long standing history of working as a substitute teacher throughout the 9 months school is in session and then works at Wal-Mart over the summer months. Vonda's is paid for the hours she works at the school; she is not on contract. This income would be budgeted as received and averaged based on fluctuating income policy. Vonda's case would be flagged to update the income from Wal-Mart for the summer months, since she has a past history of this work, and it is known she will return to this job.

- Seasonal Job and varying part-time jobs: Individuals that have a seasonal job and different part-time jobs should also have income budgeted as received.

Example: Nina is a substitute teacher and is paid for only the days she works. She works on an on-call basis during the school year and, in the summer months, picks up jobs here and there to support her over the summer. She does not go back to the same job each summer. Nina's school income is budgeted as received and averaged based on fluctuating income policy. Her income from the odd jobs she picks up during the summer are budgeted as received based on simplified reporting requirements.

11312 SELF-EMPLOYMENT

Self-employment income is budgeted based on the annualized amount unless the income is for a seasonal period of time only.

A. If income tax forms are available and there is not a substantial change in the business since the taxes were filed, the benefits specialist should determine if there are expenses or not. If there are expenses, a determination should be made whether to use the simplified self-employment calculation or if the case needs to be referred to SNAP program staff for actual expenses.

B. For non-seasonal self-employment, new business, or a business with a substantial change follow the procedures below:
    1. Request monthly ledgers identifying income and expenses from the calendar month the business started, or substantial change occurred to the last full calendar month. A minimum of three months is required before the income is considered annualized however more months may be used in the calculation if needed. Use the AMND code when a new average is determined each month.
    2. Determine a monthly net income (income less allowable expenses) for each calendar month and divide by the number of months used in the calculation to arrive at an average/annualized income.
    3. If the business started in the application month:
        a. Have the household complete a ledger showing income and expenses received up to the date of the interview and
        b. Prospect the reminder of the month.
        c. Notify the household in writing (spec-c-notc, Self-employment macro, or Request for Information) that monthly ledgers must be received by the 10th of the following month until at least 3 months income is received to prospective an annualized income. More than 3 months of income may be requested if necessary to arrive at an annualized prospective income figure.

Example: Application received on July 21. Applicant started a new business on April 1. Ledgers must be received for April, May, and June. Determine total net income and divide by 3 to arrive at the average monthly amount. If this averaged amount is not reflective of what the applicant anticipates for an annualized net income, notify the applicant in writing that monthly ledgers are required by the tenth of each month for the previous month's income and expenses and will continue to be required for future months until notified they are no longer required. If a business ledger is not received by the 10th of the month, close the case for the following month for failure to cooperate (adhering to 10 day adverse action notices).

C. Seasonal Self-Employment

If the seasonal self-employment is intended to be used as annual support, the income is averaged over the 12 months certification period. However, if the seasonal income is not for the household's annual support, the income is only budgeted for the number of months the seasonal self-employment is anticipated to be received.

Example: Household has a lawn mowing business that they operate and receive income April - September. They state the income is not for annual support. If the income is from the tax return forms, follow each program's budgeting procedures except divide the total income by 6 months, instead of 12. If the tax forms cannot be used, follow the monthly ledger procedure listed above.

11313 UNEARNED INCOME

Unearned Income is always converted and is calculated as follows:

a. Income received weekly multiply by 4.3
b. Income received every two weeks multiply by 2.15
c. Income received twice a month multiply by 2

Example: Household applies July 1st. They receive $240 Reemployment Assistance each week. They anticipate 4 checks in July, take $240 x 4.3=

NOTE: If unearned income amounts are not the same, they should be averaged, then converted.

11320 SIX MONTH REPORT

All income that the household receives must be reported on the six month report form. Earned income and unearned income is only required to be verified at six month report if it has changed by more than $100 since last reported. Income reported should be compared to what was last reported, if it has not changed by more than $100, update the income to the amount reported and document. Do not convert (if paid weekly or bi-weekly) the income unless paystubs are provided.

11321 EARNED INCOME

Benefits Specialist must compare the amount listed on ACCESS to the amount reported on the six month report form; if the income reported on the six month report form has changed by more than $100, verification of the income must be requested from the household before income can be budgeted. If the income reported has not changed by more than $100, the benefits specialist will update the JINC panel(s) or BUSI panel with the reported amount using the REPT source

code and "Y" for the verification code. Do not convert (if paid weekly or bi-weekly) the income unless paystubs are provided.

If there is new income reported on the six month report form, the same procedures for budgeting ongoing income the month following the application month should be used to budget income for the six month report month and future months. The JINC panel should be updated.

Example: John turned in his 6 month report form on August 18th for September benefits. John reported he started a job on July 20th and his first pay was received July 30th. He reported he works 35hrs/wk. and makes $12/hr. He is paid bi-weekly on Thursdays. He provided paystubs for July 30th and August 13th. The benefits specialist will ask the household if both checks reflected a full month's wages. If so, these two checks would be used to prospect income for September using the income conversion factor for bi-weekly employment (x 2.15). If John indicated that the two checks were not reflective, then a thorough discussion with John would need to take place and the benefits specialist would need determine if these paystubs can be used to accurately budget the upcoming wages or if more information is needed. If more information is needed, follow procedures for obtaining additional information.

11322 SELF-EMPLOYMENT

If Self-employment income was figured using ledgers, then it should not be updated unless a new average has been determined with updated ledgers. If Self-employment was figured using income tax returns, then the amount should not be updated unless the household reports a substantial change in their self-employment income. Thorough discussion with the household and ledgers would need to be obtained to budget the change in self-employment income if the household states that the income tax amounts are no longer reflective of their income.

11323 UNEARNED INCOME

Benefits Specialist must compare the amount listed on ACCESS to the amount reported on the six month report form; if the income reported on the six month report form that has changed by more than $100, verification of the income must be requested from the household before income can be budgeted. If the income reported has not changed by more than $100, the benefits specialist will update the UNEA panel(s) with the reported amount using the REPT source code and "Y" for the verification code.

If unearned income is reported from a new source, convert the income. If the unearned income is sporadic, or an inconsistent amount is paid each month, the unearned income should be averaged using an appropriate time frame to give an accurate reflection of the income. A general rule is to use a 3-6 months' time frame to budget the receipt of these payments. Child support income can vary in amounts and how often it is paid, several examples on how to budget this income are shown in Appendix 6.

11330 INTERIM REPORT

Income reported in interim months needs to be thoroughly reviewed to determine the source of the information, the amount of income, and if the information is questionable. Any reported change in income is budgeted based on increase/decrease rules. If the income reported would **decrease** benefits, a **primary source** would have to be used for the income to be budgeted. If it is an increase in benefits, then the income must be **verified** in order to **increase** benefits. If reported income changes cause a decrease in benefits and a primary source has been used, 10 day adverse action time frames must be met.

11340 RENEWAL MONTH

All income that the household receives must be reported on the renewal form. The Procedures for budgeting income is the same as the application month. The only difference is that earned income and unearned income is only verified if it has changed by more than $50 since last reported. Income reported should be compared to what was last reported, if it has not changed by more than $50, update the income to the amount reported and document. Do not convert (if paid weekly or bi-weekly) the income unless paystubs are provided.

11400 BUDGETING DEDUCTIONS

The budgeting of deductions is the same for the Application month, Six month report, Interim Report, and Renewal month. Deductions must be reported and verified in order to be budgeted. Deductions that are paid other than monthly are to be budgeted using the following:

1. Deduction paid weekly multiply by 4.3
2. Deduction paid every two weeks multiply by 2.15
3. Deduction paid twice a month multiply by 2

11500 BUDGETING INELIGIBLE, EXCLUDED AND DISQUALIFIED HOUSEHOLD MEMBER'S INCOME/RESOURCES/DEDUCTIONS

The examples and the chart below are helpful in determining how income, resources, and deductions of ineligible or non-household members are budgeted. Be aware that an individual may be in more than one category at a time.

> **Example**: Jane began her IPV disqualification in July. In August, she enrolled in college and became an ineligible student. Jane maintains her status as an IPV disqualified member until her sanction expires. Then Jane becomes an ineligible student if her circumstances have not changed. Similarly, if an individual is both an ineligible alien and an ineligible student, the rules for ineligible alien apply. If a household member is disqualified for failing to comply with Quality Control, the entire household is ineligible.

NOTE: If the non-household member is paying the entire expense, then no deduction is allowed. If the household shares expenses with the non-household member, only the amount actually paid or contributed by the household is deducted as an expense except for utilities. The utility allowance is never prorated so if the household shares in the utility costs with a non-eligible member, the full allowance is allowed. If the non-household member and a member of the household have a joint checking account, and the expense is paid from that account, then the expense would be prorated among the number of people who own the joint account, and the eligible member(s) share would be counted as a deduction. If the household's portion cannot be separated from the non-household member's portion, the Specialist deducts the household's prorated share.

HOW TO BUDGET FOR:								
TANF $50, 50%, and prorated grant reductions are automatically added back into the budget as income and the individual remains in the household count. Tribal TANF $50 and 50% and TANF IPV recoupments must be manually added into the budget and the individual remains in the household count	SSN Disq. Members, excluded ABAWDS, FDPIR IPV Carryover Disq. or Disq. for non-coop with DCS		Ineligible Aliens		Individuals excluded for Work Reg, IPV, Quit/Rdc Hr,Duplicate Benefits,Fleeing Felon, Parole, Probation, Trafficking, BIA carryover, or TANF/Tribal TANF carryover for 100%/ IPV/ Quit		Non-Household Members: Live-In Attendant, Roomer, Ineligible Student, Individuals not purchasing, preparing and consuming food with HH	
	Yes	**No**	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**
Person Counts in Determining Initial Eligibility for the Gross Income Limit		X		X		X		X
Person Counts for Allotment Level		X		X		X		X
If Elderly/Disabled Person Entitles household to:								
a. $4,750 Resource test		X		X		X		X
b. Net Income Only test		X		X		X		X
c. Medical Deduction		X		X	X			X
d. Uncapped Shelter	X		X		X			X
Income Counts	Prorate Among HH		Budget Full Amount		Budget Full Amount			X
Shelter Deduction When Excluded or Non- Household Member is Billed and Pays the Entire Bill	Prorate Among HH (except SUA)		Prorate Among HH (except SUA)		Budget Full Amount			X
Child Care Deduction When Excluded or Non-Household Member is Billed and Pays Entire Bill to someone outside the HH and Child is Eligible	Prorate Among HH		Prorate Among HH		Budget Full Amount			X
Medical Expenses When Excluded or Non- Household Member is Billed, and Pays Entire Bill and Expense is for an Eligible Member	Prorate Among HH		Prorate Among HH		Budget Full Amount			X
Legally obligated Child Support Payments when Excluded or Non-Household Member is paying them to someone outside the home	Prorate Among HH		Prorate Among HH		Budget Full Amount			X

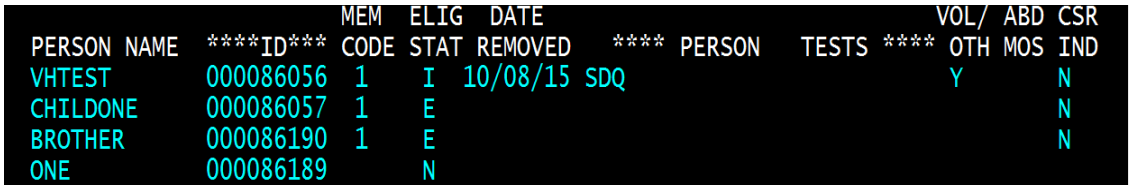
NOTE: If the household shares deductible expenses with the nonhousehold member, and the payments or contributions cannot be differentiated, the expenses shall be prorated evenly among persons actually paying or contributing to the expense and only the household's pro rata share deducted.

11600 DOUBLE CHECKING BUDGETING RESULTS ON ACCESS

The best way to determine if household composition, income, resources, and deductions have been budgeted correctly is to double check eligibility results on the screens of eligibility on ACCESS.

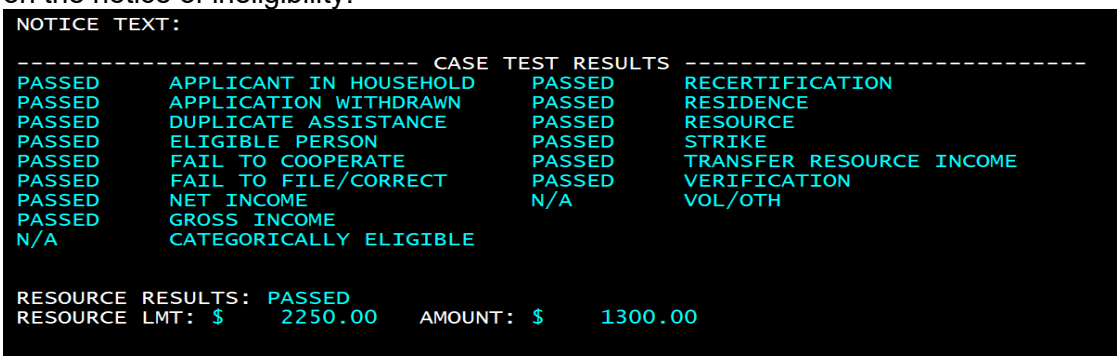
Benefits Specialist should take special care to check all screens of eligibility to make sure the results in eligibility match what was reported on the application, renewal, six month report or if there was on interim month change reported. Double checking each of these screens before eligibility is approved can avoid errors in issuance and catch any discrepancies between what was reported and what is being budgeted.

A. The first screen of eligibility lists the household members included in the household and their status in the case.



PERSON NAME	****ID***	MEM CODE	ELIG STAT	DATE REMOVED	**** PERSON TESTS ****	VOL/ OTH	ABD MOS	CSR IND
VHTEST	000086056	1	I	10/08/15 SDQ		Y		N
CHILDONE	000086057	1	E					N
BROTHER	000086190	1	E					N
ONE	000086189		N					

B. The second screen of eligibility lists all the case level test results, and the resources budgeted for the case. If the case is ineligible, it also lists the reason that will be printed on the notice of ineligibility.



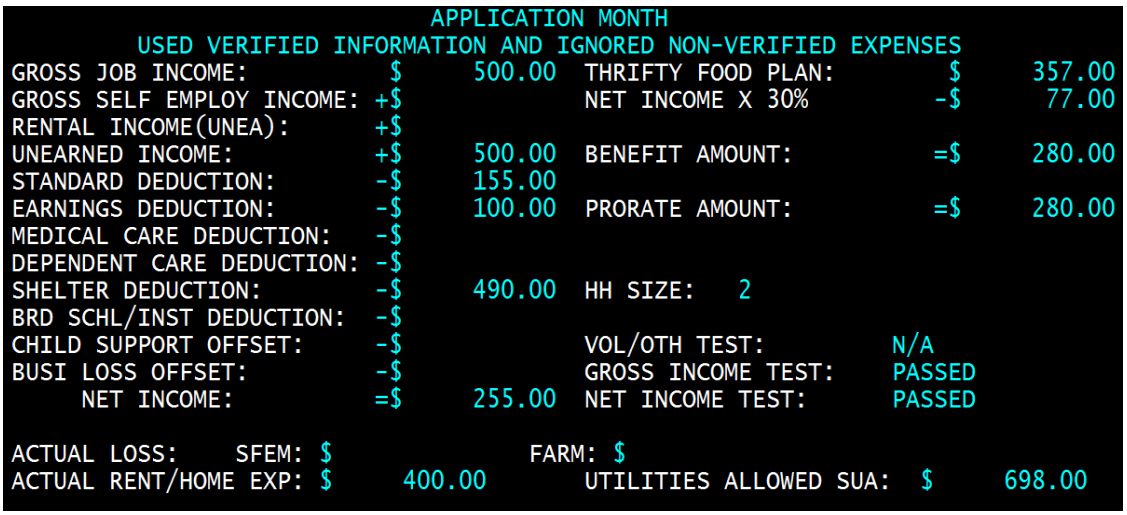
NOTICE TEXT:

CASE TEST RESULTS

PASSED	APPLICANT IN HOUSEHOLD	PASSED	RECERTIFICATION
PASSED	APPLICATION WITHDRAWN	PASSED	RESIDENCE
PASSED	DUPLICATE ASSISTANCE	PASSED	RESOURCE
PASSED	ELIGIBLE PERSON	PASSED	STRIKE
PASSED	FAIL TO COOPERATE	PASSED	TRANSFER RESOURCE INCOME
PASSED	FAIL TO FILE/CORRECT	PASSED	VERIFICATION
PASSED	NET INCOME	N/A	VOL/OTH
PASSED	GROSS INCOME		
N/A	CATEGORICALLY ELIGIBLE		

RESOURCE RESULTS: PASSED
RESOURCE LMT: $ 2250.00 AMOUNT: $ 1300.00

C. The third screen of eligibility lists the income and deductions budgeted for the case. It also includes the number of people being included in the SNAP budget.



APPLICATION MONTH

USED VERIFIED INFORMATION AND IGNORED NON-VERIFIED EXPENSES

GROSS JOB INCOME:	$	500.00	THRIFTY FOOD PLAN:	$	357.00
GROSS SELF EMPLOY INCOME:	+$		NET INCOME X 30%	-$	77.00
RENTAL INCOME(UNEA):	+$				
UNEARNED INCOME:	+$	500.00	BENEFIT AMOUNT:	=$	280.00
STANDARD DEDUCTION:	-$	155.00			
EARNINGS DEDUCTION:	-$	100.00	PRORATE AMOUNT:	=$	280.00
MEDICAL CARE DEDUCTION:	-$				
DEPENDENT CARE DEDUCTION:	-$				
SHELTER DEDUCTION:	-$	490.00	HH SIZE: 2		
BRD SCHL/INST DEDUCTION:	-$				
CHILD SUPPORT OFFSET:	-$		VOL/OTH TEST:	N/A	
BUSI LOSS OFFSET:	-$		GROSS INCOME TEST:	PASSED	
NET INCOME:	=$	255.00	NET INCOME TEST:	PASSED	

ACTUAL LOSS: SFEM: $ FARM: $
ACTUAL RENT/HOME EXP: $ 400.00 UTILITIES ALLOWED SUA: $ 698.00

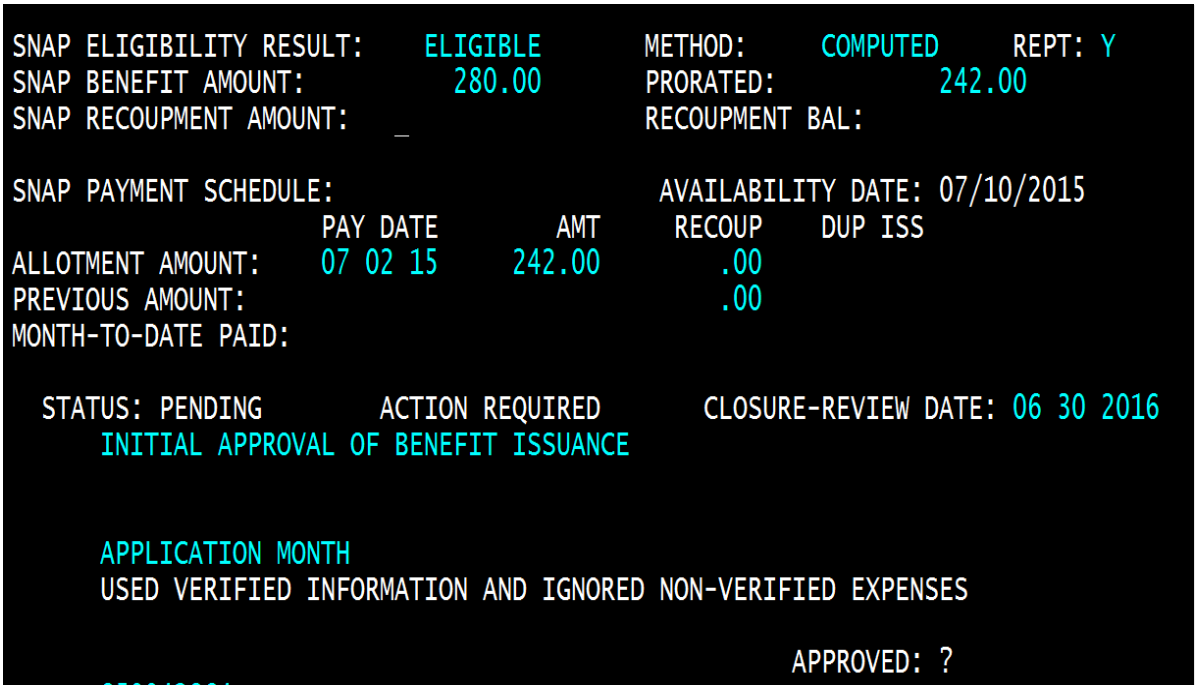
D. If information has been reported but there is no primary source to budget the information, there will be two “third screen” of eligibility displayed. These are referred to as the 3A and 3B screens. The 3A screen shows the reported information and has a message at the top that says “Reported and Budgeted benefits are not the same press enter to display the budgeted benefits”.

```
        REPORTED AND BUDGETED BENEFITS ARE NOT THE SAME
         PRESS ENTER TO DISPLAY THE BUDGETED BENEFITS
GROSS JOB INCOME:           $     500.00  THRIFTY FOOD PLAN:      $     357.00
GROSS SELF EMPLOY INCOME:  +$             NET INCOME X 30%       -$      77.00
RENTAL INCOME(UNEA):       +$             GROUP HOME STANDARD:    $
UNEARNED INCOME:           +$     500.00  BENEFIT AMOUNT:        =$     280.00
STANDARD DEDUCTION:        -$     155.00
EARNINGS DEDUCTION:        -$     100.00  PRORATE AMOUNT:        =$
MEDICAL CARE DEDUCTION:    -$
DEPENDENT CARE DEDUCTION:  -$             HH SIZE:   2  GROUP HOME ID:
SHELTER DEDUCTION:         -$     490.00
BRD SCHL/INST DEDUCTION:   -$             VOL/OTH TEST:         N/A
CHILD SUPPORT OFFSET:      -$             GROSS INCOME TEST:    PASSED
BUSI LOSS OFFSET:          -$             NET INCOME TEST:      PASSED
     NET INCOME:           =$     255.00

ACTUAL LOSS:    SFEM: $              FARM:   $
ACTUAL RENT/HOME EXP: $     400.00        UTILITIES ALLOWED SUA:  $     698.00
```

The 3B screen shows the budgeted information used to determine the amount of benefits to be paid. Benefits Specialist should carefully review both screens to ensure the correct information is being budgeted.

```
        NO PRIMARY SOURCE - USED VERIFIED REPORTED INFO & BUDGETED
        INFO WHEN UNVERIFIED - BENEFIT DECREASE - USED LAST MONTH
 GROSS JOB INCOME:          $             THRIFTY FOOD PLAN:       $     357.00
 GROSS SELF EMPLOY INCOME: +$             NET INCOME X 30%        -$
 RENTAL INCOME(UNEA):      +$
 UNEARNED INCOME:          +$             BENEFIT AMOUNT:         =$     357.00
 STANDARD DEDUCTION:       -$     155.00
 EARNINGS DEDUCTION:       -$             PRORATE AMOUNT:         =$
 MEDICAL CARE DEDUCTION:   -$
 DEPENDENT CARE DEDUCTION: -$
 SHELTER DEDUCTION:        -$             HH SIZE:   2
 BRD SCHL/INST DEDUCTION:  -$
 CHILD SUPPORT OFFSET:     -$             VOL/OTH TEST:         N/A
 BUSI LOSS OFFSET:         -$             GROSS INCOME TEST:    PASSED
      NET INCOME:          =$             NET INCOME TEST:      PASSED

 ACTUAL LOSS:    SFEM: $              FARM: $
 ACTUAL RENT/HOME EXP: $                    UTILITIES ALLOWED:  $
```

E. The fourth and final screen of eligibility is where eligibility results are approved. This screen also displays proration of benefits, which may occur in the application month, renewal month, or 6 month report. There are also recoupment fields that will display when the is an overpayment.



CHAPTER TWELVE: VERIFICATIONS

12000 VERIFICATIONS

12100 VERIFICATION AT APPLICATION

Verification of the following information is required at application:

A. Identity, Residence, Gross Income, Questionable Information
    1. If the above information is not verified by the 30th day following the application date, the case must be denied on the 30th day. If the 30th day is on a weekend or a holiday, deny the application on the following workday.
    2. Job terminations: If the income terminated over 60 days prior to the application received date, no verification is required for the termination reason or the last pay, unless it is questionable. The 60 day count starts 60 days from the date the job was terminated to the receipt date of the application.
B. Social Security Numbers, Non-citizen Status, Household Composition, Disability, DCS Cooperation
    1. Providing the SSN or proof of application for a SSN is sufficient verification. The SSN is required unless there are good cause reasons, or the child is under 7 months of age.
    2. Proof of legal residency (e.g. Refugee Status, Permanent Resident Alien) is required for non-citizen status.
    3. Household composition verification is only required if the information is questionable.
    4. If verification of receiving a disability payment is not provided, the individual is not coded as permanently disabled and is not entitled to uncapped shelter.
    5. If SSN or citizenship is not provided, the individual is not considered in the household count (The individual's Income and expenses will be prorated).
    6. Cooperation with DCS by the Head of Household for biological/adopted children with an parent not in the home is required, unless good cause is granted.
C. Expenses (medical, dependent care, shelter, legally obligated child support paid)
    1. The household may choose to have the application processed without verification of the expense or may choose to have the application pended until verification is received.
    2. If verification of expenses is not received by the 30th day following the application day, process the application by entering the information on ACCESS with an "N" verification code.

12200 VERIFICATION AT RENEWAL

Verification of the following information is required at renewal:

A. An income source change: Anytime there is a new income source, verification is required regardless of the amount of income.
B. Earned income
    1. Job terminations: If the income terminated over 30 days prior to the renewal receipt date, no verification is required for the termination reason or for the last pay check, unless it is questionable. The 30 day count starts 30 days from the date the job was terminated to the receipt date of the application.

2. If wage verifications are submitted with the application, the wage information must be acted on, even if it the income change was within $50 of the previously verified amount. We must act on all reported changes.
3. If the income question is marked no and we have information that the household has earned income, it is now questionable and must be resolved prior to approval. The income must be listed on the application.
4. If the income question is marked yes, the income for the past 30 days must be listed on the application. If not, do not approve benefits until the information is received. The information can be completed by the Benefits Specialist during the interview with the household. If so, the EABS must initial and date the change on the application or send a copy of that page to the household with a DSS-EA-300 requesting completion.
5. If the income listed is from the same source and within $50 from the last reported amount, and it is not questionable, act on the change but do not require verification.
6. If the household reports an income change within $50 of the previously verified amount and it is from the same source, update the income amount on ACCESS and keep the verification code Y. Document in the narrative that a change in income was reported and acted on, but new verification is not requested because the change is within than $50 from the previously verified amount.

C. Unearned income
    1. If income verifications are submitted with the application, the information must be acted on, even if it the income change was within $50 of the previously reported amount. We must act on all reported changes.
    2. If the unearned income question is marked no and we have information that the household has unearned income, it is now questionable and must be resolved prior to approval. The income must be listed on the application.
    3. If the unearned income question is marked yes, the income for the past 30 days must be listed on the application. If not, do not approve benefits until the information is received. The information can be completed by the Benefits Specialist during the interview with the household. If so, the EABS must initial and date the change on the application or send a copy of that page to the household with a DSS-EA-300 requesting completion.
    4. If the income listed is from the same source and within $50 from the last reported amount, and it is not questionable, act on the change but do not require verification.
    5. If the household reports an income change within $50 of the previously verified amount and it is from the same source, update the income amount on ACCESS and keep the verification code Y. Document in the narrative that a change in income was reported and acted on, but new verification is not requested because the change is within than $50 from the previously verified amount.
D. ABAWD status Changes: Changes in ABAWD status must be reported at renewal.
E. Changes in legally obligated child support paid: If verification of the change is not provided and cannot be obtained through DCS, no deduction is allowed for the child support expense.
F. Medical Expense**:** Previously unreported medical expenses as well as changes in medical expenses that change by more than $25 must be verified in order for the deduction to be allowed.

G. Changes in residence/shelter costs:
    1. Residence: If the household moved to a different residence during the renewal, verification of the new residence must be requested and verified. The household must be allowed at least 10 days to provide the verification. If the verification is not received by the 30th day following the day the renewal form was filed, the case must be closed.

    2. Shelter Costs: If there is a change in shelter costs, verification of the changes must be requested and verified in order to allow a deduction. The household may choose to have the renewal processed without verification of the shelter costs or may choose to have the renewal pended until the verification is received. If the verification is not received by the 30th day following the day the renewal form was received, the benefits specialist should process the renewal without the expense.

H. Information about the Parent Not in the Home: If the head of household has new or updated information about the parent not living in the home of a biological/adopted child in the household, this information should be provided at renewal.

The household may choose to report other changes. If a change is reported, verification is required if the reported change affects benefits.

- If the verification is not for an expense, the verification must be provided by the 30th day following the day the renewal form is received. If it is not provided, the case will be closed.
- If the verification is for an expense and it is not provided, mark the verification code "N" so the expense is not budgeted. If a "?" is in the verification field on any panel, it must be resolved before approval of the renewal is allowed.

12300 VERIFICATION AT SIX MONTH REPORT

Households are required to report all information requested on the six month report form, but verification is only required of the following:

A. Household composition: If the reported household change in composition is questionable. Remember income of new household members must be verified and resources of a new member must be reported.
B. Income source change: Anytime there is a new income source, verification is required regardless of the amount of income.
C. Earned income
    1. Job terminations: If the income terminated over 30 days prior to the six month report form receipt date, no verification is required for the termination reason or for the last pay check, unless it is questionable. The 30 day count starts 30 days from the date the job was terminated to the receipt date of the six month report form.
    2. If wage verifications are submitted with the report form, the wage information must be acted on, even if it the income change was within $100 of the previously verified amount. We must act on all reported changes.
    3. If the income question is marked no and we have information that the household has earned income, it is now questionable, and the form is not complete. The income must be listed on the report form.

4. If the income question is marked yes, the income for the past 30 days must be listed on the report form. If not, incomplete the form.
5. If the income listed is from the same source and within $100 from the last reported amount, and it is not questionable, act on the change but do not require verification.
6. If the household reports an income change within $100 of the previously verified amount and it is from the same source, update the income amount on ACCESS and keep the verification code Y. Document in the narrative that a change in income was reported and acted on but new verification is not requested because the change is within $100 from the previously verified amount.

D. Unearned income
   1. If income verifications are submitted with the report form, the information must be acted on, even if it the income change was within $100 of the previously reported amount. We must act on all reported changes.
   2. If unearned income question is marked no and we have information that the household has unearned income, it is now questionable, and the form is not complete. The income must be listed on the report form. Verification is required for new sources of income, or if the same source of income varies by $100 or more.
   3. If unearned income question is marked yes, the income for the past 30 days must be listed on the report form. If not, incomplete the form.
   4. If the income listed is from the same source and is within $100 from the last reported amount, and it is not questionable, act on the change but do not require verification.
   5. If the household reports an income change within $100 of the previously verified amount and it is from the same source, update the income amount on ACCESS and keep the verification code Y. Document in the narrative that a change in income was reported and acted on but new verification is not requested because the change is less than $100 from the previously verified amount.
   6. If the income has changed by $100, verification must be received before next month's benefits can be approved (use the EA349).
   7. If the income is from a new source, verification is required.

E. ABAWD status Changes: Changes in ABAWD status must be reported.

F. Changes in legally obligated child support paid: If verification of the change is not provided or cannot be obtained through DCS, no deduction is allowed for the child support expense.

G. A new vehicle or resources in excess of $3,000 or $4,750 (if over age 60 or a person with a disability)

H. Changes in residence/shelter costs:
   1. Residence: If the household moved to a different residence within the last 6 months, verification of the new residence must be requested and verified. The household must be allowed at least 10 days to provide the verification. If the verification is not received, the case must be closed.

Example: John reported that he moved in month 4. He did not verify his new shelter costs. The Stat panel residency code was changed to "N" and the amounts on the shelter panels were marked with an "N" verification code. At six month report, residency verification is required, or case is ineligible. If residency is verified but not the new shelter amount, the shelter amounts should be changed to zero.

2. Shelter Costs: If a change in shelter costs is reported, verification of the changes must be requested and verified in order to allow a deduction. The household may choose to have the six-month report processed without the shelter costs. If the household has not moved, the expense will continue to be budgeted at the previous amount if it is not questionable.

Example: John verified rent of $100 at renewal. In month 3 he reported that his rent increased to $200 but did not provide verification. The rent panel was updated to show $200 rent and the verification code to N. At the six month report, ACCESS changed the rent panel's verification code from an "N" to a "?". If John doesn't submit verification of the $200 rent, change the "?" to an "N" and the $100 continues to be budgeted unless it is questionable. If questionable, it needs to be resolved.

Example: John verified rent at application of $300. At the six month report, he reported his rent has now increased to $500. The benefits specialist updated the rent panel to show $500 with an "N" verification code and sent a request for verification of the increased amount within 10 days. John did not provide the verification within the 10-day time frame so the previously verified amount of $300 was budgeted by ACCESS.

12400 VERIFICATION WHEN AN INTERIM REPORT IS MADE

Verification of most changes are not required during the interim report. If the change would result in an increase in benefits, then verification is required prior to approval of the increase. If the change results in a decrease in benefits, the change is not budgeted unless there is a primary source. If there is a primary source, then the change will be budgeted regardless of the verification code.

If there are shelter changes because of a voluntary report of a residency change, see section 14213 for details.

12500 QUESTIONABLE INFORMATION

A household is not eligible for benefits until the Specialist verifies questionable information that affects the household's eligibility or benefits. Information is questionable if it is contradictory or incomplete.

The household has the right to postpone verification of questionable information when required by the rules for expedited service and certain reported changes.

12510 DECIDING IF INFORMATION IS QUESTIONABLE

Information is questionable if the information is contradictory or incomplete. The Specialist must carefully evaluate case information that they have knowledge of and thoroughly interview the customer to determine if there are questionable situations.

DSS considers information contradictory when the household's statements on the application, renewal, six month report, interim report or during the interview are inconsistent, does not agree with information in the case file, or if the information does not agree with information the Specialist has knowledge of. Information is incomplete if there are gaps in information that need to be filled with facts. Below are examples of situations which cause errors in quality control and management

evaluation reviews. Benefits Specialists should be mindful of situations such as these and ensure a thorough discussion with the household occurs resolve these questionable situations. Benefits Specialists should also document the discussion and resolution to the situation.

Example 1: Applicant states he has no resources. An earlier application was denied because bank accounts and property were over the resource limit. This situation is questionable, unless the contradiction has been previously resolved.

Example 2: Customer reports four persons in the household. Earlier, the household reported a fifth member in the household that was old enough to work. There is no mention of this person or any income on the current application.

Example 3: A household member is 66 years old, not working, and has an employment history. He states he has no social security or pension income.

Example 4: A member reports being laid off or leaving a job. Even though the employer may have verified reason for termination and last pay check, he/she might know whether the member is working somewhere else or is getting Reemployment Assistance or worker's compensation.

Example 5: Applicant shows only one or two pay check stubs; or stubs with non-consecutive dates; or stubs showing a 40-hour week in an industry which has frequent overtime such as construction. These situations might require additional verification including contact with the employer.

12520 HOUSEHOLD MANAGEMENT OF FINANCES

Benefits Specialist must review how a household manages its finances in order to determine if the income and resources reported by the household are enough to cover reported expenses. Income and resources are questionable and must be clarified if the household reports expenses over available income and resources. The Specialist should ask the household the following questions, while keeping in mind that the individual may be applying for assistance due to their expenses exceeding income and resources:

A. How the household manages its finances,
B. How long the household has managed this way, and
C. Whether reported income and resources are enough to cover actual household expenditures.

Total household finances are important when financial management is questionable. The Specialist must investigate any excluded income or resources and non-budgetable expenses for this purpose.

Specialists should consider income from all possible sources when explaining financial management and must document these sources. This income could include tips, bonuses, commission, insurance payments, help from family members, etc. Income from these types of payments could meet household needs and expenses including house, car, and charge account payments. The existence of these payments could serve to explain how the household is managing its finances. Again, documentation is key in these circumstances.

12530 DENIALS BASED ON QUESTIONABLE INFORMATION

Questionable information or inconsistent information is not in itself reason for denial. Benefits Specialists should deny the case when a customer refuses or fails to give information to clarify questionable information or inconsistent information. Benefits Specialists must give the household the opportunity to clarify the situation and provide reasonable assistance in obtaining verification of questionable situations as necessary.

12540 VERIFYING QUESTIONABLE SITUATIONS

The household has the primary responsibility for providing documentary evidence to support statements on the application and to resolve any questionable information. DSS must assist the household in obtaining the verification provided the household cooperates in obtaining the verification.

Households may supply documentary evidence in person through the mail, fax, or through an authorized representative. DSS should not require the household to present verification in person at the office, unless the issue is with a household composition situation. DSS will accept any reasonable documentary evidence provided by the household and will be primarily concerned with how adequately the verification proves the statement on the application.

Information received from the Federal Data Services Hub (the Hub) for the Medicaid Program must be acted on if it impacts SNAP eligibility or benefits but is **not** considered verified. The source code for HUB information is OTH, unless the income makes the household ineligible, then it is MAXS. The verification code is "N" until independent verification is received.

Information from the Hub is from the following sources:

- SSA: Social Security Number, Citizenship, Qualifying Quarters, Prisoner data, and income information
- EQUIFAX: The Work Number employment information
- IRS: Self-employment only
- VLP: Verify Lawful Presence Response information

Form DSS-EA-308, Information Request, automated notice, and Spec C NOTC, may be used to request verification or information from households. The DSS-EA-349 may be used to request verification from six month reporting households.

A. **Household Composition and Size**

Benefits Specialists must verify household composition or size, if questionable. In most cases, EABS accept the customer's statement on who buys and prepares meals together to verify household composition. If the Specialist questions a household's claim of separate household status, the household is responsible for providing verification to the EABS satisfaction. Verification of questionable situations could include, but is not limited to using school records, census records, income tax forms, or other documents which show the number of persons in the home. Benefits Specialists may also use a collateral contact if documentary evidence is not readily available.

Deceased individuals are not eligible for benefits.

Individuals incarcerated in a Federal, State, or local correctional facility are not eligible for benefits if incarcerated for more than 30 days. If the Specialist has information that an individual may be incarcerated, they may request a prisoner match via SVES or make contact with the correctional facility where the person is incarcerated. When a match or SVES information is received that indicates an individual is incarcerated, the EABS must verify the individual's whereabouts. If verification is obtained that an individual is in a correctional facility, and will be there for more than 30 days, the individual must be removed following 10 day adverse action time frames.

A match is automatically completed at application or when adding an adult member to ensure all adults are not currently disqualified for intention program violations. If there is a match, an inhibiting edit will display and must be resolved before eligibility can be approved. INFC, EDRS, displays the contact information for verification/substantiation of the IPV.

The contact state must respond within 20 days of the request and provide verification of the IPV date, disqualification period, and how the IPV was affirmed (hearing, waiver, consent agreement or court of law). If the IPV was not substantiated, enter a "Y" on the EDRS OVER field on the MEMS panel.

In addition, if the EABS is contacted by another state agency about IPV information in South Dakota, the EABS will respond within 20 working days of receipt of the request. EABS will provide the necessary verification (including copies of the appropriate documentation and any statement that an individual has asked to be included in their file).

B. **Citizenship**

When a household's statement that one or more of its members are U.S. citizens is questionable, the Specialist must ask the household to give acceptable verification.

C. **Voluntary Quit/Reduction in Employment**

If the voluntary quit or reduction in employment hours is questionable, the benefits specialist should request verification from the household on why the quit occurred or why the reduction in hours occurred. If it is difficult for the household to obtain documentary evidence or suggest the names of reliable collateral contacts in a timely manner, then the benefits specialist will help obtain the verification. However primary responsibility for verifying good cause rests with the household.

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

1. Current or previous employer; and
2. Employee associations; and
3. Unions and grievance committees; and
4. Qualified medical sources.

In the event the household and benefits specialist are unable to obtain requested verification of good cause from qualified and impartial sources or because the cause for quit or hour reduction resulted from circumstances that for good reason cannot be verified, such as a resignation from employment due to discrimination practices, or unreasonable demands from the employer, or because the employer cannot be located, then the household will not be denied access to program benefits solely on voluntary quit or reduction of hours provisions.

D. **Resources**

Benefits Specialists must verify resources only if questionable. Reviewing past circumstances and what is currently being reported will allow the EABS to determine if a situation is questionable. If questionable, then documentary verification is necessary to verify resources.

When Specialist cannot get documentary verification of liquid or non-liquid resources, they may use a collateral contact. Specialist must document the method used to get the information and the reason it was required in the case file. Specialist should use form EA-208, Authorization to Release Information, to get information from nearby banks or savings institutions, or similar sources, to establish whether the household has accounts or other liquid resources.

Specialists can verify the value of real property by multiplying the assessed tax value by the correct reciprocal, but only when no other documentary or collateral verification is available and if the result reasonably represents the actual current fair market value of the resources.

E. Loans

Specialists must verify loans, if questionable. DSS does not require a legally binding agreement. A statement signed by both parties that the payment is a loan and must be repaid is acceptable verification.

12600 VERIFYING OUT OF STATE REQUESTS FOR INFORMATION

When a request from another State is received to verify benefits in the State of South Dakota or any other verification of information in order to determine eligibility in another state; the EABS will respond within 20 working days of receipt of the request for information. EABS will provide copies of documents requested, including but not limited to, copies of Identification, benefit information, pay stubs, or any other verification the customer has provided the state. In addition, screen shots of eligibility can also be provided.

CHAPTER THIRTEEN: WORK REGULATIONS, EXEMPTIONS, AND ABLE-BODIED ADULTS WITHOUT DEPENDENTS (ABAWDS)

13000 WORK REGISTRATION REGULATIONS

13100 WORK REQUIREMENTS

Each household member who is not exempt from work requirements must be work registered. In all areas of South Dakota, the individual must meet general work registration requirements. The EABS must explain work registration requirements, including voluntary quit or reduction of employment hours, rights and responsibilities, and the consequences for failure to comply whenever a household member must register for work. A DSS-EA-345e work registration form is required to be given for all non-exempt individuals, along with an oral explanation of the DSS-EA-345e. In addition to the work registration requirements, non-exempt individuals in Minnehaha, Pennington, and Yankton counties are offered more work components because there are Department of Labor and Regulation (DLR) Employment and Training (E&T) staff available to work with them. The general work requirements are:

- Have an adult member of the SNAP household sign the DSS-EA-301 SNAP application
- Provide sufficient information of job status and availability
- Accept a suitable job, if offered
- Continue the job, once hired
- Not voluntarily reduce job hours

13110 WORK REGISTRATION PROCESS

DSS must register each household member for work who is:

- Physically and mentally fit
- Age 16 through 59, and
- Not exempt

Work registration is accomplished by the benefits specialists coding "08" or “02” (code "02" only if mandatory or an ABAWD participating in the E&T program in Minnehaha, Pennington, or voluntary in Yankton counties) in the SNAP work registration code field, the customer signing the DSS-EA-301 SNAP application, the benefits specialist giving the DSS-EA-345e and providing an oral explanation of the DSS-EA-345e. EABS must narrate who is a work registrant, mandatory participant, or ABAWD and also narrate that the oral explanation of the DSS-EA-345e was completed.

Work registration or exemption from work registration is determined at initial certification and continues through the certification period unless:

1. There was a change in the individual’s situation, and he/she is no longer exempt from work registration - he/she will be registered, and the registration will continue through the remaining certification period, unless the individual becomes exempt again or moves out of the household; or
2. The case is closed and at least one month has passed since the case was active, and the household is making reapplication (new application vs. reinstatement); or
3. The certification period has expired, and the household is completing a renewal; or
4. Non-exempt new member(s) is added to the household.

All applicants who are between the age of 16 – 59 and are physically and mentally fit must have an oral explanation of the DSS-EA-345e given to them at initial application and each renewal. In addition, if the person is a work registrant, mandatory participant, or an ABAWD, the DSS-EA-345e must be reviewed with the applicant by the EABS, the applicant must receive a copy and a copy of the completed 345e must be scanned to section 3 of the case record. EABS can refer work registrants to SDCareerLink as an additional resource. Utilize the SDCareerLink Work Program document found on the P:Drive for more information. For additional information on SDCareerLink, see the website at: https://dss.sd.gov/economicassistance/SDCareerLink.aspx

If a new household member is reported in an interim month, code the individual "08" and complete the DSS-EA-345e. A copy of the updated DSS-EA-345e must be mailed to the household and a copy placed in the case record.

If an existing household member becomes a work registrant in an interim month, and the change **is** required to be reported (Section 13161), update the work registration code to "08" and send the household the completed DSS-EA-345e.

> **Example:** John is an ABAWD and works 80(+) hours per month. John has quit his job. John is required to report this change when it occurs.

If a household member becomes a work registrant in an interim month, and the change is **not** required to be reported (Section 13162), flag the case for the next renewal to change the work registration code and complete the DSS-EA-345e at that time. The form is required before the renewal can be approved. If the household refuses to sign the DSS-EA-301, terminate benefits following 10 day adverse action time frames. Benefits may be reinstated if the signed application is returned by the last day of the terminated month.

If the change in exempt status is reported on the six month report form, complete a new DSS-EA-345e and send a copy to the customer.

If a sanctioned individual is added back to the household during an interim month, code "08" must be entered on the member panel. A new DSS-EA-345e is not required until the next renewal.

13120 EMPLOYMENT & TRAINING (E&T) PROCESS FOR MINNEHAHA, PENNINGTON, AND YANKTON COUNTIES

All individuals in Minnehaha and Pennington counties who are the head of household, ages 18 through 21, and non-exempt, will be referred to DLR for SNAP E&T as mandatory participants. In addition, any individual in Yankton County can also participate in SNAP E&T and receive assistance in gaining employment and training skills and opportunities through the Department of Labor and Regulation (DLR). The referral is made to DLR by coding their member panel as an "02". This can happen at application, renewal, or any time during their certification period.

Screening for appropriateness is also required when referral is appropriate to DLR. Screening is an evaluation by the eligibility worker as to whether a person should or should not be referred for participation in an Employment and Training Program. Explanation of the benefits of E&T as well as the participant reimbursements for costs associated with participation must be discussed at the interview. If there are any significant barriers for the mandatory participant that person may be screened out by the EABS from E&T. Narrative of the household circumstances is vital and must be added to indicate that this was discussed with the household and that the referral is not appropriate for E & T. If a mandatory participant is not an appropriate fit for E&T a narrative must

be added as to the reason and case is to be flagged to update at next report or review period (please also see the E&T Screening Desk Guide and oral 345).

13130 EXEMPTIONS TO WORK REGISTRATION REQUIREMENT FOR ALL WORK REGISTRANTS

Section 13130.1 – 13130.14 detail individuals who are not required to work register.

13130.1 PERSONS UNDER 16 YEARS OLD OR 60 YEARS OLD OR OLDER

Persons under age 16 or persons 60 years of age or older, are exempt from the work registration requirements. If a child's 16th birthday is within a certification period, the child must register as a part of the household's next scheduled renewal process, unless the child qualifies for another exemption.

13130.2 INDIVIDUALS 16-17 YEARS OLD

Individuals aged 16-17 are exempt from work registration requirements if they are:

1. Attending school at least half-time; or
2. Enrolled in a training or employment program on at least half-time basis; or
3. A dependent child residing with a parent(s) or with an individual(s) with parental control.

Individuals who are 16-17, not in school or training/employment program at least half-time and are residing in a household without a parent(s) or parental control individual are required to be work registered.

13130.3 TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF) WORK, TRIBAL JOBS NATIVE EMPLOYMENT WORK (NEW) PARTICIPANTS

A household member is not required to SNAP work register if he/she is participating in the TANF WORK or Native Employment Work (NEW) Programs. The following policy applies:

1. When an individual applies for TANF and SNAP at the same time, the individual is exempt from SNAP work registration requirements due to TANF work participation. If the TANF case is denied because the individual did not follow through on the TANF work requirements, the individual is then coded as a SNAP work registrant and must comply with SNAP work registration requirements.
2. When an on-going SNAP recipient applies for TANF, the SNAP work registration code remains unchanged until the TANF case is approved or denied. If approved, the SNAP work registration code is changed to exempt due to TANF work participation. If denied, there will be no change to the SNAP work registration code.
3. When an on-going TANF recipient applies for SNAP, the individual should be coded exempt for SNAP work registration due to TANF work requirements.

13130.4 PARENTS AND CARETAKERS

A parent or other household member responsible for the care of a dependent child under age 6 is exempt from work registration. If a child's 6th birthday is within a certification period, the person responsible for the care of the child must be work registered at the next renewal unless the person qualifies for another exemption.

If two members of the household claim responsibility for the care of a minor dependent child, the Specialist decides who has the actual responsibility by talking to both individuals and using prudent worker judgment to determine who has the actual care of the child. In cases where two mothers in the household have dependent children of their own under age six, both mothers are exempt from work registration.

13130.5 MENTALLY OR PHYSICALLY UNFIT

Persons who are physically or mentally unfit for employment are exempt from the work registration requirement. If a mental or physical disability is claimed and the disability is not evident to the Specialist, the household may be required to submit proof. Evidence of temporary or permanent disability from governmental or private sources, such as Social Security, SSI, VA (regardless of the disability rating) or a statement from a physician or licensed or certified psychologist are acceptable proof. If an individual has applied for permanent disability from governmental or private sources, the application may be considered acceptable proof until the application is processed (denied, approved, etc.). Benefits Specialists will use prudent worker judgment, with Supervisory consultation if needed, to make a determination if the individual is unfit for employment when verification is unable to be obtained.

13130.6 INCAPACITY OF A HOUSEHOLD MEMBER

A person may be exempt if their presence in the household is necessary for the care of an incapacitated member of the household. The member in need of care must have a medically determinate condition which does not permit self-care; is ill or incapacitated as determined by a physician or licensed or certified psychologist; and has no other household member available to provide the care. Prudent worker judgment, with Supervisory consultation if needed, will make the incapacity determination. The DICT team should not be involved in this decision.

If two members of the household claim responsibility for the care of an incapacitated person, the Specialist decides who has the actual responsibility by talking to the applicant or the person receiving the care. In the case of SSI or PA households which include an "essential person", the Specialist must examine the individual situation to decide whether to register the essential person.

13130.7 PERSONS RECEIVING REEMPLOYMENT ASSISTANCE COMPENSATION

An individual receiving Reemployment Assistance compensation is exempt from the work registration requirement. An individual who has applied for, but is not yet receiving Reemployment Assistance compensation, qualifies for this exemption because registration is a mandatory prerequisite in applying for Reemployment Assistance benefits. If the exemption is questionable, the Specialist is responsible for verifying the exemption with Department of Labor and Regulation (DLR).

13130.8 DRUG/ALCOHOL CENTER OR REHABILITATION CENTER

Any resident or non-resident in a drug or alcohol center's treatment and rehabilitation program is exempt from the work registration requirement. This exemption is not meant to discourage residents or nonresidents from seeking and accepting employment on their own. Residents of treatment centers authorized to accept SNAP benefits and individuals participating in treatment programs on an outpatient basis qualify for this exemption. The resident or non-resident should be a regular participant in the program. Use prudent worker judgement on a case-by-case basis to determine of the individual is a regular participant. Supervisor consultation may be necessary.

13130.9 EMPLOYED

Individuals employed at least 30 hours per week or receiving weekly earnings equivalent to the federal minimum wage multiplied by 30 hours are exempt. This includes migrant and seasonal farm workers under contract or similar agreement with an employer or crew chief to begin work within 30 days. Proof of the amount of income from this employment establishes the exemption if the amount is equivalent to 30 hours per week under general conditions in the community. Unpaid

or in-kind employment hours are not counted in the 30 hours a week determination – the hours are only used to determine ABAWD eligibility.

If the amount of income does not substantiate a claim of employment of 30 hours per week, but the person still claims to be employed, the applicant is required to supply documentary evidence which certifies the existence of an employee/employer relationship and that the number of hours worked is equivalent to at least 30 hours a week. The Specialist will be available to assist the applicant, if needed.

13130.10 SELF-EMPLOYED

Self-employed individuals are exempt if they work at least 30 hours per week or receive weekly gross earnings equal to the federal minimum wage multiplied by 30 hours. This applies whether the self-employed person is working 30 hours per week during the certification period or an average of 30 hours per week a year.

If a person claims exemption because of self-employment, proof of the amount of self-employment income is enough to establish the exemption. The amount of income verified must be consistent with full-time (30 hours per week) employment.

If the income is not enough to establish the exemption, but the customer still claims to be self-employed, the Specialist must establish (with the customer's cooperation) that the amount of income shows gainful employment. To decide that the self-employment enterprise is a full-time job, Specialists must evaluate the volume of work the customer claims.

Individuals engaged in hobbies, volunteer work, or any similar activity cannot be considered gainfully employed because of the small amount of money received from these activities. DSS does not exempt these individuals from work registration regardless of the amount of time they spend in the activity. This applies to individuals who are employed or self-employed.

13130.11 STUDENTS

Eligible students are exempt from work registration if they are enrolled at least half-time in any recognized school, high school, training program, or institution of higher education.

The work registration exemption for eligible students stays in effect for regular school vacations and recesses as long as enrollment status continues.

Students who are not enrolled at least half time; who have a break in enrollment upon graduation, expulsion, or suspension; or who drop out or otherwise do not intend to return to school are not exempt from work requirements.

13130.12 TRIBAL WORK EXPERIENCE PARTICIPANT

A person participating in the Tribal Work Experience Program is exempt. Verification of participation is required, and the individual must be notified to report when or if their participation is terminated.

13130.13 RESIDENTS OF COMMUNITY SUPPORT PROVIDER (CSP)FACILITIES

Members of CSP facilities in group living arrangements are excluded from the work registration requirement because they meet the disability criteria.

13140 EXEMPTIONS FOR INDIVIDUALS RESIDING IN MINNEHAHA AND PENNINGTON COUNTIES (MANDATORY E&T COUNTIES)

In addition to the criteria listed above in the 13130 series, individuals residing in Minnehaha and Pennington Counties are exempt from work registration and E&T requirements if they meet either of the criteria listed below.

1. Vista Exemption: A full-time volunteer serving under the Volunteers in Service to America Program is exempt.
2. Pregnancy: A pregnant woman beginning with the fourth month of pregnancy is exempt. If the pregnancy is not evident to the Benefits Specialist, the pregnancy must be verified by a licensed or certified physician, physician's assistant, nurse practitioner, or nurse midwife. The verification must contain the estimated delivery date.

For individuals meeting the exemptions above, the 345e must still be completed.

13150 MANDATORY PARTICIPANTS

Individuals not meeting the exemption criteria are required to work register including special households listed below:

A. Migrant households: Employable member of migrant household who is not employed at least 30 hours a week for one or more employers must register for and accept suitable employment. Migrants with a contract for work, but not working for various reasons, would be required to register for work if employment is not expected within a short period, such as three or four days.

B. Strikers: A striker does not have to accept employment at a location subject to a strike or lockout. However, if the strike in which the member is participating is prohibited under either the Taft-Hartley or Railway Labor Acts, this constitutes a continuing offer of suitable employment to the striker. Failure by the striker to return to this employment for any reason must be considered failure to comply with work registration requirements, and the entire household is ineligible.

C. Refugees: In non-E&T counties, refugees not exempt by any criteria listed in section 13130 must still register for work. In E&T counties, refugees not exempt by criteria in 13130 or enrolled in the Job Link program are also required to participate in the E&T program/work register. Refugees will also accrue ABAWD months if they are not exempt from ABAWD requirements.

13160 ACTION WHEN CHANGES RESULT IN A LOSS OF EXEMPT STATUS

Changes during the certification period may cause an individual to lose their exempt status. For example, an individual may lose their exempt status because of employment if they lose their job. The action the Specialist must take depends on whether the change was something that was required to be reported.

13161 WHEN THE CHANGE IS REQUIRED TO BE REPORTED

Only changes that are required to be reported at six month report, renewal, or an ABAWD is no longer meeting the 20 hour work requirement; will affect the work registration status of an individual. Persons losing their exempt status, due to any of these changes in circumstances, must report and be registered for work when they report the change.

Benefits Specialist will change the work registration status by coding the individual as a "08" on ACCESS in the SNAP work registration code. The DSS-EA-345e must be completed and mailed to the customer, and the oral explanation is required to be completed at the next 6 month report or renewal, whichever comes first.

13162 WHEN THE CHANGE IS NOT REQUIRED TO BE REPORTED

Persons losing their exempt status due to a change in circumstances which does not have to be reported must register for work at their next renewal. Changes are not required to be reported if they are outside of the reporting requirements in section 13161.

Example: Jane was certified for SNAP from January through December. She is exempt because she has a dependent child under age 6. In March, the child turns 6 years old. Jane is not required to report that her child turned age 6 at any point in her current renewal period, including the 6 month report. She retains the exempt status through her entire renewal period but will be work registered at her next renewal.

13170 PROVIDER DETERMINATIONS

Provider determinations occur when DLR notifies DSS that a participant is not a good fit for participation in E&T. If a provider determination is needed, DLR will notify DSS within 10 days. Once DSS is notified of the provider determination, the DSS local office will work directly with the DSS Program Specialist for the next steps. For situations of good cause or potential exemptions, DLR will continue to refer these situations to DSS.

13180 PARTICIPANT REIMBURSEMENTS

DSS is required to provide participant reimbursements (also known as Support Services) to mandatory E&T participants as long as the reimbursements are directly related to and necessary for their participation. This can include but is not limited to clothing, tools, transportation costs, etc.

13181 EXEMPT IF SNAP E&T PARTICIPANT REIMBURSEMENT COSTS EXCEED CAPS (CODE 31)

If a mandatory SNAP E&T participant requires participant reimbursements that are over the caps that are established, the participant must be exempt from participation. This is done by coding the participant's work registration code as 31 (COST EXCEEDS LIMITS) on their member panel and updating the narrative.

The participant can self-attest that their needs exceed the reimbursement limits in place and no verification is needed. Prudent worker judgement can be used by the DLR ES or EABS on a case-by-case basis. If DSS determines the person should be exempt, code the customer 31

which will exempt them from referral to DLR for mandatory participation. If DLR discovers the customer's needs are more than the limits allow, they will notify DSS, and DSS will recode the mandatory participant to work registration code 31. The annual caps follow the state fiscal year timeframe, July through June.

The participant reimbursement limits are as follows:

Support Service ACCESS Code	Limits
CC – Dependent Care Costs	Going rate up to $1,000 after other resources have been explored and exhausted
CL – Work Clothing	Up to $250 Maximum
CS – Workfare Allowance	$25 each month the ABAWD completes workfare
JE – Job Related Education	Actual cost of fees and equipment rental up to $500 maximum
TO – Tools	Up to $250 maximum
TR – Transportation (including minor auto repairs)	Current state rate of $.42/mile, up to $350 maximum
OT – Other	Up to $250 maximum

13182 EXEMPT IF NO APPROPRIATE OR AVAILABLE SLOT

If DLR finds that there is no appropriate or available E&T program slot for a mandatory participant, the customer must be exempt from participation. DLR will communicate this finding with DSS and the EABS will code the customer 08, or other appropriate exemption code, and narrate.

13200 ABLE-BODIED ADULTS WITHOUT DEPENDENTS (ABAWD)

13210 DEFINITION OF ABAWD

A physically and mentally fit individual who is between the ages of 18 and 64 (age 65 exempt), who is not exempt from work registration, is not pregnant, or is not receiving SNAP benefits for a dependent child(ren) under age 14 may only receive SNAP benefits for 3 months in a 36-month period unless they are working at a place of employment at least an average of 80 hours a month or completing the required number of workfare (community service) hours at an approved site.

Working at a place of employment is defined as work in exchange for money, work in exchange for good or services (in kind work) at private or public employment, self-employment, Workforce Innovation and Opportunity Act (WIOA), or Trade Adjustment Assistance (TAA). If an individual reports he/she is already volunteering at a community organization, DLR should be contacted to explore the potential of setting up the site as a workfare site. If the community service site chooses not to become a workfare site, prudent worker judgement should be used to allow hours at the community organization. Verification is required for all situations.

Individuals may receive up to 3 additional months of SNAP benefits if they found employment (private or public, self-employment, WIOA, TAA or in-kind) of at least 80 hours in a 30-day period and then lost that employment or if they participated at a workfare site for their required number of hours in a 30-day period and lost the workfare job. The 3-month extension is only granted once

in a 36-month period. Once the extension has been granted, it will continue even if the individual otherwise becomes ineligible to participate.

If the household receives prorated benefits in the initial month of eligibility, that month does not count in the initial or extended 3-month period. If the household received suspended benefits, or zero benefits, the month does not count in the initial or extended 3-month period.

The 3-month time limit is specific to each individual. If an individual has received three months of benefits, and does not meet the exemption criteria for ABAWD, the individual is considered an excluded household member. If the excluded individual has received his or her time limits and is not meeting any exemptions, the individual is not eligible for benefits; however, the remaining household members may still be eligible. The ineligible ABAWD's resources are counted in their entirety. Income and allowable expenses attributable to the ABAWD are prorated with all household members.

All ABAWDs must have an oral explanation of the DSS-EA-345e given to them at initial application and each renewal. In addition, the applicant must receive a copy and a copy of the completed 345e must be scanned to section 3 of the case record.

13220 NON-WORK EXEMPTIONS - ABAWD

Exemption criteria are determined prospectively. The countable months are determined on a prospective basis in the same manner that prospective eligibility is determined. ACCESS automatically tracks the number of months an individual has received time limited benefits. The ABAWD history is located on an ABWD panel, which can be accessed from the MEMB panel or the PERS panel by entering ABWD in the command.

Prior to application approval, ABAWD time limit history should be reviewed for individuals meeting the ABAWD criteria to ensure the history is correct. If it is not correct, contact the Help Desk for assistance.

ACCESS ABAWD Exemption codes are:

- **A** – Refugee Job Link Program
- **C** – Workfare (community service)
- **E** – One of the 3 extension months
- **G** – Other Secondary Education Program (GED)
- **I** – Native American living in any county in South Dakota
- **J** – Employment hours over 79
- **P** – Pregnant
- **S** - Suspended month
- **W** – Work registration
- **X** – Prorated benefit month
- **Y** – Countable

If the ABWD panel is blank, the individual is not considered an ABAWD because he/she is not age 18 or is age 65 or older; the individual is receiving SNAP benefits with children under age 14; or the individual is coded permanently disabled (DISA panel with a "D").

13221 INDIVIDUALS UNDER AGE 18 OR OVER AGE 64 (ABAWD)

Individuals under age 18 or over age 64 (age 65 exempt) are exempt from ABAWD time limit restrictions.

A. Individuals turning 18:
The ABAWD time limit starts the month following the month the individual turned 18 unless the individual is otherwise exempt.

> **Example:** Jane turned 18 on August 2. She is not working or otherwise exempt. Her first month of the 3 months of benefits starts in September unless she meets other exemption criteria.

B. Individuals turning 65:
The ABAWD time limit stops the month the individual turns 65.

> **Example:** Jane turns 65 September 30. She is no longer considered an ABAWD for September benefits.

13222 NATIVE AMERICAN EXEMPTION

Individuals who are Native American who live **anywhere** in the state are exempt from ABAWD time limits. Federal Regulations define Native American as “Indians” or “Indian” and defines the exemptions as one of the following:

A. The term Indians or Indian, unless otherwise designated, means any person who is a member of an Indian tribe, as defined in subsection (d) (paragraphs (13) of section 4 of the Indian Health Care Improvement Act), such terms shall mean any individuals who
    1. irrespective of whether he or she lives on or near a reservation, is a member of a tribe, band, or other organized group of Indians, including those tribes, bands, or groups terminated since 1940 and those recognized now or in the future by the State in which they reside, or who is a descendant, in the first or second degree of any such member, or
    2. is an Eskimo or Aleut or other Alaska native, or
    3. is considered by the Secretary of the Interior to be an Indian for any purpose,
    4. is determined to be an Indian under regulations promulgated by the Secretary of Health and Human Services.

B. California Indian: Per U.S.C. 1679(a) ELIGIBILITY OF CALIFORNIA INDIANS. (a) IN GENERAL.—The following California Indians shall be eligible for health services provided by the Service:
    1. Any member of a federally recognized Indian tribe.
    2. Any descendant of an Indian who was residing in California on June 1, 1852, if such descendant—
        a. is a member of the Indian community served by a local program of the Indian Health Service; and
        b. is regarded as an Indian by the community in which such descendant lives.
    3. Any Indian who holds trust interests in public domain, national forest, or reservation allotments in California.
    4. Any Indian of California who is listed on the plans for distribution of the assets of rancherias and reservations located within the State of California under the Act of August 18, 1958 (72 Stat. 619), and any descendant of such an Indian.

C. The term “urban Indian” as defined in subsection 25 U.S.C. 1603(18) means any individual who resides in an urban center, as defined in subsection (g) hereof, 1 and who meets one or more of the four criteria in subsection (c)(1) through (4) of this section. An urban center is defined as any community which has a sufficient urban Indian population with unmet health needs to warrant assistance under subchapter IV of the IHICA, as determined by the Secretary of Health and Human Services.

Please follow verification policies and verifying questionable information when necessary.

13223 WORK REGISTRATION EXEMPT (ABAWD)

Individuals who meet work registration exemptions are exempt from ABAWD time limits for the period of time they remain exempt from work registration.

Work exemptions are:

A. The individual is a mandatory TANF WORK registrant; or
B. The individual is receiving or has applied for Reemployment Assistance (RA); or
C. The individual is a student at least half-time; or
D. The individual is caring for an incapacitated person in the household; or
E. The individual is a regular participant in a drug/alcohol treatment/rehabilitation program; or
F. Temporarily exempt due to mental or physical reasons; or
G. Refugee participating in a recognized refugee training program at least half time; or
H. Receive VA Disability benefits (regardless of the disability rating).

Once the individual no longer meets one of the exemption criteria listed above, the time limit clock will start the month following the month the exemption ends.

> **Example:** Jane was receiving UI benefits. She reports on her six-month report form that her UI will end June 30. Jane will no longer be exempt from work registration or ABAWD time limits effective July unless she meets other ABAWD exemption criteria.

13224 RESIDING WITH CHILDREN UNDER 14 YEARS OF AGE (ABAWD)

Individuals residing and receiving SNAP benefits in a household that includes dependent child(ren) under 14 years of age are exempt from ABAWD time limits. All adults in the household are considered responsible for the dependent child(ren) because all household members are responsible for the child’s care in some fashion (babysitting, discipline, education, training, meal purchase/preparation, cleaning up after the child, etc.).

> **Example:** John is residing with his girlfriend, Jane, and her child, Joseph. John and Jane purchase, prepare and consume their food together so receive SNAP benefits for a three-person household. John is exempt from ABAWD time limits because there is a child under 14 years of age receiving SNAP benefits with John. If John and Jane had separate SNAP cases, John would be considered an ABAWD unless he met one of the other ABAWD exemptions.

The adult does **not** have to be a parent of the child to be exempt under this provision. The individual and child(ren) must be in the same SNAP household and receive SNAP benefits

together for the individual to receive this exemption. Adults are exempt from time limits if the child is not receiving SNAP benefits with them because the child is excluded from receiving benefits.

> **Example:** Regina is receiving SNAP for her 3 grandchildren. The mother of the children, Emily, moves into Regina's household in the middle of the month and wants to receive SNAP on her own case. Emily has used all of her ABAWD months but in this instance since the children cannot be removed from Regina's case, Emily would not be considered an ABAWD. The children cannot be removed from Regina's case so they would be considered "excluded" from receiving benefits with Emily for the month she moved in. Once the children can be removed, they should be added to Emily's case.

The child could be excluded/disqualified for numerous reasons like alien status, failure to provide SSN, etc. If the only child in the home turns 14 years of age, the time limits will start for any non-exempt individual the month following the month the child turned 14 years of age.

> **Example:** Joseph turns 14 years of age on July 17. August will be considered an ABAWD countable month for John and Jane. ABAWD time limits are determined on an individual basis so each person would have to be determined exempt or not exempt.

13225 MENTALLY OR PHYSICALLY UNFIT (ABAWD)

Individuals who are physically or mentally unfit for employment are exempt from ABAWD time limits. If a mental or physical disability is claimed and the disability is not evident to the Specialist, proof is required. Evidence of temporary or permanent disability from governmental or private sources, such as Social Security and SSI, or a statement from a physician or licensed or certified psychologist, are acceptable proof. Prudent worker judgement, with Supervisory consultation, if needed, will make the incapacity determination. The DICT team should not be involved in this decision. If an individual has applied for permanent disability from governmental or private sources, the application may be considered acceptable proof until the application is processed (denied, approved, etc.).

13226 PREGNANCY (ABAWD)

Pregnant individuals are exempt from ABAWD time limits regardless of which trimester of pregnancy they are in. If the pregnancy is not evident to the Specialist, verification must be provided.

13227 EDUCATION (ABAWD)

Individuals who are enrolled at least half-time in any recognized school, training program or institution of higher education are exempt from ABAWD time limits for the period of time they are participating in the academic program.

13230 WORK EXEMPTIONS (ABAWD)

Individuals who do not meet any of the exemption criteria identified in the 13220 series may receive a work exemption from time limits for each month they are employed at least 80 hours a month times federal minimum wage or completing workfare (community service) for the required number of hours.

13231 EMPLOYMENT (ABAWD)

Individuals who work at a job, self-employment, in-kind employment, Trade Adjustment Assistance Program (TAA), or Workforce Innovation and Opportunity Act (WIOA)Program, an average of 80 hours a month times federal minimum wage, are excluded from time limits for each month the hours of employment average 80 hours or more. An individual can also complete unpaid work or volunteer work an average of 80 hours a month to become exempt. If an individual reports he/she is already volunteering at a community organization, DLR should be contacted to explore the potential of setting up the site as a workfare site. If the community organization chooses not to become a workfare site, prudent worker judgement should be used to allow hours at the community organization. Verification is required for all situations.

Unpaid work or **volunteer work** refers to performing tasks or services **without receiving wages**, to support a business, organization, or cause.

To count toward SNAP work requirements, this work must:

- Be **ongoing or scheduled regularly**, not a one-time activity.
- Be **verifiable** — meaning the EABS can confirm your hours and duties.
- If it is an organization, the work performed must be for a **public or nonprofit organization** (like schools, food banks, churches, or city agencies).

Example: John worked for 40 hours a week June 2-6 and June 9-13. He was then laid off. John is exempt from ABAWD time limits for June because he averaged 20 hours a week for the month of June. However, in order for John to remain exempt, he would need to meet one of the other ABAWD exemptions.

Example: Jane was hired for a job through WIOA and anticipates working for 20 hours a week for the month of July. If verification confirms the 20 hours per week for the entire month, the month of July would not be counted in the ABAWD time limit calculation.

If an individual is self-employed, and the income is not enough to establish the work performed meets the 80 hours a month times federal minimum wage, the Specialist must establish (with the customer's cooperation) that the amount of income shows gainful employment.

Individuals engaged in hobbies, volunteer work (not at an approve work site), or any similar activity cannot be considered gainfully employed because of the small amount of money received from these activities. DSS does not consider these activities as gainful employment, regardless of the amount of time they spend in the activity. This applies to individuals who are employed or self-employed.

The work exemption is determined prospectively; therefore, individuals who start employment may be exempt from ABAWD time limits if they can reasonably anticipate employment of at least 80 hours a month, the following month for on-going cases, or the month of application for new applicants. Prudent worker judgment should be used in this situation. If the individual provides verification of the employment start date, number of hours of employment is at least an average of 80 hours a month, and the information is not questionable, the individual may prospectively be considered exempt from the ABAWD time limits for that month.

If the individual was correctly determined eligible prospectively, and later in the month the job hours decreased below 80 hours a month, through no fault of the individual, the month will remain exempt from the ABAWD time limit. However, if the information was reported incorrectly or the individual caused the decreased hours, a claim needs to be completed, and the month will continue to count until the month's benefits have been repaid. SNAP program staff will track repayment of the benefits and notify staff when the month no longer counts. In order for SNAP program staff to monitor ABAWD repayment, a copy of the Overpayment Report, DSS-EA-894, must be sent to SNAP program staff at the same time the original document is sent to ORFI.

Example: On July 15, Jane reported and verified that she was to start employment on July 29 for 20 hours a week. Jane was prospectively determined eligible for August and August was not a countable ABAWD month. Jane was laid off August 15. August remains a non-countable month because the prospective information was correct at the time it was reported.

13232 WORKFARE FOR ABAWDS

Individuals are excluded from ABAWD time limits if they work at a workfare (community service) site for the required number of hours. The required number of hours is determined by the SNAP allotment divided by federal or state minimum wage (whichever is higher). If there is more than one person in the household completing workfare, the allotment is divided by the number of individuals completing workfare (CSRV code "F") and prorated. If an individual reports he/she is already volunteering at a community organization, Department of Labor and Regulation (DLR) staff should be contacted to explore the potential of setting up the site as a workfare site. If the site chooses not to participate in the workfare program, contact SNAP Program staff for guidance. DLR staff may also require the individual to complete job search as part of his/her workfare hours.

Example 1: John's October SNAP benefit is prospected at $160.00. He must work at a workfare site for 14 hours (160 divided by $10.80 = 14.81, rounded down) in October.
Example 2: John and Jane's allotment is $225 for October. John and Jane have each located a workfare site. John and Jane must each complete 10 hours because $225 by 2 workfare members = $112.5 divided by minimum wage of $10.80 = 10.41.

The workfare exemption is determined prospectively; therefore, individuals who start at a workfare site may be exempt from ABAWD time limits if they can reasonably anticipate working their required number of hours during the prospective month. Prudent worker judgment is a factor. If verification of the workfare start date, number of scheduled hours is equal to their allotment divided by federal or state minimum wage (whichever is higher), and the individual's participation is not questionable, the individual may prospectively be considered exempt from the ABAWD time limits for that month. If the individual has a past history of failing to participate or not working the required number of hours, approval may be withheld until the required workfare hours are completed. Once a history has been established of cooperation, benefits should be paid timely because prospective workfare eligibility should be considered reasonable.

If the individual was correctly determined eligible prospectively, and later in the month the individual did not complete all of the workfare hours required because of the workfare site or the individual had good cause, the month will remain exempt from the ABAWD time limit. If the workfare hours were not met and the individual did not have good cause, the month becomes a countable month and the ABAWD clock needs to be updated (contact the DSS Help Desk to update). If the individual has used their three ABAWD months, a claim will need to be completed,

and the month will continue to count until the month's benefits have been repaid. SNAP program staff will track repayment of ABAWD benefits and notify staff when the month no longer counts. In order for SNAP program staff to monitor ABAWD repayment, a copy of the DSS-EA-894, must be sent to SNAP Program staff at the same time the original document is sent to ORFI.

Example: On September 15, Jane reported and verified that she was to start employment at a workfare site on October 1 with the required Workfare hours of 23 scheduled for October. On October 15, Jane became ill and entered the hospital. The doctor would not release Jane for work until November. October remains an exempt month from ABAWD time limits even though Jane only worked 15 hours because she had good cause for failing to complete the required hours. Prospective eligibility was correctly determined because her illness could not be reasonably anticipated. If Jane had not become sick and refused to work the remaining 7 hours in October, the month would become countable, and a claim established for October benefits if she had already used her 3 months of ABAWD.

Department of Labor and Regulation (DLR) staff will develop the workfare site, complete the workfare site agreement, explain the time sheets, and enter the hours of participation for all non-exempt ABAWDS regardless of where the individual resides. DLR may also require the individual to complete supervised job search, or another component, as part of the workfare hours. If DLR requires supervised job search, along with workfare, DLR will continue to monitor attendance (time sheets) and job search requirements (job search contact form). If DLR does not require job search activities, it will be a mutual decision between DLR and DSS on who will monitor attendance at the worksite. In all instances, DLR must update the hours of participation.

Individuals who work at an approved workfare site may receive a $25 per month reimbursement payment. DSS staff must enter an "F" in the CSRV field on the member panel on ACCESS to generate the $25 payment. The "F" code should be entered whenever an individual works at least one hour at an approved workfare site. The "F" code automatically generates the $25 payment to be loaded onto the Electronic Payment Card (EPC). After the initial payment, the $25 payment is made around the 10th of the month.

If an individual starts the approved workfare site but does not work the required number of hours, they are still entitled to the $25 reimbursement check for that month but are not entitled to the ABAWD exemption. To remove the ABAWD workfare exemption, Specialists must update the MEMS panel, ABWD COOP field to "N". Remember to change the "F" on the CSRV code to an "N" the following month.

If an individual is in the Refugee Job Link Program or Tribal Work Experience Program (TWEP), they meet the workfare exemption. Both programs require the individual to participate in their programs for 40 hours per week; therefore, they have met their required number of hours. Each program is responsible for monitoring attendance and reimbursing the individual for expenses. DSS only needs to verify the individual is a participant of the program to consider the exemption being met. The individual must be notified to report when and if their participation in Job Links or TWEP is terminated.

13240 TIME LIMITS (ABAWD)

Benefits Specialist should utilize all available information to verify an individual's exemption status before requiring an individual to provide sources of verification for their exemption status. Individuals who do not meet any of the exemptions for ABAWD are restricted to 3 months of SNAP benefits in a 36-month period with the possibility of one 3-month extension being granted.

If an individual is exempt, and the reason they are exempt from ABAWD changes, and it is not a reportable change, the individual remains exempt until the next 6 month report or renewal, whichever is first.

Example: Sally is exempt as an ABAWD because she is pregnant. The pregnancy terminated prior to the birth of the baby. Sally is not required to report the pregnancy terminated until her 6 month report or renewal is due, whichever is first.

If an individual loses their ABAWD exemption status, Benefits Specialist must review the case for any other exemptions prior to counting any ABAWD month.

Example: Marilyn was coded as exempt as an ABAWD at application because she was working part time at least 80 hours/month. Marilyn now reports in an interim month; she has lost her job. The Benefits Specialist must review with Marilyn any other criteria that may continue to make her exempt from ABAWD months counting. The Benefits Specialists discovers while talking to Marilyn that she previously did not report that she was Native American. The Race code on her member panel is updated, and she will continue to be exempt from countable ABAWD months.

If a case was closed due to ABAWD and reports prior to the end of the month of closure that they may now meet an exemption, the case cannot be reinstated, rather it would be a new application from the date the household reported the change.

Example: Susan is age 59, she applied for SNAP in May but does not have any exemptions for ABAWD. Susan receives SNAP June, July, and August. On September 1st her cases closed due to exhausting her available ABAWD months. September 27th, Susan reports she started working 40 hours a week at Dollar General at $15.00 per hour in late August. She is not eligible for reinstatement for September because she did not report timely. Since she did not report this prior to September 1st, Susan must reapply for SNAP.

ACCESS is programmed to track ABAWD time limits; however, ACCESS can only track the individual's time limits if the information is encoded correctly. Specialists must also screen for time limited eligibility to ensure ACCESS ABAWD history is correct. If the ACCESS ABAWD history panel is incorrect, the ACCESS help desk must be contacted to correct the information

If a household reports a customer having a change during a previously counted ABAWD month with proof of at least 80 hours in that month the Specialist would adjust the person's countable months retrospectively to correct the ABAWD history. ACCESS help desk must be contacted to correct the information.

13241 36 MONTH PERIOD (ABAWD)

The 36-month period is established on a "fixed clock" and is used for all individuals. Each 36-month period is identified and will be unchanged regardless of when an individual applies or receives benefits. Non-exempt individuals may only receive 3 months of initial benefits for non-exempt months and one 3-month extension in each 36-month period. Eligible individuals may receive unlimited benefits if they meet exemption criteria.

Each ABAWD period begins in December and goes for 36 months. After each 36-month period, individuals start with a “clean clock”.

> **Example:** Jane applied for benefits 02-01-21. She is non-exempt and received benefits for February, March, and April. If she remains non-exempt for the remainder of May 2021 through November 2023, she will not qualify for benefits until December 2023 when the new 36-month period starts. [Jane may receive benefits if she applies after she becomes exempt or becomes eligible for a 3-month extension period.]

13242 INITIAL 3 MONTH BENEFIT PERIOD (ABAWD)

The first 3 months in a 36-month period in which the individual is not exempt, not meeting the work requirements, not receiving prorated, suspended, or zero benefits, or not sanctioned/disqualified is the initial 3-month period. The 3 months does not have to be consecutive, and all 3 months must be used in the 36-month period before the individual can be denied eligibility under this provision.

The individual must receive SNAP benefits for the month to count for each initial 3-month benefit period. An individual may receive an initial 3-month benefit period in every 36-month time period.

13243 EXTENDED 3 MONTH BENEFIT PERIOD (ABAWD)

Once an individual has received their initial 3 months benefits, extended benefits may be granted for a 3-month period **if** the individual worked 80 hours a month in a 30-day period at a place of employment or met their required workfare hours in a 30-day period. The 3-month extension cannot be granted in that month if the individual will be sanctioned and not receive any benefits. Sanctions could be imposed for voluntary quit. If it is determined the individual cannot be sanctioned due to time frames or terminating a workfare job, the 3 month extended benefits should be granted if the individual worked at least 80 hours in a 30-day period. If the individual receives prorated benefits the first month, the month is not counted in the 3-month extension.

A. The extended 3 months will only be approved after an individual has been denied eligibility or would have been denied eligibility if they didn’t meet one of the work requirements. The 3-month extension may be approved once in a 36-month period after an individual has met and lost one of the work requirements and is eligible for benefits.

B. A 30-day period means any 30 consecutive days. It does not have to be a calendar month it may be a combination of 2 months. The employment rule of at least 80 hours in a 30-day period means the individual must have worked 80 hours in any 30 consecutive day period before eligibility may be reestablished.

C. The 3 months for the extension run consecutively. Once the 3-month extension is granted, the individual is considered to have received the extension and is not eligible for another extension until the 36-month time period starts over. Even if the individual is disqualified for any reason, suspended, or approved for zero benefits, the 3-month extension counts, and the individual is not eligible again until the ABAWD exemptions are met, or the 36-month count starts over.

Example 1: Jane received her initial 3 months of benefits in April, May, and June. She found employment of 20 hours a week June 15 and verified 80 hours. Jane is exempt from ABAWD time limits for July because of her employment. Jane was laid off August 15th. When Jane reapplies, she is eligible for the 3-month extension because she worked 80 hours in a 30-day period since she received her initial 3 months.

Example 2: John received benefits January - March. He was not exempt from ABAWD time limits so received his initial 3 months during that time frame. He found employment in March and was ineligible for April based on prospective income. He quit his job on July 15 and applied for assistance. John did not have good cause for job quit and received the voluntary quit penalty. His job did not make him eligible for the 3-month extension because the voluntary quit penalty applied. If John would have applied for benefits September 30, he would have qualified for the 3-month extension because voluntary quit penalties could not be applied (quit was over 60 days from application date) and he had earned 80 hours of employment in a 30-day period after he received his initial 3 months of benefits.

Example 3: Jackie received benefits October and November. She was not exempt from ABAWD time limits so received 2 months of her initial 3 months. She started workfare December 1 and continuously worked at the workfare site for her required number of hours for December - March. The workfare site no longer needed Jackie's assistance effective March 15. December - March did not count as ABAWD months because Jackie met the workfare exemption. Jackie is eligible for April benefits because April is her third initial ABAWD month. Jackie would not be eligible for benefits for May forward unless she became exempt from ABAWD or met one of the work exemptions. She was not granted the 3-month extension for May because she had to meet the work requirements after receiving her three initial three months.

13244 PAST BENEFIT HISTORY (ABAWD)

If an applicant hasn't received SNAP in South Dakota since the newest ABAWD clock started, we are not required to determine if they have received any time limited benefits in another state UNLESS we become aware of potential benefit history in another state. We may become aware of the benefit history through applicant's report (on the 301) or during the interview process. If so, we must verify with the previous state the benefit history to determine if the applicant is eligible in South Dakota. Documentation of prior out-of-state benefit history is mandatory for these situations. If an individual has out-of-state countable ABAWD months, ACCESS help desk must be notified to add those months to the ABWD history panel.

Example: Fred applied for South Dakota SNAP on 02/15/21. Fred stated he previously received benefits in North Dakota. When the Specialist contacts ND, they stated Fred received benefits in October, November and December 2020. The Benefits Specialist should request that the ACCESS help desk update the ABAWD clock for December 2020. October and November would not count in South Dakota since the new ABAWD clock started over in December 2020.

13245 UNUSED BENEFITS (ABAWD)

If an ABAWD, who received countable months benefits, fails to use all or any part of these benefits prior to expungement; they are not entitled to receive additional ABAWD months due to non-use of benefits. Their ABAWD clock cannot be updated to show non-countable months

whether the non-use is by choice, mistake, carelessness, incarceration, etc. The ABAWD months will continue to count towards the 36 month time clock.

13300 FAILURE TO COMPLY WITH WORK REGISTRATION REGULATIONS

Individuals are required to comply with work registration regulations. Unless good cause is granted, individuals may not:

1. Refuse or fail to register for employment
2. Refuse to accept an offer of employment:
    a.) The employment site must not be subject to strike or lockout;
    b.) The offer of employment must be:

        1. Applicable federal or state minimum wage; or
        2. 80% of the applicable federal minimum wage if neither the federal or state minimum wage are applicable; or
        3. It is on piece rate basis and the average hourly yield the individual can reasonably expect to earn is less than the applicable hourly wage specified under a or b).
3. Refuse to provide sufficient information to allow a determination of the individual's employment availability.
    a.) Failure or refusal to provide information relating to the household's eligibility or benefit determination would result in rejection of the application or termination of benefits following adverse action time frames. If the failure to provide information is about employment history or wage amount/receipt (date job started/stopped; reason for termination, etc.), the household will be ineligible because of non-cooperation. However, if the individual refuses or fails to submit information to determine exemption criteria such as a doctor's name to verify incapacity, the individual would be sanctioned.
    b.) The deciding factor in determining which penalty is appropriate (case closure or individual sanction) is whether or not eligibility/benefit level may be determined without the information provided. If eligibility/benefit level cannot be determined, the case is denied or terminated for non-cooperation. If eligibility/benefit level can be determined without the information, the individual is sanctioned.
4. Voluntarily quit the most recent job without good cause.
    a.) The employment involved 30 hours or more per week or provided weekly earnings equivalent to the federal minimum wage multiplied by 30 hours; and
    b.) The quit occurred within 60 days prior to the date of application or within 30 days of the Renewal or 6 month report or if DLR reported the quit to the Benefits Specialist; and
    c.) The quit was without good cause; and
    d.) The individual was required to work register or was exempt from work registration because of the job he/she quit.
5. Voluntarily reduced hours of employment without good cause.
    a.) The employment involved 30 hours or more per week; and
    b.) The hours were reduced below 120 hours a month (30 hours a week); and
    c.) The reduction of hours occurred within 60 days prior to the date of application or within 30 days of the renewal or 6 month report or if DLR reported the reduction in hours to the Benefits Specialist; and
    d.) The reduction of hours was without good cause; and
    e.) The individual was required to work register or was exempt from work registration because of the employment for which he/she reduced hours.

For applicants who are unemployed at the time of application (employed less than 30 hours per week or receiving less than weekly wages equal to federal minimum wage times 30 hours) or have reported a reduction of employment hours (reduction below 120 hours a month) within the 60 days prior to the application date, or within 30 days of the 6 month report, Benefits Specialists must determine if there was a voluntary quit/reduction of hours based on the above criteria. If the Specialist learns a household has lost a source of income or reduction of employment hours after the date of application but before the household is approved for benefits, the benefits specialists must determine if a voluntary quit/reduction of hours occurred.

In the case of participating households, Specialists must determine if a member voluntarily quit or reduced his/her hours while participating when there is a loss or reduction of a source of earned income. Also, if someone enters a participating household and the individual is unemployed, benefits specialists must determine if the individual quit employment without good cause within the prior 60 days.

Persons on strike are not considered to have quit or reduced hours of employment. However, an employee of the Federal Government or of a State or local government who participates in a strike against such government and is dismissed from his or her employment because of participation in the strike, these individuals will be considered to have voluntarily quit without good cause.

Under some circumstances, a person who loses his/her job or has a reduction in hours can be considered to have voluntarily quit/reduced hours even though technically the person was fired or the employer reduced the hours. The basic rule of thumb to determine if the termination/reduction is not considered a voluntary quit/reduction is if the reason for the termination/reduction was beyond the employee's control. If the reason is within the employee's control, the voluntary quit/reduction of hours penalty should be applied.

> **Example:** An individual had been warned numerous times about smoking on the job, the employee continues smoking on the job and is fired when the employer catches him. This person had been warned by the employer, and continued the behavior after the warning, so the employee is considered to have voluntarily quit employment.

A person is also considered to have voluntarily quit if the person simply leaves the job unannounced or does not return to work. If the person says the absence was because of illness or similar good cause reasons, even if he does not report this to the employer and was fired, the person did not voluntarily quit, therefore, no work registration sanction may be applied. Prudent worker judgment is necessary to determine if a sanction for quit/reduction of hours should be imposed.

In addition, there are certain situations or changes in employment status that will not be considered a voluntary quit.

1. If a change in employment status results from the employer reducing hours of employment through no fault of the employee, no penalty would be imposed;
2. Terminating a self-employment enterprise;
3. Resigning from a job at the demand of the employer if the employee did not cause the employer to request his/her resignation; or
4. Quitting a job to take a new job with 30 or more hours a week of employment or employment paying at least the Federal minimum wage equivalent of 30 hours a week) and is then laid off or loses the new job through no fault of their own, the initial quit is not considered voluntary.

If an individual quits or reduces hours in a training program, voluntary quit provisions do not apply, however, failure to comply with work provision requirements could be applied if there is no good cause for quitting or reducing training hours. This would apply to the following training programs:

1. Summer Youth Payments
2. On-the-job WIOA for migrant and seasonal farm workers, Native Americans, dislocated workers, Job Corps, affirmative action programs, labor market information programs, and veterans' employment programs
3. Work experience WIOA
4. Training experience WIOA
5. AmeriCorps and Youthbuild Program

13310 PENALTIES FOR NON-COMPLIANCE

Non-exempt individuals who do not comply with work registration regulations are not eligible to receive SNAP benefits. If the individual is sanctioned, he/she is considered an excluded household member. If an individual becomes exempt from work registration, his/her sanction will terminate, and eligibility may once again be established for that individual. Work registration sanctions must be imposed with 10-day adverse action notice if a household member fails work registration requirements during the household's certification period. The time frame for all work registration sanctions statewide are:

A. **ONE month** for the first occurrence:
B. **SIX month**s for the second occurrence; and
C. **TWELVE months** for the third and subsequent occurrences.

The household is entitled to a notice of adverse action and may appeal through the fair hearing process. The disqualification period will begin the first month following the expiration of the adverse action period unless the household complies or requests a fair hearing. A disqualification may be imposed after the end of a certification period thus a notice of adverse action (NCOM notice, for example) must be sent whenever the Specialist becomes aware of an individual's non-compliance during a month they participated in SNAP. The disqualification period may begin after the certification period expires even if the household has not renewed their benefits. If the household reapplies during the disqualification period, the sanction continues until the end of the time period unless the individual is exempt from work registration requirements.

13311 EXAMPLES - PENALTY PERIODS

The following examples explain how to decide when the penalty period begins and ends. Individuals are removed from benefits the month following the expiration of the adverse action time period. Individuals are added to the household the month following the month the sanction ends, or the individual becomes exempt from work registration.

> **Example:** On March 15, the benefits specialist receives verification from a wage verification form, that a non-exempt recipient voluntarily quit employment. After discussion with the recipient, the benefits specialist determined good cause did not exist. The MEMS panel must be updated by 10 day adverse action time frames, which is March 20, with a "30" code. The penalty period begins April 1 and continues until expired, or the individual becomes exempt from work registration.

Notice of sanction may be sent using SPEC C NCOM for situations in which the case is closed or when ACCESS will not allow the Specialist to update the MEMS panel (usually when the sanction must be imposed the month following the month of receipt due to the 10 day adverse action time frames). The NCOM notice allows the Specialist to easily send a 10 day adverse action notice as

soon as the notice to sanction is received. Households are also notified of the sanction when the MEMS panel is updated, and when eligibility results are approved if a household member has been disqualified.

When the Specialist updates the MEMS panel with a “28” or “30” sanction code, an automated notice is sent to the household the following day. It is important that the MEMS panel is updated 10 days prior to the end of the month to meet 10 day adverse action notices.

13400 GOOD CAUSE FOR VOLUNTARILY QUITTING OR REDUCING HOURS OF EMPLOYMENT

Refer to Appendix 7 – Procedures for SNAP E&T Good Cause Process

If the individual has good cause for reduction of employment hours or voluntarily quitting employment, no penalty will be imposed. DSS staff are responsible for determining good cause for individuals who have voluntarily quit a job or reduced their employment hours. This decision is not made by DLR staff.

A decision that good cause exists must involve all the facts and circumstances of the situation including those given by the household member and the employer. Good cause includes circumstances beyond the registrant's control. Examples are illness, illness of another household member serious enough to require the member's presence, no transportation available, or a household emergency. Good cause may also be granted if the individual left employment because they lacked adequate childcare for children under age twelve. Problems caused by the customer's inability to speak or write English could also constitute good cause.
Good cause also includes leaving a job for the following reasons:

A. Discrimination by the employer based on age, race, sex, color, handicap, religious belief, national origin, or political beliefs.
B. Work conditions or demands that make continued employment unreasonable such as working without being paid on time.
C. Acceptance of employment (at least 30 hours a week or 30 hours multiplied by federal minimum wage) equal to the salary, or hours of the job terminated that was the reason for the quit.
D. Acceptance by any other household member of employment of at least 30 hours a week, or the equivalent of 30 hours a week multiplied by the federal minimum wage that requires the individual to leave employment because the employment was located in another county or similar political subdivision which required the household to move.
E. Enrollment by the individual of at least half-time in any recognized school, training program, or institution of higher education that requires the individual to leave employment.
F. Enrollment by any other household member at least half-time in any recognized school, training program, institution of higher education in another county or similar political subdivision which requires the household to move and, thus, requires termination of employment.
G. Resignation by persons under age 60 recognized by the employer as retirement.
H. Leaving one job to take another job involving at least 30 hours a week or weekly earnings equivalent to 30 hours a week at federal minimum wage. Good cause is still granted if the job later does not materialize or results in employment of less than 30 hours a week or weekly earnings of less than the federal minimum wage multiplied by 30 hours as long as the change in job circumstances was beyond the control of the individual.
I. Leaving a job in connection with patterns of employment in which Specialists frequently move from one employer to another. For example, to find work, migrant farm workers or construction workers frequently move from one employer to another.

J. Employment which becomes unsuitable after the acceptance of employment such as:
    1. The wages offered are less than the highest of:
        a) The applicable federal minimum wage;
        b) The applicable state minimum wage;
        c) Eighty percent of the federal minimum wage if neither the federal nor the state minimum wage are applicable.
    2. It is on a piece-rate basis, and the average hourly yield the employee can reasonably expect to earn is less than the applicable hourly wage specified in 1.)
    3. The household member, as a condition of employment or continuing employment, must join, resign from, or not join a legitimate labor organization.
    4. The work offered is at a place subject to a strike or lock-out at the time of the offer unless:
        a) The strike has been enjoined under Section 208 of the Labor-Management Relations Act (29 USC. 178-Taft Hartley Act), or
        b) An injunction has been issued under Section 10 of the Railway Labor Act (45 USC. 160).
    5. The degree of risk to health and safety is unreasonable.
    6. The registrant is physically or mentally unfit to do the job, as documented by medical evidence or by other reliable information.
    7. The distance from the registrant's home to the job is unreasonable considering the expected wage and the time and cost of commuting. Employment is unsuitable if the daily commuting time exceeds two hours a day, not including taking a child to and from a childcare facility. Employment also is unsuitable if the distance to the job prohibits walking, and public and private transportation are not available to take the registrant to work.
    8. The working hours or nature of the employment interferes with the member's religious observations, convictions, or beliefs. For example, a Seventh Day Adventist could refuse to work on Saturday.

There may be some circumstances when households apply for SNAP between jobs, particularly in cases when work may not yet be available at the new location. Even though employment at the new location has not actually begun, DSS considers quitting the job to be for good cause if this is part of the pattern of that type of employment.

13410 VERIFICATION OF GOOD CAUSE

To the extent the information given by the household is questionable; Specialists will request verification of the household's statements. If it is difficult for the household to obtain documentary evidence or suggest the names of reliable collateral contacts in a timely manner, then the Specialist will offer assistance. However, primary responsibility for verifying good cause rests with the household. DSS-EA-324, Wage Verification form, may be utilized by the benefits specialist to verify reason for termination.

13420 VERIFICATION OF GOOD CAUSE FOR NON-PARTICIPATION OF A MANDATORY SNAP E&T PARTICIPANT

If a mandatory participant fails to participate with SNAP E&T requirements, DSS must establish if there is good cause. If there’s no good cause, or the customer cannot be reached, a sanction will be placed with 10-day notice after review from the DSS Program Specialist. If good cause exists, refer the customer to DLR to start/resume participation.

13500 TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF) WORK REGISTRANTS WHO FAIL TO COMPLY WITH WORK REQUIREMENTS

TANF and Tribal TANF recipients sanctioned under the TANF WORK Program for failure to comply will have the disqualification carryover into SNAP. The individual is disqualified under the carryover provisions.
The carryover sanction will be basically the same as the TANF/Tribal TANF sanction. If the sanction is a grant reduction, SNAP will budget the TANF grant amount prior to the reduction (this covers prorated, 50%, and $50 grant reductions) in the corresponding SNAP budget month. If the sanction removes the individual from TANF/Tribal TANF, SNAP will remove the individual from the SNAP household count and his/her resource, income, and allowed expenses will continue to count towards the household's eligibility and benefit level.

TANF carryover disqualification only applies to TANF/Tribal TANF recipients, not applicants. The individual must have been on SNAP at the time the TANF/Tribal TANF disqualification occurred. When the TANF/Tribal TANF case is terminated for a time-controlled period, the individual causing the TANF disqualification is removed from the SNAP household count. **The SNAP disqualification runs concurrent to the TANF disqualification.** Their resources, income, and allowable expenses continue to count for SNAP during the disqualification period. The disqualification period is based on whether the individual was

- Disqualified for TANF/Tribal TANF for 100% sanction (1 month),
- Disqualified for TANF/Tribal TANF for voluntary quit (3 months) unless the individual is
    - Determined ineligible for TANF for another reason
    - Added to the TANF case

Example: Jane's TANF case is closed for July through September for voluntary quit. Jane was on SNAP at the time she quit but was exempt from SNAP work registration requirements because of her TANF WORK participation. Jane is removed from SNAP for July through September and her income, resources, and allowable expenses continue to count in the SNAP budget. In August, Jane secures new employment that would make her ineligible for TANF but eligible for SNAP. When Jane reports the new job, she is added back into the SNAP household for September because she is no longer eligible for TANF for reasons other than the quit.

13600 APPEAL

Through the DSS Fair Hearing process, each household has a right to appeal, a denial, reduction, or termination of benefits due to a work registration determination. The household can also appeal DLR's actions if there are areas of dispute.

If a fair hearing is requested within 10 days, the household's benefits must be continued on the basis authorized immediately prior to the notice of adverse action, unless continuation of benefits is specifically waived.

When the household received continued benefits in disputing a sanction and the hearings examiner rules in favor of the Department, the sanction period is imposed the first month following the decision is rendered. An overpayment is not filed for the month of continued benefits.

CHAPTER FOURTEEN: REPORTING REQUIREMENTS

14000 REPORTING REQUIREMENTS

When a change occurs, which affects a household's eligibility or benefit amount, action must be taken. Customer and agency responsibilities are outlined below.

14100 CHANGES

The customer must report all changes related to his/her SNAP eligibility and benefits on the application, renewal, and six month report. The customer must report any changes that occurred between filing the application/renewal form and the interview. If the household reports a change after the interview but prior to approval, the Benefits Specialist will act on this change. Households are not required to report changes after the interview.

After approval, households are required to report the following information:

1. If the household's income exceeds the maximum gross income for the household's size.

2. If an able-bodied adult without dependent children (ABAWD) stops or reduces employment to below 20 hours a week.

3. If any household member receives lottery or gambling winnings of $4,750 or more. It must be reported within 10 days of receipt.

In addition to these reporting requirements, some households may be required to complete a six month report form. All households are required to complete a renewal once every 12 months.

14110 GROSS INCOME IS OVER THE MAXIMUM ALLOWED FOR THE HOUSEHOLD'S SIZE

As mentioned above, the customer is required to report if the household's actual gross income exceeds the gross income limit for their household's size, after any legally obligated child support payments are excluded.

A. Actual gross income is income actually received that month, not the converted or averaged income.
   1. **Exception:** Actual self-employment income is the annualized or average amount after the income has been reduced by allowable deductions.
   2. The customer is required to report whenever actual income received in the month is over the maximum, even if they received five pay stubs (paid weekly). EABS will calculate the income to determine if the household is actually ineligible.

B. Actual income is required to be reported at application, renewal, and six month report. For interim months, the customer must report by the 10th of the month following the month the gross income exceeded the allowable amount.
   1. Households whose budgeted income is over the maximum gross income (categorically eligible) for their household size are not required to report any changes until the next six month report form or renewal. The ACCESS notice does not contain the maximum income reporting statement for these households.

C. The household size used in the gross income calculation is the budgeted household size.
   1. If during an interim month, an additional person moves in the household, that person does not have to be reported until the next report form or renewal. But if that person's income makes the household's income in excess of the maximum limit for the household size they were approved for, the customer must report the income by the 10th of the month following the month the household income is over the maximum allowed. At the time of report, the EABS will also gather information about the additional household member and proceed accordingly.
   2. If the household remains ineligible after adding the additional household member, use either the HHSZ or MAXS primary source code and close the case following 10 adverse action or adequate notice requirements, whichever is appropriate.
   3. If the household remains eligible after adding the additional household member (under the maximum income), use the HHSZ primary source code to make the changes.

D. When the EABS has verification and/or documented how it was verified that the household income is over the maximum, the case must be closed. Enter a MAXS code in the source field on the income panels on ACCESS when entering income that exceeds the household gross limit. If MAXS (or another primary source code) is not entered, ACCESS will create unknown eligibility results with the reminder "Income test failed without a primary source" on the 4th screen. This alerts the EABS that MAXS needs to be entered on an income panel.

> **Example 1**: Jane's renewal period is January – December. On July 8th, Jane started a new job and is paid $1,700 every other Friday. Her first check is July 22 and will be the only check she receives in July. In August, she will receive 2 checks total $3,400, which is over the maximum. She will need to report this income by September 10, which closes her case for October.
>
> **Example 2:** Jack's renewal period is January – December. Jack received five checks in April and the total of the five checks is over the maximum allowed. He must report the income by May 10th. The EABS disregards the fifth check which then makes the countable income under the Jack's maximum gross income limit. Jack remains eligible.

14120 CHANGING FROM A NON-REPORTING HOUSEHOLD TO A SIX MONTH REPORTING HOUSEHOLD

If the household reports a change that requires the household to become a six month reporting household, the Benefits Specialist will inform the household that they will be required to complete a six month report form in the 6th month of their renewal period. If the six month has passed, the Specialist will go over the six month report form at the renewal.

14130 FAILURE TO REPORT CHANGES

If DSS discovers that the household failed to report a change as required and as a result, received benefits to which it was not entitled, a claim must be filed against the household. If the discovery is made within the certification period, the household is entitled to a notice of adverse action if its benefits are reduced or terminated.

A household will not be held liable for a claim because of a change in household circumstances which it is not required to be reported.

Individuals cannot be disqualified for failing to report a change unless the individual is disqualified in accordance with intentional program violation disqualification procedures.

14200 INTERIM CHANGES

Changes reported outside of the application, renewal, or six month report are considered interim change reports. Interim changes are acted on based on

- Who reported the change
- If the reported change was not questionable
- If the reported change was verified
- If the reported change results in an increase or decrease in SNAP benefits.

All changes must be acted on, but the action taken depends on the circumstances or results of the reported change.
The basic rules for reported changes are as follows:

1. Results in **decreased benefits** are budgeted only when the change is reported by a primary source (changes reported by a primary source are considered verified).
2. Results in **increased benefits** are budgeted only if the change is verified.

If a change is reported verbally, the Benefits Specialist must review ACCESS to determine if more follow-up is needed. If so, the request for information is sent at that time. If the household either cannot or does not provide the information at the time of the report, follow-up with a formal request for information (DSS-EA-308 or Spec C NOTC) giving them 10 days to verify the information. If the change is reported indirectly by mail, voice message, other source, etc., a request for information, DSS-EA-308, or a Spec C NOTC must be sent.

Changes reported after the last day of the month cannot be acted on until the following month. If the **last day of the month** falls on a weekend or holiday, the change can still be acted on as long as it is reported the first working day following the weekend or holiday.

> **Example**: Kate reports on Monday May 2nd that her sister dropped her nephew, Jake, off at her house on Saturday April 30th. Since she was not able to report the addition of Jake to the office over the weekend, we will allow Jake to be added to the household for May. If Kate did not report the addition of Jake to the household until May 3rd, he would not be added until June benefits.

14210 RELIABLE SOURCE

Primary sources are reliable sources. Generally, household members reporting a change are reliable sources. If there is conflicting information, such as two households reporting the same member, then the change would be considered questionable.

Reliable sources that are not considered primary sources must be knowledgeable about the change and provide enough information to allow the EABS to determine the reported information is reasonable, reliable, complete, and not contradictory. A reliable source could be Quality Control staff, ORFI Investigator, SD Housing Authority staff, employers, etc.

> **Example**: ORFI investigator reports that verification was obtained of John's employment. The employment information is entered on a JINC panel with OTH as the source. Also, a thorough narrative will be completed regarding the report from ORFI.

14211 QUESTIONABLE SOURCE

A source is considered questionable if the information is inconsistent, unreliable, conflicting, or incomplete. If the source is questionable, document the reported information but do not enter it on ACCESS until it is no longer questionable. Examples of questionable information are an anonymous caller, neighbor, etc

> **Example:** The neighbor reports that Jane's children must have moved out because the neighbor does not see them as much as she used to. This information is considered questionable, so no change is made. The narrative should document the report and why it is questionable.

New Hire hits are **not** questionable, but income must be verified prior to budgeting. the new hire hit information is entered on ACCESS, but the source code is "OTH" and not verified until verification is received.

> **Example 1**: A new hire hit is received showing Jane has started employment. There is not enough information to determine Jane's eligibility. Send a notice reminding Jane of her responsibility to report if the household income exceeds the maximum allowed. Enter the information on a JINC panel showing OTH as the source, not verified, and zero in the amount. it is entered on ACCESS is because you know Jane was hired for the job so that is not questionable. The amount and hours of employment are questionable.
> **Example 2**: New Hire hit received showing Michael has started employment. New Hire notice is sent to Michael and JINC panel is entered. At the next six month report Michael calls to report he never started working at this job. The Benefits Specialist should double check DLR to see if wages are shown for the new hire hit. If no wages show, then the JINC panel can be removed. The customer does not have the responsibility to verify something that never happened, and the Benefits Specialist did their due diligence by checking DLR.

14212 HOUSEHOLD COMPOSITION CHANGES IN INTERIM MONTHS

If changes in household composition are reported in an interim month, how the change is budgeted depends on who makes the report.

- If the household reports the change in composition, the primary source code "HHSZ" is used as the source code.
- However, if another worker reports a change in household composition, then the source code is "OTH", and is not a primary source.

If a new household member is reported to have moved into the household, even if that person is not purchasing and preparing meals with the household, the primary source of "HHSZ" is used to add the member to the household.

A. **New household member added to the household**
The household member's income, resources and eligibility status are required to be reported prior to the person being added to SNAP benefits. For SNAP cases with countable earned income:
    1. The new household member is not added to the household until his/her income is verified **if** he/she has income and adding the new member results in an increase in benefits.

2. If adding the member results in a decrease in benefits, primary source rules determine when he/she is added to the household.

B. **Household member leaving/left the household**
The Benefits Specialist must check all ACCESS panels with that member's name to determine if a current household member will be billed for the expense that the departing household member was previously responsible for. If a current household member is now responsible for the expense, the benefits specialist should update the panel to show the current household member's name.

14213 SHELTER CHANGES REPORTED DURING INTERIM MONTHS

During the interim months if a household voluntarily reports a change in residence, the Benefits Specialist must update their address and ask them about the resulting changes in shelter costs.

If the household reports the changes in shelter:
- Enter the change on the rent/home/util panel using the appropriate source and verification codes
- Use the verification code "Y" for utilities if the household is entitled to the SUA based on LIEAP payments for $20 or more in the last 12 months.

If the household fails to report the changes in shelter:
- Send the DSS-EA-308S to request their new shelter costs.
- The household is given 10 days to provide the information.
- If the household does not respond within 10 days, the Benefits Specialist must
    - Change the amount on the rent/home panel to $0 and change the verification code to "N"
    - Change the UTIL panel to no utilities, unless the household is entitled to the SUA based on LIEAP payments greater than $20 in the last 12 months. If they are entitled to the SUA due to LIEAP, no change to the UTIL pnl should be made.
    - Recalculate benefits without any shelter deduction and approve benefits following 10 day notice requirements.

If the household voluntarily reports a change in residence during the interim months, but does not verify the residency:
- Change the address on the ADDR panel
- Change the Stat, SNP Res Ver to "N", not verified

If mail is returned because a household has moved, the following should be completed:

A. Returned envelope has a new forwarding address identified:
    1. Change the address on the ADDR panel.
    2. Change the Stat, SNP Res Ver to N, not verified.
    3. Change the amount on the rent/home panel to $0 and the verification code to "N".
    4. Change the Use Code on the UTIL panel to "N", no utilities and the verification code to "N", not verified UNLESS an adult member of the household had a LIEAP payment over $20 made on his/her behalf in the current month or the past 12 months. If more than $20 LIEAP was paid, change the use code to "L" and verification to "Y" if it is verified.
    5. Scan the returned envelope in file director.
    6. Forward the mail to the new address.

B. Returned envelope does not have a forwarding address:
    1. Change the Stat, SNP Res Ver to N, not verified.
    2. Change the amount on the rent/home panel to $0 and the verification code to “N”.
    3. Change the Use Code on the UTIL panel to “N”, no utilities and the verification code to “N”, not verified UNLESS an adult member of the household had a LIEAP payment over $20 made on his/her behalf in the current month or the past 12 months. If more than $20 LIEAP was paid, change the use code to “L” and verification to “Y” if it is verified.
    4. Scan the returned envelope in file director.

C. Returned envelope has an out-of-state forwarding address:
    1. Change the address on the ADDR panel.
    2. Enter “77” to Resd Cd SNP field on Stat with POST source code.
    3. Approve closure of the case for the following month by the last day of the month – no 10 day adverse action notice is required.
    4. Scan the returned envelope in file director.

Interim Months	Out-of-State forwarding address	Whereabouts Unknown - No forwarding address	In-State forwarding address
SNAP (and TANF)	Update address on ACCESS. Close by the last day of the month using POST source code. **10-day notice is not needed.**	**Do not close the case.** Change STAT residency code to N and shelter and utility amounts to $0 and N verified. Verify and update at 214 or RCRT.	**Do not close the case.** Change STAT residency code to N, shelter & utility amounts to $0 & “N “verified. Update ADDR, forward mail to HH. Verify & update at 214/RCRT.

14214 INTERIM MONTH CHANGES NOT VERIFIED

If the household fails to submit verification of the reported change and the household's eligibility or benefit level cannot be determined without verification, the Benefits Specialist must pursue clarification and verification of household circumstances using the following procedures:

A. Within 5 days, issue a written Verification Request, EA-308 or Spec C NOTC:
    1. Advise the household of the verification they must provide or the actions they must take to clarify their circumstances
    2. Allow the household 10 days to provide the information and/or verification (the 10 day count starts the day the notice is mailed)
    3. Inform the household of the potential effective date of case closure if they do not respond within the 10 days
    4. If the requested information is received within the 10 days, act on the change in accordance with normal change processing time frames.

B. If the household does not respond within 10 days, send a notice of closure following the 10 day adverse action time frames.

C. If the household returns the required verification before the month of closure, the case may be reinstated. If the verification is returned anytime in the month of closure, or thereafter, a new application will be required.

Example: A household reports a new household member on June 5 but fails to verify his/her income. The verification request is sent June 6 (within 5 days of the reported change) requesting verification be submitted by June 16. If the customer does not submit the required verification by June 16, the case is closed for July with a notice sent no later than June 20th following the 10 day adverse action time frames.

Example: A household reports a new household member on June 15 but fails to verify his/her income. The verification request is sent on June 15 requesting verification by June 25. If the form is not returned by June 25, the case will be closed for August following the 10 day adverse action time frames.

14215 PROCESSING IEVS HITS IN INTERIM MONTHS

A. **IEVS Hits that are Primary Source Changes**
Social Security income (BNXV), Medicare premium amounts (BNXV), SSI income (SDX), Reemployment Assistance (UNEM-formerly called Unemployment), and disability (BNXV) information received through IEVS are considered verified upon receipt. BNXV, UNEM, and SDX are primary sources. IEVS hits from these sources must be acted on promptly.

An ACCESS mail is sent to the Benefits Specialist and Supervisor on the 10th of the month for all unresolved BNXV, SDX, and UNEM hits that were received prior to the 10th of the month. Another ACCESS mail is sent on the 17th of the month if there are new unresolved IEVS hit received after the 10th of the month or any IEVS hits that are still unresolved from the first ACCESS mail.

If an IEVS hit is received from one of the above sources, the following actions need to be taken:

1. Review the information and compare it to the budgeted information in the record;
2. If the income is already being budgeted, complete the IEVS screen with an action code of “BN”. No further action is required.
3. If the income is not currently budgeted, change the source code to the appropriate primary source (BNXV, UNEM, SDX) and budget the change, follow 10 adverse action times if it is a negative change. Complete the IEVS screen with the appropriate action code.
4. Complete overpayments, if appropriate.

B. **IEVS Hits that are Not Primary Sources**
IEVS information that is not considered verified upon receipt is wage information from DLR (JOBS). These IEVS hits must be completed within 45 days.

An e-mail is sent to the Benefits Specialist and Supervisor for any IEVS hit that is unresolved 45 days after the IEVS hit is stored. When an IEVS hit is received, the following actions need to take place:

1. Review the information and compare it to the reported/budgeted information in the record;
2. Resolve discrepancies via a contact with the household or appropriate source
3. Correct the case information following budgeting procedures and adverse action time frames (source code is OTH); and
4. Complete overpayments, if appropriate.

C. **Verification of IEVS Information**
If IEVS information that is not from a primary source need verified and must be completed on the discrepant information, it will be completed within 45 days. Information needed includes:

1. The amount of resource or income involved;
2. Whether the household actually had the resource or income involved; and
3. The period of time affected.

D. **IEVS hits for COLA Updates**
If an IEVS hit is received in December or January for the COLA changes in SSI and SS, do not update these amounts until the COLA has run for February benefits.

14216 OTHER CHANGES WHICH MAY OCCUR IN INTERIM MONTHS

A. Mass Changes:
Certain changes are initiated by the state or federal government which may affect the entire caseload or large portions of the caseload. These changes include, but are not limited to:

- Adjustments to the income eligibility standards
- Adjustments to the shelter deduction, dependent care deduction, standard medical deduction, and standard deduction
- Periodic adjustments to the Thrifty Food Plan
- Adjustments to the utility standard
- Periodic cost of living adjustments to social security, SSI, and other federal benefits
- Periodic adjustments to TANF
- Other changes in the eligibility criteria based on legislative or regulatory action.

B. Wages Reported as Ending:
The Benefits Specialist should check to see if there is dependent care allowed or garnished child support. If so, the expense should be changed to zero, not verified, and the household should be notified that they must contact the EABS to discuss the expense if they are still billed for (dependent care) or paying the expense (child support). Below are some examples of what benefits specialist may ask in this situation.

> **Example:** "Will you continue to pay dependent care expenses?" "Why?", "Will the cost change?"
> "Child support was being garnished from your wages, but since you are no longer working, do you plan to continue to pay it?" "If so, how do you intend to pay for it?"

C. Wage Stubs Voluntarily Sent:
If wage stubs are voluntarily sent to the Benefits Specialist, the information reported on the wage stubs should be updated on the JINC panel with a "VOL" source code and a "Y" verification code. Benefits Specialists should narrate the receipt of wage stubs that have been voluntarily sent. If the pay information provided is verified and it puts the household over the Gross income limit, the MAXS code is used to close the case.

D. Part B Premium responsibility ends:
EABS is notified that the state is paying the Part B premium. The notification may be ACCESS mail or some other contact from Medical Eligibility staff. Ending the FMED panel will typically result in a decrease in benefits and possibly case closure. The household must be provided 10-day notice, the ACCESS mail and/or document must be added to file director, a NARR is added, and the correct source code is AMND.

14300 SIX MONTH REPORT

14310 SIX MONTH REPORTERS

All SNAP households are six month reporting households **unless** all adult household members are over the age of 60 or are persons with a disability **and** there is no countable earned income in the household.

14320 INFORMATION ABOUT THE REPORT FORM (EA-214)

Benefits Specialists will provide the households an explanation of the requirement to be a six month reporting household and how to complete the report form and the verifications that must be provided with the report form.

Benefits Specialists will also provide assistance in completing and filing the six month report form to households whose adult members are all either mentally or physically disabled or are non-English speaking or otherwise lacking in reading and writing skills.

All active households will receive their six month report form (EA-214) in the six month of their certification period. Forms are mailed from Pierre around the 5th of the month. Households must return the completed EA-214 to the office by the 14th of that month.

14321 INFORMATION ABOUT THE REMINDER NOTICE (EA-214R)

If the six month report form is not received by the 14th of the month, the household will receive a reminder notice (EA214R) mailed on the 15th. The notice will be mailed automatically on every case without a "C" on the MONT panel. This notice informs the household that either their report form has not been received or an incomplete form was received. The reminder notice details what they need to provide to make their 6 month report complete.

14330 HOUSEHOLDS REPORTING RESPONSIBILITIES

Households are required to report all information requested on the six month report form.
Verifications are only required if the change is in:

1. Household composition that is questionable
2. An income source change
3. Earned income is changed by more than $100
4. Unearned income is changed by more than $100
5. ABAWD status changes
6. A change in residence and the resulting change in shelter costs
7. Change in legally obligated child support paid
8. A new vehicle or resources in excess of $3000 or $4750 (for elderly or disabled)

The household is required to report changes listed above but may also choose to report other changes. If a change is reported, verification is required.

1. If the change is in legally obligated child support, and verification is not provided, no deduction is allowed for the child support expense.
2. If the household reports any expense change (other than legally obligated child support paid or shelter costs changed because of a move), verification is required before the change can be budgeted.

14340 RESIDENCY SIX MONTH REPORT

Residency verification is required if the customer has moved since the last residency verification was received or the shelter arrangement is questionable. If residency verification is required and not received with the DSS-EA-214, Six Month Report form, send a DSS-EA-349, Six Month Report Notice of Action within 5 days requesting the verification. Enter an "I" on the MONT panel. The case will auto close if the "I" is entered on the MONT panel by the 25th of the month. If the "I" is entered after the 25th, manual approval of the closure is required.

Shelter expenses are never required to be verified unless the customer wants to claim a deduction for the expense, or the shelter arrangement is questionable. The following steps must be followed:

1. Customer has moved from previous residence:
    A. Change the amount on the rent/home panel to $0 and the verification code to "N".
    B. Change the Use Code on the UTIL panel to "N", no utilities and the verification code to "N", not verified UNLESS an adult member of the household had a LIEAP payment over $20 made on his/her behalf in the current month or the past 12 months. If more than $20 LIEAP was paid, change the use code to "L" and verification to "Y if it is verified or "N" if it is not verified.
    C. Make sure the Stat residency panel is correctly coded.

2. Customer reports a change in shelter costs at the same residence (did not move since the last renewal/residence verification):
    A. Change the amount on the rent/home panel to the reported amount and the verification code to "N".
    B. Change the Use Code on the UTIL panel to "N", no utilities and the verification code to "N", not verified UNLESS an adult member of the household had a LIEAP payment over $20 made on his/her behalf in the current month or the past 12 months. If more than $20 LIEAP was paid, change the use code to "L" and verification to "Y" if it is verified or "N" if it is not verified.
    C. ACCESS will continue to budget the previously verified shelter amount until the new shelter amount is verified, the next reported residence change, or the next renewal.

14350 BENEFITS SPECIALISTS ACTION ON THE SIX MONTH REPORT FORM

When the EA-214 is received the benefits specialist should do the following:

1. Review the report to ensure accuracy and completeness within 5 working days of the receipt of the report form.
2. Consider the report incomplete if:
    A. The head of the household, an authorized representative or a responsible member of the household does not sign it;
    B. It is not accompanied by the necessary verifications.
    C. It omits information necessary either to determine the household's eligibility or to complete the household's level of SNAP benefits.
3. Determine items which will require additional verification.
4. Notify the household if the form is incomplete or if information is still needed in order to make a determination of eligibility or benefits allotment. The EA-349, Notice of Action form, should be used to notify the household.
5. Determine the household's eligibility by considering all financial and nonfinancial factors.
6. Determine the household's allotment and approve the case.

14360 FAILURE TO FILE/ INCOMPLETE FILING

If a household fails to file (send in) a six month report form, or if an incomplete form was filed prior to the 15th, ACCESS will automatically send the EA-214R-Reminder Notice, (see section 14321) on the 15th of the month informing the household that their 6 month report form has not been received or was received incomplete. If the six month report is not received or was received but is incomplete by the 25th of the month, an auto close notice is automatically mailed to the household explaining their case is being closed for the "Report Month" and they have 10 days from the mailing date of the notice to file a complete report form.

If the household sends in an incomplete report form prior to the 25th of the month, the benefits specialist will send the household an EA-349, Notice of Action form, (within 5 working days of receiving the 6 month report form) explaining their case will be closed for the report month if information is not returned to make their report complete.

If the household submits a complete report form after it has auto closed, the Benefits Specialists will reinstate the case and update the MONT panel to "C", enter the required information on ACCESS and approve the new results. Either the household will remain eligible OR the household's case closes for another reason.

If the household submits an incomplete report after auto closure, the Benefits Specialist will NOT reinstate the case. The Specialist will send another EA-349, Notice of Action form, clearly stating what the household needs to provide to make the six month report complete. The Specialist will update the narrative to reflect the date the incomplete form was received and document why it is incomplete.

If verifications are received after auto close, for a previously incomplete report form, and the form is **still** incomplete, the Benefits Specialist will NOT reinstate the case. The Specialist will send another EA-349, Notice of Action form, clearly stating what the household needs to provide to make the report complete. The Specialist will update the narrative to reflect the date verifications were received and why it remains incomplete.

If an eligible household files a complete report after the report month has passed, the household loses its rights to benefits for the issuance month and must file a new application if it wishes to participate.

14400 RENEWAL

A renewal is the process by which a household completes an application to continue receiving SNAP benefits. The household will receive uninterrupted benefits providing the renewal application is submitted in a timely manner. A renewal application not submitted in a timely manner will receive prorated benefits based on the date the renewal is received.

14410 RENEWAL NOTICE (EA-306)

Each certified household must be provided with a notice just prior to or at the start of the last month of the certification period informing the household that their certification period is expiring.

The DSS-EA-306, Renewal Notice, is used to notify certified households that their certification period is expiring. The notice of renewal is mailed to households between the 15th and 25th of the month prior to when the renewal is due. The notice provides the household information about when the renewal paperwork is to be returned, the date and time of their interview (if one is required), and the necessary verifications that may be needed in order to continue to receive uninterrupted

benefits. Typically, the return date for the renewal form is anywhere between the 1st – 10th of the month. The customer must have **at least** 10 days to return the renewal from the date it was mailed.

> **Example**: Household is certified for benefits from June to May. The renewal notice is sent on April 20th informing the household that their renewal paperwork is due by May 5th. The notice also tells them that they must complete a phone interview on May 13th.

ACCESS generates a list of households that are due for renewal on the 1st of the month. Renewal letters are then generated for these households and placed on the EOS system. The EOS system is software that allows renewal letters to be stored and printed at the appropriate time.

14420 COMPLETION OF RENEWAL BY THE HOUSEHOLD

A. Households have the option of returning the renewal application and paperwork to the local office in person, through the mail, fax, e-mail, or they may complete their renewal on-line.

   If the households chooses to complete the renewal online, the household will be asked to complete all required questions and report any changes in their household circumstances. No information will be pre-populated into the renewal form.

B. Most households are required to complete an interview with a Benefits Specialist in order to complete the renewal process. Most interviews are completed over the telephone for renewals. There are some circumstances where an in-person interview needs to be completed. These circumstances include:
   1. Household requests an in-person interview
   2. No phone number available for the household
   3. The Specialist may have knowledge that the household does not have the ability to complete the interview over the phone or determines that an interview is necessary for questionable or complicated situations.

See Appendix 2 for Renewal examples.

14430 HOUSEHOLD REPORTING RESPONSIBILITES FOR RENEWALS

Households are required to answer all applicable questions on the EA-301, Renewal Application form. Households are required to report the following information:

A. A change in household composition
B. An income source change
C. Earned income is changed by more than $50
D. Unearned income is changed by more than $50
E. ABAWD status changes
F. Change in legally obligated child support paid
G. Previously unreported medical expenses
H. If the total recurring medical expense changes by more than $25
I. A change in residence and the resulting change in shelter costs
J. A new vehicle or resources in excess of $3,000 or $4,750 for elderly or disabled

The household is required to report changes listed above, but also may choose to report other changes. If a change is reported, verification is required.

- If the verification is not for expenses and is not provided by the 30th day following the date the EA-301 is received, the case will be closed.
- If the verification is for an expense and not provided, the verification code will be marked with an “N” and the expenses will not be budgeted.

14440 INTERVIEWS AT RENEWALS

Timely interviews will ensure that the Benefits Specialists have ample time to complete the processing of renewals. Interviews should be scheduled at the beginning of the month to allow for time to complete all the necessary interviews for households that are required to complete a renewal in that month.

If a household missed their first scheduled interview and didn't submit a renewal application (EA-301), it is the household's responsibility to contact the Benefits Specialists to reschedule a missed interview. There is no need to send a notice of missed interview (DSS EA-333).

If the renewal application form was submitted, and they did not attend the scheduled interview or only a partial interview was completed, a notice of missed interview (EA-333) or ACCESS macro notice **must** be sent informing the household of the missed interview and their responsibility to contact the benefits specialist to re-schedule the interview.

> **Note:** The Specialist will call the household at the time of the scheduled interview whether or not the household submitted the renewal application.

Benefits Specialist should ensure that the EA-300 cover letter, and checklist is sent with an interview date if the household returns the renewal form (301) after the case was closed for failure to return the renewal.

> **Example:** Ralph was mailed a renewal form on November 18th for a January renewal. The renewal form requested that the EA-301 be returned by December 8th with an appointment scheduled on December 10th. Ralph did not return the renewal form (301) by the 8th, but the worker still called the household on the 10th. The worker did not reach Ralph, and the case was closed for failure to renew on December 11th. On December 18th, Ralph's renewal paperwork was received in the office by mail. The Benefits Specialist must send an EA-300 scheduling an interview. The EA-333 is not used in this circumstance since the EA-301 was not received prior to the first scheduled interview.

Good interview skills are important for benefits specialists to ensure accurate and complete information has been reported on the renewal form. These skills are especially important when going through renewals that have been completed online, as the only information listed on the online renewal is what the recipient answered yes to or changed.

14450 TIMELY PARTICIPATION AT RENEWAL

The Benefits Specialist must take action on timely renewals and provide eligible households with an opportunity to uninterrupted benefits.

A. Households given their renewal notice at the time of the last certification will be notified of the eligibility decision and, if eligible, have an opportunity to participate within 30 calendar days of their last opportunity to participate. This provision is intended to ensure that an eligible household can receive benefits on or before the same date in succeeding months and that no months are omitted.

B. Households submitting their application for renewal by the 15th of the last month of the current certification period shall be considered to have made a timely renewal.

C. Households who have met all renewal requirements shall be notified of their eligibility or ineligibility by the end of their current certification period and must have an opportunity to participate by their normal issuance cycle in the following month. If the end of the month falls on a non-work day, the notice must be provided by the last previous work day.

D. A household who fails to submit a timely application for renewal, complete the required interview, or fails to submit any missing verification within the requested time frame, loses its right to uninterrupted benefits. Households refusing to provide required information will have their case closed 30 days after the date the renewal form was received.

E. Any renewal application not submitted in a timely manner (after the last day of the current certification period) will have their application prorated based on the date the renewal application was received.

F. Appendix 2 details when a renewal should be looked at as a new application. Benefits Specialists should use this appendix as a guide to determine whether a late renewal application should be a reinstatement or a new application.

14500 REPORTING LOTTERY OR GAMBLING WINNINGS

A household must report, within 10 days of the receipt, substantial lottery or gambling winnings which is equal to or greater than $4,750 (before taxes or other amounts are withheld). If multiple individuals shared in the purchase of a ticket, hand, or similar bet, then only the portion of the winning allocated to the member of the household will be counted toward the eligibility determination.

Once the winnings are discovered, the individual must lose their eligibility for SNAP benefits. The Benefits Specialists must immediately close the case that the individual is receiving benefits in and send notice to the household of their ineligibility. No 10 day notice is required. If benefits have already been paid for the month, then the case is closed for the following month. This applies to all SNAP households, including categorically eligible, General Assistance, Social Security Income (SSI), and Temporary Assistance for Needy Families (TANF) households.

Individuals may regain eligibility by re-applying for benefits and providing verification that they meet the income and resource limits for a household of their size.

> **Example:** Charles and his family are receiving SNAP benefits. Charles reports on December 15th that he won $10,000 on a scratch ticket on December 10th. The Benefits Specialist takes the report of information from Charles and closes Charles' case for January since December benefits have already paid. The notice sent to Charles tells him that his case was closed due to substantial lottery winnings.
> On December 28th Charles reports that they spent all the winnings on Christmas presents for their family and wants to know if he can re-apply for January. Charles can re-apply for benefits for January and have a new eligibility period as long as he completes a new application and verifies that he meets the income and resource guidelines for a household of his size.

14600 NOTICES

All notices regarding changes in a household's benefits must meet the definition of adequate notice unless otherwise noted. Notice is required if there is any change from the household's prior benefit level. The notice must explain the basis for the determination. If benefits are reduced or terminated based on information received in the six month report form, the notice must be sent so that the household receive the notice no later than either the date the resulting benefits are to be received or in place of the benefits.

CHAPTER FIFTEEN: REINSTATEMENT

15000 REINSTATEMENT

There are five reasons that permit a case to be reinstated:

1. When a late report is filed complete within the issuance month;
2. When a case was closed, and the household timely requests continued benefits for reasons of a fair hearing;
3. When the case was improperly closed (agency error);
4. When a case was closed prospectively and the reason for the prospective closure does not occur.
5. When a household has been suspended for one month.

Note: If the household requests case closure, but later reports that they want their case reinstated, the case must be a re-application rather than a reinstatement. Since the household requested the closure, it cannot be reinstated. The only exception would be if they requested the reinstatement prior to the 1st of the month that the case was closed for.

Example: A household reports a household member will be starting a new job May 1st, and his prospective wages cause prospective ineligibility. The household contacts DSS May 6th to advise that the job did not materialize. Once this is verified, the case should be reinstated. The case may be reinstated only if the customer contacts DSS during the month for which they were prospectively closed.

Example: Household reports on August 15th they are starting a new job that day and verified with wage form that they are working full time with wages that puts them over the income limit for September. EABS closes the case for September. On September 25th the household contacts the EABS and tells them that the hours they originally reported did not happen and they have paystubs to prove they are not making what was originally prospected. The EABS must reinstate the case for September since the reason for prospective closure did not occur and it was reported in the month of closure.

Example: Susan is age 59, she applied for SNAP in May but does not have any exemptions for ABAWD. Susan receives SNAP June, July, and August. On September 1st her cases closed due to exhausting her available ABAWD months. September 27th, Susan reports she started working 40 hours a week at Dollar General at $15.00 per hour in late August. She is not eligible for reinstatement for September because she did not report timely. Since she did not report this prior to September 1st, Susan must reapply for SNAP.

Benefits Specialists who need to reinstate a case for appropriate reasons other than failure to file or the first month after a suspend month, must discuss the reinstatement with their Supervisor. After the Supervisor agrees that the case is eligible for reinstatement, the Specialists can then complete the reinstate on ACCESS.

15100 RENEWALS vs. REINSTATEMENTS vs. NEW APPLICATIONS

The DSS-EA-301 receipt date determines if the case should be reinstated or if reapplication procedures must be followed. When the DSS-EA-301 or verification has been submitted after the SNAP case was closed for failing to renew, the following should be applied:

- If the DSS-EA-301 was **not** received and the case is closed for failure to renew, it is a reinstatement if the 301 is received by the end of the first renewal month.

- If the 301 was received and then renewal denied for failure to complete the renewal process (30 days following the date the 301 was received), and then the household provides the verification, reapplication procedures must be followed

Important Reminders:

1. Whenever the EA-301 is received for a renewal, it should be entered into REVW panel on ACCESS as soon as possible.
2. Customers always have 30 days to provide the information for the complete renewal (even if the 30 days goes past the renewal month).
3. If the EA-301 is received, but all the verifications have not been provided, the case cannot be closed until the household has had the full 30 days to provide the verifications
4. The EA301 RCVD date on the REVW panel is the date the renewal 301 is received. The COMP date on the REVW panel is the date all the information/verifications are completed. (*Exception: See example #8)*

Examples:

1. Renewal notice was sent on 11/25 for a January renewal. The renewal interview was scheduled for 12/06. Customer did not send in the EA-301, so case was closed on 12/06 for January for failure to renew. On 01/10 customer sends in the EA-301. The case should be reinstated for January and the "301 RCVD" field on the REVW panel updated. Update the "COMP" field on the REVW panel **after** the interview is completed and all the required verifications have been received, as long as this is within 30 days of receipt of the EA-301. Benefits will be prorated because of the late renewal.

2. Renewal notice was sent on 11/25 with a renewal interview scheduled for 12/06. No EA-301 was received so case was closed on 12/06 for January for failure to renew. On 01/10 customer sends in the EA-301. The case should be reinstated for January and "301 RCVD" field on the REVW panel updated. The DSS-EA-300 was sent on 01/10 requesting verifications and schedules an interview for 01/15. The interview is missed on 01/15, so a notice of missed interview is sent. The does not complete an interview or provide missing verifications by 02-09 so the case is denied for failing to complete the renewal process within 30 days.

3. Renewal notice was sent on 11/25 for January renewal month. On 12/06 the EA-301 was received, and an interview was completed. The household did not provide verification of an individual's job income. The EA-300 was completed informing the household that the verification of income was needed by 01/05. The household fails to provide the information by 01/05, so the case is closed on 01/06 for January for failing to provide verification within 30 days. On 01/10 the household brings in the wage information that was missing. Update the APPL panel showing an application date of 01/10. A new DSS-EA-301 and interview are not required because it was still within the renewal month. **If there is more than one verification missing and the household provides only one of the verifications, the new application date is entered based on the first verification that is provided and a new EA-300 requesting the other missing verification(s) is sent giving them another 30 days pending If the information provided is enough to expedite the case, then the case would be approved without the missing verifications, and the following month (or second month for combined allotments) the verifications would need to be provided or the case would close again.**

4. Renewal notice sent on 11/25 with an interview date scheduled for 12/06. Case is closed for January because the DSS-EA-301 is not received by 12/06. On February 1, the DSS-EA-301 is received by the office. The APPL panel is updated with an application date of 02-01.

5. Renewal was mailed out on March 15th for May benefits. Phone interview was set for April 5th. The customer turns in EA-301 on March 21st & interviews on April 5th. At the time of interview, they were missing verification, so an EA-300 was sent with a return date of April 20th (30 days from the date the EA-301 was received). The verifications are not turned in until April 27th. This would NOT be a reinstatement because the household was notified of the 30 day period on the EA-300 checklist. A new application date of May 1st would be added to ACCESS because they already received benefits for April, so we have to go with May 1st as an application date. This would need to be documented thoroughly in the narrative.

6. Renewal was mailed out on March 15th for May benefits. Phone interview was scheduled for April 5th. EA-301 was received on April 2nd, but they were not home when the EABS called them for their renewal on April 5th. A notice of missed interview was sent to the household informing them to contact the office for a new interview. On April 26th the household completed their phone renewal interview. At that time, they reported a change in residence but didn't provide verification. Since the household must be allowed 10 days to provide verification, a new EA-300 must be sent requesting the residency verification with a return date of May 6th. (The original 30 day period of May 2nd must be extended to May 6th to allow the household 10 days to submit the newly requested verification.) When the verification is received, the "REVW COMP" must be entered as May 1st, since ACCESS is programmed to pro-rate benefits if the "REVW COMP" date is after May 1st. In this instance, since the 30 day period (and the 10 day extension) is past the 1st of the month, ACCESS must be manipulated so benefits are not pro-rated. Thorough documentation of why the May 1st date was used as a completion date must be narrated on the case.

7. 0+TANF and SNAP renewal is due for May benefits. EA-301 was received April 3rd; the phone interview was completed on April 5th, but verification of the grandparents income was not provided with the EA-301. The EA-300 would be sent requesting the verification of income by May 3rd. Since TANF does not need this information for the 0+ TANF, the TANF renewal is considered complete. However, the SNAP renewal cannot be completed until this information is returned. Since we do not want to hold up TANF benefits for the return of a SNAP information, and the renewal completion date is one field on the REVW panel, the EABS would go ahead and update the review completion date with the date of the EA-301. For SNAP, the EABS would go to the income panel and mark the verification code under SNAP with "N" so no eligibility would exist for SNAP. The EABS will need to document in the narrative why this was done and track the 30 days. If the verification of income is not returned by the 30th day, then the case would be closed for failure to provide information. *Remember that SNAP cannot be denied/terminated until the 30th day because the household has to be given 30 days to return the verification. (If the SNAP case is denied/terminated on the 30th day and later that day the required information is received, the case must be reinstated, and eligibility re-determined.)

8. Renewal was mailed out on 11/15 for a January renewal. The EA-301 was received on 11/20. The EA-300 was sent informing the household they had until 12/20 to return the required verifications. The household completed the interview and returned the information requested on 11/29. ACCESS will not allow a completed date in the "301 RECV" field prior to 12/01. The benefits specialist will need to modify the date to show the rec'd date as 12/01/YYYY. In addition, the "REVW COMP" field will not allow a completion date prior to 12/01 either. So again, the benefits specialist must manipulate the dates of the actual completion date to show as 12/01/YYYY as the completion date.

15200 6 MONTH REPORT REINSTATEMENTS

Households that file an incomplete report form after auto close should NOT be reinstated.

Procedures below explain action for both a complete and incomplete report form filed after auto close. The examples use December as the report month with the 6 month report form due by 11/20. If the form is submitted complete or incomplete after 12/31, the household must reapply.

Report form submitted **complete** – reinstate the case and update the MONT panel to C, enter required information on ACCESS and approve the new results. Household remains eligible OR household closes for another reason such as income.

> **Example 1**: No 6 month report form filed. Case auto closed November 25. The report form was received November 26, and all the necessary information is included. Reinstate the case for December, update the MONT panel to C, enter the changes on ACCESS and approve the new results. Household remains eligible OR household closes for another reason such as income.
>
> **Example 2:** No 6 month report form filed. Case auto closed November 25. The report form was received December 26, and all the necessary information is included. Reinstate the case for December, update the MONT panel to C, enter the changes on ACCESS and approve the new eligibility results.

Report form submitted **incomplete** – **do NOT** reinstate the case. Send the household the DSS-EA-349 clearly stating what the household needs to provide to make the 6 month report form complete. Update the narrative to reflect the date the form was received and information documenting why it was incomplete.

> **Example 1:** No 6 month report form filed. Case auto closed November 25. The report form was received November 26. Send out a DSS-EA-349, Six Month Notice of Action clearly stating the information the household needs to provide and showing the case remains closed effective 12/1. Update the narrative to reflect the date the form was received and information documenting why it was incomplete. The ACCESS case remains closed unless the missing information is timely received.
>
> **Example 2:** No 6 month report form filed. Case auto closed November 25. The report form was received December 26. Send out a DSS-EA-349, Six Month Notice of Action clearly stating the information the household needs to provide and showing the case remains closed effective 12/1. Update the narrative to reflect the date the form was received and information documenting why it was incomplete. The ACCESS case remains closed unless the missing information is timely received. Make sure the household is given 10 days from the date the notice is mailed to provide the missing information – in this case, 01-05.

Please remember the importance of our customers receiving a clear and correct notice of why the case is being closed or the application is being denied.

CHAPTER SIXTEEN: ISSUANCE OF BENEFITS

16000 ISSUANCE OF BENEFITS

16100 METHOD OF ISSUANCE FOR SNAP BENEFITS

Electronic Benefit Transfer (EBT) is an electronic system that allows a recipient to authorize transfer of their government benefits from a federal account to a retailer account to pay for products received.

EBT is used in all 50 States, the District of Columbia, Puerto Rico, the Virgin Islands, and Guam. State SNAP agencies work with contractors to procure their own EBT systems for delivery of SNAP and other state-administered benefit programs. Currently, South Dakota uses the ebtEDGE system.

Once a SNAP applicant has applied, an EBT card is issued when the case is put on the computer system. Once eligibility and level of benefits have been determined, an account is established in the applicant's name, and supplemental nutrition assistance payment (SNAP) benefits are deposited electronically in the account each month. A plastic card, similar to a bank card, is issued and a personal identification number (PIN) is assigned or chosen by the recipient to give access to the account. Recipients are offered the opportunity to change the PIN number at any time by calling the EBT Card Customer Service Number and is offered ongoing training if they have any problems accessing the system.

EBT creates an electronic record of each transaction performed. This includes transactions made by the customer and deposits of benefits.

16200 EBT PAYROLL & AVAILABILITY

SNAP payroll always runs overnight. If approval of a case is completed on a weekend or holiday, then payroll will run the next working day.

Regular and expedited payrolls are the only payrolls that run on regular payroll night. Regular payroll usually runs the first Friday night of the month, but occasionally it may run earlier in the week depending on when the 10th is. Interim payrolls that are approved on regular payroll date will run the next working day after the regular scheduled payroll.

> **Example:** Applicant applies on September 26th. The case is eligible for combined issuance for September and October. The Benefits Specialists does not approve the case until Friday, October 2nd, which happens to be the night of regular payroll for October. September benefits will pay on the interim payroll and October benefits will pay on the regular payroll. Since the regular and interim payrolls cannot run on the same night, the October benefits will be available prior to the September benefits. October benefits will be available on October 3rd, but the September benefits will not be available until Tuesday October 6th as the interim payroll will run the night of Monday October 5th.

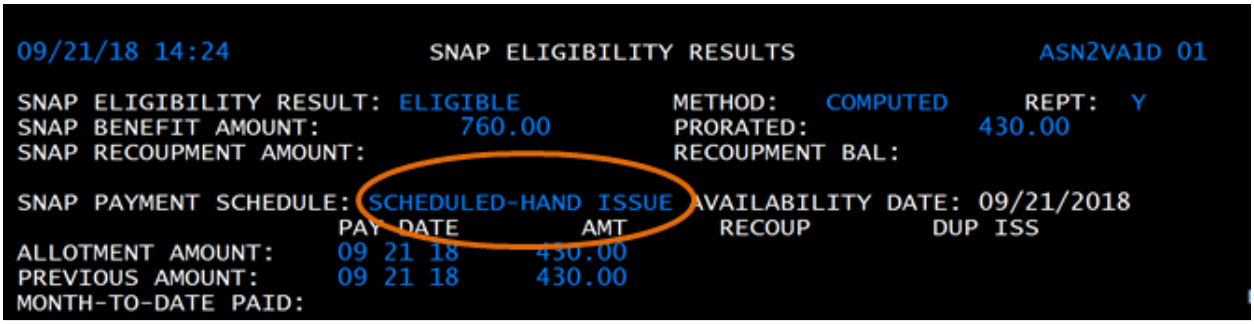
Once payroll has run, the benefit amount that will be issued for that month will not change unless there is a corrective action payment.

> **Example:** $100 approved for regular payroll and payroll runs on the 3rd. If the Specialist enters more information on ACCESS after the 3rd and approves $90 benefits, ACCESS will show "No payment required - overpayment possible" because ACCESS has considered $100 as already paid.

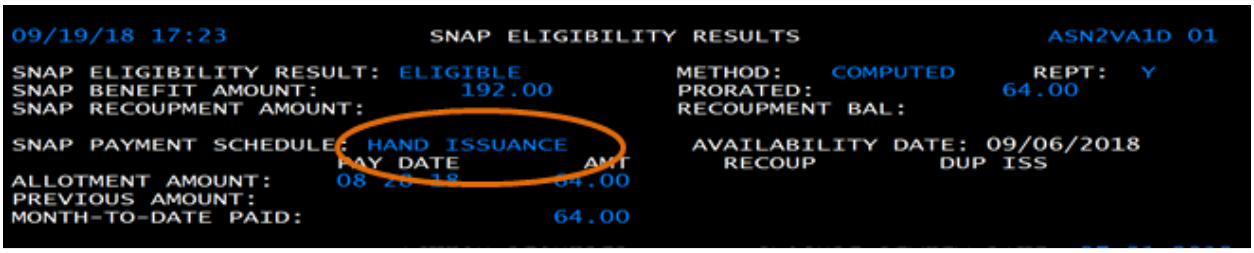
For ongoing cases, SNAP benefits are available on the 10th of each month as long as the case is approved prior to the 10th. If there is a new application approved between the 1st and the 10th of the month, benefits will not be available until the 10th of the month unless they are expedited.

For new applications, approved after the 10th of the month, benefits are available the day after approval. For expedited cases approved prior to the 10th, the benefits are available the day after approval.

In instances where benefits need to be made available on the 7th or 30th day to meet expedited or 30 day approval time frames, ACCESS will automatically make benefits available the same day as approval. Benefits Specialists will approve the case as normal then the case will show "Scheduled for Hand Issue".



When payroll runs that night, eligibility will show "Hand Issue". Benefits will be available that night.



The following chart describes the payroll, different types of SNAP issuance, availability, and if there may be exceptions.

SNAP Issuance	SNAP Payroll	SNAP Availability	Exceptions
REGULAR (includes approvals prior to regular payroll and monthly)	Identified on annual calendar – usually the first Friday of the month (sometimes earlier).	No later than 6:00 am on the 10th of the month.	None.
INTERIM (includes cases approved after regular payroll or supplements approved after regular payroll). The maximum number of interim payments on a single payroll is ten (10). If there are more than ten payments, they will roll into the next payroll until all of the approved payments have been deposited in the EBT account.	If approved in the month prior to SNAP payroll, payroll will run the night of payroll. If approved between payroll and the 10th, payroll will run that night of the approval.	If approved prior to the 10th of the month, benefits are available no later than 6:00 am on the 10th of the month. If approved 10th or after, benefits are available no later than 6:00 am on the day after approval.	If approved on regular payroll day, weekend, or holiday, payroll will not run until the next working day, unless it is an expedited issuance.
EXPEDITED ISSUANCE (applications meeting expedited criteria)	Payroll runs the night of approval even if approved on regular payroll night. (If approved for expedited on regular payroll night, availability shows as the same date as approval.)	Available 6:00 am on the day after approval.	If approved on weekend, or holiday, payroll will not run until the next working day.
COMBINED ISSUANCE (applications taken after the 15th of the month when application month and next month's benefits are approved on the same day). Remember that the first month's eligibility results must finish background prior to approving the 2nd month's benefits. Always check eligibility results at end of work day.	Payroll runs the night of approval for the application month and the next month's benefits.	Available at 6:00 am on the day after approval.	If approved on regular payroll day, the application month is considered an interim payment and will not run until the next working day. The current month's payment will be available the day after approval.

CHAPTER SEVENTEEN: NOTICES

17000 NOTICES

17100 WRITTEN NOTICES

17110 ELIGIBILITY

Households who have filed timely applications for redetermination by the 15th of the last month of their certification period and who are eligible must be provided a notice by the end of their current certification period.

Households are given a DSS-EA-306, Renewal Notice, at the time of renewal who have timely reapplied, and been found eligible must be given a notice of case action not later than 30 days after the date of the household's opportunity to obtain its last allotment.

17120 NOTICES OF CHANGE

All notices regarding changes in a household's benefits must meet the definition of adequate notice.

The Benefits Specialist will notify a household of any change from its prior benefit level and the basis for its determination. If the Benefits Specialist reduces or terminates benefits based on information received on the six month report form, the notice must be sent so that the household receives it no later than either the date the resulting benefits are to be received or in place of the benefits.

17130 DENIAL

If an application is denied, the household must be provided with a written notice no later than 30 days after the date of application. If the 30th day falls on the weekend or a holiday, the notice is sent the next working day. ACCESS automatically sends the notice of denial when the case is denied. Households have until 5:00 of the next working day to submit any missing information before the case is denied, if the 30th day falls on a weekend or holiday.

Households who have filed timely applications for redetermination by the 15th of the last month of their certification period who are subsequently found to be ineligible must be provided a notice by the end of their current certification period.

Households given a DSS-EA-306, Renewal Notice, at the time of renewal and who have timely reapplied but are subsequently found ineligible, must be given a notice of action not later than 30 days after the date of the household's initial opportunity to obtain its last allotment.

Benefits Specialists must ensure that the denial reason matches the notice text that will be displayed in the automated notice.

17140 PENDING

The DSS-EA-300, Cover letter and Verification Checklist, is used as a pending notice when action by the customer is necessary to complete the application/renewal process within the specified time frames. The cover letter should be used when there has been no verbal communication with the customer about what is needed for completing the application. It may also be used if more room is needed, than what the verification checklist provides, to explain what is needed.
The verification checklist form should state:

- The reason the case is pended
- What action, if any, needs to be taken by the household
- The date by which the action must have occurred

Failure by the household to take the required action by the date indicated on the notice will result in denial.

17150 NOTICE OF MISSED INTERVIEW (NOMI)

The DSS-EA-333, Notice of Missed Interview, is required to be sent if the EA-301 was received and the household missed the first scheduled interview. The DSS-EA-333 informs the household that contact must be made with the local office to re-schedule the missed interview.

17200 NOTICES OF ADVERSE ACTION

Before any action to reduce or terminate a household's benefits within the certification period, the Specialist **must** provide the household 10 days advance notice before the adverse action is taken unless the criteria for adequate notice is met. The adverse action notice must be mailed to allow at least 10 days between the mailing date and the first of the month, in which the change would become effective. The household has 10 days from the date the notice of adverse action was mailed to request a fair hearing and receive continued benefits. If the adverse action period ends on a weekend or holiday, and a request for a fair hearing and continuation of benefits are received the day after the weekend or holiday, the Specialist will consider this a timely request for continued benefits and forward the hearing request on to ORFI.

The automated notice or a manual SPEC-C, Notice of Action, is the notice of adverse action form. All notices of adverse action **must** explain:

- The proposed action and
- The reason for the proposed action
- The household's right to request a fair hearing
- The telephone number of the SNAP office where collect calls will be accepted for households outside the local calling area.

The notice of Adverse Action is a notice based on a change in benefit from one month to the next. A 10 day notice of adverse action is not required if benefits are decreasing from one version to the next version, only if the change in versions is a decrease from the previous month's benefit.

Example: March benefits were approved for $420 on Feb 15th. On March 12th customer reported and verified a decrease in hours. This increased benefits to $485 for April. On March 23rd customer reported that the employer reconsidered and did not decrease his hours as much. This change then decreased benefits to $440 for April. This is still an increase from the March benefit, and no 10 day notice is required so the change can still be budgeted for April even though it was reported after 10 day notice for April.

17300 ADEQUATE NOTICE IN LIEU OF ADVERSE ACTION NOTICE

DSS may notify a household that its benefits will be reduced or terminated no later than the date the household receives or would have received its allotment (for SNAP purposes, this is usually the 1st of the month) if all of the following conditions are met:

1. The household reports information which results in a reduction or termination.
2. The reported information is in writing and signed by the household.
3. Based solely on the household's written information, the Specialist can determine the household's allotment or ineligibility.

If all of the above conditions have not been met and the Specialist is taking action to reduce or terminate a household's benefits, then 10 days advance notice must be given before the effective date of the proposed action.

The automated notice, SPEC-C manual notice, or EA-349 (six month report notice of action) is used for adequate notice and should give detailed explanation of the action taken.

A household may also choose to waive 10 day or adverse action notice. This may be done in writing or verbally. If the household waives 10 day or adverse notice, the benefits specialist must document this in the narrative of the case.

17400 EXEMPTIONS FROM NOTICE

Individual notices of adverse action are not required in the following circumstances:

17410 MASS CHANGES

A notice of adverse action is **not** required for certain changes initiated by the state or federal government which may affect the entire caseload or significant portions of the caseload.

> **Example**: Adjustments to the gross and net income eligibility standards; shelter deduction; dependent care deduction; the standard deduction; the Thrifty Food Plan; adjustments to Social Security, SSI, and other federal benefits; adjustments to TANF payments; and other changes in the eligibility criteria based on legislative or regulatory actions.

17411 NOTICE OF DEATH

Notice of adverse action is **not** required when all members of a household have died. Notification of death may reach DSS through:

- Newspaper
- Contact by friends or relatives of the deceased
- Contact from other agencies or charitable organizations.

If a match is received from the death verification system, a notice (EA-308D) must be sent to the household allowing them an opportunity to dispute the notice of match, unless it is verified that the notice of match was incorrect. The EA-308D must be sent allowing 10 days for the household to respond. If no response within 10 days, the Benefits Specialist will remove the individual from the household, observing 10 day notice. If it is a single person household the case may be closed and no 10 day notice is required.

17412 MOVE FROM STATE

Notice of adverse action is **not** required when notification or reliable information is received that the entire household has moved out of the state. The household must be informed of the closure of their case no later than its next issuance date (which means by the last day of the month or if the last day of the month falls on a weekend or holiday, the case can be closed on the following working day).

Generally, reliable information would be information from a source constituting independent verification, not requiring further verification (e.g. employers, landlords, Specialists from other programs, returned mail with an out-of-state address).

See examples below of what to do with returned mail:

Interim Months	Out-of-State forwarding address	Whereabouts Unknown - No forwarding address	In-State forwarding address
SNAP & TANF	Update address on ACCESS. Close prior to payroll using the POST source code. **10-day notice is not needed.**	**Do not close the case.** Change STAT residency code to N and shelter and utility amounts to $0 and N verified. Verify and update at 214 or RCRT.	**Do not close the case.** Change STAT residency code to N and shelter and utility amounts to $0 and N verified. Update the ADDR and forward mail to customer. Verify and update at 214 or RCRT.

17413 RESTORATION OF LOST BENEFITS ENDS

Notice of adverse action is **not** required when the household has been receiving an increased allotment to restore lost benefits and the restoration is complete, provided the household was previously notified in writing of when the increased allotment would terminate.

17414 CERTIFICATION PENDING APPROVAL OF TANF GRANT

Notice of adverse action is **not** required when the household jointly applied for TANF and SNAP and has been receiving SNAP pending approval of the TANF grant, provided the household was notified at the time of certification that SNAP benefits will reduce upon approval of the grant.

17415 IPV DISQUALIFICATION

Notice of adverse action is **not** required when a household member is disqualified for intentional program violation (IPV) or the benefits of the remaining household members are reduced or terminated because of the disqualification of that household member. Adequate notice is required The household still may request a fair hearing.

17416 FAILURE TO COOPERATE

Notice of adverse action is **not** required when a household fails to cooperate in providing required verification of a reported change. This exemption from notice of adverse action applies only when the household is notified in advance that its benefits will be reduced if verification is not provided.

17417 DRUG/ALCOHOLIC TREATMENT CENTERS OR GROUP LIVING ARRANGEMENT

Notice of adverse action is **not** required when eligibility is terminated for residents of a drug or alcoholic treatment center or a group living arrangement if the facility loses either its certification from the appropriate State agency or has its status as an authorized representative suspended due to FNS disqualifying it as a retailer.

17418 CONVERTING FROM CASH OR EBT PAYMENT TO BENEFIT REDUCTION

Notice of adverse action is **not** required when DSS converts a household from cash/EBT installment payments to a monthly reduction of benefits, on an overpayment because the household fails to make agreed payments.

17419 HOUSEHOLD REQUEST CASE BE CLOSED

Notice of adverse action is **not** required when the household voluntarily requests, in writing, in the presence of a Benefits Specialist or over the phone, that its case be terminated. If the household does not provide a written request, the Specialist will send the household a notice confirming voluntary closure. The Benefits Specialist must make sure to document in the narrative that the household waived their 10 day notice. The request must be made by the last day of the month or if the last day of the month falls on a weekend or holiday, the case can be closed on the following working day.

17500 CONTINUATION OF BENEFITS

Households which request a fair hearing during the period provided by the notice of adverse action (within 10 days of the adverse action notice) may have their benefits continued at the former level as previously provided.

17600 NOTICE FOR EXCLUDED (DISQUALIFIED) MEMBER

A notice of adverse action must be given to the household before excluding a person for any of the following:

1. SSN, Alien status, failure to sign citizenship statement
2. Work Registration, including voluntary quit or reduction of hours
3. Duplicate Benefits
4. Trafficking
5. Fleeing Felon/parole/probation violator
6. Disqualified from TANF or Tribal TANF

The notice must be sent to inform the household that the individual is being excluded, the reason for the exclusion, the eligibility and benefit level of the remaining members, and the action the household must take to end the exclusion, if applicable. The notice must also inform the household the reason for the disqualification period and the action they must take to end the disqualification.

A notice of adverse action is not required when excluding a person for an intentional program violation (IPV). The IPV hearing process is sufficient notice to the household that a member is being excluded.

However, the Specialist must provide written notice to the household member prior to implementing the disqualification penalty using the automated NIPV notice. The written notice is completed by using the NIPV notice through the SPEC-C or SPEC-E functions in ACCESS.

17700 NOTICE OF PRISONER MATCH RESULTS

If a match is received from the prisoner verification system, a notice (EA-308P) must be sent to the household allowing them an opportunity to dispute the notice of match, unless it is verified that the notice of match was incorrect. The EA-308P must be sent allowing 10 days for the household to respond. If no response within 10 days, the Benefits Specialist will remove the individual from the household, observing 10 day notice.

17800 HIERARCHY OF NOTICE REASONS

When a case is closed or denied there may be multiple reasons for this action; however only one reason for closure or denial can be output in the notice text. A hierarchy of reasons for closure/denial to be output in notice text assists in this process. Benefits Specialists must ensure that the reason for closure or denial output on the notice matches the main reason for closure/denial. The hierarchy of closure and denial reasons are listed in Appendix 8.

To assist the Benefits Specialist in determining the reason for closure/denial ACCESS will output the reason displayed in the "NOTICE TEXT" on the 2nd screen of eligibility, above the "CASE TEST RESULTS"

Example:

```
                          SNAP ELIGIBILITY RESULTS                ASN2VA4  01

NOTICE TEXT: GROSS INCOME

----------------------------- CASE TEST RESULTS -----------------------------
PASSED     APPLICANT IN HOUSEHOLD    PASSED     RECERTIFICATION
PASSED     APPLICATION WITHDRAWN     PASSED     RESIDENCE
PASSED     DUPLICATE ASSISTANCE      PASSED     RESOURCE
PASSED     ELIGIBLE PERSON           PASSED     STRIKE
PASSED     FAIL TO COOPERATE         PASSED     TRANSFER RESOURCE INCOME
PASSED     FAIL TO FILE/CORRECT      PASSED     VERIFICATION
FAILED>>>  NET INCOME                N/A        VOL/OTH
FAILED>>>  GROSS INCOME
FAILED>>>  CATEGORICALLY ELIGIBLE


RESOURCE RESULTS:
RESOURCE LMT: $    2500.00    AMOUNT: $     900.00
```

It is important that the Benefits Specialists add in the narrative the reason for closure/denial and that the narration matches the notice text sent to the customer. The narrative may also have other reasons the household is ineligible, but the primary reason based on the hierarchy of notice reasons is the one that is displayed in the notice and should be the overall reason for closure/denial.

CHAPTER EIGHTEEN: FAIR HEARINGS

18000 FAIR HEARINGS

DSS will provide a fair hearing to any household disputing an action of DSS which affects the participation or benefit level of a SNAP household. The agency will offer an agency conference with the head of household and/or a household representative and the Supervisor whenever a household is adversely affected by an agency action and wishes to discuss the issue. An agency conference **must** be offered to the household prior to a scheduled fair hearing.

Fair Hearing procedures and practices are detailed in the Guide for Administrative Hearings, available at the following location:
https://dss.sd.gov/formsandpubs/docs/ADMIN/GuidetoAdminHearingsProc.pdf

18100 HEARINGS INFORMATION

18110 RIGHT TO REQUEST HEARING

At the time of application, each household will be informed in writing of:

- Their right to a hearing
- The method by which a hearing may be requested
- That their case may be presented by a household member or a representative, such as a legal counsel, a relative, a friend, or other spokesperson.

If, at any time, a member of the household expresses to DSS that it disagrees with DSS action, he/she will be reminded of the right to request a fair hearing. If there is an individual or organization available that provides free legal representation, the household will also be informed of the availability of that service.

18120 AGENCY CONFERENCE

An agency conference is an informal discussion between the customer and/or one or more household representatives and a supervisor. DSS will advise households that use of an agency conference is optional and that it will not delay or replace the fair hearing process. DSS conferences may be attended by the Benefits Specialist responsible for DSS action and will be attended by the Supervisor, and the household and/or its representative. An agency conference may lead to an informal resolution of the dispute. If the household is satisfied with the results of the agency conference, and a fair hearing had previously been requested, the household must request a withdrawal of the fair hearing. The withdrawal should be in writing, if possible.

An agency conference for a household contesting a denial of expedited service will be scheduled within 2 working days, unless the household requests that it be scheduled later or states that it does not wish to have an agency conference.

The purpose of an agency conference is to give the customer an opportunity to discuss the situation with the Specialist's immediate supervisor without in any way compromising or affecting the right to appeal. In many cases, a supervisory conference will lead to resolution of the dispute and make an appeal unnecessary. If resolution is not obtained during the conference, the fair hearing process should be explained, and assistance offered in helping the household prepare for the appeal.

18130 HOUSEHOLD RIGHTS

Upon request, DSS will make available, without charge to the household, the following materials:

- Any specific materials necessary for a household or its representative to determine whether a hearing should be requested or to prepare for a hearing.
- Adequate opportunity to examine all documents and records to be used at the hearings at a reasonable time before the date of the hearing as well as during the hearing.
- The contents of the case file, including the application form and documents of verification used by the State agency to establish the household's ineligibility or eligibility and benefit amount.

Privileged Information

- Privileged information, such as the names of individuals who have disclosed information about the household without its knowledge or the nature or status of pending criminal prosecutions, is protected from release.
- Privileged information protected from release and other documents or records which the household will not otherwise have an opportunity to contest, or challenge will **not** be introduced at the hearing or affect the hearing official's decision.

During the hearing, the household or its representative may:

- Bring witnesses;
- Present their case;
- Question or refute any testimony or evidence;
- Cross examine adverse witnesses; and

Submit evidence to establish all pertinent facts and circumstances in the case

18140 FAIR HEARING TIME FRAMES

Benefits Specialists must ensure copies of all hearing exhibits are sent to all parties involved no later than five day prior to the hearing.

Within 60 days of receipt of a request for a fair hearing, the Office of Administrative Hearings (OAH) will assure that the hearing is:

- Conducted
- A decision is reached
- The household and local agency is notified of the decision.

Decisions which result in an increase in household benefits will be reflected in the benefit amount within 10 days of the receipt of the hearing decision even if DSS must provide the household with an opportunity to obtain the benefits outside of the normal issuance cycle.

- DSS may take longer than 10 days if it elects to make the decision effective in the household's normal issuance cycle provided the issuance will occur within 60 days from the household's request for the hearing.

Decisions which result in a decrease in household benefits will be reflected in the next scheduled issuance following receipt of the hearing decision.

18150 REQUEST FOR HEARING

A request for a hearing is defined as a clear expression, oral or written, by the household or its representative, that it wishes to appeal a decision or would like the opportunity to present its case to a higher authority. The freedom to make a request for a hearing will not be limited or interfered with in any way.

If it is unclear from the household's request what action it wishes to appeal, DSS may request the household clarify its grievance.

Form DSS-EA-319, Oral/Written Request for Administrative Hearing, must be completed by DSS if the request for a hearing is initiated at the local office. DSS-EA-319 must be submitted to the Office of Administrative Hearings **within one working day** of receipt. If the household has submitted the request for hearing in writing, the written request must be attached to the DSS-EA-319 along with the notice of action that caused the request for hearing.

18151 TIME PERIOD FOR REQUESTING A HEARING

Households will be allowed to request a hearing on any DSS action or any loss of benefits which occurred in the **prior 90 days**. Action by DSS includes a denial of a request for restoration of any benefits lost more than 90 days but less than a year prior to the request. In addition, at any time within a certification period, a household may request a fair hearing to dispute its current level of benefits.

Once a household has requested a fair hearing, the hearing will be held unless the household withdraws the hearing request in writing or orally. For hearing requests that were not received timely, the Benefits Specialist should start their testimony at the hearing by citing:

- The hearing request date
- Regulations concerning allowable time frames
- Request the hearing dismissed because the hearing was not requested within the allowable time frame.

18152 HOUSEHOLD REQUESTS FOR POSTPONEMENT

The household may request and is entitled to receive a postponement of the scheduled hearing. The postponement will not exceed 30 days and the time limit for action on the decision may be extended for as many days as the hearing is postponed.

> **Example:** If a fair hearing is postponed by the household for 10 days, notification of the hearing decision will be required within 70 days from the date of the request for a hearing.

18160 HEARING REQUESTS FROM MIGRANT HOUSEHOLDS

DSS will expedite hearing requests from households, such as migrant farm workers, that plan to move from the jurisdiction of the hearing official before the hearing decision would normally be reached. Hearing requests from these households will be processed faster than others, if necessary, to enable them to receive a decision and restoration of benefits if the decision so indicates before they leave the area.

18170 CONTINUATION OF BENEFITS

If a household requests a fair hearing within 10 days after the notice of adverse action is mailed and the household's certification period has not expired, the household's participation in the program will be continued on the basis authorized immediately prior to the notice of adverse action, unless the household specifically waives continuation of benefits. If the household does not indicate

whether it waives continuation of benefits, then the desire for continued benefits will be assumed. If the request for continued benefits is received after a weekend or holiday, the request for continued benefits should be considered timely.

If DSS action is upheld by the hearing decision, a claim against the household will be established for all overpayments, unless the hearing issue was a work registration sanction. If the hearing examiner upholds DSS' work determination, the sanction/disqualification period will begin the first month after the hearing decision is rendered.

If a hearing request is not made within the period provided by the notice of adverse action, benefits will be reduced or terminated as provided in the notice.

- If the household establishes that its failure to make the request within the advance notice period was for good cause, DSS will reinstate the benefits to the prior basis.

18180 REDUCTION OR TERMINATION OF BENEFITS

When benefits are reduced or terminated due to a mass change, participation on the prior basis will be reinstated only if the issue being contested is that SNAP eligibility or benefits were improperly computed or that Federal law or regulation is being misapplied or misinterpreted by DSS.

Once continued or reinstated, benefits will not be reduced or terminated prior to the receipt of the official hearing decision unless:

A. The certification period expires. The household may reapply and may be determined eligible for a new certification period with a benefit amount as determined by DSS; or,

B. The hearing official makes a preliminary determination, in writing and at the hearing, that the sole issue is one of Federal law or regulation and that the household's claim that DSS improperly computed the benefits or misinterpreted or misapplied such law or regulation is invalid; or,

C. A change affecting eligibility or basis of issuance occurs while the hearing decision is pending, and the household fails to request a hearing after the subsequent notice of adverse action; or,

D. A mass change affecting the household's eligibility or basis, or issuance occurs while the hearing decision is pending.

DSS will promptly inform a household in writing if benefits are reduced or terminated pending the hearing decision.

18200 SUSPECTED PROGRAM VIOLATION (SPV)

When there is an indication that a household intentionally or fraudulently caused benefits to be issued in error, the case will be classified as a Suspected Program Violation (SPV). All SPV cases must be referred to ORFI using the DSS-EA-889 ORFI SPV Request form. This includes situations where fraudulent intent cannot be clearly determined. If there is any question regarding intent, the case must be treated as an SPV and referred to ORFI.

The most common suspected program violations occur because someone in the household:

1. Made false statements, either orally or in writing, to obtain benefits the household is not entitled to.
2. Concealed information to obtain more benefits than entitled to.
3. Altered Dakota EBT cards to obtain benefits the household is not entitled to.
4. Trafficked benefits for cash or non-food items.

Determinations on whether the overpayment was intentionally caused should be based on sound judgment and an evaluation of all the circumstances involved in each individual case. Factors that should be considered include:

1. Whether or not the household has a past history of failure to report changes in its status, after having been instructed to do so.

2. Whether the change involved was a change in circumstances since the date of certification or the last renewal or whether it was information that was withheld at the time of certification or renewal.

3. Whether there had been any other contacts with the household wherein there had been an opportunity to report the change.

4. Whether at the time of certification there was evidence of a pending change in status which the household was instructed to report and which it failed to report.

5. The relative importance of the type of change or information not reported by the household.

6. Whether or not the case file indicates that the Specialist's interviewing techniques were sufficiently thorough to leave no doubt that any information not obtained was intentionally withheld (verified by signed DSS-EA-301).

When questionable information is identified regarding unreported income, unreported household members, or other potentially inaccurate information, the Benefits Specialist **must** document in the case narrative that the case will be reviewed for a Suspected Program Violation (SPV). The narrative should be clear, concise, and straightforward.

Narratives Examples:

- Unreported Income. Referring to ORFI as a potential SPV.
- Unreported HH member (e.g. spouse, parent of child, or another mandatory HH member) with income that may exceed limit. Referring to ORFI as a potential SPV.
- Questionable Information: Referral to ORFI as potential SPV

The Supervisor must review all SPV referrals prior to signing off and sending to ORFI. If the Benefits Specialist misapplied policy, or the facts to do not support fraud, the supervisor will re-review the circumstances and take necessary action. No overpayment calculation for SPVs will be initiated **until** a determination of Intentional Program Violation (IPV) has been made.

An investigation or a pending disqualification hearing does not affect the suspected person's or household's right, to be certified and receive SNAP benefits pending a final decision. The household's eligibility and benefit level must be determined the same way as any other household. Also, if the Specialist determines that the household is ineligible or eligible for fewer benefits while awaiting a decision, the Specialist must take steps to terminate or reduce the household's benefits. Action is taken to adjust benefits regardless of the outcome of the SPV.

> **Example:** The Specialist may have facts to support a household's failure to report a change, even though it has not yet been determined that the failure to report involved intentional program violation. The current benefit level of the case must be adjusted, separate from any intentional program violation consideration.

The SPV claim status will continue until one of the following occurs:

1. Administrative Disqualification Hearing (ADH) decision;
2. Court IPV Decision;
3. ADH Waiver Signed;
4. Signed Disqualification Consent Agreement (only in deferred adjudication instances)

ORFI will reclassify the claim to an Intentional Program Violation if:

- The SPV individual signs the ADH waiver
- The ADH hearing or court findings affirm the individual is guilty of intentionally causing the overpayment.

ORFI will reclassify the claim to an Inadvertent Household Error (IHE) if:

- The IPV hearing or court findings state the overpayment was not intentionally caused.
- The ORFI investigation does not support the classification of an SPV.

18210 DETERMINING THE NUMBER OF MONTHS FOR A SUSPECTED PROGRAM VIOLATION (SPV) CLAIM

If it has been suspected that any member of the household committed an intentional program violation (IPV) by not reporting a change in circumstances or reporting incorrect information, the first month benefits were over issued will be the first month in which the change would have been effective had it been reported correctly.

- ORFI will determine the months for the claim.
- ORFI will not establish the effective month of the claim no later than two months after the month in which the household circumstance changed

The suspected program violation claim is calculated back to the month the act of violation occurred (but not more than 6 years from the date the overpayment was discovered).

It is imperative that the substantiation/verification still exists. If the information has been purged or destroyed, and there is no way to recreate or recapture the documents, then those months cannot be included in the calculation time frame for the SPV. Suspected program violations must be provable and if the violation, amount of issuance, and/or supporting documents no longer exits, no proof exists.

18220 DETERMINING THE AMOUNT OF AN INTENTIONAL PROGRAM VIOLATION (IPV) CLAIM

A. If an SPV is reclassified to an IPV, DSS will determine to amount of the IPV claim against the household equal to the difference between the allotment the household received each month and the allotment the household should have received using the correct allotments and eligibility factors in effect at that time.

B. The earned income deduction is **not allowed** in the claim calculation process for earned income.

C. When the amount of the claim is established, it will be necessary to determine if there are any benefits due the household which have not been restored in accordance with procedures under "Restoration of Benefits". If so, any benefits due the household will be subtracted from the amount of the claim. DSS will initiate collection action for the remainder, if any.

> **NOTE:** Retroactive benefits and current benefits can never be reduced to offset a claim.

D. The amount of benefits misused because of trafficking is determined by ORFI. In most cases, ORFI receives a report from the Office of Inspector General (OIG) or FNS and determines the amount trafficked based on the individual's admission, adjudication, or the trafficking document.

18300 INTENTIONAL PROGRAM VIOLATION (IPV) PROCESS FOR HEARINGS/ WAIVERS/COURT DECISIONS

ORFI will reclassify a Suspected Program Violation (SPV) claim to an Intentional Program Violation (IPV) claim only if:

- An administrative disqualification hearing or a court of appropriate jurisdiction has found a household member committed intentional program violation
- An individual is disqualified as a result of signing either a waiver or his/her disqualification hearing or a disqualification consent agreement in cases referred for prosecution.

Federal regulations require States to penalize individuals for trafficking benefits through the Intentional Program Violation procedures. Trafficking is defined as "the means of buying, selling, attempting to buy or sell, stealing, or otherwise effecting an exchange of SNAP benefits issued and accessed via Electronic Benefit Transfer (EBT) cards, card numbers and personal identification numbers (PINs), or by manual voucher and signature, for cash or consideration other than eligible food, either directly, indirectly, on-line or in person, in complicity or collusion with others, or acting alone". The Office of Recoveries and Fraud Investigations (ORFI) is responsible for investigating and calculating trafficking violations.

18301 REFERRAL PROCESS/RESPONSIBILITY

The Office of Recoveries & Fraud Investigations (ORFI) reviews all SPV requests to determine if the case should be referred for administrative disqualification proceedings or prosecution action. ORFI may do any or all of the following:

1. Provide an opportunity for the accused individual to sign a disqualification hearing waiver
2. Forward the case to the Department's administrative hearings section
3. Investigate further and refer to legal staff for prosecution.

If more than one of the actions is taken, the actions will be sequential. Each action will be completed by ORFI or the agency to which ORFI initially referred it before another action cited above is initiated. Once an SPV has been reclassified as an IPV, the claim determination must be completed.

All documents that substantiate the allegation of a SPV must be filed in Section 5 of the case record, including

1. A copy of the EA-889 SPV request
2. A copy of the EA-894 report
3. The documents substantiating the claim
4. Documents confirming the SPV was reclassified as an IPV (ex: signed waiver, final order by judge, etc.)

If ORFI determines that the circumstances identified on the SPV request are questionable, ORFI may contact the Supervisor and/or Benefits Specialist to discuss the overpayment. Based on this discussion, ORFI may determine that there is insufficient evidence to support an SPV and may reclassify the case as an IHE. The final determination will be made by ORFI personnel.

The Office of Administrative Hearings (OAH) may conduct administrative disqualification hearings in cases when:

1. The facts of the individual case do not warrant civil or criminal prosecution through the courts
2. Previously referred for prosecution but were declined
3. Previously referred cases, which no action was taken within a reasonable period of time and the referral was formally withdrawn.

An administrative disqualification hearing cannot be initiated against an accused individual whose case is currently being referred for prosecution if the factual issues of the case arise out of the same or related circumstances. The Office or Recoveries and Fraud Investigation may initiate administrative disqualification procedures or refer a case for prosecution regardless of the current eligibility of the individual.

18302 PARALLEL TO FAIR HEARING SYSTEM

Intentional Program Violation hearings will be conducted by the same personnel responsible for fair hearings, by the same procedures, and may be appealed to a higher court as is the case with fair hearings. Fair hearings and Intentional Program Violation hearings may be combined if the factual issues arise out of the same or related circumstances and due notice has been provided to the individual by the administrative hearing's office. If the individual had prior IPV disqualifications, a copy of the previous IPV waiver or hearing decision **must** be an exhibit at the administrative hearing.

18303 INITIATION OF INTENTIONAL PROGRAM VIOLATION HEARING PROCESS

The Office of Administrative Hearings (OAH) provides written notice of the household member(s) suspected of an IPV at least 30 days in advance of the date an IPV hearing has been scheduled.

Within 90 days of the date the household member is notified in writing that a hearing has been scheduled, OAH will

- Conduct the hearing
- Arrive at a decision
- Initiate administrative action to make the decision effective.

The household member or representative is entitled to a postponement of the scheduled hearing, provided the request for postponement is made at least 10 days in advance of the scheduled

hearing. However, the hearing will not be postponed more than once and not for more than a total of 30 days.

18304 WITHDRAWAL FROM AN IPV HEARING PROCESS

If it is determined that a SPV needs to be withdrawn from the IPV hearing process, written notice indicating the reasons for the withdrawal will be submitted to OAH by ORFI program staff with a cc to SNAP staff.

18305 SCHEDULING OF HEARING FOR IPV

The time and place of the hearing must be accessible to the household member suspected of intentional program violation. If the household member cannot be located or fails to appear at a hearing without good cause, the hearing will be conducted without the individual being represented. Even though the household member is not represented, the administrative hearing officer is required to carefully consider the evidence and determine if an intentional program violation was committed.

If a decision of intentional program violation is rendered and the officer later determines that the individual had good cause for not appearing, OAH will conduct a new hearing. The individual has 10 days from the date of the scheduled hearing to present reasons indicating good cause for failure to appear.

18306 WAIVED IPV HEARINGS

Accused individuals will be allowed to waive their rights to an administrative disqualification hearing as set forth in this section.

Individuals accused of their third intentional program violation may not waive their right to an administrative disqualification hearing.

18307 ADVANCE NOTIFICATION OF HEARING DECISION

OAH or ORFI provides written notice to a household member suspected of intentional program violation informing that they can waive their right to an administrative disqualification hearing.
A waiver may not be used for the third alleged IPV. In cases involving a third alleged IPV, an administrative disqualification hearing must be held, unless the case is prosecuted.

18308 NOTIFICATION OF IPV HEARING DECISION

The Office of Administrative Hearings will mail a written decision to the household notifying them of their decision.

If the administrative disqualification officer finds that the household member did not commit an Intentional Program Violation, ORFI will change the claim from an SPV to an IHE.

If the administrative disqualification officer finds that the household member committed an intentional program violation, DSS will mail a written notice (ACCESS NIPV Notice) to the household member prior to disqualification. The notice will:

1. Inform household member of the disqualification time period; and

2. Advise remaining household members, of the amount they will receive during disqualification period or that they must reapply because the certification period has expired; and
3. Include the date the disqualification becomes effective.

18309 BASIS FOR IPV DISQUALIFICATION FROM HEARINGS

Administrative disqualifications for intentional program violation are based on the following:

1. Determinations of hearing officials arrived at through administrative disqualification hearings;
2. Determinations reached by courts of appropriate jurisdiction;
3. Determination that an accused individual has waived his/her rights to an administrative disqualification hearing.
4. Determination that an accused individual has signed a disqualification consent agreement for a case of deferred adjudication.

18310 IPV DISQUALIFICATION PENALTIES

IPV disqualification time frames are based on the date the IPV infraction occurred. The infraction date is defined as the first month in which the incorrect or unreported information affected the household's eligibility or benefit amount, also known as the first month of overpayment.

Example 1: John didn't report Jane was employed during the September 15 application interview, and he was certified for benefits September through August. On December 5, an IEVS hit alerted the Specialist about Jane's employment and verification of her income made the household ineligible back to September (application month). The IPV infraction date, September (e.g. 09-01-15), is the date entered on MEMS.

Example 2: John and Jane had an on-going monthly reporting SNAP case with their most recent certification period being January through December. John started receiving VA benefits in June but did not report the information until their renewal interview in December. The VA income did not cause prospective ineligibility for July benefits; therefore, John and Jane did not have an overpayment until benefit month August. The month entered for the IPV infraction date on the MEMS panel should be August (e.g. 08-01-15).

Individuals who intentionally caused one or more infractions after September 22, 1996, and were found to have committed an intentional program violation, are ineligible to participate for:

- 12 months if this is their first violation
- 24 months for the second violation
- Permanently for the third violation.

If the infraction occurred prior to September 23, 1996, the individual is ineligible to participate for:

- 6 months for the first violation
- 12 months for the second violation
- Permanently for the third violation.

Example: John was found guilty of an IPV for over issued benefits for 01/96 - 03/96. The disqualification period is 6 months. He was subsequently found guilty of IPV for over issued benefits 10/97 - 12/97. The disqualification is 24 months for this violation.

Once an individual has signed a waiver/consent agreement or been found guilty of an intentional program violation, the violation counts unless it occurred prior to July 1983. If an individual had one or more violations prior to July 1983, the violation(s) only counts as one.

> **Example**: Jane was found guilty of IPVs 06-82, 06-83, 06-95, and 06-97. The IPVS in 1982 and 1983 count as one violation, the 1995 IPV counts as the second violation, and the June 1997 counts as the third.

The individual cannot be accused of a second or third IPV for any event that occurred prior to the time frames of the first IPV or during the time the first IPV is pending or awaiting a final hearing decision on the hearing or acknowledging the receipt of the hearing waiver.

The following examples clarify those times when a second or third IPV cannot be alleged:

1. The first IPV occurs on January 5, 1994. The household receives the notice of hearing for the 1st IPV on March 1. The hearing is scheduled for May 15. On March 10, 1994 a 2nd IPV occurs and is discovered. If the State notifies the household before April 15 of its intent to pursue a hearing for the 2nd IPV, that IPV may be included in the May 15 hearing. A subsequent claim against the household could be initiated or increased, but no more than a 6-month disqualification could be imposed for both IPVs.

3. Using the same time frames as above, suppose the individual received the final hearing notice May 25 and was disqualified from June through November. During the 6 month disqualification period the state discovers a 3rd IPV occurred in April 1994. There may not be another disqualification period imposed for this IPV since it occurred prior to the hearing determination of May 25. However, a claim could be established. This claim would be established as an inadvertent household error claim because a hearing may not be held in order to determine an intentional violation since the violation occurred prior to the household's receipt of the final hearing decision.

3. The first IPV occurs on June 10. The household receives the notice of hearing on August 1 and the hearing is held on September 5. The hearing decision is sent on September 29 and the individual is disqualified from October through March. In May the Specialist discovers that a 2nd IPV occurred in August. In this case, the claim must be considered an IHE because it occurred prior to the hearing determination for the 1st IPV.

4. Three serious and different IPVs occur in January and February and are discovered by DSS in March. The household is notified at three different times prior to May 15 that a hearing will be held. The IPVs are serious, with large fiscal claims and the household pleads guilty. Only one disqualification penalty can be imposed because all three violations occurred prior to the hearing determination and the household has had no previous disqualifications.

Only the individual found to have committed the intentional program violation, and not the entire household, will be disqualified. Remaining household members must agree to make restitution within 30 days of the date the demand letter is sent, or the household's monthly allotment will be reduced. The Office of Recoveries and Fraud Investigation (ORFI) will send out the demand letter and ACCESS will automatically enter a recoupment if the household does not respond to the demand letter. Restitution begins during the period of disqualification.

If a court fails to impose a disqualification period, DSS will impose a disqualification period. DSS will impose penalties following instructions in this section unless it is contrary to the court order.

18311 NOTIFICATION OF IPV DISQUALIFICATION

DSS will provide written notice to the household member prior to implementing the disqualification penalty using the automated NIPV Notice function. The NIPV notice will be sent using the benefit month the disqualification will start using the SPEC-C-NIPV function. If the case is not active the notice will be completed through the SPEC-**E**-NIPV function.

> **Example 1**: John was found guilty of an IPV for a not reporting income when he applied in September. A hearing was held in November, and the final decision was received on Dec 19th. John has an ongoing case so the Benefits Specialist would enter the NIPV for January stats using the function code of SPEC-C-**01**/YY-NIPV.

> **Example 2**: April was found guilty of an IPV for not reporting Joe was living with her when she applied for benefits in May. A hearing was held in November, and the final decision was received on December 28th. April's case has been closed since August, so she does not have an active case. The Benefits Specialist would still enter the NIPV in January, but they would use the SPEC-**E**-01/YY-NIPV function since there are no stats in January.

The NIPV notice will also notify remaining household members the amount of benefits they will receive during the disqualification period or that they must reapply because their certification period has expired. A demand letter for restitution will also be sent to the household by the Office of Recoveries and Fraud Investigations.

18312 IMPOSITION OF IPV DISQUALIFICATION PENALTIES

After a household member has been found to have committed an intentional program violation, the household member is disqualified beginning with the first month that follows the date the household member receives written notification of the hearing decision, regardless of whether or not the individual is receiving benefits.

- If the case is active, the Benefits Specialist enters the IPV information on the MEMS panel
- If the case is inactive, the Benefits Specialist should check the MEMS panel within two days after the IPV information is received. If ORFI has not entered the IPV information, then the benefits specialist should contact the ACCESS help desk.

No further administrative appeal procedure exists after an adverse State-level hearing. The determination of intentional program violation made by a hearing official cannot be reversed by a subsequent fair hearing decision. The household member is entitled to seek relief in a court having appropriate jurisdiction. The period of disqualification may be subject to stay by a court of appropriate jurisdiction or other injunctive remedy.

Once a disqualification penalty has been imposed against a household member, the period of disqualification will continue uninterrupted until completed regardless of the eligibility of the disqualified member's household. The disqualified member will continue to be responsible for repayment of the overpayment which resulted from the disqualified member's intentional program violation regardless of his/her eligibility for program benefits.

18313 WAIVER SIGNED IN LIEU OF DISQUALIFICATION HEARING

If the accused individual signs the waiver and it is received timely, the household member is disqualified for the time period identified in the hearing decision. The disqualification period begins with the first month that follows the date the household member receives written notice of the disqualification.

Once the penalty has been imposed, disqualification continues uninterrupted regardless of the eligibility of the disqualified member's household.

No further administrative appeal procedures exist after an individual waives his/her right to an administrative disqualification hearing and a disqualification penalty has been imposed. The disqualification penalty cannot be changed by a subsequent fair hearing decision. The household member is entitled to seek relief in a court having appropriate jurisdiction. The period of disqualification may be subject to stay by a court of appropriate jurisdiction or other injunctive remedy.

18314 NOTIFICATION OF IPV DISQUALIFICATION WITH SIGNED WAIVER

Once a waiver is signed, DSS will provide an automated NIPV notice to the household member, prior to disqualification. The NIPV notice will be sent in the month the disqualification will start using the SPEC-C-NIPV function. If the case is not active the notice will have to be completed through the SPEC-**E**-NIPV function. The notice will inform the household member of the:

- Disqualification
- Date the disqualification will take effect

The NIPV notice will also notify remaining household members the amount of benefits they will receive during the disqualification period or that they must reapply because their certification period has expired. ORFI is responsible for sending the written demand letter for restitution.

18315 COURT IMPOSED DISQUALIFICATIONS

The Office of Recoveries and Fraud Investigation will determine if a referral for prosecution under State or local statutes is warranted for individuals suspected of committing intentional program violation, particularly if large amounts of SNAP benefits are suspected of having been obtained by an Intentional Program Violation or the individual has a history of prior IPVs.

ORFI will confer with its legal representative to determine the types of cases which will be accepted for possible prosecution. If a court fails to include a disqualification in its criminal conviction order, ORFI will determine the appropriate disqualification.

A court of appropriate jurisdiction, with either the State, a political subdivision of the State, or the United States as prosecutor or plaintiff, may order an individual disqualified from participation in the program for 12 months, 24 months, or permanently, depending on the number of previous IPVs, if the court finds that individual guilty of civil or criminal violation.

If disqualification is ordered, but a date initiating the disqualification period is not specified, DSS will initiate the disqualification period for individuals within 45 days of the date the disqualification was ordered.

Once the penalty has been imposed, it will continue uninterrupted until completed regardless of the eligibility of the disqualified member's household.

If the court fails to specify or address a disqualification period, DSS will impose the appropriate disqualification period based on the number of previous IPVs unless it is contrary to the court order. Only the individual convicted of intentional program violation and not the entire household can be disqualified.

18315.1 Notification of Disqualification if Court Imposed IPV

If the court finds that the household member committed an intentional program violation, DSS will provide written notice to the household member via the automated NIPV function on ACCESS. The NIPV notice will be sent in the month the disqualification will start using the SPEC-C-NIPV function. If the case is not active the notice will have to be completed through the SPEC-**E**-NIPV function. The notice will inform the household member of the:

- Disqualification
- Date the disqualification will take effect

The NIPV will also provide notice to the remaining household members, if any, of the amount they will receive during the period of disqualification or that they must reapply because the certification period has expired. ORFI is responsible for sending the written demand letter for restitution.

18316 DEFERRED ADJUCATION FOR IPV

DSS will allow accused individuals to sign disqualification consent agreements for cases of deferred adjudication. Cases of deferred adjudication are cases in which a determination of guilt is not obtained from a court due to the accused individual meeting the terms of a court order or which are not prosecuted due to the accused individual having met the terms of an agreement with the prosecutor. The following procedures are applicable.

18316.1 Imposition of Disqualification

If the accused household member signs the disqualification consent agreement, the member is disqualified for 12 months, 24 months, or permanently, depending on the number of previous IPVs. Disqualification begins within 45 days after the disqualification consent agreement is signed, unless the court specifies differently.

Once the penalty has been imposed, it continues uninterrupted regardless of the eligibility of the disqualified member's household.

18316.2 Notification of Disqualification

Once a disqualified consent agreement is signed, DSS will provide an automated NIPV notice to the household member, prior to disqualification. The notice will inform the household member of the:

- Disqualification
- Date the disqualification will take effect

The NIPV will also provide notice to the remaining household members, if any, of the amount they will receive during the period of disqualification or that they must reapply because the certification period has expired. ORFI is responsible for sending the written demand letter for restitution.

18317 REPAYMENT OF INTENTIONAL PROGRAM VIOLATION

Regardless of the current eligibility of a disqualified member's household, the household continues to be responsible for repayment of the overpayment resulting from the member's intentional program violation.

18318 REVERSED DISQUALIFICATIONS

In cases where the determination of intentional program violation is reversed by a court of appropriate jurisdiction, DSS will reinstate the individual in the program if the household is eligible. DSS will restore benefits that were lost as a result of the disqualification.

18400 FAIR HEARING REQUEST DUE TO FNS ORDER

Any household that has its allotment reduced, suspended or canceled as a result of an order issued by FNS may request a fair hearing if it disagrees with the action, subject to the following conditions.

State agencies are not required to hold fair hearings unless:

- The request is based on the household's belief that the benefit level was computed incorrectly under these rules
- The rules were misapplied or misinterpreted.

State agencies are allowed to deny fair hearings to households merely disputing the fact that a reduction, suspension or cancellation was ordered. Households do **not** have a right to continuation of benefits pending the fair hearing. A household may receive retroactive benefits in an appropriate amount if it is determined that the benefits were reduced by more than the amount directed by FNS.

18500 HEARING DECISIONS

Hearing decisions will comply with Federal law and regulations and will be based on the hearing record. The exclusive record for a final decision by the hearing authority will include:

- The verbatim testimony, transcript, or recording of testimony, exhibits, or an official report containing the substances of what transpired at the hearing
- All papers and requests filed in the proceedings

This record will be available to the household or its representative at any reasonable time for copying and inspection.
A decision is binding on DSS and will:

- Summarize the facts of the case
- Specify the reasons for the decision
- Identify supporting evidence and the pertinent Federal regulations

The decision will become part of the record.

Both the household and local office will be notified in writing of:

- The decision
- Appeal rights
- If the household’s benefits will be issued or terminated, as decided by the hearing authority

The notice will also state than an appeal may result in reversal of the decision. The household has the right to pursue judicial review of the decision if the DSS action is upheld by the hearing authority.

All DSS hearing records and decisions will be available for public inspection and copying, subject to disclosure safeguards and provided identifying names and addresses of household members and other members of the public are kept confidential.

18600 IMPLEMENTATION OF FINAL DSS DECISIONS

DSS is responsible for ensuring that all final hearing decisions are reflected in the household's benefit amount within 60 days.

When the hearing authority determines that a household has been improperly denied program benefits or has been issued a lesser benefit amount than was due, lost benefits will be provided to the household. DSS will restore benefits to households leaving the State before their departure, whenever possible. If the household has moved out of state, benefits must still be approved, and the household notified.

When the hearing authority upholds DSS's action, a claim against the household for any overpayment will be prepared.

18700 PREPARATION OF REPORT OF CLAIM DETERMINATION

DSS-EA-894, Overpayment Report must be completed for all over issuances, in addition to the automated referral (RECO) to ORFI. The following instructions define how to complete the referral process:

A. "Information" section will be completed by ORFI in cases where an IPV has been determined or in situations where there was an SPV but was re-classified as an IHE.
B. "Overpayment Timelines" section will be completed by the EABS
    1. Potential O/P Date
        - The date the potential overpayment was discovered.
    2. Substantiation/TIP Sent
        - The date the substantiation (verification/documentation) was requested to complete the overpayment.
        - The request for information must be sent within 30 days after the potential overpayment date.
    3. Substantiation Received
        - The date the final substantiation/documentation is received verifying the overpayment has occurred.
        - The DSS-EA-894 and RECO must be completed as soon as possible after this date and within 120 days from this date.

C. "SNAP Overpayment" section will be completed by EABS
    1. Amount of the overpayment
    2. Classification type
        a. IPV
        b. IHE
        c. AER—even though we do not recoup from the household, we still need to identify if the Agency Error (AER) is within the threshold listed as these amounts will not need to be paid back. ORFI tracks all AER and the amounts. If the amount is within the threshold mentioned, mark the box "Do Not Recoup".
    3. Offset Amount – if there is any offset amount for the claim this amount should be listed.
    4. Trafficking Overpayment – This will be completed by ORFI staff
    5. QC Audit – Mark this yes if the overpayment was due to a QC review

D. “Actual Basis of Issuance/Payment” section – EABS will list each month, household size, adjusted income (not gross) and the benefit amount that were issued prior to the discovery of the overpayment.

E. “Correct Basis of Issuance/Payment” section – EABS will list the month, household size, correct adjusted income and correctly calculated benefit amount after the overpayment was determined.

F. “Overpayment Questions” section – The EABS will answer each question in this section.

G. “Household Member During Overpayment Period” – EABS will complete this section if the household composition is different than what ACCESS shows.

> **Example**: Bill was an unreported household member that should have been included in the household count along with his income. Bill and the other household members would all be listed in this section.

H. “Cause of the Overpayment” section – EABS chooses from the drop down menu the reason that caused of the overpayment. The next form field must identify the circumstances for the overpayment. Be thorough, concise, and to the point when explaining the cause.

I. “Prior IPVs Listed on ACCESS” section – The EABS will list any previous IPVs that are showing on the PERS-D-NIPV screen in ACCESS.

J. “Reporting Staff Information” section – The EABS will put their information on the worker line and then the Supervisor will complete their information once they approve of the information in the overpayment Report.

K. After the DSS-EA-894, Overpayment Report is completed the SPEC-C-RECO, is completed. The hard copy form is sent to the supervisor for approval. (This is done as soon as possible but must be completed within 120 days of the receipt of the final verifications/decision.

1. A copy of the DSS-EA-894 and all substantiation are maintained in the case file in File Director.
2. RECO is completed via the SPEC function on ACCESS.
3. Within the 120 time frame for referral, the Overpayment Report is reviewed for accuracy by the Supervisor, signed and forwarded to the ORFI Recovery Coordinator, and if requested, to the Regional Manager. RECO is also approved on ACCESS by the Supervisor and upon approval, is automatically forwarded to the ORFI Coordinator.
4. ORFI reviews the claim and is responsible for claim collection.

CHAPTER NINETEEN: UNDER-OVER ISSUANCE AND ADJUSTMENTS

19000 UNDER-OVER ISSUANCE AND ADJUSTMENTS

19100 UNDER ISSUED BENEFITS

DSS is required to issue SNAP benefits that are lost as a result of DSS error. No action by the household is required once the under issuance has been discovered. There are two methods to repay under issued benefits

1. Agency error corrective action payment
2. Restoration of lost benefits.

19110 AGENCY ERROR CORRECTIVE ACTION PAYMENT

Agency error corrective action payments are made when:

1. The under issuance is caused by agency error
2. The under issuance is discovered in the same benefit month the under issued benefits were paid, **AND**
3. The agency error corrective action payment can be **paid in the same benefit month** the under issued benefits were paid.

If possible, agency error corrective action payments should be completed rather than restored benefits. Because corrective action payments are only made when the household didn't receive their full benefit amount due to DSS making a mistake, the payment should be authorized to the household as soon as possible. Agency error corrective action payments are the fastest method of payment.

If the under issued benefits cannot be paid the same benefit month the incorrect allotment was paid, the under issued benefits must be paid following restoration of lost benefits' procedures.

To authorize agency error corrective action payments, make the change(s) on ACCESS, and when the case has completed background transactions, approve the eligibility results. Documentation must also be completed detailing the reason for the corrective payment.

19111 RESTORATION OF LOST BENEFITS (PADJ-Prior Adjustment Period)

Restorations of lost benefits are completed electronically through the Prior Adjustment Period (PADJ) process on ACCESS. PADJ must be made when the under issuance is caused by the following situations:

1. The agency made a mistake (agency error)
2. An intentional program violation (IPV) disqualification is later reversed
3. Federal regulations specifically require it
4. Court ordered
5. The agency error corrective action is not taken or able to be paid, in the same benefit month the under issued benefits were paid.

Whenever a household receives fewer benefits than it was entitled to for one of the reasons listed above, and a corrective action payment cannot be paid in the same benefit month, the Benefits

Specialist must restore those lost benefits **within 30 days** from the date the error is substantiated. Current participation in SNAP is not a condition of eligibility for restored benefits. PADJ payments must be approved by supervisory staff prior to benefit issuance.

To provide restored benefits to qualified households, the following procedures must be completed by the Benefits Specialist. At each step of the process, claims should be acted on within five working days. Restored benefits must be issued to the household within 30 days from the date the error is substantiated.

1. The SNAP estimator should be used to determine the actual basis of issuance of benefits prior to completing the PADJ on ACCESS.
2. Specialist completes the PADJ calculation and documentation on ACCESS
3. Supervisor reviews PADJ and is responsible for making the final decision on the restoration (the Regional Manager may choose to make the final decision). The Supervisor will query the SS51 system for outstanding claims.
4. Supervisor approves PADJ results or explains the reason for the disapproval of the restoration.
5. The Specialist completes the notice to the household via SPEC-C NOTC on ACCESS. The notice should list:
    - The amount of restored benefits
    - Why they are restored
    - The time period the restored benefits cover
    - The household member must call the EBT Customer Service number to get a replacement EBT card if they do not have their card any longer.
6. If PADJ cannot be completed (because there are no eligibility results on ACCESS), a DSS-EA-894, Overpayment Report, must be completed and sent to the EBT Administrator. EBT personnel will authorize the restored benefits into the individual's EBT account. This is only to be used if there are NO eligibility results on ACCESS.
7. For cases that are inactive/closed at the time the restored benefit is approved, as long as there are eligibility results, the PADJ can be completed on ACCESS. The following will occur:
    - IN-STATE RESIDENTS:
        - The EBT account will be automatically reactivated when the restored benefits are put into the EBT account (availability date).
    - OUT OF STATE RESIDENTS:
        - The EBT account will be automatically reactivated when the restored benefits are put into the EBT account (availability date). When the address is known, and if the household indicates they do not have their EBT card, a request for address update will be sent to EBT program staff (if it does not match the last known address on ACCESS). If the address is not known, or the household does not request a replacement EBT card through the EBT card customer service, the benefits will stay in the EBT account for 274 days after the PADJ availability date. After that time, the benefits will be expunged.

19112 DELAY, DENIAL, TERMINATION

Because of a DSS error, the month of application is considered the first month the loss occurred if:

1. An eligible household's application was denied
2. The Specialist delayed benefits to an eligible household more than **60 days after** the initial application was filed.

Because of a DSS error, if benefits are delayed **less than 60 days** from the date the application was filed, the Specialist must provide benefits retroactive to the date of application.

If an eligible household made timely application for continued benefits but was not provided an opportunity to participate in the month following the expiration of its certification period, the month following the end of the certification period is considered the first month the loss occurred.

If a household's benefits were erroneously terminated, the first month that benefits were not received as a result of the erroneous action is considered the month the loss initially occurred.

After computing the date the loss initially occurred, the loss is calculated for each month after the initial month until either:

1. The first month the error is corrected
2. The first month the household is found ineligible
3. The first month the household reapplied

Example 1: A household receives fewer benefits than entitled beginning in January and the error is not corrected until the April issuance. If otherwise eligible, the household is due restored benefits for January, February, and March.

Example 2: A household was erroneously denied in January, reapplied July 1, and was certified. Lost benefits would be considered for January through June 30. Note that the household's situation for February through May is considered even though the household did not apply in those months.

Example 3: Same situation as example 2: Except the household was ineligible for March although eligible for the other months. In this case, the lost benefits should be restored only for January and February because the restoration stops at the first month the household is actually ineligible.

19113 DETERMINATION OF ELIGIBILITY

The Benefits Specialist must determine if the household was actually eligible for each month a potential loss occurred. If there is insufficient information in the household's case file to document that the household actually was eligible, or if the household had never applied for the month in question, the Specialist would tell the household what information must be provided to determine eligibility. For each month the household cannot provide the necessary information to demonstrate its eligibility, the household is considered ineligible.

19114 CALCULATION

For the months the household was eligible, the Specialist will calculate the allotment the household **should** have received.

If the household was certified and participating but received a smaller amount than it was entitled to, the difference between the actual and the correct amount is the amount under issued.

19120 OFFSETTING CLAIMS WHEN RESTORED BENEFITS ARE DUE THE HOUSEHOLD

If a claim against a household is unpaid or held in suspense, the Specialist must count the amount to be restored against the amount due on the claim. The balance, if any, is then restored to the household.

In cases when an initial allotment is received within 60 days of the date an application is filed and is paid retroactive to the date of application, the retroactive payment must not be reduced to offset any prior claims.

In cases where the under issuance was discovered in the same month the claim occurred and an agency corrective action payment is authorized for that month, the corrective action payment may be reduced by a recoupment payment

Before any restored benefits may be issued, any prior overpayments must be paid in full. ACCESS will automatically read the SS51 system for an overpayment balance. If one is located, the restored benefit amount will automatically be used as an offset against the overpayment balance. If the amount of restored benefits due the household is larger than the unpaid overpayment, ACCESS will deduct the unpaid balance and issue the remainder of the benefit amount as a restored benefit. The Specialist must provide the difference to the household.

Specialist must contact households entitled to restored benefits and inform them of their right to these benefits as soon as they are determined eligible for them. The Specialist must also advise the household of:

- The amount of benefits to be restored
- Any offsetting that was done
- The method of restoration
- The right to appeal decisions affecting any aspect of the restoration of lost benefits.

The notification may be done via the SPEC NOTC function via ACCESS.

Process for Offsetting a Claim When There is a PADJ on ACCESS

ACCESS allows Supervisors to enter a recoupment amount in the "SNAP Recoupment Amount" Field on SNAP Eligibility Results created by PADJ even if ORFI does not have an over issuance amount recorded. The PADJ can be entered prior to ORFI entering the overpayment on the SS51.

The 894, Overpayment Report, must still be completed and sent to ORFI within two working days of the PADJ approval. The 894 will state that the overpayment is paid via restored benefits in the comment section and list the amount of the overpayment that was offset with the PADJ. Also, complete the RECO to electronically record the overpayment with ORFI.

The following steps occur on PADJ when a SNAP Recoupment Amount is entered and there is not a recoupment balance shown:

1. The Supervisor enters an amount in the SNAP Recoupment Amount field and puts APP in the command and pushes enter;
2. An online edit appears that states "PADJ Recoup Amount Entered No Recoup Balance, Press Enter to Continue";
    - If the Supervisor finds that an error was made and there should not be a recoup amount, he/she enters zero.

- If the Supervisor finds that an incorrect recoupment amount is entered, he/she corrects the amount and pushes enter.
- If the Supervisor agrees with the recoupment amount, he/she presses enter;

3. Another online edit appears that states "Recoup Amount Greater Than Recoup Balance, Press Enter to Continue";
   - This is a second alert to the Supervisor.
   - If the Supervisor still agrees the amount is correct, he/she presses enter;
4. The next screen shows the Allotment amount with the recoupment amount and month to date paid amount and asks, "Is this Correct?".

- If the Supervisor enters "NO", the eligibility menu is displayed.
- If the Supervisor enters "YES", the PADJ amount will be scheduled and ORFI will be notified of the recoupment.

5. The final screen asks, "Have You Checked For Outstanding Claim Balances For This Household?"
   - If the Supervisor enters "Yes", eligibility is approved.
   - If the Supervisor enters "No", the eligibility menu is displayed.

19130 TIME LIMITS FOR RESTORING BENEFITS

Benefits must be restored for not more than 12 months from the most recent of the following:

A. The date the household, another person, or agency notifies (oral or written) DSS of the possible loss to that specific household.
B. The date DSS discovers, in the normal course of business that a loss has occurred to a specific household.
C. Benefits must be restored to households whose benefits were found by any judicial action to have been wrongfully withheld. If the judicial action is the first action the recipient has taken to obtain restoration of lost benefits, then benefits will be restored for not more than 12 months from the date the court action was initiated. When the judicial action is a review of a DSS action, benefits will be restored for a period of not more than 12 months from the first of the following dates:
   1. The date DSS receives a request for restoration;
   2. If no request for restoration is received, the date the fair hearing action was initiated; but,
   3. Never more than one year from when DSS is notified of or discovers the loss.
D. The date the household requested a fair hearing to contest the adverse action which resulted in the loss.

19140 PERSONS DISQUALIFIED FOR INTENTIONAL PROGRAM VIOLATION (IPV)

If an IPV disqualification is later overturned or reversed, the individual may be eligible for restoration of benefits for the time period they were disqualified. The restoration of benefits may not exceed 12 months prior to the date of DSS notification.

The amount of restoration will be determined by comparing the amount the household received with the amount the household would have received had the disqualified person been allowed to participate.
Participation in an administrative disqualification hearing in which the household contests DSS' assertion of intentional program violation will be considered notification that the household is requesting restored benefits.

19150 DISPUTED BENEFITS

If the household does not agree with the amount or any other action taken by the Specialist to pay lost benefits, the household may request a fair hearing within 90 days of the date of notification of entitlement to the benefits.

If a fair hearing is requested before or during the time lost benefits are being issued, the household will continue to receive the under issued benefits as determined by the Specialist pending the fair hearing decision.

- If the fair hearing decision is favorable to the household, the Specialist will restore benefits in accordance with that decision.

If a household believes it is entitled to under issued benefits, but the Specialist does not agree, the household may request a fair hearing on that issue. The Specialist should document requests for under issued benefits in the household's case file, including justification for their decision and the date of that decision. Also, the households should receive a notice of their decision.

19160 HOUSEHOLD COMPOSITION CHANGES

Whenever a household is entitled to restored benefits and the household membership has changed, the Specialist will issue the restored benefits to the household containing a majority of the individuals who were household members at the time the loss occurred.

- If the Specialist cannot locate or determine the household which contains a majority of household members, then they will restore the lost benefits to the household which included the head of household at the time the loss occurred.

19200 OVER ISSUANCES/CLAIM DETERMINATIONS

It is the Benefits Specialist responsibility to establish over issuances/claims against a household. These claims should be completed in a timely manner whenever a household has received more benefits than they were entitled to receive.

All adult household members are jointly liable for the value of any overpayment of benefits to the household.

A. Claim Substantiation

Substantiation is defined as supporting the overpayment with proof or evidence (verification) and documentation detailing when, how, why, and the amount of the overpayment. Before the overpayment report, DSS-EA-894, is completed, the overpayment must be substantiated.

All potential SNAP benefit overpayments must be reviewed timely to determine if an overpayment report is required. Requests for verification (substantiation) must be initiated, as soon as possible, **within 30 days** of the date the potential overpayment was determined. The date the potential overpayment is determined is defined as the date the agency first suspects the household received more benefits than it was entitled to or the date it first suspects that a household may have misused their benefits.

Substantiation may be obtained from the recipient, source, collateral contact, or from the referral source. Each situation is unique and supporting verification is obtained from the most reliable and quickest method. Prudent worker judgement is used to determine how, and

which verification sources are used. For situations in which specific verifications may not be obtained, the next most reliable source/verification is used.

Example: The employer refuses or fails to release actual amounts of each pay check. The quarterly amount reported to the Department of Labor and Regulation (DLR) may be used by averaging the gross amount over the entire 3 months or, if the employment is less than 3 months, over the start and/or stop dates of employment.

All requests for substantiation must be made as soon as possible, but within 30 days of the date the potential overpayment is discovered.

- If substantiation cannot be started within 30 days, the process must still be completed (it will be a late determination).

Tracking of the substantiation process will be completed for federal reporting; therefore, it is **imperative** the date of potential overpayment and the date substantiation is initiated are listed on the hard copy (DSS-EA-894) and automated overpayment referral (RECO).

The date the final documentation is received verifying that an overpayment has occurred, is defined as the substantiation date. In cases of SPVs that have been determined to be IPVs, the date of substantiation is the date of the final court order, signed waiver, or final order from the court is received. The claim is calculated when the EABS completes their sections of the DSS-EA-894. The DSS-EA-894 and the SPEC-C-RECO and supporting documents for the claim are **required** to be transmitted to the Office of Recoveries and Fraud Investigation (ORFI) within 120 days from the completed substantiation date.

B. Claim Referral to ORFI

The overpayment report, DSS-EA-894, and automated referral (RECO) is the process used to transmit overpayments to ORFI to establish liability for the loss to the program. The overpayment report must contain a summary of the facts and circumstances supporting the overpayment amount, including the:

- Date of discovery of potential overpayment
- Date the substantiation process is started
- Date the final substantiation was received.

Failure to complete any of the required dates will result in the DSS-EA-894 report being returned for completion. Additionally, RECO has on-line edits to require completion of each date field. The summary section on the 894 must also contain an explanation on how claim identification was determined (why the claim was identified as a suspected program violation (SPV), inadvertent household error (IHE), or agency error (AER).

If the referral is not made to ORFI within 120 days, the overpayment is considered overdue. Time frames will be tracked; therefore, it is very important that the substantiation date is listed on both the DSS-EA-894 and RECO.

Important: Overpayment reports **must still be completed** and referred to ORFI even when the 120 day time frame are not met

C. Claim Documentation

The DSS-EA-894, Overpayment Report, along with all supporting documents, must be filed in Section 5 of the case record. Supporting documents are the documents (e.g. wage stubs, bank letters, rent receipts) used to establish the claim amount.

The DSS-EA-894 and supporting documents must be retained in the case file for three years from the date the overpayment was paid in full, compromised to zero by ORFI, or terminated. Claim documents should not be purged from active records until 3 years after ORFI has terminated the claim.

19210 SITUATIONS NOT RESULTING IN AN OVERPAYMENT REPORT

An overpayment report will **not** be filed when the overpayment:

1. Was located more than 12 months after it occurred and intentional program violation (IPV) is not suspected.
2. Occurred because the household otherwise was eligible, but the Specialist failed to ensure that the household's application form was signed, that a current work registration form was completed, or that the household was certified in the correct county.
3. When a categorically eligible household is later found ineligible for TANF or SSI because of excessive resources (categorical eligibility cannot be rescinded retroactively).

19220 CLAIM TYPES

There are three types of claims:

1. Agency Error (AER)
2. Inadvertent Household Error (IHE)
3. Suspected program violation/intentional program violation errors (SPV/IPV)

The procedures to be followed for each claim type differ. The type of claim determines what procedures are followed. Each claim summary on the overpayment report (DSS-EA-894) must support how the claim type was determined.

19221 AGENCY ERRORS (AER)

An overpayment will be classified as an agency error claim when the agency's action/failure to act, incorrect policy/procedure, and/or explanation of reporting requirements caused the overpayment.

> **Example:** Agency Error: The Specialist transposed gross wage amounts when entering on ACCESS (entered $250, but actual gross was $520). The overpayment was caused by DSS; thus, the claim is treated as an agency error claim.

The overpayment for an agency error will be calculated and a SPEC-C-RECO & DSS-EA-894 will be completed and sent to the Office of Recoveries and Fraud Investigations (ORFI). ORFI will complete the claim process and will send a letter to households indicating that an agency error occurred but due to current policies the claim will be paid by the State of South Dakota.

If the household is still participating in SNAP at the time the AER is discovered, overpayments under $250 will not be pursued by ORFI. The Spec-C-Reco & RE-894 must still be completed by the Benefits Specialist as ORFI still must track these errors. The Benefits Specialist will narrate on the case that an Agency Error occurred. Additionally, If the household is no longer participating in SNAP at the time the AER is discovered, overpayments under $500 will not be pursued by ORFI. The

SPEC-C-RECO & the RE-894 must still be completed by the Benefits Specialist as ORFI must still track these errors.

For categorically eligible households, an agency error claim will be prepared following the threshold limits indicated above when DSS took action or failed to take action, which resulted in the household's improper eligibility for TANF provided the claim is based on additional income and/or changes in household size and/or deductions.

- If SSI or CCS failed to take action or took improper action on income, household size, or deductions, it would be filed as an inadvertent household error because we did not make the error.

Example: The recipient reported that the parent that was not in the home, who was employed, has now returned to the home. DSS neglected to add him to the household. An AER claim would be prepared adding the other parent and his income to the household.

The most common agency errors occur when DSS:

1. Incorrectly issued duplicate benefits.
2. Incorrectly computed the household's income and/or deductions, or otherwise, assigned an incorrect allotment.
3. Failed to take prompt action on a change reported by the household.
4. Continued to provide an allotment after a household's certification had expired and the household had not reapplied.
5. Failed to provide a household a reduced level of benefits because its TANF grant changed.
6. Failed to take the appropriate action which resulted in a household improperly receiving TANF; therefore, improperly receiving SNAP benefits as a categorically eligible household.

19222 INADVERTENT HOUSEHOLD ERROR CLAIMS (IHE)

Inadvertent household error claims are those claims established against households for overpayments caused because the household had a misunderstanding or unintended error in reporting or failing to report information.

Example: The SNAP household members consisted of Mr. and Mrs. Jones and their two children. Mr. Jones' employed cousin, Kevin, moved into the home as a member of the household. The household did not report the change in the members of the household nor the additional income which resulted in putting the household over the gross income limit. Mr. Jones told the EABS that he did not report the change as he did not understand that he should report the change since Kevin is only a cousin and not a member of his immediate family. This would be an IHE claim.

The most common IHE claims occur because:

1. The household failed to provide correct and complete information unintentionally.
2. The household failed to timely report changes in its household circumstances unintentionally.
3. The household received continued benefits pending a fair hearing decision and was found to be ineligible or eligible for fewer benefits.

Other IHE claims include, but are not limited to:

1. The household was receiving benefits solely because of categorical eligibility and it was later determined ineligible to receive TANF/SSI/CCS because of unreported circumstances

such as additional income, changes in household size, or deductions (unless it is suspected to be an intentional error on the part of the household, then may be filed as SPV).

2. SSA or Child Care Services (CCS) took an action or failed to take the appropriate action, which resulted in the household improperly receiving SSI or CCS; therefore, improperly receiving SNAP benefits as a categorically eligible household.

Example: The recipient reported receiving income in excess of SSI guidelines to SSA. SSA neglected to close the case and also did not notify DSS of the recipient's additional income. A claim would be established using the additional income.

Example: The household received wages and TANF. The total income would normally exceed the gross income limit, but the household was categorically eligible. It is discovered that the household neglected to report a $200 bonus. A claim would be established calculating benefits including the $200 bonus

19223 SUSPECTED PROGRAM VIOLATION (SPV)/INTENTIONAL PROGRAM VIOLATION (IPV)

An overpayment will be classified as a suspected program violation (SPV) claim if it appears the overpayment was intentionally or fraudulently caused by the household.

The most common suspected program violation claims occur because someone in the household:

1. Made false statements, either orally or in writing, to obtain benefits the household is not entitled to.
2. Concealed information to obtain more benefits than entitled to.
3. Altered Dakota EBT cards to obtain benefits the household is not entitled to.
4. Trafficked benefits for cash or non-food items.

ORFI will reclassify a Suspected Program Violation (SPV) claim to an Intentional Program Violation (IPV) claim only if:

- An administrative disqualification hearing or a court of appropriate jurisdiction has found a household member committed intentional program violation
- An individual is disqualified as a result of signing either a waiver or his/her disqualification hearing or a disqualification consent agreement in cases referred for prosecution.

19230 COLLECTING CLAIMS

The Office of Recoveries and Fraud Investigations (ORFI) will initiate collection action on unpaid balances after approval of the accuracy and validity of the inadvertent household overpayment claim by supervisory staff. Upon receipt of an IPV determination (waiver, administrative hearing, court findings, or signed consent agreement), ORFI will update the first section of the DSS-EA 894 and send to the local office to complete the amount of the overpayment. Once the DSS EA-894 is completed, the Benefits Specialist will resubmit the DSS EA-894 back to ORFI to initiate collection proceedings to recover the unpaid balance. If the overpayment is NOT an IPV, the EABS will complete the full DSS-EA-894 leaving the ORFI Only section blank.

19231 INITIATING COLLECTION ON CLAIMS

The Office of Recoveries and Fraud Investigations (ORFI) will initiate collection action by providing the household a written demand letter which informs the household of the following:

A. Amount owed.
B. Intent to collect from all adults in the household when the overpayment occurred
C. Classification of overpayment
D. Cause of overpayment
E. Period of time over which the overpayment occurred
F. A copy of the claim calculation (the reverse side of the DSS-EA-894, Overpayment Report)
G. Name and phone number of the ORFI recovery coordinator assigned to the individual's debts
H. The following statements:
    1. The overpayment is equal to the difference between the allotment the household received and the allotment the household should have received.
    2. If the overpayment is not paid, it will be sent to other collection agencies, which will use various collection methods to collect.
    3. Records related to the overpayment may be inspected and copied at the local DSS office.
    4. Unless the amount of the overpayment was established at a hearing, a fair hearing can be requested within 90 days of the date of the demand letter.
    5. If not paid, the overpayment will be referred to the Federal government for federal collection action.
    6. A written agreement to repay the amount may be made to ORFI prior to referral for federal collection action. ORFI has the authority to accept or decline the agreement.
    7. ORFI may reduce any part of the overpayment if the ORFI determines the household is not able to repay.
    8. If the household does not respond to the demand letter or make full repayment within 30 days, and the household is active the household's allotment will be reduced by:
        a) The greater of 10% or $10 if the claim is classified as an inadvertent household error.
        b) The greater of 20% of the household's entitlement or $20 if the claim is classified as an IPV.
    9. If not an active SNAP participant, the household has 30 days from the date of the letter to pay the claim in full or to arrange an acceptable repayment agreement with ORFI.
    10. That free legal representation is available, if any exists in the area.

19232 STARTING THE OVERPAYMENT REPORT PROCESS

Whenever a household has been issued incorrect benefits, DSS must determine if a household is owed benefits or if the amount must be repaid.

- If the household is owed benefits, Corrective Action Payments or Restored Benefits procedures, must be followed.
- If the household must repay benefits, then we must determine if an overpayment report must be completed.

Inadvertent household error, (IHE) overpayment amounts that total less than $100 are waived, and the overpayment report is not completed. No further action is taken **unless** one of the following conditions apply:

1. The household is actively receiving benefits; or
2. The overpayment was discovered through the Quality Control review process.

In all circumstances of overpayments, the case file narrative must contain documentation regarding the waived overpayment detailing:

- When the overpayment occurred
- Why it occurred
- The estimated amount of overpayment.

If/when the household reapplies for SNAP benefits; specific training on the overpayment causes must be completed to ensure future overpayments do not reoccur.

When calculating the overpayment, the correct amount of benefits is determined for the months in error. Only the new data that DSS is aware of will be verified and budgeted in the calculation. DSS does not re-verify all factors pertaining to those months, **only** the error elements. The correct amount of benefits is subtracted from the actual amount received to arrive at the overpayment amount.

- If the amount is zero, no claim is completed.
- If the amount is a negative figure, DSS will follow restored benefit or corrective action payment procedures.

Overpayment reports are filed via the DSS-EA-894, Overpayment Report, and SPEC-C-RECO function automated referral to ORFI. Overpayment reports must be filed with the ORFI as soon as possible after the substantiation is received, but no later than 120 days from the date the final substantiation is received.

When the amount of the claim is established, it will be necessary to determine if there are any benefits due the household which have not been restored. If so, any benefits due the household will be subtracted from the amount of the claim then the claim will be initiated for the remainder.

19240 DETERMINING NUMBER OF MONTHS FOR AGENCY ERROR (AER) AND INADVERTENT HOUSEHOLD ERRORS (IHE) CLAIMS

The Specialist will determine the correct amount of SNAP benefits the household should have received for those months the household participated while the overpayment was in effect.

A 12 month time limit from the month an overpayment was discovered is used in computing an Agency Error or an Inadvertent Household Error claim. Therefore, the time frame will be computed as follows:

1. Determine the first month an overpayment occurred, excluding those months that are more than 12 months prior to the month of discovery.

2. Determine the total number of months the household received an overpayment, excluding those months that are more than 12 months prior to the month of discovery.

Example: On July 13, 2015, DSS discovered Steve received an overpayment from June 2014 through July 2015. The claim will be based only on the overpayment received from 7/2014 through 7/2015 (12 months prior to the month of discovery plus the month of discovery). The claim will be for a total of 13 months.

If the notice of adverse action was required but was not sent, DSS will assume that the maximum advance notice period would have expired without the household requesting a fair hearing.

19241 DETERMINING AMOUNT OF AGENCY AND INADVERTENT HOUSEHOLD ERROR CLAIMS

If the household received a larger allotment than it was entitled to receive, DSS will establish a claim for benefits incorrectly paid. The claim amount equals the difference between the allotment the household received each month and the allotment the household should have received when using the correct allotments and eligibility factors in effect at that time.

- If the household is categorically eligible, a claim will only be determined when it can be computed on the basis of changed household net income and/or household size or deductions. A claim will not be established if there was not a change in net income and/or household size or deductions.

If earned income is unreported or not reported timely, the earned income deduction (20%) will **not** be allowed in the claim calculation process on the portion of earned income that was not reported timely. It does not matter whether the individual intentionally or inadvertently did not report the earned income timely.

If earned income is reported timely, and DSS failed to act on the information, the earned income deduction **is** allowed in the overpayment calculation (AER).

> **Note**: When determining current benefits, these benefits **cannot** be reduced to offset a claim that was just discovered. Benefits can only be offset through PADJ.

19250 ACTION AGAINST HOUSEHOLDS WHICH FAIL TO RESPOND

When collection action has been initiated and the household fails to respond to the written demand letter within 30 days from the date the letter is mailed, the household's allotment will be reduced, if the household is participating.

- If the household is not participating, ORFI will pursue other collection actions, as appropriate.

19260 CHANGE IN HOUSEHOLD COMPOSITION

ORFI will initiate collection action against any or all of the adult members of a household at the time an overpayment occurred. Therefore, if a change in household composition occurs, ORFI may pursue collection action against any household which has a member who was an adult member of the household that received the overpayment.

19300 METHODS OF COLLECTING PAYMENTS

19310 ALLOTMENT REDUCTIONS

Unless a repayment agreement has been negotiated, DSS will collect payments for all overpayments from households currently participating in the program by reducing the household's SNAP allotment, except SPV claims. When the SPV classification is changed to an IPV (signed waiver, administrative hearing, court findings, or signed consent agreement), ORFI will use allotment reductions for payments from currently participating households.

Prior to allotment reduction, ORFI will send a demand letter and allow the household 30 days to pay off the overpayment in full or negotiate an acceptable repayment agreement. If no repayment agreement is accepted, ORFI will enter the appropriate information on ACCESS to start the allotment reduction process.

The provision for a $15 minimum benefit level for households with one and two members only, will apply to the allotment prior to reduction.

The amount of benefits to be recovered each month through allotment reduction is determined as follows:

A. Inadvertent household claims:
   - The amount of benefits to be recovered each month will be the greater of 10% of the household's monthly allotment or $10 per month.

B. Intentional program violation claims:
   - The amount of benefits to be recovered each month will be the greater of 20% of the household's monthly entitlement or $20 per month.

Rounding

- If the allotment times 10% or 20% ends in 1 to 49, round down to the nearest dollar.
- If the allotment times 10% or 20% ends in 50 to 99, round up to the nearest dollar.

Example:
- Allotment: $132 x 10% = $13.20
  - Recoupment Amount: $13
- Allotment: $149 x 10% = $14.90
  - Recoupment Amount: $15

19320 OFFSET OF RESTORED BENEFITS

If an under issuance of benefits has occurred, and the household has an unpaid balance, the amount of the unpaid balance will be deducted before any restored benefits are paid.

DSS may offset overpayments against restored benefits owed to any household which contains a member who was an adult member of the original household at the time the overpayment occurred.

19330 LUMP SUM PAYMENTS

If the household is financially able to pay the claim at one time, the lump sum cash payment will be collected. However, the household will not be required to liquidate all of its resources to make this one lump sum payment.

If the household is financially unable to pay the entire amount of the claim at one time and prefers to make a lump sum payment as partial payment of the claim, ORFI will accept this method of payment.

Either cash or SNAP benefits may be received for lump sum payments.

19340 INSTALLMENT PAYMENTS

If the household has insufficient liquid resources or is otherwise financially unable to pay the claim in one lump sum, payments will be accepted by ORFI in regular installments. Payments may be made with SNAP benefits or cash.

If the household member fails to make a repayment in accordance with the established repayment schedule, (either a lesser amount or no payment), the claim becomes delinquent, and the household will be subject to additional collection actions.

19350 CLIENT AUTHORIZED EBT DEBITS

SNAP households may pay the required amount with their SNAP benefits. The household requests their active SNAP benefits be used to pay an outstanding claim either in writing or verbally.

If verbal authorization is received, DSS or ORFI personnel will complete the SNAP Client Authorized Debit for Repayment of Over issuance Form (OS-954). Staff will indicate they received a verbal authorization from the household and the specific amount that the household is authorizing. Following a verbal authorization, the ORFI Recovery Coordinator will send a letter to the customer within 10 days of the transaction verifying the debit.
To make a written request, the customer will complete the SNAP Program Client Authorized Debit for Repayment of Over issuance form (OS-954). The form authorizes removal of SNAP benefits from the active EBT account in order to pay an outstanding claim.

The completed form is forwarded to the Office of Recoveries and Fraud Investigations (ORFI) for verification of the claim amount. ORFI verifies the amount of the active claim balance and repayment amount and will complete and sign their section of the form.

ORFI then forwards the form to the EBT Program staff that completes the requested debit of funds from the household's active EBT account utilizing.

19360 STALE EBT ACCOUNT DEBITS

Every other week, ORFI will review EBT stale account (no activity in 90 days) funds in excess of $25 to determine if a household has an overpayment. If they discover a household with an overpayment, and the household's stale EBT account balance is at least $25, ORFI will send the household a letter. The letter will notify the household that the amount in the stale account, up to the overpayment total, will be taken as payment on their debt. The household will be offered a time frame of 10 days to contact ORFI to stop the debt repayment.

19370 EXPUNGED EBT ACCOUNT DEBITS

ORFI will use SNAP benefits in an expunged EBT account to repay outstanding SNAP claims. Every other week, ORFI will review EBT expunged account (no activity in 274 days) funds in excess of $25 to determine if a household has an overpayment. If they discover a household with an overpayment, and the household's expunged EBT account balance is at least $25, ORFI will use the amount in the expunged account up to the overpayment total as payment on their debt.

19380 TREASUREY OFFSET PAYMENTS (TOP)

All overpayments that are legally enforceable and are delinquent for at least one hundred and eighty days or more are submitted to TOP. Once referred, the Department of Treasury will reimburse all or part of the individual's income tax refund to ORFI up to the amount of the overpayment.

19390 OTHER COLLECTION ACTIONS & UNSPECIFIED JOINT COLLECTIONS

ORFI may employ any other collection actions to collect overpayments. These include, but are not limited to:

- Referrals to state tax refunds
- Wage garnishments
- Lottery offsets
- Property liens
- Small claims court.

When an unspecified payment is received for a TANF and SNAP overpayment, ORFI may prorate the amount collected between the two programs. If the payment specifies which program it is intended, no proration will occur.

19400 SUBMISSION OF PAYMENTS

All cash collections will be promptly transmitted to the assigned ORFI Recovery Coordinator, and each payment will be accompanied by a cash transmittal and the original of the Department's serially numbered receipt form.
All collections will be accepted in the form of money orders, certified bank draft, cashier's check or other form of guaranteed payment. Payments for claims determined to have occurred due to suspected intentional program violation may be accepted by DSS but are subject to the Office of Recovery and Investigation's approval. If disapproved, the payment instrument will be returned to the household.

19500 METHOD OF COLLECTION

TYPE OF CLAIM	CALCULATING THE AMOUNT	ORFI SENDS DEMAND LETTER	LUMP SUM	REPAYMENT AGREEMENT	ALLOTMENT REDUCTION
Agency Error (caused by DSS)	Go back 12 months plus discovery month	Yes (but just informational, not a demand for payment)	State will pay back the benefits		
Inadvertent Household Error (not deliberately caused by household)	Go back 12 months plus discovery month	YES	YES	YES	Automatic if no response to demand letter ($10 or 10% of the allotment)
Intentional Program Violation (determined by court, administrative hearing, signed waiver/consent form)	Go back 6 years plus discovery month	YES	YES	YES	Automatic if no response to demand letter ($20 or 20% of the entitlement)

ENTITLEMENT AMOUNT: The amount the household would have received if the IPV disqualified member was included with the household.
IHE Example: $491 allotment based on 4 people but if 5 people had been included, the household would receive $497. $497 times 10% = $50 (rounded up from $49.70), is the amount the allotment will be reduced by for an IHE overpayment.

IPV Example: $491 allotment based on 4 people but if 5 people had been included, the household would receive $497. $497 times 20% = $99, is the amount the allotment will be reduced by for an IPV overpayment.

The Office of Recoveries and Fraud Investigations (ORFI) will handle collection requirements for the areas of demand letters, negotiating payment agreements, etc. ORFI will notify ACCESS to have the allotment reduction (recoupment) automatically programmed to be deducted from benefit amount when allotment reduction procedures are required. ORFI may also use other methods of collections - civil suit, IRS tax intercept, referral to a private collection agency, small claims court, etc. - for all types of claims.

CHAPTER TWENTY: REFUSAL TO COOPERATE, PENALTIES FOR NON-COMPLIANCE, AND SANCTIONS

20000 REFUSAL TO COOPERATE, PENALTIES FOR NON-COMPLIANCE AND SANCTIONS

20100 REFUSAL TO COOPERATE

Refusal to cooperate means that the household is able to cooperate but clearly demonstrates it will not take the required steps to complete the application process. For instance; the application should be denied immediately if the household refuses to be interviewed but not because it failed to keep a scheduled appointment.

Refusal to cooperate does not include cases of carelessness or inability on the part of the household to provide information.

Reasonable assistance in completing the application or in gathering verifications should be given to the household before a denial for refusal to cooperate. If there is a question as to whether the household has merely failed to cooperate, as opposed to refusal to cooperate, the household must not be denied. A household's refusal to cooperate must be thoroughly documented in the case record.

The household will be determined ineligible if it refuses to cooperate in any later case review. This includes:

- Reviews resulting from reported changes
- Eligibility redeterminations
- Program evaluations such as program audits.

Individuals living in the home but not receiving benefits due to ineligibility or sanction are still required to cooperate in providing requested information that may affect the household's benefits. DSS will not determine the household as refused to cooperate if a person outside of the household fails to cooperate with a request for information/verification.

> **Example**: The household does not have access to its paystubs, so the benefits specialist contacts the employer to get the information. The employer fails to return the wage information. The benefits specialist will not close the case for refusal to cooperate.

20110 REFUSAL TO COOPERATE WITH QUALITY CONTROL (QC)

Refusal to cooperate with a Quality Control Review results in case closure. Quality Control staff will send notification if a household member has refused to cooperate with a QC review.

The QC disqualification period lasts 125 days after the federal fiscal year ends or until the individual cooperates, whichever is first. The federal fiscal year is from October 1st – September 30th so the 125 day disqualification period would end February 2nd of the following year, unless the household cooperated prior to this time. The disqualification follows the individual who refuses to cooperate with QC, so the individual disqualified leaves a household the disqualification will follow the individual.

To start a QC disqualification, update the MEMS panel of the individual listed in the QC ACCESS mail message in the field called “QC Disq”:

- QC REV MONTH
  - Enter the review month provided by QC.
- START DATE
  - Enter the next benefit month from the email date that allows 10 day adverse action notice.
- CURE DATE
  - February 2nd is automatically displayed with the appropriate year. The individual is not eligible until February 3, unless he/she cooperates with QC prior to that date.
  - The appropriate year is calculated by ACCESS based on the date the EABS enters in the “QC REV MONTH” field.

- The household with the disqualified individual is ineligible and the case is closed.
  - If the disqualified individual later applies for SNAP, the application is denied until the disqualified individual cooperates with QC or the disqualification period has ended.

- If the disqualified individual leaves the household, the penalty follows him/her and the remaining household members can reapply for SNAP.
  - If the disqualified individual moves to another household and is purchasing and preparing with that household, that household becomes ineligible unless the disqualified individual cooperates with QC, moves out, or the disqualification period ends.

- QC will send ACCESS mail if the individual starts cooperating.
  - When the household including the previously disqualified member reapplies, update the Cure Date on the MEMS panel to the cooperation date identified by QC to cure the disqualification.

Example 1: QC is reviewing Jan’s case for October 2011. On 12-15, QC sent an ACCESS email message that Jan refused to cooperate. On the MEMS panel, enter the QC review month of October 2011 and the start date of January 2012 to provide 10 day adverse action notice. The cure date will automatically display as 2/2/13 after the case has gone through background. Ineligibility should be approved, and the case remains ineligible until February 3, 2013, unless Jan cooperates with QC.

On April 2, 2012, Sue reports that Jan has moved into her household and is purchasing and preparing with her. Jan’s MEMS panel reflects that she still has not cooperated with QC. Sue’s case will be determined ineligible for May. Close Sue’s case for May 2012. The case remains ineligible until February 3, 2013, unless Jan moves out or cooperates with QC before then.

Example 2: QC is reviewing Janie's SNAP case for March 2012. QC sends ACCESS mail on May 22 stating Janie's 19 year old daughter Becky has refused to cooperate. Enter the QC review month as March 2012 and the start date as July 2012 to provide 10 day adverse action notice. The cure date will automatically display as 2/2/13 after the case goes through background. The case remains ineligible until February 3, 2013, unless Becky cooperates with QC or moves to another household before that date.

On June 5, 2012, Janie reports that Becky has moved out of her household and provides Becky's new address. If Janie's case has not been closed for July, a left date should be entered on Becky's MEMB panel and eligibility determined. If Janie's case was closed, it should be reinstated so a left date can be entered on Becky's MEMB panel, so eligibility can be determined. If Janie had not reported Becky moved out of her household until July 2nd or later, a new application is required, and benefits will be prorated.

On June 5, 2012, Becky files an application for SNAP benefits. She has not cooperated with QC, so the disqualification period has not ended. Deny the application because Becky must cooperate with QC, or the disqualification period must end before she is eligible.

20200 FAILURE TO COMPLY WITH WORK REGISTRATION REGULATIONS

Individuals are required to comply with work registration regulations. Unless good cause is granted, individuals may not:

A. Refuse or fail to register for employment

B. Refuse to accept an offer of employment:
   1. The employment site must not be subject to strike or lockout;
   2. The offer of employment must be:
      a) Applicable federal or state minimum wage; or
      b) 80% of the applicable federal minimum wage if neither the federal or state minimum wage are applicable; or
      c) It is on piece rate basis and the average hourly yield the individual can reasonably expect to earn is less than the applicable hourly wage specified under "a" or "b" above.

C. Refuse to provide sufficient information to allow a determination of the individual's employment availability.
   1. Failure or refusal to provide information relating to the household's eligibility or benefit determination would result in rejection of the application or termination of benefits following adverse action time frames. If the failure to provide information is about employment history or wage amount/receipt (date job started/stopped; reason for termination, etc.), the household will be ineligible because of non-cooperation. However, if the individual refuses or fails to submit information to determine exemption criteria such as a doctor's name to verify incapacity, the individual would be sanctioned.

      The deciding factor in determining which penalty is appropriate (case closure or individual sanction) is whether or not eligibility/benefit level may be determined without the information provided. If eligibility/benefit level cannot be determined, the case is denied or terminated for non-cooperation. If eligibility/benefit level can be determined without the information, the individual is sanctioned.

D. Voluntarily quit the most recent job without good cause.
    1. The employment involved 30 hours or more per week or provided weekly earnings equivalent to the federal minimum wage multiplied by 30 hours; and
    2. The quit occurred within 60 days prior to the date of application or within 30 days of the renewal or 6 month report or if DLR reported the quit to the Benefits Specialist; and
    3. The quit was without good cause; and
    4. The individual was required to work register or was exempt from work registration because of the job he/she quit.

E. Voluntarily reduced hours of employment without good cause.
    1. The employment involved 30 hours or more per week; and
    2. The hours were reduced below 120 hours a month (30 hours a week); and
    3. The reduction of hours occurred within 60 days prior to the date of application or within 30 days of the 6 month report or if DLR reported the reduction in hours to the Benefits Specialist; and
    4. The reduction of hours was without good cause; and
    5. The individual was required to work register or was exempt from work registration because of the employment for which he/she reduced hours.

Applicants: For applicants who are unemployed at the time of application (i.e. - employed less than 30 hours per week or receiving less than weekly wages equal to federal minimum wage times 30 hours) or have reported a reduction of employment hours (reduction below 120 hours a month) within the 60 days prior to the application date, or within 30 days of the 6 month report, benefits specialists must determine if there was a voluntary quit/reduction of hours based on the above criteria. If the benefits specialist learns a household has lost a source of income or reduction of employment hours after the date of application but before the household is approved for benefits, the benefits specialists must determine if a voluntary quit/reduction of hours occurred.

Ongoing Participants: In the case of participating households, benefits specialists must determine if a member voluntarily quit or reduced his/her hours while participating when there is a loss or reduction of a source of earned income. Also, if someone enters a participating household and the individual is unemployed, benefits specialists must determine if the individual quit employment without good cause within the prior 60 days.

Strikers: Persons on strike are not considered to have quit or reduced hours of employment. However, an employee of the Federal Government or of a State or local government who participates in a strike against such government and is dismissed from his or her employment because of participation in the strike, these individuals will be considered to have voluntarily quit without good cause.

Under some circumstances, a person who loses his/her job or has a reduction in hours can be considered to have voluntarily quit/reduced hours even though technically the person was fired, or the employer reduced the hours. The basic rule of thumb to determine if the termination/reduction is not considered a voluntary quit/reduction is if the reason for the termination/reduction was beyond the employee's control. If the reason is within the employee's control, the voluntary quit/reduction of hour's penalty should be applied.

Example: An individual had been warned numerous times about smoking on the job, the employee continues smoking on the job and is fired when the employer catches him. This person had been warned by the employer, and continued the behavior after the warning, so the employee is considered to have voluntarily quit employment.

A person is also considered to have voluntarily quit if the person simply leaves the job unannounced or does not return to work. If the person says the absence was because of illness or similar good cause reasons, even if he does not report this to the employer and was fired, the person did not voluntarily quit, therefore, no work registration sanction may be applied. Prudent worker judgment is necessary to determine if a sanction for quit/reduction of hours should be imposed.

In addition, there are certain situations or changes in employment status that will not be considered a voluntary quit.

A. If a change in employment status results from the employer reducing hours of employment through no fault of the employee, no penalty would be imposed;
B. Terminating a self-employment enterprise;
C. Resigning from a job at the demand of the employer if the employee did not cause the employer to request his/her resignation; or
D. Quitting a job to take a new job with 30 or more hours a week of employment or employment paying at least the Federal minimum wage equivalent of 30 hours a week) and is then laid off or loses the new job through no fault of their own, the initial quit is not considered voluntary.
E. If the individual is participating in certain types of WIOA, OJT, or Internships or other types of training, a quit or reduction in hours would not be a voluntary quit penalty.

20300 PENALTIES FOR NON-COMPLIANCE

Non-exempt individuals who do not comply with work registration regulations are not eligible to receive SNAP benefits. If the individual is sanctioned, he/she is considered an excluded household member. If an individual becomes exempt from work registration, his/her sanction will terminate, and eligibility may once again be established for that individual. Work registration sanctions must be imposed with 10 day adverse action notice if a household member fails work registration requirements during the household's certification period.

The time frame for all work registration sanctions statewide are:

- One month for the first occurrence:
- Six months for the second occurrence; and
- Twelve months for the third and subsequent occurrences.

The household is entitled to a notice of adverse action and may appeal through DSS' hearing system. The disqualification period will begin the first month following the expiration of the adverse action period unless the household complies or requests a fair hearing. A disqualification may be imposed after the end of a certification period thus a notice of adverse action (NCOM notice, for example) must be sent whenever the benefits specialist becomes aware of an individual's non-compliance during a month they participated in SNAP. The disqualification period may begin after the certification period expires even if the household has not renewed their benefits. If the household reapplies during the disqualification period, the sanction continues until the end of the time period unless the individual is exempt from work registration requirements.

20310 EXAMPLES - PENALTY PERIODS

The following examples explain how to decide when the penalty period begins and ends. Individuals are removed from benefits the month following the expiration of the adverse action time period. Individuals are added to the household the month following the month the sanction ends, or the individual becomes exempt from work registration.

> **Example:** On March 15, the benefits specialist receives verification from a wage verification form, that a non-exempt recipient voluntarily quit employment. After discussion with the recipient, the benefits specialist determined good cause did not exist. The MEMS panel must be updated by 10 day adverse action time frames, which is March 20, with a "30" code. The penalty period begins April 1 and continues until expired, or the individual becomes exempt from work registration.

Notice of sanction may be sent using SPEC C NCOM for situations in which the case is closed or when ACCESS will not allow the Specialist to update the MEMS panel (usually when the sanction must be imposed the month following the month of receipt due to the 10 day adverse action time frames). The NCOM notice allows the Specialist to easily send a ten day adverse action notice as soon as the notice to sanction is received. Households are also notified of the sanction when the MEMS panel is updated, and when eligibility results are approved if a household member has been disqualified.

When the Specialist updates the MEMS panel with a "28" or "30" sanction code, an automated notice is sent to the household the following day. It is important that the MEMS panel is updated 10 days prior to the end of the month to meet 10 day adverse action notices.

20400 TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF) WORK REGISTRANTS WHO FAIL TO COMPLY WITH WORK REQUIREMENTS

TANF and Tribal TANF recipients sanctioned under the TANF WORK Program for failure to comply will have the disqualification carryover into SNAP. The individual is disqualified under the carryover provisions.

The carryover sanction will be basically the same as the TANF/Tribal TANF sanction. If the sanction is grant reduction, SNAP will budget the TANF grant amount prior to the reduction (this covers prorated, 50%, and $50 grant reductions) in the corresponding SNAP budget month. If the sanction removes the individual from TANF/Tribal TANF, SNAP will remove the individual from the SNAP household count and his/her resource, income, and allowed expenses will continue to count towards the household's eligibility and benefit level.

TANF carryover disqualification only applies to TANF/Tribal TANF recipients, not applicants. The individual must have been on SNAP at the time the TANF/Tribal TANF disqualification occurred. When the TANF/Tribal TANF case is terminated for a time-controlled period, the individual causing the TANF disqualification is removed from the SNAP household count. Their resources, income, and allowable expenses continue to count for SNAP during the disqualification period.

The disqualification period is based on whether the individual was

- Disqualified for TANF/Tribal TANF for 100% sanction (1 month),
- Disqualified for TANF/Tribal TANF for voluntary quit (3 months) unless the individual is
    - Determined ineligible for TANF for another reason
    - Added to the TANF case

Example: Jane's TANF case is closed for July through September for voluntary quit. Jane was on SNAP at the time she quit but was exempt from SNAP work registration requirements because of her TANF WORK participation. Jane is removed from SNAP for July through September and her income, resources, and allowable expenses continue to count in the SNAP budget. In August, Jane secures new employment that would make her ineligible for TANF but eligible for SNAP. When Jane reports the new job, she is added back into the SNAP household for September because she is no longer eligible for TANF for reasons other than the quit.

20500 IPV DISQUALIFICATION

IPV disqualification time frames are determined based on when the IPV infraction occurred. The date an IPV infraction occurs is defined as the first month the incorrectly or unreported information would have affected the household's eligibility or allotment amount (first overpayment month).

Example 1: John didn't report Jane was employed during the September 15 application interview, and he was certified for benefits September through August. On December 5, an IEVS hit alerted the Specialist about Jane's employment and verification of her income made the household ineligible back to September (application month). The IPV infraction date, September (e.g. 09-01-23), is the date entered on MEMS.

Example 2: John and Jane had an on-going monthly reporting SNAP case with their most recent certification period being January through December. John started receiving VA benefits in June but did not report the information until their renewal interview in December. The VA income did not cause prospective ineligibility for July benefits; therefore, John and Jane did not have an overpayment until benefit month August. The month entered for the IPV infraction date on the MEMS panel should be August (e.g. 08-01-23).

Individuals who intentionally caused one or more infractions after September 22, 1996, and were found to have committed an intentional program violation, are ineligible to participate for:

- 12 months if this is their first violation
- 24 months for the second violation
- Permanently for the third violation.

If the infraction occurred prior to September 23, 1996, the individual is ineligible to participate for:

- 6 months for the first violation
- 12 months for the second violation
- Permanently for the third violation.

Example: John was found guilty of an IPV for over issued benefits for 01/22 - 03/22. The disqualification period is 6 months. He was subsequently found guilty of IPV for over issued benefits 10/22 - 12/22. The disqualification is 24 months for this violation.

Once an individual has signed a waiver/consent agreement or been found guilty of an intentional program violation, the violation counts unless it occurred prior to July 1983. If an individual had one or more violations prior to July 1983, the violation(s) only counts as one.

Example: Jane was found guilty of IPVs 06-82, 06-83, 06-95, and 06-20. The IPVS in 1982 and 1983 count as one violation, the 1995 IPV counts as the second violation, and the June 2020 counts as the third.

The individual cannot be accused of a second or third IPV for any event that occurred prior to the time frames of the first IPV or during the time the first IPV is pending or awaiting a final hearing decision on the hearing or acknowledging the receipt of the hearing waiver.

The following examples clarify those times when a second or third IPV cannot be alleged:

1. The first IPV occurs on January 5, 2022. The household receives the notice of hearing for the 1st IPV on March 1. The hearing is scheduled for May 15. On March 10, 2022 a 2nd IPV occurs and is discovered. If the State notifies the household before April 15 of its intent to pursue a hearing for the 2nd IPV, that IPV may be included in the May 15 hearing. A subsequent claim against the household could be initiated or increased, but no more than a 6-month disqualification could be imposed for both IPVs.

2. Using the same time frames as above, suppose the individual received the final hearing notice May 25 and was disqualified from June through November. During the 6 month disqualification period the state discovers a 3rd IPV occurred in April 2022. There may not be another disqualification period imposed for this IPV since it occurred prior to the hearing determination of May 25. However, a claim could be established. This claim would be established as an inadvertent household error claim because a hearing may not be held in order to determine an intentional violation since the violation occurred prior to the household's receipt of the final hearing decision.

3. The first IPV occurs on June 10. The household receives the notice of hearing on August 1 and the hearing is held on September 5. The hearing decision is sent on September 29 and the individual is disqualified from October through March. In May the Specialist discovers that a 2nd IPV occurred in August. In this case, the claim must be considered an IHE because it occurred prior to the hearing determination for the 1st IPV.

4. Three serious and different IPVs occur in January and February and are discovered by DSS in March. The household is notified at three different times prior to May 15 that a hearing will be held. The IPVs are serious, with large fiscal claims and the household pleads guilty. Only one disqualification penalty can be imposed because all three violations occurred prior to the hearing determination, and the household has had no previous disqualifications.

Only the individual found to have committed the intentional program violation, and not the entire household, will be disqualified. Remaining household members must agree to make restitution within 30 days of the date the demand letter is sent, or the household's monthly allotment will be reduced. The Office of Recoveries and Fraud Investigation (ORFI) will send out the demand letter and ACCESS will automatically enter a recoupment if the household does not respond to the demand letter. Restitution begins during the period of disqualification.

If a court fails to impose a disqualification period, DSS will impose a disqualification period. DSS will impose penalties following instructions in this section unless it is contrary to the court order.

20600 FLEEING FELONS AND PROBATION/PAROLE VIOLATORS

Fleeing felons and probation/parole violators (as defined in chapter 2) are not eligible to receive SNAP benefits.

If an individual applies for SNAP and the benefits specialist has reason to believe he/she is a fleeing felon or probation/parole violator, then a referral to ORFI must be made. If an individual

indicates on their EA301 application that they (or another household member) are a fleeing felon or probation/parole violator, then an ORFI referral does not need to be made.

An application will not be held waiting on verification of the individual's fleeing felon or probation/parole violator status. The individual's application **must** be processed within the 30 day (or 7 days for expedited) processing timeframes.

If an individual is determined to be a fleeing felon or a probation or parole violator during their certification period, that individual **must** be disqualified from the program even though it may result in a decrease in benefits to the household. The AMND code should be used to remove the person from the case or close the case.

In determining the time period for establishing claims for an individual identified as a fleeing felon or as probation/parole violator, an individual is not considered a fleeing felon or probation/parole violator until verification of the status has been made. Therefore, the date the individual is determined as a fleeing felon or probation/parole violator, will be the date from which any claims calculation would be made.

20700 REFUSAL TO COOPERATE WITH DIVISION OF CHILD SUPPORT (DCS) REQUIREMENTS

If the head of household refuses to cooperate with DCS, only he/she is not eligible for SNAP. His/her resources are still countable in their entirety for the household's SNAP benefit. A prorated share of his/her income is countable for the household's SNAP benefit. His/her share of shelter costs (except utility allowance) are prorated.

The head of household is ineligible to receive SNAP until he/she cooperates, good cause is established, or the biological/adoptive child leaves the household.

CHAPTER TWENTYONE: REPLACEMENT OF BENEFITS & ISSUANCE OF EBT CARDS

21000 REPLACEMENT OF BENEFITS & ISSUANCE OF EBT CARDS

21100 REPLACEMENT OF SNAP BENEFITS OR FOOD PURCHASED WITH SNAP BENEFITS

21110 HOUSEHOLD MISFORTUNE

Food purchased with SNAP benefits may be replaced if the food has been destroyed in a fire, flood, tornado, power loss (if at least 4 hours or more), or other misfortune beyond the household's control. The following procedures are used for household misfortunes:

1. The loss is reported within 10 days of the misfortune.
2. The household is currently participating in the program.
3. The household completes and signs the DSS-EA-344e, Affidavit for Replacement of Food Lost in Disaster, within 10 days of report of the misfortune. **An original signature by the household must be on the form**.
4. The replacement value is limited to the amount of food lost up to the amount of benefits received in the month of the misfortune.
5. Once the household returns the completed DSS-EA-344e form, the Benefits Specialist must confirm or verify the details of the household misfortune, narrate the details and any other pertinent information which would explain the reason for replacement of benefits.

   Example: The household states food was destroyed due to a power outage. The Benefits Specialist would confirm/verify that the power was lost in the area for at least 4 hours. Once confirmed, narrate the replacement request, reason for replacement, the amount, and verification that power was out for "X" number of hours.

6. Scan and send the 344e form to SNAP state office program staff. Once reviewed, if approved, the request will be forwarded to EBT Finance for repayment of benefits.

There is no limit to the number of replacement requests for benefits which have been destroyed in a household misfortune. Benefits Specialists must make sure replacement requests are fully documented and verified.

21120 NATURAL DISASTER

Individuals who reside in a disaster area and suffered damage may be eligible for emergency disaster SNAP assistance. Damages may include the loss of wages because of the inability to get to work, or the business closed temporarily or permanently because of the disaster.

The SNAP Administrator will request approval from FNS to operate emergency disaster SNAP, following procedures identified in the South Dakota SNAP Disaster Plan.

When FNS authorization is received, SNAP Program staff and EBT program staff will immediately travel to the disaster location and set up the emergency program, which includes, but is not limited to: Training, Application processing, and Benefit Issuance

Local staff will be recruited and trained as the need arises.

21200 INITIAL EBT CARD ISSUANCE

When a customer applies for SNAP, they will indicate on the first page of the application if they need a SD EBT card. All applications must be entered on the same day as received to ensure the EBT card is received timely. If they answer "Yes" or do not answer the question, then an EBT card will be sent to the household. If they answer "No" then an EBT card will not be sent to them unless they do not have any history of being on SNAP.

If an application is received indicating "N" for an EBT card, the Benefits Specialist should ask follow-up questions to ensure that this is correct. If the person has not had any SNAP history for at least 12 months, then a new card must be requested as the old card will no longer work.

> **Note:** Benefits Specialist can check EBT Edge to see if a card is active with their current case number.
>
> Remember that if P-EBT benefits were issued, a new card may have been sent to the household with a different case number (starting with a P). If this is the situation, then a new card would need to be requested.

In order for new applicants or re-applicants to receive an EBT card, the Benefits Specialists must initiate the card request by updating the "EBT CARD REQUEST" field on the APPL screen on ACCESS:

- Enter "Y" to issue a new EBT card, or
- Enter "N" if no card is needed.

If there is no history of SNAP on the case, the benefits specialist must answer "Y" to the "EBT CARD REQUEST" field.

The "EBT CARD REQUEST" field on the APPL panel is mandatory and must be completed in order for the benefits specialist to move forward. This field can only be updated when a new SNAP application or re-application on a late renewal is completed. The field can be updated on the same day the application is entered. The field is then locked overnight and cannot be updated after that occurs.

Once an EBT card is sent to the household, the field will display an "S" indicating that a card was sent. If no card was requested, the field will continue to display an "N."

All EBT cards will be sent to customers through the mail from the EBT vendor. It will take approximately 5-7 days to receive the card.

21210 INITIAL EBT CARDS SENT TO LOCAL OFFICES

There may be times when an EBT card needs to be sent to the local DSS office due to the customer's concerns about receiving mail at their current address. The local office may choose to input the local DSS office's address if the customer requests their initial EBT card be mailed to the office. The local office must then ensure the customer's address is changed back to his/her actual residential/mailing address on ACCESS the next day.

When a customer's initial EBT card is mailed to the local DSS office, the following steps must be taken:

1. Track the EBT cards in a spreadsheet (a sample tracking sheet is available on the P drive here: P:\Division of Economic Assistance\(1) Supplemental Nutrition Assistance Program (SNAP)\SNAP Desk Guides\EBT CARDS MAILED TO DSS office) to document date received, contacts made with customer, etc.

2. Write the date of delivery/receipt on the envelope and in the spreadsheet.
3. Call the customer **immediately** to notify him/her their EBT card is at the local DSS office. Document your contact in the spreadsheet.
4. Continue to monitor and contact the customer to ensure they pick up their EBT card. Document all contact in the spreadsheet.
5. If the customer does not pick up their EBT card within 30 days, check ebtEDGE to determine if another card may have been issued and that card cancelled. If the card has been cancelled, destroy (shred) the card and document in the spreadsheet.
6. If the card is still active, contact SNAP program staff in state office for further direction.

21300 REPLACEMENT EBT CARD ISSUANCE

Lost, stolen, damaged, or compromised EBT cards will be replaced following procedures identified in the "EBT Procedures Manual". EBT card replacements are mailed to the customer through the EBT Vendor. When a customer contacts DSS requesting an EBT card replacement, the following procedure will be used:

1. Confirm the customer's address on ACCESS is correct. If not, update the customer's address. The vendor cannot issue a replacement card unless the address on their system matches the address on ACCESS.
2. Review the following talking points with the customer:
    - Multiple card replacement requests are being monitored. We must ensure that SNAP rules are being followed.
    - SNAP benefits cannot be used to buy non-food items like tobacco, alcohol, pet foods, vitamins, etc.
    - Do not sell or trade your SNAP benefits, the EBT card, or food purchased with the EBT card. It is against the law.
    - Treat the EBT card as you do your other important documents (driver's license, bank debit card, etc.). You cannot access your SNAP benefits without the card, so it is important to keep the card safe.
    - If you are found guilty of violating the law, you will be disqualified from the Supplemental Nutrition Assistance Program for 12 months, 24 months, or permanently and be required to repay the amount of misused food benefits. You may also be referred for criminal prosecution which could result in additional fines and/or prison time.
3. Refer the customer to the EBT Customer Service Line at 1-800-604-5099.

21310 REPLACEMENT EBT CARDS SENT TO LOCAL OFFICES

The local office address may be used for replacement EBT card requests if the customer has concerns about receiving mail at their current address. The request for replacement EBT cards mailed to the local office must be made through the EBT Finance Office. The local office must send an email to DSS-Finance-EBT@State.SD.US (detailed instructions can be found in the EBT Handbook) using the following email format:

Email subject line: **DSS Address for Customer**

Case Name:
Case Number:
Month and day of birth:
DSS mailing address where EBT card should be mailed (in ALL caps)

EBT Finance will override the customer's address on ebtEDGE by inserting the local DSS office address. The EBT card will then be mailed to the local office address, but the customer's address will still remain the same on ACCESS.

When a customer's replacement EBT card is mailed to the local DSS office, the following steps must be taken:

1. Track the EBT cards in a spreadsheet (a sample tracking sheet is available on the P drive here: P:\Division of Economic Assistance\(1) Supplemental Nutrition Assistance Program (SNAP)\SNAP Desk Guides\EBT CARDS MAILED TO DSS office) to document date received, contacts made with customer, etc.
2. Write the date of delivery/receipt on the envelope and in the spreadsheet.
3. Call the customer **immediately** to notify him/her their EBT card is at the local DSS office. Document your contact in the spreadsheet.
4. Continue to monitor and contact the customer to ensure they pick up their EBT card. Document all contact in the spreadsheet.
5. If the customer does not pick up their EBT card within 30 days, check ebtEDGE to determine if another card may have been issued and that card cancelled. If the card has been cancelled, destroy (shred) the card and document in the spreadsheet.
6. If the card is still active, contact SNAP program staff in state office for further direction.

21320 REPLACEMENT EBT CARDS ON CLOSED CASES

If a customer requests a replacement EBT card and their case is closed, but their **address remains the same**, they will contact the EBT Customer Service number for a replacement card.

If a customer requests a replacement EBT card and their case is closed, but their **address has changed**, the benefits specialists will need to request their address be updated and the replacement card is sent through the EBT Finance Office. The local office must send an email to EBT Finance at DSS-Finance-EBT@State.SD.US (detailed instructions can be found in the EBT Handbook) using the following email format:

Email subject line: **Address Updated for Closed Case**
Case Name:
Case Number:
Month and day of birth:
DSS mailing address where EBT card should be mailed (ALL caps)

EBT Finance will then update the customer's address on ebtEDGE and prompt the replacement card issuance through the vendor. The address on ACCESS will remain the same.

21330 COUNTABLE vs. NON-COUNTABLE EBT REPLACEMENT CARDS

EBT replacement cards are considered either countable or non-countable. The EBT vendor tracks all replacement card issuances through ebtEDGE. The chart below outlines the reasons for countable and non-countable card issuance.

Reason Description	Countable Card?	Examples
Previous Card Lost	**Yes**	Lost Cards
Previous Card Damaged		Damaged Cards
Previous Card Stolen		Stolen Cards
Other – Countable		Any reason not already listed as countable that **IS** the fault of the customer: ▪ Allowing a friend/relative to shop with their card and cannot get it back ▪ Forgot their card at home but due to distance we replace it
New Applicant	**No**	Customer who applies but is **not previously known to ACCESS**.
Re-Applicant		Customer who has a prior established case number on ACCESS and is reapplying.
Agency Error		Cards issued in error between customers (human error).
Optional Security Households		Repeated card cancellations created out of domestic issues.
Cardholder Deceased		Head of household passed away and new card is assigned to secondary household member.
Other – Non-countable	**No**	Any reason not listed above that **IS NOT** the fault of the customer: Card production issue examples: ▪ Full number not displayed on card; ▪ Magstripe is scratched right out of card inventory.

When a household requests 4 or more countable replacement EBT cards in the last 12 months, the household will be sent an excessive replacement card letter notifying them of the proper use of their EBT card and trafficking penalties. The excessive replacement card letter is automatically sent by ORFI once the customer has 4 countable replacement cards on the ebtEDGE System. A generic copy of the letter can be viewed in Appendix 9 on the P drive.

When a household requests 5 or more countable replacement EBT cards in the last 12 months, the household will be referred to the Office of Recoveries and Fraud Investigations (ORFI). The ORFI referral is automatically sent once the customer has 5 or more countable replacement cards on the ebtEDGE System.

If a copy of an individual's 4th & 5th or more excessive replacement card letter needs to be viewed, contact State Office as they are able to view a copy of the letter on EOS.

If trafficking is suspected, a referral to ORFI for an investigation is appropriate. If the customer needs assistance keeping track of their EBT card, EA supervisors and Regional Managers should discuss options with the customer and assist them with naming an authorized representative or another means for keeping track of their EBT card.

In all cases, DSS will work to protect households containing homeless persons, elderly or disabled members, victims of crimes and other vulnerable persons who may lose EBT cards but are not committing fraud.

21340 UNDELIVERABLE EBT CARDS

There are times when an EBT card may not be delivered to a customer due to an invalid address on the system. If this happens, the card will be returned to the EBT vendor and destroyed. The EBT vendor sends a report of this information to the State on a daily basis.

A daily file is sent to the county if any undeliverable EBT cards were returned to the vendor and subsequently destroyed. Each county has an email folder titled: "DSS – EA Undeliverable EBT Cards – *County Name* Co." These folders must be checked daily, and contact made with the customer to inform them their EBT card was destroyed due to an invalid address.

21350 EBT CARD REQUESTS – OUT OF STATE ADDRESSES

As a standard practice, EBT cards will not be mailed to an out of state address unless there are unique or exceptional situations that exist, and the mailing of the card is approved by State Office.

Staff must not send, or authorize the sending of, an EBT card out of state without prior approval. All situations must be evaluated on a case-by-case basis, and staff should provide sufficient detail to State Office when requesting approval.

The request must be sent to State Office by a supervisor and the unique or exceptional reasons for requesting the card be mailed out of state must be thoroughly explained in the request. The EBT template for requesting a replacement card for closed case/address update should be used to send the request to State Office.

Email subject line: **RPLC – Mailing Out-Of-State EBT Card**

Case Name:
Case Number:
Month and day of birth:
Replacement Reason (Lost, Stolen, Damaged, Other):
Card Mailing Address (ALL caps):

If the request is approved by State Office, the request will be sent to EBT Finance requesting the card be mailed.

The exception to this provision is if the applicant lives in SD but their mailing address is on a border state.