



# Determining Household Size & Zero Income

# Household Size

**Determining household size is part of the income eligibility assessment**

- USDA sets specific income guidelines according to number of people in the household
- It is important to determine the household size correctly

# Traditional Family

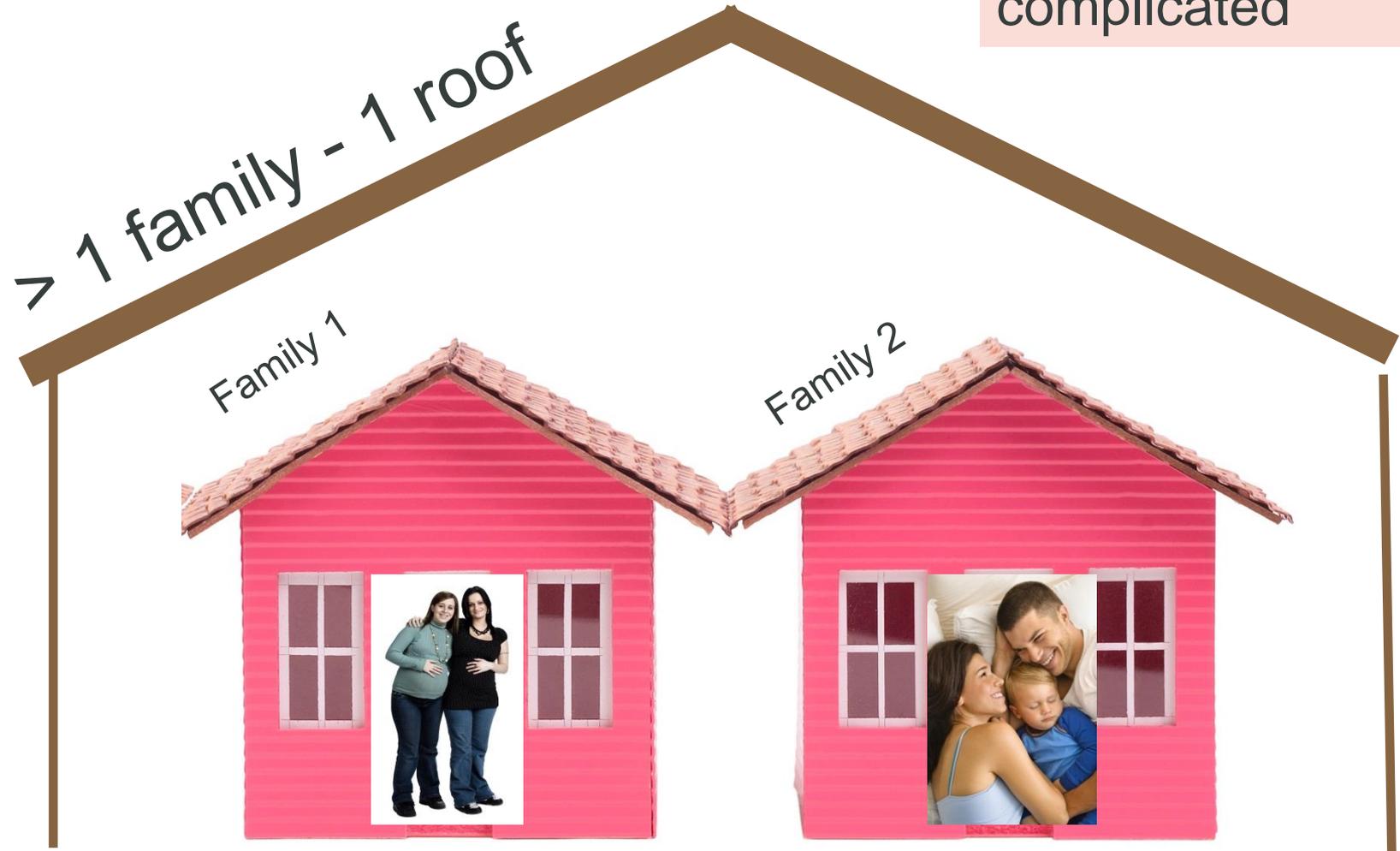
- All income
- Count all family members

1 family - 1 roof



# Non-Traditional Family:

Figuring income & HH size is more complicated



# How do we look at this?

**Need to  
determine if:**

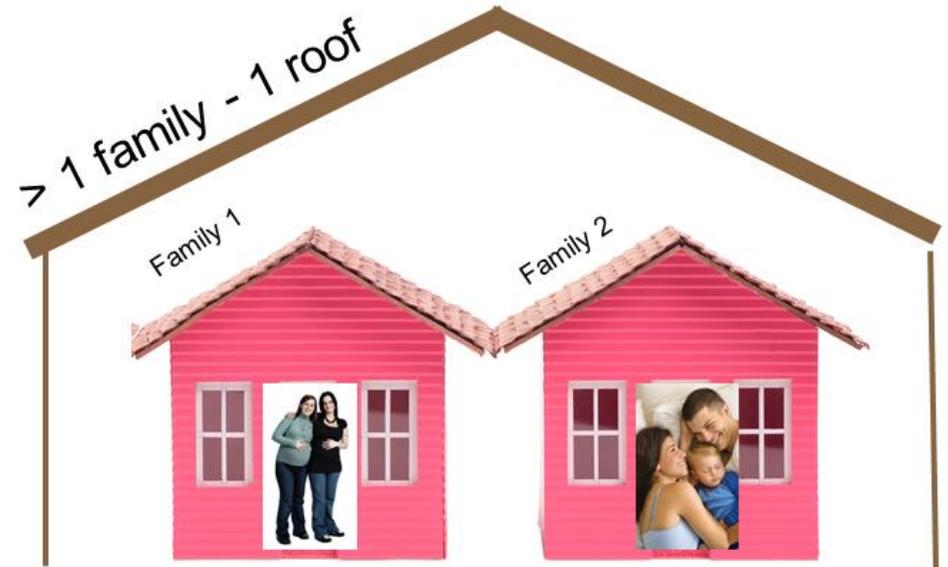
**Individual Families?**

Or

**Combined Household?**

**Non-Traditional Family:**

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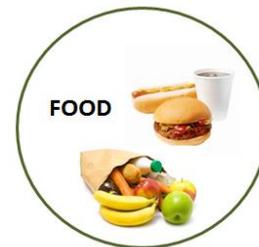
# Household /Family

- **Household:** related or non-related individuals living together as an one economic unit.
- They share income and consumption of goods or services
- It is important to determine the size correctly in order to assess income eligibility
- Remember to count the unborn in the family size

# USDA Guidance

## To be an **Individual Family**:

- The family must have a source of income
- Income must be adequate to sustain the economic unit



# USDA Guidance – to be counted as an Individual Family

- Income must be adequate to pay for basic living costs
- Nebraska has determined basic living costs to be:



# Potential Income Sources: Counted as Income

**Working Income:** Money received for services provided from employer:

- Wages & Salary
- Commission
- Overtime
- Fees

**Active Military Entitlements:** (see military cheat sheet for listing of Entitlements to be included)

**Self-Employment -** Net income from own business, profession or trade (ex. farm, crafts, hobbies, Tupperware, Pampered Chef, etc.)

**Social Security benefits**

**Dividends or interest** on savings or bonds, income from estates, trusts, or investments

**Net rental income**

**Public assistance or welfare payments** (ADC, TANF); foster care

**Unemployment compensation**

**Government civilian employee or military retirement or pensions or veteran's payments**

# Potential Income Sources: Counted as Income

**Private pensions or annuities**

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**Alimony or child support payments**

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**Disability Payments**

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**Workers Compensation**

**Regular contributions from persons not living in the household.** Includes cash payments for rent & utilities or money sent/given to family from person living in another location.

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**Non-educational based Trust, Savings, Inheritance Money:** Actual withdrawals such as substantial savings accounts, investments, trust accounts, inheritance or other resources readily available for general use

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**Net royalty payments:** such as payments received for writing a book; use of property; extraction of oil, gas, and minerals from your property, use of your name.

# Income Exclusions: **Not** Counted as Income

Federal Program Assistance
Child's Income
Gifts
Loans
<i>Student Financial Assistance (Financial Aid)</i>
Educational Based Trust or Savings Account

Non-Cash Benefits
In-Kind
Payment to Volunteers
Job Training Partnership Act
Income Tax Credit
Prescription drug card subsidy
Lump-Sum Insurance Payments & Assistance

Military	Cost Of Living Allowance O CONUS COLA
	Family Housing Allotment BAH, FSA, OHA <small>(For others see Military Code List)</small>
	Family Subsistence Supplemental Allowance FSSA
	Veteran's Educational Assistance Act
	Military Combat Pay, Imminent Danger Pay (IDP) Hostile Fire Pay (HFP) <small>(For others see Military Code List)</small>

Agent Orange Compensation
Wartime Relocation of Civilians
Filipino Veterans Equity Compensation Fund payments
Old Age Assistance Claims Settlement payments
Earned Income Tax Credit refund payment
Medicare prescription drug card subsidies

## Remember:

- ▶ IN-KIND BENEFITS – are NOT counted as a source of income. This includes benefits with monetary value received in place of money for services rendered
- ▶ Examples: Providing daycare services in exchange for housing; Cleaning the house and babysitting in exchange for food, housing, and car



# Individual Families vs Combined Households

- ▶ When multiple families are living together, determine if they are individual families or combined households

- ▶ **Individual Families**



- ▶ Must use their own source of income to cover basic living expenses (food and housing)

- ▶ **Combined Households**



- ▶ Receive support from others living under the same roof to cover basic living expenses (food and/or housing)

# USDA Guidance for In-Kind Services

When multiple families live together

If In-Kind services such as day care, nanny services or cooking and cleaning are performed in exchange for housing and food (no money exchanged)



Then this is considered a combined household.

Count everyone in the household size.



# Steps for Determining Individual Families vs Combined Households

## Ask

- *How many* people live with you including family, friends, boyfriend/girlfriend?
- Does that include anyone besides you, your children and significant other?

## Show

- If a Non-Traditional Family....
- Show the client the *circle chart* and have client explain who pays for food and housing.

## Determine

- A Family paying for own food and housing = *individual family*
- Someone else paying for food and/or housing = *combined household*

## Proceed

- Proceed with income assessment path questions



## Individual Families

- Client pays for own food and housing
- Client shares living expenses equally with others
- Homeless-lack a fixed night time residence or living in a shelter
- Student living at school paying own food and housing
- Income: Count only the income for the Individual Family



## Combined Households

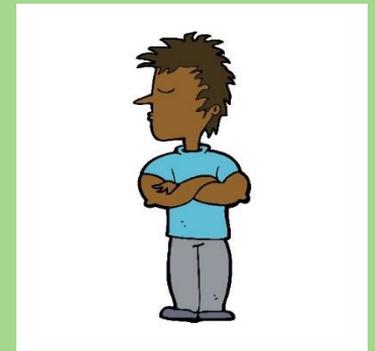
- Others pay for client's food and/or housing
- Money is combined and expenses are paid (not equal amounts)
- Living permanently with others and not paying for own food and/or housing
- Student living at school and someone else paying for student's food and/or housing
- Foster child or teen that has been adopted
- Income: Count all income for the combined household



## Households of One

- Foster Child under age of 5
- Foster Teen
- Income: Count only the money received from the state

# Refusal to Provide Income Information



What do you do when people refuse to provide income information?

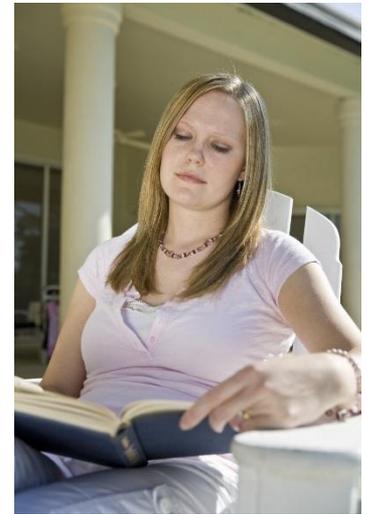
- We would not be able to enroll them
- Must have documentation of income for all household members

# Statement of Status

- Completed by pregnant and postpartum teens under the age of 19
- The answers on the statement of status has no impact on family size for WIC
- By Nebraska law, teens under age 19 are minors. For WIC claims/fraud purposes, the parents would be responsible for repaying WIC



# Statement of Status for Teens



**STATEMENT OF STATUS FOR PURPOSE OF ENROLLMENT  
DECLARACION DE ESTADO CON EL PROPOSITO DE INSCRIPCION**

\_\_\_\_\_ (Client's Name)

**Please check those items listed below which describe your situation:  
Por favor cheque las declaraciones que siguen, las cuales describen su situación:**

I am currently residing in a foster home or other placement through Department of Health & Human Services. Foster Parent(s) Name: \_\_\_\_\_  
*Actualmente estoy viviendo en un hogar tutelar u otro alojamiento bajo el Departamento de Salud y Servicios Humanos de Nebraska.*

I am no longer living with my parents or legal guardian, and I am no longer receiving any financial support from them for my living expenses.  
Parent/Guardian Name(s) \_\_\_\_\_  
*Yo ya no vivo con mis padres o tutor legal y ya no estoy recibiendo ninguna ayuda financiera de ellos para mis gastos de manutención. Nombre(s) Padre/Tutor \_\_\_\_\_*

I have no legal guardian.  
*No tengo tutor legal.*

I am living with my parents or legal guardian and am receiving financial support from them for my living expenses. Parent/Guardian Name(s) \_\_\_\_\_  
*Estoy viviendo con mis padres o tutor legal y estoy recibiendo ayuda financiera de parte de ellos para gastos de manutención. Nombre(s) Padre/Tutor \_\_\_\_\_*

Am living with parents or legal guardian, but I am not receiving any financial support from them for my living expenses. Parent/Guardian Name(s) \_\_\_\_\_  
*Estoy viviendo con mis padres o tutor legal, pero no estoy recibiendo ninguna ayuda financiera de parte de ellos para mis gastos de manutención. Nombre(s) Padre/Tutor \_\_\_\_\_*

I am married  
*Estoy casado(a)*

I certify that the information I have provided is correct to the best of my knowledge. Program officials may verify the information on this form. I understand that intentionally making a false or misleading statement or intentionally misrepresenting, concealing, or withholding facts may result in paying the State Agency in cash, the value of food benefits improperly issued to me and may subject me to civil or criminal prosecution under State and Federal law.

Yo certifico que la información que he provisto es correcta, según lo que yo se. Los oficiales del Programa pueden verificar la información en esta forma. Yo entiendo que el intencionalmente hacer falsas o engañosas declaraciones o el intencionalmente mal representar, esconder o retener hechos, puede resultar en que yo deba pagar a la Agencia del Estado, en efectivo, el valor monetario de los beneficios de alimentos impropriamente concedidos a mí y que se me podrá sujetar a prosecución civil o criminal bajo las Leyes Estatales o Federales.

Dated: \_\_\_\_\_  
Fechado en \_\_\_\_\_ (month, day) \_\_\_\_\_ (year) \_\_\_\_\_  
Mes y día

Signature \_\_\_\_\_  
Firma

Dated \_\_\_\_\_  
(month, day) \_\_\_\_\_ (year) \_\_\_\_\_

Staff Signature \_\_\_\_\_



## CHILD LIVING IN ANOTHER HOME

**\*NOTE:** IN CASES WHERE CLIENTS ARE SHARING CUSTODY OR HAVE JOINT CUSTODY, IT IS UP TO THE PARENTS TO DECIDE WHICH HOUSEHOLD THE CHILD WILL BE COUNTED IN.

IF THE CLIENT HAS FULL CUSTODY OF A CHILD LIVING IN ANOTHER HOME...

COUNT THE CHILD AS PART OF THE HOUSEHOLD THAT HAS CUSTODY

IF CLIENT SHARES OR HAS JOINT CUSTODY OF A CHILD LIVING IN ANOTHER HOME...

THE CHILD CAN ONLY BE COUNTED IN ONE HOUSEHOLD\*

IF THE CLIENT IS CARING FOR A CHILD IN THE ABSENCE OF BIOLOGICAL PARENT... EX: ABANDONMENT, MOM IN JAIL, REHAB, ETC.

COUNT THE CHILD AS PART OF THE HOUSEHOLD THE CHILD IS LIVING AT

IF THE CLIENT HELPS PAY SUPPORT FOR A CHILD LIVING IN ANOTHER HOME...

DO NOT COUNT THE CHILD AS PART OF THE HOUSEHOLD

# PRACTICE SCENARIOS

# Randi Rents & Baby Max



# Household Size Assessment



Randi Rents  
& Baby Max

How many people live with you...? \_\_\_\_

Who pays for these pictured items? \_\_\_\_



# Household Size Assessment



Randi Rents  
& Baby Max

## Individual Family: 2 people

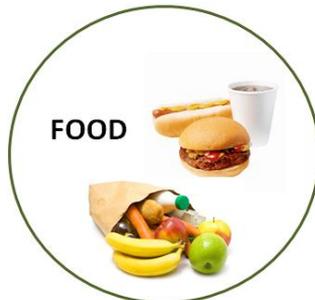


**OWN SOURCE  
INCOME**

(works at mall)



(pays parents for housing)



(buys own food)

# Pam Pizza & 2 year old son Eric



# Household Size Assessment



Pam Pizza  
& Eric

How many people live with you...? \_\_\_\_\_

Who pays for these pictured items? \_\_\_\_\_



# Household Size Assessment



Pam Pizza  
& Eric

**Combined Household: 3 people**

(Pam, Eric and Sister)

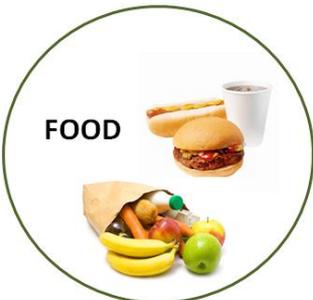


**OWN SOURCE  
INCOME**

(own money)



(sister paying for housing)



(pays for her own food)

# Candy Cash

(pregnant)



# Casey & Chance

(2 sons)



# Household Size Assessment



How many people live with you...? \_\_\_\_\_



**Candy Cash (pregnant)  
& Boyfriend**



**Casey & Chance**

# Individual Family: 5 people

Candy, Boyfriend, Chance, Casey, and Unborn

1 family - 1 roof



**TRADITIONAL FAMILY**

# Betty Benefits



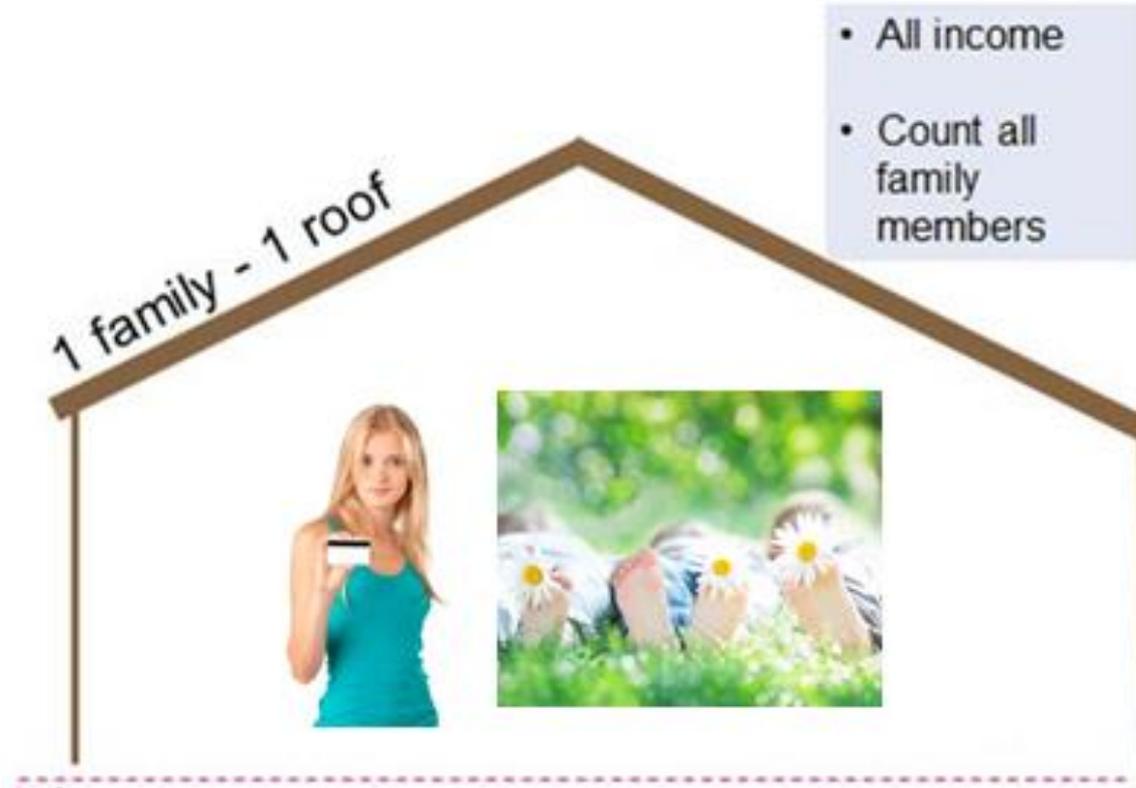
# Household Size Assessment

How many people live with you...? \_\_\_\_\_



# Individual Family: 4 people

Betty + 3  
children



**TRADITIONAL FAMILY**

# Household Size Assessment



Who pays for these pictured items? \_\_\_\_\_





# Individual Family: 4 people

(Betty, Ben, Breanna and Brett)

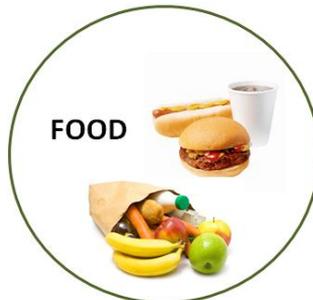


**OWN SOURCE  
INCOME**

(Subsidized Housing and SNAP)



(Subsidized Housing)



(SNAP)



# Henry Homeless



# Household Size Assessment



How many people live with you..? \_\_\_\_\_

Who pays for these pictured items? \_\_\_\_\_



# Henry Homeless

## Individual Family – 2



(Henry and Heather)

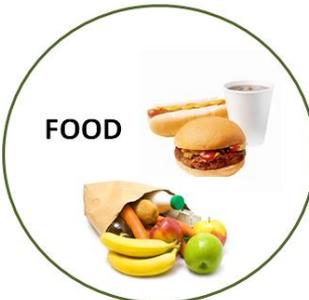


**OWN SOURCE  
INCOME**

(Just lost job)



(Living with friend)



(Food Pantry)

# Kelsey Kindly



# Kelsey Kindly

## Household Size Assessment



How many people live with you...? \_\_\_\_

Who pays for these pictured items? \_\_\_\_



Kelsey Kindly

**Combined Household: 4 people**

(Kelsey, Unborn and Kelsey's parents)

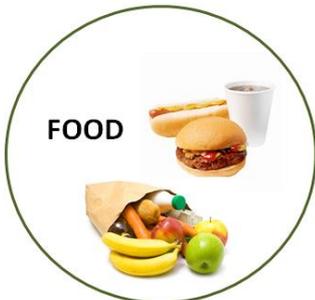


**OWN SOURCE  
INCOME**

(going to school full-time)



(cleaning in exchange for housing)



(cleaning in exchange for food)

# Assessing Income

Clients must meet certain income guidelines that are set by USDA....

Or qualify through one of the adjunct income eligible programs

- Medicaid/Presumptive Medicaid/Kids Connection
- ADC
- SNAP
- 599 CHIP

# Nebraska WIC - Income Guidelines

Effective July1, 2016

Family Size	Annual Income	Monthly Income	Twice Monthly Income	Bi-Weekly Income	Weekly Income
1	21,978	1,832	916	846	423
2	29,637	2,470	1,235	1,140	570
3	37,296	3,108	1,554	1,435	718
4	44,953	3,747	1,874	1,730	865
5	52,614	4,385	2,193	2,024	1,012
6	60,273	5,023	2,512	2,319	1,160
7	67,951	5,663	2,832	2,614	1,307
8	75,647	6,304	3,152	2,910	1,455
9	83,343	6,946	3,473	3,206	1,603
10	91,039	7,587	3,794	3,502	1,751
11	98,735	8,228	4,114	3,798	1,899
12	106,431	8,870	4,435	4,094	2,047
13	114,127	9,511	4,756	4,390	2,195
14	121,823	10,152	5,076	4,686	2,343
15	129,519	10,794	5,397	4,982	2,491
Each add'l family member add	+\$7,696	+\$642	+\$321	+\$296	+\$148

These income guidelines are 185% of the Office of Management and Budget's income guidelines (same as for reduced price school meals), in accordance with Sec. 17 of the Child Nutrition Act of 1996 and Federal Regulation 246.7 (c) (1).

# Important Income Terms to Know

- ▶ **Gross Income:** The amount received for working before any taxes, insurance or other deduction are taken out.
  - ▶ This includes overtime and bonuses
- ▶ **Net Income:** The amount left after all deductions are taken out. This is the amount the person takes home.
- ▶ **Current Income:** This is income received in the past 30 days.
- ▶ **Annual Income:** This is the amount received during the entire year.

# Determining Gross Income

- ▶ In general, you assess income based on what the family is receiving in the last 30 days
- ▶ Use gross income, including overtime, before deductions for income taxes, employee's social security taxes, insurance premiums, bonds, etc.
- ▶ The amount of a household's gross income shall NOT be reduced for:
  - ▶ financial hardships
  - ▶ medical bills
  - ▶ child support

# When to Use - Net Income

- ▶ **Net Income** - is money received from self-employment after expenses are deducted
- ▶ Use **Net Income** when someone is **self-employed**
- ▶ **Examples:** Farmer, Rancher, Crafts, Hobbies, Tupperware, Avon, Truck Driver, Own Business, Babysitting or daycare



# What Counts as Income / And Type of Proof

## INCOME & TYPE OF PROOF NEEDED



WIC counts all income for all people living in the household or economic unit. *Gross* earned income is used for most cases. *Gross* income is defined as all income before deductions are made for income taxes, employee social security taxes, insurance premiums, bonds, etc. Income includes the money for regular wages, bonuses, tips, commissions, & overtime pay.

If money is received from self-employment (by operating your own profession, trade, or business such as farming, renting, babysitting, crafts) then *net* income is used.

WIC also counts sources of income that are not earned, such as money received for child support & unemployment.

INCOME INCLUDES	PROOF OF INCOME INCLUDES
<b>Working Income:</b> Money received for services provided from employer. <ul style="list-style-type: none"> <li>• Wages &amp; Salary</li> <li>• Commission</li> <li>• Overtime</li> <li>• Fees</li> </ul>	<ul style="list-style-type: none"> <li>◆ Current pay stub(s) noting the pay time frame (weekly, bi-weekly, monthly, etc.)</li> <li>◆ Signed statement from employer indicating gross cash earnings for a specified period.</li> </ul>
<b>Active Military Entitlements:</b> (see military cheat sheet for listing of Entitlements to be included)	<ul style="list-style-type: none"> <li>◆ Recent (LES) Leave and Earnings Statement</li> </ul>
<b>Self-Employment - Net</b> income from own business, profession or trade (ex. farm, crafts, hobbies, Tupperware, Pampered Chef, etc.)	<ul style="list-style-type: none"> <li>◆ W-2 forms or income tax return for the most recent calendar year. Line 34 on Form 1040.</li> <li>◆ Accounting records for the self-employed</li> </ul>
<b>Social Security benefits</b>	<ul style="list-style-type: none"> <li>◆ Check stub/award letter from Social Security stating current amount of earnings/bank statements.</li> </ul>
<b>Dividends or interest</b> on savings or bonds, income from estates, trusts, or investments	<ul style="list-style-type: none"> <li>◆ Income tax return for the most recent calendar year</li> <li>◆ Bank or account statements</li> </ul>
<b>Net rental income</b>	<ul style="list-style-type: none"> <li>◆ Income tax return for the most recent calendar year</li> </ul>
<b>Public assistance or welfare payments (ADC, TANF); foster care</b>	<ul style="list-style-type: none"> <li>◆ Check stub/award letter stating current amount of earnings ex. ADC check</li> <li>◆ Foster child placement letter/foster parent award letter.</li> </ul>
<b>Unemployment compensation</b>	<ul style="list-style-type: none"> <li>◆ Unemployment letter/notice</li> <li>◆ Bank statement</li> </ul>
<b>Government civilian employee or military retirement or pensions or veteran's payments</b>	<ul style="list-style-type: none"> <li>◆ Annual statement that shows monthly amount of retirement income.</li> </ul>

INCOME INCLUDES	PROOF OF INCOME INCLUDES
<b>Private pensions or annuities</b>	<ul style="list-style-type: none"> <li>◆ Income tax return for the most recent calendar year</li> </ul>
<b>Alimony or child support payments</b>	<ul style="list-style-type: none"> <li>◆ Divorce decree</li> <li>◆ Award letter</li> <li>◆ Copy of check received</li> </ul>
<b>Disability Payments</b>	<ul style="list-style-type: none"> <li>◆ Check stub/award letter stating current amount of disability received/bank statements</li> </ul>
<b>Workers Compensation</b>	<ul style="list-style-type: none"> <li>◆ Pay Stub showing benefits received</li> <li>◆ Bank Statements</li> <li>◆ Award letter/notice showing settlement amount for wages</li> </ul>
<b>Regular contributions from persons not living in the household.</b> Includes cash payments for rent & utilities or money sent/given to family from person living in another location.	<ul style="list-style-type: none"> <li>◆ Letter from person contributing resources to the household</li> <li>◆ Canceled check showing amount contributed to household</li> <li>◆ Bank statement showing deposits</li> </ul>
<b>Non-educational based Trust, Savings, Inheritance Money:</b> Actual withdrawals such as substantial savings accounts, investments, trust accounts, inheritance or other resources readily available for general use	<ul style="list-style-type: none"> <li>◆ Bank or account statements indicating regular draws on the account(s)</li> </ul>
<b>Net royalty payments:</b> such as payments received for writing a book; use of property; extraction of oil, gas, and minerals from your property, use of your name.	<ul style="list-style-type: none"> <li>◆ Income tax return for the most recent calendar year</li> <li>◆ Bank statement showing deposits</li> <li>◆ Letter from source showing amount and date received</li> </ul>

Based on Resource: Volume I: Clinic Services & Management; Citation: 246.7 (c), (d), & (i) (5) (i)-(ii); Annual Date: 11/2008

Cheat sheet updated - 4/1/10

# What doesn't count as income:

## NOT Counted as Income

XXXXXXXXXXXXX XXXXXX DON'T COUNT XXXXXXXXXXXXXXXX

INCOME EXCLUSIONS:	EXAMPLES:
<b>Federal Program Assistance</b>	<ul style="list-style-type: none"> <li>- Medicaid</li> <li>- Food Stamps</li> <li>- School Lunch</li> <li>- Family Daycare Food Pgm</li> <li>- Home energy assistance</li> <li>- Youth employee programs</li> <li>- Public Housing</li> <li>- Child Care &amp; Dev. Block Grant</li> <li>- relocation assistance</li> <li>- US land held in trust for Indians</li> </ul>
<b>Child's Income</b>	Occasional earnings, such as: Income from babysitting, mowing lawns.
<b>Gifts</b>	Periodically received gifts.
<b>Loans</b>	That must be repaid.
<b>Student Financial Assistance (Financial Aid)</b>	<p>Aid available from scholarships, student loans, grants, work study, stipends, assistantships &amp; fellowships from federal, state, institutional, or private sources for students at post secondary schools.</p> <p>Any program funded under Title IV (Pell Grant, Supplemental Ed. Opportunity Grant, State Student Incentive Grants, National Direct Student Loan, PLUS, College Work Study, and Byrd Honor Scholarship programs). Also, payments received under Carl D. Perkins Vocational and Applied Technology Education Act.</p>
<b>Educational Based Trust or Savings Account</b>	A bank account in which money is held in trust to be used <i>specifically</i> for educational expenses.
<b>Non-Cash Benefits</b>	Employer paid portion of health insurance and other employee fringe benefits, food or rent received in lieu of wages, the value of food and fuel produced and consumed on farms.
<b>In-Kind</b>	The value of any non-cash compensation. Examples: housing provided to ministers or ranch workers. Meat/food provided to farm or ranch workers.
<b>Payment to Volunteers</b>	<ul style="list-style-type: none"> <li>◆ Under Title I (Vista, Ameri Corps etc.);</li> <li>◆ Under Title II (Retired Senior Volunteer Program, Foster Grandparents, etc.);</li> <li>◆ Under the Small Business Act</li> </ul>
<b>Job Training Partnership Act</b>	Payments received from the Job Training Partnership Act.
<b>Income Tax Credit</b>	Income Tax Credit refunds or payments
<b>Prescription drug card subsidy</b>	Any subsidy received through the prescription drug discount card program
<b>Lump-Sum Insurance Payments &amp; Assistance</b>	Insurance payments for fire & flood damage to a house, if used for replacement. <i>National Flood Insurance, Disaster Relief Act Payments, Emergency Assistance Insurance Payment for Flood &amp; Fire.</i> Workers compensation payments for past or future medical payments

INCOME EXCLUSIONS:	EXAMPLES:
<b>Cost Of Living Allowance O CONUS COLA</b>	For military staff living overseas. Listed as O CONUS COLA (Overseas Continental U. S. Cost of Living Allowance) on the pay stub.
<b>Family Housing Allotment BAH, FSA, OHA (For others see Military Code List)</b>	Cash housing allowances for military personnel residing off military installations or in privatized housing whether on or off base. Listed as Basic Housing Allowance, Family Separation Allowance and Overseas Housing Allowance on pay stub.
<b>Family Subsistence Supplemental Allowance FSSA</b>	For stateside & overseas military families who are below 130% poverty level. Listed as FSSA on pay stub.
<b>Veteran's Educational Assistance Act</b>	Mandatory salary reductions for Veteran Educational Assistance Act
<b>Military Combat Pay, Imminent Danger Pay (IDP) Hostile Fire Pay (HFP) (For others see Military Code List)</b>	Pay when serving in or deployed to a designated combat zone
<b>Agent Orange Compensation</b>	
<b>Wartime Relocation of Civilians</b>	
<b>Filipino Veterans Equity Compensation Fund payments</b>	
<b>Old Age Assistance Claims Settlement payments</b>	Except for per capita shares in excess of \$2000
<b>Earned Income Tax Credit refund payment</b>	Tax forms
<b>Medicare prescription drug card subsidies</b>	Any subsidy that a household receives through the prescription drug discount card program

Based on Resource: Volume I: Clinic Services & Management; Citation: 246.7 (c), (d), & (i) (5) (i-iii); Approval Date: 11/2008  
NE Training Clinic Updated 12/11/08

# Income Assessment Path



## Why ask all these questions?

- ▶ improve integrity of income screening
- ▶ It ensures that all sources of income are considered
- ▶ Demonstrates that we apply the same rules for all applicants



## INCOME ASSESSMENT QUESTIONS

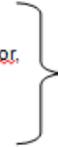


### Explaining WIC Income Assessment to Clients:

"In order to qualify for WIC, you must meet WIC income guidelines. USDA requires that we see documentation for ALL sources of income or proof of Medicaid, Kids Connection, SNAP or ADC. This is needed for all people living in your household who receive income."

#### 1. Are you working for someone or are you self-employed?

- If working for someone: How often do you work? *Review pay stubs for gross income*
- If self-employed: farmer, rancher, babysitter, Avon, Tupperware, Tastefully Simple, Home Decor, Pampered Chef, Candles, Paper route or other similar job
  - o *If self-employed, review tax forms or bookkeeping records for net income. If uneven or sporadic, average several months*



#### 2. Does anyone living with you work for someone or are they self-employed? (clarify using same bullets above)

#### 3. Do you or anyone living with you receive money from any of the following:

- Social Security or disability / including military disability
- Pensions or retirement check
- Unemployment check
- Workers compensation check
- Child Support or Alimony Support
- Inheritance – last 30 days
- Lottery winnings over \$1500 – last 30 days



*if yes, ask how often and to see documentation*

#### 4. Do you or anyone living with you:

- Receive money or financial support from parents, relatives, friends, or any other source on a regular basis
- Use withdrawals from savings or trust accounts to live. *Routine substantial withdrawals from a saving's account should be counted as income. Call the State if you are unsure.*

#### 5. Do you or anyone living with you:

- Receive money from any other source we have not already discussed?  
*If yes, refer to procedure manual to determine if it counts as income*

*If no to all of the above questions, use the Circle Chart*



#### Is zero income logical??

- Lost job (Last 30 days)
- Just moved here
- Living arrangements just changed
- Living on student loans
- In between jobs
- Started new job, but have not been paid yet
- On Family Medical Leave without pay

# Income Assessment Path



- (NEW) Complete for ALL clients (that are not adjunct income eligible)
  - All clients that are not receiving assistance from ADC, Medicaid, or SNAP must undergo a full income assessment requiring proof of all income sources for all household members within the last 30 days
  - Ask the income assessment questions to ensure that all sources of income have been considered

Date within the last 30 days

# PAY STUBS: What to Look For

Pay Interval

Earnings Statement

STUB SAMPLES INC. 4891 INGLESIDE DRIVE HUNTINGTON BEACH CA 92649							
<b>EMPLOYEE NO.</b> 045345	<b>EMPLOYEE NAME</b> JOHN J. DOE		<b>SOCIAL SECURITY NO</b> xxx-xx-9898	<b>PERIOD BEG.</b> 01/18/2011	<b>PERIOD END</b> 02/01/2011	<b>CHECK DATE</b> 02/04/2011	
<b>EARNINGS</b>	<b>HOURS</b>	<b>RATE</b>	<b>CURRENT AMOUNT</b>	<b>WITHHOLDINGS/DEDUCTIONS</b>	<b>CURRENT AMOUNT</b>	<b>YEAR TO DATE</b>	
REGULAR PAY	80	\$10/hr	\$800	MED Social Security Federal State Health Insurance	5.00 20.00 40.00 15.00 20.00	350.77 0.00 1126.15 133.85 387.69	
<b>CURRENT AMOUNT</b> \$800	<b>CURRENT DEDUCTIONS</b> \$100	<b>NET PAY</b> \$700	<b>YTD EARNINGS</b> 9230.77	<b>YTD DEDUCTIONS</b> 1998.46	<b>YTD NET PAY</b> 7232.31	<b>CHECK NO.</b> 48974	

Gross Income

Paid Weekly – Same Amount Each Week

Must Show Four Paystubs as Proof

Week 1	Week 2	Week 3	Week 4
\$200	\$200	\$200	\$200

# Entering Into Journey

**Economic Unit** Momma Vikings    1 of 1

**Record Dates** 01/28/2016    3 of 3    + New    Edit    X Delete

\*Household Size

Summary Period     Annual     Monthly    Total Income: \$10,400.00

Income Determination			
Sources	Proof	Amount	Period
▶ Employment	Pay stub (paper or elec...	\$200.00	Weekly

# Paid Weekly – Different Amount Each Week

Must Show Four Paystubs as Proof

Week 1	Week 2	Week 3	Week 4
\$250	\$198	\$225	\$250

# Entering Into Journey

Income Determination			
Sources	Proof	Amount	Period
▶ Employment	Pay stub (paper or elec...		Weekly

**Income Calculator**

Weekly Income | Bi-Weekly Income | Semi-Monthly Income | Monthly Income | Hourly Income

Enter up to four weekly income amounts. Income Calculator will compute the average weekly income. Click the Close button to return to the Income panel.

Amount 1	<input type="text" value="\$250.00"/>
Amount 2	<input type="text" value="\$198.00"/>
Amount 3	<input type="text" value="\$225.00"/>
Amount 4	<input type="text" value="\$250.00"/>

Average Weekly Income

## Paid Bi-Weekly (Every Other Week)

Must Show 2 or 3 Paystubs as Proof –  
Paid Three Times/Month 2 Times Each Year



# Paid Bi-Monthly (2 Times/Month)

Must Show 2 Paystubs as Proof

Check 1	Check 2
\$915	\$1234

Paid Monthly

Must Show 1 Paystub as Proof

Check 1
\$3568

# Self-Employed

- Tax Return, Line 22

Form **1040** Department of the Treasury—Internal Revenue Service (99) **2015** U.S. Individual Income Tax Return

For the year Jan. 1-Dec. 31, 2015, or other tax year beginning . . . , 2015, ending . . . , 20 . . . See separate instructions.

Your first name and initial . . . Last name . . . Your social security number . . .

If a joint return, spouse's first name and initial . . . Last name . . . Spouse's social security number . . .

Home address (number and street), if you have a P.O. box, see instructions. . . Apt. no. . . Make sure the SSN(s) above and on line 6c are correct.

City, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below (see instructions).

Foreign country name . . . Foreign province/state/country . . .

**Filing Status** 1  Single 4    
 2  Married filing jointly (even if only one had income)   
 3  Married filing separately. Enter spouse's SSN above and full name here  5

**Exemptions** 6a  Yourself. If someone can claim you as a dependent, do not check this box.   
 b  Spouse   
 c **Dependents:** (1) First name Last name (2) Dependent's social security number (3) Dependent relationship to you   
 d Total number of exemptions claimed

**Income** 7 Wages, salaries, tips, etc. Attach Form(s) W-2   
 8a **Taxable** interest. Attach Schedule B if required   
 b **Tax-exempt** interest. Do not include on line 8a **8b**   
 9a Ordinary dividends. Attach Schedule B if required   
 b Qualified dividends **9b**   
 10 Taxable refunds, credits, or offsets of state and local income taxes   
 11 Alimony received   
 12 Business income or (loss). Attach Schedule C or C-EZ   
 13 Capital gain or (loss). Attach Schedule D if required. If not required, check here    
 14 Other gains or (losses). Attach Form 4797   
 15a IRA distributions **15a** **b Taxable amount** **15b**   
 16a Pensions and annuities **16a** **b Taxable amount** **16b**   
 17 Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E   
 18 Farm income or (loss). Attach Schedule F   
 19 Unemployment compensation   
 20a Social security benefits **20a** **b Taxable amount** **20b**   
 21 Other income. List type and amount   
 22 **Combine the amounts in the far right column for lines 7 through 21. This is your total income** **22**

**Adjusted Gross Income** 23 Educator expenses **23**   
 24 Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ **24**   
 25 Health savings account deduction. Attach Form 8889 **25**   
 26 Moving expenses. Attach Form 3903 **26**   
 27 Deductible part of self-employment tax. Attach Schedule SE **27**   
 28 Self-employed SEP, SIMPLE, and qualified plans **28**   
 29 Self-employed health insurance deduction **29**   
 30 Penalty on early withdrawal of savings **30**   
 31a Alimony paid **b Recipient's SSN** **31a**   
 32 IRA deduction **32**   
 33 Student loan interest deduction **33**   
 34 Tuition and fees. Attach Form 8917 **34**   
 35 Domestic production activities deduction. Attach Form 8903 **35**   
 36 Add lines 23 through 35 **36**   
 37 Subtract line 36 from line 22. This is your **adjusted gross income** **37**

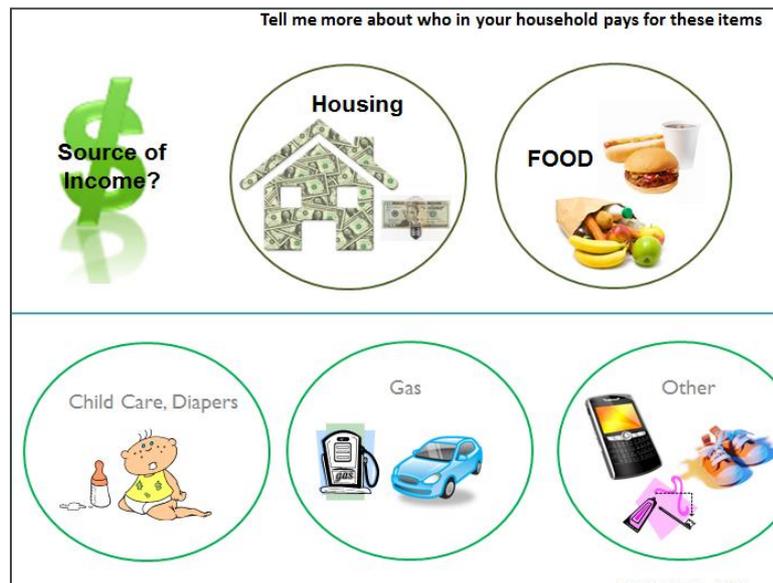
**Income** **Attach Form(s) W-2 here. Also attach Forms W-2G and 1099-R if tax was withheld.**   
 If you did not get a W-2, see instructions.

**Use Line #22 for Income for Self Employed and Farmers**

What if ...  
by the end of the income assessment, they are not receiving ADC or have not answered YES to any of the income questions?

Using Circle Chart:

Clarify - how/who is paying for items on the chart?



# Zero Income

## Is zero income logical??

- - Lost job (Last 30 days)
- - Just moved here
- - Living arrangements just changed
- - Living on student loans
- - In between jobs
- - Started new job, but have not been paid yet
- - On Family Medical Leave without pay

## Zero Income – Documenting in Journey

- How Document?
- What Proof Do You Need?
- How Often Can You

# Cashless Benefits Test

Do *you* receive cash, check, or stipend payment for this service?

**YES**

If you get cash or money for this service it is counted as income, no matter what you choose to do with the money or how you spend it.

Count as income  
the dollar \$\$\$ amount received

**NO** - *monetary payment is not received directly by the employee*

A benefit (other than cash) is received by employees as part of their total compensation package

CASHLESS BENEFITS

DO Not Count as income

# Income Averaging – WIC Words Overview



## Certification Update

June 8, 2016

### Topics In This Issue:

- What is Income Averaging
- When Would You Use
- Temporary Leave of Absence
- Students
- Overtime
- Child Support
- Self Employed
- One Time payments
- Seasonal Income
- When Would You Not Average Income

### WHAT IS INCOME AVERAGING:

Income Averaging is a method to determine income eligibility by averaging uneven income amounts over a period of time. Income may be averaged for up to a 12 month period. However, income documentation may not always be available for that many months. In such special situations, staff may use a smaller number of months to determine income.

### WHEN WOULD YOU USE INCOME AVERAGING:

- Income is averaged when a worker's income varies:
- When a worker's income varies every paycheck
  - When people are scheduled to work sporadically
  - For self employed workers

### AVERAGING INCOME SHOULD BE USED IN THE FOLLOWING SITUATIONS:

#### TEMPORARY LEAVE OF ABSENCE:

Persons who have taken a temporary leave of absence for any reason should have their income averaged using the income earned during the last 6 months.

#### STUDENTS:

Students income may vary greatly. They might work part-time or not at all during the school year. They may work full-time during school & summer breaks. They may have a work study job. (Remember, work study is exempted as a source of income. It is considered the same as a Pell grant and is not counted as income for WIC.)

Students should have their income averaged for the last 6-12 months whichever is more reflective of their income.

#### OVERTIME - (Sporadic or Infrequent):

Many workers paid hourly might receive overtime pay for additional hours worked, so income varies from month to month. For these workers, average total income (including the overtime pay) for 12 months.

#### CHILD SUPPORT:

Child support received must be reported as income by the family who receives the support. It may not be subtracted from the income of the person paying the support.

Child support payments that are *sporadic or where the amounts are unpredictable* should be averaged over a 6-12 month period.

Routine payments, both in timing and amount would be treated the same as any other source of income.

## SELF EMPLOYED

Self employed persons may include:

- Farmers/Ranchers
- Small business owners
- Persons selling Scentsy, Mary Kay, Home Décor, Pampered Chef, Tastefully Simple, Jewelry, or other like items.
- Persons providing daycare in their home
- Persons delivering newspapers, either route, carrier drop off or dispenser filler.
- Persons providing Lawn care (mowing), or snow removal
- Persons doing home repairs
- Truckers who own their truck

Self-employed persons use net rather than gross income when determining eligibility. Net income is determined by subtracting the self-employed individual's operating expenses from his/her gross receipts. Averaging the net income over the previous 12 months is recommended.

The best indicator of net income for WIC purposes is the previous year's tax documents. These documents will have the net income calculated. For persons who do not have a tax statement, using bank statements or documentation from their accountant may be the best way to determine net income.

### ONE TIME PAYMENTS:

Workers sometime receive additional money once a year, such as a Christmas bonus, additional clothing allowance, re-enlistment or hiring incentive. Although this money counts as income, we would average the amount over a 12 month period rather than counting the full amount during the pay period it was received.

### SEASONAL INCOME :

Persons who work in occupations which have fluctuations in income depending on weather or crops will have periods during the year when their income will vary dramatically. Examples include construction workers, concrete/asphalt workers, persons working for seed companies, harvesters, lawn care, and truckers.

Due to the fluctuations in income for clients in these occupations their income should be averaged for 12 months.

### WHEN WOULD YOU NOT AVERAGE INCOME?:

When there is consistent pay each period: do not average income for workers who earn the same pay each time period. Use current income.

# Using Year To Date:

STUB SAMPLES INC. 4891 INGLESIDE DRIVE HUNTINGTON BEACH CA 92649					Earnings Statement	
<b>EMPLOYEE NO.</b>	<b>EMPLOYEE NAME</b>		<b>SOCIAL SECURITY NO</b>	<b>PERIOD BEG.</b>	<b>PERIOD END</b>	<b>CHECK DATE</b>
045345	JOHN J. DOE		xxx-xx-9898	01/18/2011	02/01/2011	02/04/2011
<b>EARNINGS</b>	<b>HOURS</b>	<b>RATE</b>	<b>CURRENT AMOUNT</b>	<b>WITHOLDINGS/DEDUCTIONS</b>	<b>CURRENT AMOUNT</b>	<b>YEAR TO DATE</b>
REGULAR PAY	80	\$10/hr	2307.69	MED Social Security Federal State Health Insurance	5.00 20.00 40.00 15.00 20.00	350.77 0.00 1126.15 133.85 387.69
<b>CURRENT AMOUNT</b>	<b>CURRENT DEDUCTIONS</b>	<b>NET PAY</b>	<b>YTD EARNINGS</b>	<b>YTD DEDUCTIONS</b>	<b>YTD NET PAY</b>	<b>CHECK NO.</b>
2307.69	\$100	\$700	9230.77	1998.46	7232.31	48974

# Maternity Income Template

## EXAMPLE

### Income Averaging Template Maternity Leave (unpaid)

**Scenario:**

Mom has been working at a nursing home over the past year working 40 hours per week making \$350 per week or \$8.75/hr. She just had a baby so has been on unpaid maternity leave for 2 weeks.

**Information to collect:** Income for previous 6 months (26 weeks)

1. Weekly income: \$350/week

2. # weeks without pay while on maternity leave during past 26 weeks? 2 weeks off

3. Number of weeks worked past 6 months (26 weeks)? 24 weeks worked

4. Calculate income received for the weeks that were worked:

$$\underline{\$350/\text{week}} \times \underline{24 \text{ weeks worked}} = \underline{\$8,400} \text{ income received}$$

5. Average the income earned over 26 weeks (6 mo):

$$\underline{\$8,400} \text{ income received} / 6 \text{ months} = \underline{\$1,400} \text{ average monthly income}$$

6. Enter the Average monthly income into computer



# Maternity Income Template

## TEMPLATE

### Income Averaging Template Maternity Leave (unpaid)

Information to collect: Income for previous 6 months (26 weeks)

1. Weekly income: \$ \_\_\_\_\_ per week

2. # weeks without pay while on maternity leave during past 26 weeks: \_\_\_\_\_ weeks off

3. # weeks worked past 6 months (26 weeks)? \_\_\_\_\_ weeks worked

4. Calculate income received for the weeks that were worked:

\$ \_\_\_\_\_ /week x \_\_\_\_\_ # weeks worked = \$ \_\_\_\_\_

5. Average the income earned over (6 mo) ie. 26 weeks:

\$ \_\_\_\_\_ income received / 6 months = \$ \_\_\_\_\_ average monthly income

6. Enter the Average monthly income into computer

## Maternity Income Scenario

### Maternity leave – no pay last 8 weeks

I don't know for sure when I will go back to work because my baby was premature and is sick now. I plan to go back to my secretarial work as soon as I can.

- I worked as a secretary for the past year
- 40 hours/week: \$10/hr
- What is her average monthly income over the past 6 months?



**Secretary**

## Maternity Income Scenario

### Maternity leave – no pay last 10 weeks

I recently had my baby and have been on maternity leave the last 10 weeks. I will be returning to my job at Pizza Hut in a few days.



**Pizza Hut Cook**

- Worked at Pizza Hut for last year
- 40 hr/week: \$8.75 / hr

**What is her average monthly income over past 6 months?**

# Maternity Income Scenario



Gas Station  
Employee

## Maternity leave – no pay the last 12 weeks

I plan to return to work at Fuel Stop within a couple weeks.

- I've worked at Fuel Stop for past 9 months
- 22 hours/week; \$13.25/hr

**What is her average monthly income over the past 6 months?**

# Maternity Income

## Maternity leave – no pay last 3 weeks

I was originally planning to return to work at the cafeteria but I changed my mind after staying home with the baby for 3 weeks. I will not be returning because I want to be a stay at home mom.

- Previous work at cafeteria last 2 years
- 40 hr/week; \$9.50 per hour

How is this example different from other examples?



**Cafeteria & Bakery  
Assistant**

# Other Helpful Resources – Student Income

## Income - Students

### Do Not Count

#### Student Financial Aid

*Aid available from grants, scholarships, loans, and part-time employment from federal, state, institutional, and private sources for students at post secondary schools.*

#### Work Study – Student Financial Aid

*Financial aid program that allows a student to work on-campus or with approved off-campus employers to earn money to pay for college expenses.*

#### Stipends – Student Financial Aid

*Part-time and temporary positions reserved for students as a part of a program to provide meaningful education experience and/or financial assistance.*

#### Trust Account Amounts paid to school for expenses or for books & supplies

*An account in which money is held, (in trust) to be used for a specific person's educational expenses. Educational expenses include tuition & fees, books & supplies, and room & board. The money held in such an account is referred to as trust money.*

#### Grants (all money received) – Student Financial Aid

*Funds awarded to an individual by a college, an agency, or another institution to attend postsecondary education. Grants, also known as scholarships, do not have to be repaid.*

#### Fellowships – Student Financial Aid

*Money granted (by a university, foundation or other agency) for advanced study or research*

#### AmeriCorps Stipends – Payment to Volunteers (Title I)

***AmeriCorps** is a U.S. federal government program partnering with more than 3,000 non-profit organizations, public agencies, and faith-based organizations that was created in 1993 by President Bill Clinton. More than 70,000 individuals currently join AmeriCorps annually, totaling more than 500,000 members since 1994. The work done by these group ranges from public education to environmental clean-up.*

*AmeriCorps itself is split into three main divisions, including AmeriCorps State and National VISTA (Volunteers in Service to America), and NCCC (National Civilian Community Corps,*

#### Graduate Students, Payments from University – Student Financial Aid

*Financial assistance for graduate students paid to the student for work done. Examples include: Graduate Teaching Assistantships, Research Assistantships, Staff Assistantships, Graduate Fellowships & Traineeships.*

### Count

Money they receive from education trust accounts for general living expenses

# Other Helpful Resources – Military Income





- Photos: [photos.com](https://www.photos.com); [istockphoto.com](https://www.istockphoto.com)