



CDSS

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EDMUND G. BROWN JR.
GOVERNOR

December 31, 2013

ALL COUNTY LETTER 13-109

REASON FOR THIS TRANSMITTAL

- State Law Change
- Federal Law or Regulation Change
- Court Order
- Clarification Requested by One or More Counties
- Initiated by CDSS

TO: ALL COUNTY WELFARE DIRECTORS
ALL CalWORKs PROGRAM SPECIALISTS
ALL COUNTY REFUGEE COORDINATORS
ALL CALFRESH PROGRAM SPECIALISTS
ALL CONSORTIUM PROJECT MANAGERS

SUBJECT: CALIFORNIA WORK OPPORTUNITY AND RESPONSIBILITY TO KIDS (CalWORKs): FEDERAL FISCAL YEAR (FFY) 2014 INCOME REPORTING THRESHOLD (IRT)

REFERENCE: WELFARE AND INSTITUTIONS CODE SECTION 11265.3, MANUAL OF POLICIES AND PROCEDURES (MPP) SECTIONS 40-173.8 (SAR), 44-316.321(e), 44-316.324, 44-316.324(SAR)(b)(2), 69-201.4, 69-206, and 69-301, ALL COUNTY LETTER (ACL) Nos. 12-25, 12-49, and 13-80 and ALL COUNTY INFORMATION NOTICE (ACIN) I-52-13

This letter is to transmit the FFY 2014 IRT chart for the CalWORKs Program. The California Department of Social Services (CDSS) developed the attached IRT chart to provide the County Welfare Departments (CWDs) with the IRT that trigger the recipient income reporting requirements in the MPP Sections 44-316.321(e) and 44-316.324. These IRT levels became effective October 1, 2013 for all Assistance Units (AUs). CWDs must inform all CalWORKs recipients of their individualized IRT amounts whenever they change.

IRT Reporting Requirements

Under the Semi-Annual Reporting (SAR) and Annual Reporting/Child-Only (AR/CO) reporting systems, CalWORKs recipients are required to report only certain changes in their income or family circumstances mid-period. One such mandatory mid-period

report is when the AU's total income reaches the IRT. The IRT for a household is identified as the lowest of three tiers. The three tiers include: 1) 55 percent of the Federal Poverty Level (FPL) for a family of three, plus the amount of income last used to calculate the AU's monthly grant amount; 2) The amount of income likely to render the AU ineligible for CalWORKs benefits; or 3) 130 percent of the FPL or the level at which a household becomes financially ineligible for federal Supplemental Nutrition Assistance Program (SNAP) benefits (CalFresh).

For FFY 2014, CDSS has determined that the amount of income likely to render an AU ineligible for CalWORKs is less than 130 percent of the FPL for each AU size. Therefore, tiers one and two are the only tiers applicable to CalWORKs in FFY 2014.

Note: In accordance with MPP Section 44-316.324(b)(2)(SAR), AUs with either no income or with unearned income only are required to report if they receive new earned income that, when combined with other household income, exceeds the IRT mid-period. Therefore, AUs with unearned income only are not required to report when that income by itself exceeds the IRT mid-period.

Income that must be reported for IRT purposes is the total combined earned and unearned income for the AU. If any member of the AU or a person included in the family's Maximum Aid Payment (MAP) has earned income or begins receiving earned income, the AU must report to the CWD within ten days when the family has combined gross income, earned and unearned, that exceeds the lowest of the three tiers in the AU's IRT during the SAR or AR/CO payment period.

Once the family receives income that reaches the IRT and reports it to the CWD, the CWD must take action, per MPP Section 44-316.324(c)(1)(SAR), to determine if the reported income is reasonably anticipated to continue. If the income at or over the IRT is not reasonably anticipated to continue, the CWD will take no action. If the income at or over the IRT will continue but is not at a level that will result in ineligibility, the CWD must use the new reasonably anticipated income to recalculate the grant amount. After recalculating the AU's grant based on the reported income, if the CWD determines the grant should be decreased, the CWD shall decrease the grant at the end of the month in which timely and adequate notice can be provided. After all appropriate income disregards have been applied, if the income reported is reasonably anticipated to continue to exceed the AU's MAP for the remainder of the payment period, the CWD shall determine the AU financially ineligible and discontinue the AU at the end of the month in which timely and adequate notice can be provided. For complete details on decreasing grants or discontinuing cases due to the IRT please refer to ACL 12-25 for SAR AUs and ACL 12-49 for AR/CO AUs.

Informing Recipients of Their IRT

The informing notice that provides the IRT limits must be individualized for each AU. CWDs must inform recipients of their IRT no less than at each annual redetermination and recertification, or whenever their IRT changes. Additionally, the AU must be informed of the new IRT levels any time the IRT chart is updated. The CWDs should also remind recipients that in addition to the IRT requirement, they must report all income and property on their SAR 7 or AR 2 SAR and provide relevant verification.

Due to differences in automation and other practices, CWDs may inform recipients of the IRT requirements on the SAR 2, SAR 7, or AR 2 SAR, or on a separate informing notice. IRT figures should be noticeable so the recipient can easily see the IRT for their AU. The CWD shall follow notification rules regarding individualized IRT levels in accordance with MPP Section(s) 40-173.8 and 44-316.324 as instructed above. The IRT level in which the recipient was last notified will be used for reporting purposes until the CWD has had an opportunity to update the recipient regarding any applicable IRT change.

IRT Chart Increments

The attached IRT charts were effective beginning October 1, 2013. The figures on the chart for all CalWORKs AU sizes in both Regions are based on the October 2013 CalFresh gross income limits. There are two charts for Tier Two in CalWORKs (Attachment One). The second chart reflects the changes to the MAP that will be effective March 1, 2014 when AB 85 (Chapter 24, Statutes of 2013) provisions are implemented. AB 85 increases the MAP by 5 percent. An ACL will be released in the near future regarding these changes. Although the attached IRT levels were effective beginning October 1, 2013, CWDs shall not retroactively apply the FY 2013-14 IRT. The new IRT level will apply as soon as the CWD informs the recipient of the new FY 2013-14 IRT. The IRT previously sent to the AU shall be used until the CWD can notify each recipient of their new IRT. Attachment Two shows the CalFresh IRT figures (130 percent of the FPL).

An entry of zero to the IRT Chart is to reflect the IRT amount for a reporting size of zero. This is to address those relatively rare occurrences in which no person's needs are considered in determining the CalWORKs cash aid amount. An example of this would be a case in which the only eligible child is a Maximum Family Grant (MFG) child and his/her caretaker relative (parent) has reached their CalWORKs 48-month time limit and there are no other persons in the home whose needs are considered in the Family MAP. In this situation, the MAP amount is zero and the IRT is \$227. The CDSS arrived at the IRT level for an AU size of zero using the following formula: $\$0 \times 2 + \$225 + \$1 = \226 (income limit) + $\$1 = \227 (IRT). This calculation reflects the use of the

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CalWORKs Earned Income Disregards (EID). One additional dollar is added to the income limit of \$226 to make the IRT \$227 for the AU size of zero.

Refugee Cash Assistance/Entrant Cash Assistance (RCA/ECA) and Trafficking and Crime Victims Assistance Programs (TCVAP)

The above instructions regarding the IRT also apply to the Refugee Cash Assistance/Entrant Cash Assistance (RCA/ECA) Program in accordance with MPP Sections 69-201.4 and 69-301, which state that CalWORKs Program regulations relating to financial eligibility and payments apply to RCA/ECA unless specifically superseded by RCA/ECA regulations (i.e., MPP Section 69-206), that exempts specific income and resources from the income eligibility determination process). The above instructions regarding the IRT also apply to the Trafficking and Crime Victims Assistance Program (TCVAP).

If you have any questions regarding this ACL contact your CalWORKs County Consultant or the CalWORKs Eligibility Bureau main line at (916) 654-1322. For questions regarding the CalFresh IRT, please contact the CalFresh Policy Bureau at (916) 654-1896. For questions regarding RCA/ECA or TCVAP, please contact the Refugee Program Bureau at (916) 653-7785.

Sincerely,

Original Document Signed By:

TODD R. BLAND
Deputy Director
Welfare to Work Division

Attachment

c: CWDA
CSAC

Attachment One

Federal Fiscal Year (FFY) 2014 CalWORKs Income Reporting Threshold (IRT)
Effective 10/1/2013 to 9/30/2014

For FFY 2014, CDSS has determined that the amount likely to render an Assistance Unit (AU) ineligible for CalWORKs is less than 130 percent of Federal Poverty Level (FPL) for each AU size. Therefore, the IRT amount for each AU will be the lesser of A or B below.

Tier 1: \$895 (55 percent of the FPL for a family of three, FFY 2014) plus the amount of income last used to calculate the recipients monthly benefits or;

Tier 2: The amount of income likely to render the AU of that size ineligible, as shown in the charts below.

For October 1, 2013 through February 28, 2014

Region 1

AU Size	IRT	
	Exempt	Non-Exempt
0	\$227	\$227
1	\$928	\$860
2	\$1,380	\$1,258
3	\$1,654	\$1,502
4	\$1,924	\$1,750
5	\$2,158	\$1,958
6	\$2,398	\$2,170
7	\$2,610	\$2,364
8	\$2,828	\$2,554
9	\$3,036	\$2,741
10 or more	\$3,246	\$2,928

Region 2

AU Size	IRT	
	Exempt	Non-Exempt
0	\$227	\$227
1	\$894	\$826
2	\$1,326	\$1,206
3	\$1,588	\$1,442
4	\$1,844	\$1,676
5	\$2,072	\$1,876
6	\$2,296	\$2,078
7	\$2,500	\$2,258
8	\$2,704	\$2,444
9	\$2,906	\$2,622
10 or more	\$3,104	\$2,798

*Note: The recipient income exit threshold formula is the Maximum Aid Payment (MAP) X 2 + \$225 (Earned Income Disregard (EID)) + \$1 = Amount That Renders AU Ineligible

Tier 2
For March 1, 2014 through September 30, 2014

Region 1

AU Size	IRT	
	Exempt	Non-Exempt
0	\$227	\$227
1	\$964	\$892
2	\$1,438	\$1,310
3	\$1,726	\$1,566
4	\$2,008	\$1,826
5	\$2,254	\$2,044
6	\$2,506	\$2,268
7	\$2,730	\$2,470
8	\$2,958	\$2,670
9	\$3,176	\$2,868
10 or more	\$3,398	\$3,064

Region 2

AU Size	IRT	
	Exempt	Non-Exempt
0	\$227	\$227
1	\$928	\$856
2	\$1,382	\$1,256
3	\$1,656	\$1,502
4	\$1,924	\$1,748
5	\$2,164	\$1,958
6	\$2,400	\$2,170
7	\$2,614	\$2,360
8	\$2,828	\$2,554
9	\$3,040	\$2,742
10 or more	\$3,248	\$2,926

*Note: The recipient income exit threshold formula is the Maximum Aid Payment (MAP) X 2 + \$225 (Earned Income Disregard (EID)) + \$1 = Amount That Renders AU Ineligible

Attachment Two

Federal Fiscal Year (FFY) 2014 CalFresh Income Reporting Threshold (IRT)
Effective 10/1/2013 to 9/30/2014

Tier 3

Household Size	Income Reporting Threshold
1	\$1,245
2	\$1,681
3	\$2,116
4	\$2,552
5	\$2,987
6	\$3,423
7	\$3,858
8	\$4,294
9	\$4,730
10 or more	\$5,166

*Note: This chart is updated annually when the Federal Poverty Level (FPL) is updated. The IRT is based upon 130 percent of the FPL. This chart will not be used for CalWORKs IRTs through 9/30/2014