



Administrative Policies and Procedures: 23.06

Subject Families First Income Eligibility

Approved by

Davidette White Barnes

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Authority

45 C.F.R. § 233.20
Tenn. R. & Regs. 1240-01-50; 1240-01-03-.12

Application

Family Assistance Eligibility Counselors and Client Representatives

Policy Statement

TDHS shall consider the amount of income available to assistance unit (AU) members to meet the needs of the AU in determining eligibility for Families First.

Purpose

The purpose of this policy is to provide guidance in determining the amount of income available to the AU.

Procedures

A. Income

1. All sources of income available to the AU must be explored, and the gross countable income from all sources must be verified prior to approval, continuation, or renewal of benefits.
2. Any member of the AU who may be eligible for any other types of income, excluding Supplemental Security Income (SSI), must apply for and accept those benefits.
 - a) If the caretaker is a mandatory AU member and refuses to apply for or accept other benefits, the entire AU will be ineligible.
 - b) If the caretaker is an optional AU member and refuses to apply for or accept other benefits, the caretaker would not be eligible to be included in the AU.
 - c) Individuals who receive a VA pension and who were receiving the pension on or before December 1978 cannot be required to apply for and/or accept improved VA pension benefits.

3. Families First allows a two hundred and fifty dollar (\$250) flat work expense deduction from any earned income included in a case. Unearned income is not eligible for this deduction.
4. All income must be averaged and converted to monthly amounts using the following formulas:
 - a. Weekly income is multiplied by 4.3
 - b. Bi-weekly income is multiplied by 2.15
 - c. Semi-monthly income is multiplied by 2
 - d. Monthly income is multiplied by 1
 - e. Bi-monthly income is divided by 2
 - f. Quarterly income is divided by 3
 - g. Semi-annual income is divided by 6
 - h. Annual income is divided by 12
5. Gross income is tested against a Gross Income Standard (GIS) which is 185% of the Consolidated Need Standard (CNS) for the appropriate AU size, as listed on the Family Assistance Standards Desk Guide.
 - a. If the gross income is greater than this standard by any amount, the AU is not eligible for Families First.
 - b. If gross income is equal to or less than the GIS for the appropriate AU size, then net income is computed, and this amount is used to determine eligibility.
6. The AU is considered income eligible if there is a deficit of \$1.00 or more between the CNS and net income.
7. All earned and unearned income, including self-employment, is countable, unless excluded as listed in [Income Excluded from Families First Determinations](#).

B. Income That Must Be Considered

The following income sources must be considered in determining eligibility:

1. Income of parents in the AU.
 - Income of parents excluded because of a disqualification must also be counted.
2. Any unearned income that is received by a minor child in the AU.
 - This does not apply to earnings of a minor student that is not a caretaker of the AU.
3. Income of the non-parental caretaker relative only if he/she is included in the AU.
 - The income of the relative's spouse must also be considered available to the AU when the non-parental caretaker relative is included.
4. Income belonging to certain individuals in the home whose income is deemed to be partially available to the AU:
 - a) A stepparent living in the home with stepchildren for whom assistance is requested.
 - b) A parent living in the home with a minor parent who has requested

Families First in his/her own right for a child in his/her care.

- c) A parent in the home who is excluded from the assistance unit due to citizenship status.
- 5. Income of an individual citizen sponsor is deemed to the AU when the sponsored eligible non-citizen has been in the United States less than three (3) years.

C. Income That Is Not To Be Considered

The following income sources must be considered in determining eligibility:

- 1. SSI income;
- 2. Earnings of a minor full time student;
 - this does not apply to minor parent caretakers;
- 3. Income designated or legally earmarked for a child but not actually received.
 - The money will not be counted in the AU, and the caretaker must apply to have the money made available to the child.
 - If the caretaker does not apply to make the money available to the child, the caretaker cannot be included in the AU, if the caretaker is a non-parent grantee relative.
- 4. Income belonging to ineligible relatives other than parents/stepparents who are not in the AU but reside in the home.
- 5. Income belonging to individuals who are excluded from the AU for up to three (3) months as outlined in policy [23.28 Marriage During Receipt of Assistance](#).
 - At the end of the three (3) month exclusion, the income would need to be considered, unless otherwise excluded.
- 6. Income belonging to unrelated individuals living in the same home who are not in the AU.

Forms

None

Collateral Documents

Family Assistance Standards Desk Guide (internal document)
[Income Excluded from Families First Determinations](#)
[Families First Income Eligibility Procedures](#)
[23.28 Marriage During Receipt of Assistance](#)

Additional Resources	IRS Publication 17 IRS Publication 334 Income Calculator Income and Due Dates Desk Guide Income and Due Dates Desk Guide Instructions Claim Numbers for Social Security Recipients Desk Guide Families First Budget Sheet
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Retention of Records Pending

Glossary

Term	Definition
Consolidated Need Standard (CNS)	The amount of income an assistance unit would need to meet subsistence living costs, according to allowances set by the state, for items including food, clothing, fuel, lights, household operations, personal incidentals and shelter. This amount determines the income level used to determine Families First financial eligibility.
Earned income	Money derived from an individual's work efforts, such as wages, salaries, commissions, or as profits from a self-employment enterprise.
Elementary School	A state approved educational institution comprised of grades K through eight (8).
Individual Citizen Sponsor	A person who signed an affidavit or other statement accepted by United States Citizenship and Immigration Services (USCIS) as an agreement to support non-citizen as a condition of the non-citizen's admission for permanent residence in the United States.
Secondary School	<p>A secondary school is defined as a state approved educational institution offering a curriculum for grades nine through twelve.</p> <p>Note: A full time student in a secondary school is defined as one who is taking an adequate grade level academic load to meet the graduation requirements for the respective school system in which he is enrolled. Generally, this is defined as 25 clock hours/week or 4 Carnegie units per year; half time is defined as 12 clock hours/week or 2 Carnegie units per year.</p>
Student	<p>A minor child attending elementary/secondary school, college, university, or a course of vocational or technical training.</p> <ul style="list-style-type: none"> A student retains student status during official school vacations and breaks if requirements prior to the vacation/break were met and if the

student plans to return.

- A child who is receiving elementary/secondary or equivalent vocational/technical instruction from a homebound teacher meets student requirements.
- Participation in apprenticeships, correspondence courses, other courses of home study, and rehab programs other than academic or institutional vocational or technical training do not qualify a child as a student.
- An equivalent level of vocational or technical training means equivalent to elementary or secondary education. It is not post-secondary education such as that leading to an Associate of Arts (A.A.) degree.
- Full- time attendance in a trade, technical, or vocational school is considered to be 30 clock hours per week with shop practice or 25 hours a week without shop practice. A part-time student is defined as one who attends 15 clock hours per week with shop practice or 12 hours per week without shop practice.

Unearned income Any income, which does not meet the definition of earned income.

Unmet Need The difference between the CNS and the AU's Net Countable Income including the Families First grant amount.

Vendor payment Payments that are not paid directly to an AU but paid to a third party for the AU's expenses.

Acronyms

Abbreviation

Expansion

AU	Assistance Unit
CNS	Consolidated Need Standard
GIS	Gross Income Standard
SSI	Supplemental Security Income
TDHS	Tennessee Department of Human Services
VA	Veterans' Administration

Supersedes

- Families First Online Policy Manual Chapters 20, 21, and 22
- Families First Handbook pp 115-140
- Bulletins

- FA-13-01 as it applies to Families First Income
- FA-13-05 as it applies to Families First
- FA-11-03 as it applies to Families First Income
- FA-10-02 as it applies to Families First Income
- MA-09-09 as it applies to Families First Income
- MA-08-03 as it applies to Families First
- FA-06-18
- FA-06-26
- FA-05-18 as it applies to Families First
- FA-04-28 as it applies to Families First
- FA-03-09 as it applies to Families First
- FA-02-03
- FA-01-04 as it applies to Families First
- MA-01-02 as it applies to Families First
- Numbered Memoranda:
 - FF-12-02
 - FA-12-04
 - FF-11-03
 - FA-10-13
 - FA-10-19
 - FA-10-25
 - FF-10-02
 - FF-09-02
 - FA-09-26 as it applies to Families First
 - FA-09-20
 - FA-09-17 as it applies to Families First
 - FA-09-10 as it applies to Families First
 - FA-09-05 as it applies to Families First
 - FA-08-04 as it applies to Families First
 - FA-08-10
 - FA-08-11
 - FA-08-18
 - FA-07-09 as it applies to Families First
 - FA-07-16 as it applies to Families First
 - FAS-06-02 as it applies to Families First
 - FF-03-11
 - FF-03-04