

Article 8
Eligibility and Payment Manual

Part II
AFDC
(Aid to Families with Dependent Children)

- §1821. Introduction.
- §1822. The Application Process.
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§1821. Introduction. The purpose of this manual is to provide instruction on actions to be taken by Bureau of Economic Security (BES) staff in the Administration of Public Assistance Programs under Guam's Public Assistance State Plan. This manual is intended to provide directions for determining eligibility and furnishing assistance in compliance with the requirements of Title IV-A of the Social Security Act, Federal Regulation contained in the Code of Federal Regulations 45 CFR and the Guam State Plan.

(a) **Federal Requirements.** The federal requirements for Public Assistance Programs are contained in Public Welfare parts 200 to 499, 45 CFR.

(b) **Guam Laws.** Chapter 3 of Title 10, Guam Code Annotated contain laws relative to the administration of welfare.

(c) **Program Coordinations.** The Bureau of Economic Security (BES) requires close cooperation and coordination with the Bureau Management Support/Investigation and Recovery Office, Bureau of Health Care Financing, Bureau of Social Services Administration and other related sections within the Department of other agencies in order to assure proper program administration.

§1822. The Application Process. (a) **Requests for Application for Assistance.**

(1) **Right to Apply.** Each individual shall have the opportunity to apply for assistance and receive an application form without delay. Any applicant may be assisted by other individuals in the various aspects of the application process. The individuals may serve as the authorized representative on behalf of the applicant.

(2) **Reapplication.** Terminated or denied cases must file a new application to reapply for assistance.

(3) **Reinstatements.**

(A) Assistance shall be reinstated without a new application when eligibility can be re-established on the basis of information provided by the recipient before the effective date of termination. A new application is needed if the information is provided after the effective date of termination.

(B) In case of agency error or directed by a fair hearing or court decision, aid shall be reinstated.

(4) **Distinction Between Application and Inquiry.** A request for General Assistance is considered an inquiry until a signed application with applicant's name and address is received by the Bureau of Economic Security.

(b) **Steps in the Application Process.**

(1) **Initial Contact with the Agency.** When an individual first contacts the agency for assistance, the Eligibility Specialist (ES) provides Part I application form for completion to pre-screen and determine the urgency of the applicant's situation.

(A) If the applicant is determined to be in urgent need of assistance, the applicant shall be interviewed immediately.

(B) If the applicant is determined not to be in urgent need of assistance, he/she will be scheduled for a mass screening orientation within two (2) weeks following the date of application. The applicant shall be provided with a list of required documents (document checklist) necessary for the interview.

Factors used in determining urgency of need are:

(i) No income/resource

(ii) Renting and there is possibility of eviction because payment of rent is behind.

(iii) Utilities to be discontinued because of outstanding bills.

(2) **Persons Who May Sign Applications.** The adult applicant, the designated authorized representative, or other responsible relatives acting on behalf of an incapacitated adult may sign the application. In the case of couples who do not qualify for AFDC, both parties must sign the application.

When there is a change in grantee-relative and the new grantee-relative is a person who has not signed the current application, a new application must be completed and signed by the new grantee-relative.

If the new grantee relative is the spouse of the former grantee-relative and signed the current application, no new application is needed.

(3) **Applicant's Rights.** Applicants for and recipients of General Assistance have certain rights which are protected by Federal and Local Policy. Informing individuals of these rights, and interpreting them as necessary, is a basic part of the application process and each review of eligibility. These include:

- (i) Right to apply
- (ii) Right to a fair hearing
- (iii) Right to confidentiality
- (iv) Civil rights

(4) **Applicant's Responsibilities.** The applicant or a protective payee is responsible to the extent permitted by his physical and mental condition for providing documentation to establish eligibility. Some applicant responsibilities include:

- (A) Verification of applicant's identity and age.
- (B) Verification of applicant's present address and living arrangement.
- (C) Verification of the family composition and relationship of persons in the household.
- (D) Verification of his financial need and eligibility for public assistance.
- (E) Provision of Social Security Numbers for every member in the assistance unit.

When additional information is needed to establish eligibility, the applicant shall be given specific written instructions at the time of interview

regarding any information that the applicant is responsible for providing within 5 days from the date of the written request for additional information. (APS-7)

(5) **Delay of Information.** Any time beyond the five days written notice shall be considered a delay on the part of the application. The delay shall be the basis for denial of the application, when it appears the applicant is not cooperating in establishing eligibility. The specific reason for the denial shall be clearly stated in the case record and in the notice of denial sent to the applicant.

(6) **Worker's Role.** The Eligibility Specialist (ES) represents the agency in dealing with inquiries, applicants, and recipients. The APW must:

(A) Explain the choice of assistance programs available and recommend the programs most appropriate to meet the needs of applicant such as Aid to Families with Dependent Children (AFDC), Old Age Assistance (OAA), Aid to the Permanently and Totally Disabled (APTD), Aid to the Blind (AB), General Assistance (GA), Medicaid and Food Stamps.

(B) Assist the applicant to complete and file his/her application within agency policy.

(C) Inform the individual that the agency will reach a decision within thirty (30) days with respect to eligibility based on the information presented on application form and that the applicant/recipient is expected to furnish complete and accurate information in all areas covered by the form.

(D) Explain that some factors of eligibility must be verified and explain what the applicant/recipient is expected to provide in the way of verification.

(E) Explain that if assistance is granted, the client must assume the responsibility of notifying the agency of any change which would affect eligibility or the amount of payment within 10 days of the change.

(F) Explain that a number of persons receiving public assistance, as well as a number of

rejected applications and terminated cases will be investigated by the Quality Control staff for an extensive review and verification of data provided in the case record. In signing the application or review the individual agrees to cooperate fully in such an investigation if the individual's name is selected; also, in signing the form, the individual assumes responsibility for accuracy of the information contained.

(G) Explain the necessity for contacting the absent parent to enlist aid in providing support for the children and that income from relatives on a regular basis, whether in the form of cash or income-in-kind, whenever available to a client shall be taken into consideration in determining the amount of assistance.

(H) Discuss certain factors involved in determining eligibility; such as treatment of income, registration with JOBS program, Social Security numbers, and assignment of Child Support. The ES will also discuss additional benefits that may be available to them, such as medical coverage (retroactive also), food stamps and social services.

(I) Furnish information pertaining to the client's right to receive a ten day advance notice on adverse actions and the right to appeal the decisions of the Department of Public Health and Social Services.

(7) **Prudent Person Concept.** The ES shall follow the prudent person concept in determining eligibility whenever consistent with the procedures set forth in the manual.

The prudent person concept refers to the capability of the ES for reviewing and analyzing information provided by an applicant/recipient and accurately deciding that such information is sufficient for making an eligibility determination or that further inquiry in the client's circumstances is indicated. Proper execution of this concept is of critical importance to the successful administration of all programs. By definition, the prudent person must be vigilant, cautious, perceptive and governed by generally sound judgement.

(8) **Duplicate Assistance.** Applicants may apply for assistance from any of the public assistance low income programs, but may receive CASH ASSISTANCE from only one. Anyone receiving AFDC CASH ASSISTANCE from another state is ineligible for AFDC CASH ASSISTANCE from Guam, as long as assistance from another state continues.

(9) **Right to Appeal.** An explanation of the right to appeal any action or failure to act by the Division will be given to each applicant. (See Chapter IV, section 400, Fair Hearing)

(10) **Cooperation with the Investigation and Recovery Office (IRO) of the Bureau of Management Support (BMS), Child Support Enforcement Unit (SEU).** Applicants will be advised that the ES must refer the case to the Office of Child Support Enforcement upon approval, and that cooperation of the applicant with the Office of Child Support Enforcement is a requirement for continuing eligibility. Clients will not be required to cooperate when a determination of good cause for non-cooperation is pending or established. The client must submit a written request for a good cause determination to the ES and provide requested verification.

(11) **Client's Responsibility.** It is the applicant's/client's responsibility to report any of the following changes in household within 10 days after the change occurred:

(A) New address or change in mailing address.

(B) New rental amount and rental decreases/increases.

(C) The number of people in the household (if someone moves in or out of home).

(D) Changes in resources.

(E) Changes in household's income if it increases, decreases or ceases.

(F) Changes in utilities or dependent care

(12) **Non-Discrimination.** No person will be subjected to discrimination (such as race, sex, color, national origin, handicap, age, etc.) for any reason

under any program of the Guam Public Welfare Division according to Federal Rules and Regulations.

The Assistance Payment Worker (APW) must inform applicants and recipients for their right to file a complaint with the Division, the Federal Agency, or both, if they believe discrimination is being practiced.

(c) **Securing Essential Information.** Before approval and at each redetermination, all verifications necessary to determine eligibility must be completed.

Applicants and/or recipients are the primary source of information. If a client is unable to obtain information, the APW will assist.

If a third party refuses to supply information without an individual permission, and Authorization to Release of Information (APS Form) must be signed by the applicant/recipient. Lack of third party cooperation must be verified/documented.

(d) **Time Limits on Processing.** Applicants must be determined eligible or ineligible within 30 days (no later than 45 days) from the date of application. The applicant must be notified via mail, Notice of Approval or Denial, whichever is appropriate.

(e) **Disposition of Application.**

(1) **Denial.** Applications are denied when:

(A) Ineligibility is established by the department;

(B) Applicant fails to provide information essential to determine eligibility; and

(C) The agency loses contact with the applicant before eligibility is determined. Documentation in the case file is necessary.

(2) **Withdrawal.** Applications are withdrawn when the client initiates a voluntary request. The reason for withdrawal must be documented in the casefile.

(3) **Approval.** When eligibility requirements are met, assistance is approved.

Send an approval notice (BES-90-100) to the applicant. A referral (one per case) is sent to the Office of Child Support Enforcement within two days of approval for assistance.

(f) **Medicaid Eligibility Prior to Application.** When assistance is approved, authorized Medicaid on a month by month basis for up to 3 months prior to the month of application if:

(1) Proof that medical care or services were provided in the month(s) Medicaid coverage is requested; and

(2) The client met eligibility requirements for each of the prior months in which medical care and services were received.

(g) **Eligibility Requirements - AFDC.**

(1) **Cooperation.** Clients are required to cooperate with the Division of Public Welfare, Bureau of Economic Security in securing all information needed to determine initial or continuing eligibility. Failure or refusal to do so will result in denial or termination of the grant.

When assistance is pending termination due to non-cooperation and the client cooperates within the 10 day notice period and all eligibility factors are met, assistance will be continued. Clients must inform the Division of Public Welfare, Bureau of Economic Security of the following within 10 days from the date change occurs.

(A) Change of name

(B) Change of address

(C) Change in shelter costs

(D) Change in marital status, or reconciliation with the absent parent

(E) Change of household composition - number of people in the home

(F) Resources

(G) Special needs

(H) Any other change in circumstances

(2) **Filing Unit Provision** (Deficit Reduction Act of 1984, ss2640).

(A) **Individuals who must be included and excluded in the Assistance Unit:**

The following individuals living in the same household as the dependent child must be included:

(1) Any parent, natural or adoptive, who is living in the same household as the dependent child must be included in the unit.

(2) Blood related or adoptive brothers and sisters who are living in the same household as the dependent child and who meet the age and deprivation requirement.

Certain parents, siblings, and individuals must be excluded from the assistance unit because they are not eligible for assistance under other provisions. For example:

(1) Parents, siblings and individuals who receive SSI benefits. His/her income or resources cannot be considered for purposes of determining need or payment.

(2) Parents, siblings and other individuals who do not meet the citizenship and alienage requirement;

(3) Parents, siblings, and individuals who are aliens and are ineligible for AFDC because they have been sponsored by an agency or organization or because of the application of sponsor-to-alien deeming provisions in accordance with section 202.27(B).

The income and resources deemed to a sponsored alien are not considered in determining the need of other unsponsored members of the alien's family.

(4) Sanctioned individuals; and

(5) Individuals ineligible due to receipt of lump sum income.

(6) Child(ren) or siblings who fail to meet the age and deprivation requirements.

(B) Income and Resources. All of the income and resources of the individuals required to be

included in the assistance unit must be considered in determining eligibility and payment for the assistance unit.

(C) When Should Eligible Parents and Siblings be Included in the Filing Unit. Eligible parents and siblings (natural or adoptive) are required to be included in the filing unit as of the date of birth, adoption, or as of the date he/she joins the assistance unit.

When an AFDC recipient reports the birth of his/her child timely, and complies with all eligibility and verification requirements (such as Assignment of Support, enumeration, birth certificate, etc.), the ES shall include the newborn's needs from the date all eligibility requirements are met.

When an AFDC recipient timely reports that a person who is required to be included, moves in or joins the unit, and complies with all eligibility and verification requirements, the ES shall include that person's needs and provide benefits retroactive to the date he/she moved in or joined the unit.

(D) Persons who fail to cooperate - when should they be included in the Filing Unit. Under some circumstances an ES may not be aware of the inclusion of parent(s) or siblings until some time after the date they would be required to be included. The following procedures should be followed when adding such individuals to an assistance unit. The ES must:

(1) inform the family of the requirements of the assistance unit provision;

(2) re-determine eligibility for the assistance unit, including the income and resources of the additional individual, retroactive to the date that the individual was required to be included in the unit;

(3) in re-determining eligibility and amount of payment, the ES must include the needs of the additional individual:

(a) if the calculation results in an overpayment, the ES must prepare the

recoupment report and file the overpayment as usual;

(b) if the calculation results in an underpayment, payment is made only for months in which all eligibility requirements were met, such as JOBS registration, enumeration, and child support assignment;

(4) after the family is notified of the requirements of the assistance unit provision, the individual's income and resources will be considered (as with all members of the assistance unit), but his needs will be included only from the time all conditions of eligibility are met.

CASE EXAMPLE 1:

A 17 year old sibling, who is required to be included in the assistance unit returns home. Although the mother timely notifies the ES of his return, and he is not a full-time student refuses to be registered for JOBS, or to apply for a Social Security Number. This sibling's income and resources are counted from the date he joins the unit, but his needs are excluded, and he is not paid any benefits. His needs shall be included as of the date he complies with all eligibility requirements.

This approach is taken only if the ES can adequately determine the income and resources of the family. If that 17 year old is employed and refuses to submit his income verifications, and the ES is not able to accurately verify the income of all family members, the ES must deny benefits for the entire family.

(E) Eligible individuals who are not required to be included - when should they be included in the unit: When a new, eligible member who is not required to be included in the assistance unit, such as cousins, nephews, nieces, grandchild, etc. (refer to section 202.9 of the Guam Eligibility and Payment Manual) joins an existing

AFDC assistance unit, his/her needs shall be included from the DATE OF APPLICATION. A new application is required to be completed to include such individual(s). However, the certification period for the case remains the SAME. All necessary documents, such as verifications of identity, citizenship, age, social security number, income, etc., shall be requested as usual.

(F) Treatment of sanctioned persons who are required to be included in the Assistance Unit: Individuals who are subject to sanction are those who are eligible but fail to cooperate in fulfilling an eligibility requirement, such as participation in the JOBS program, assignment of child support, or enumeration.

Sanctioned individuals who are otherwise required to be included in the assistance unit are treated as follows:

(1) income and resources of these individuals are included in determining eligibility and payment amount of the assistance unit.

(2) in determining need and the amount of assistance, the needs of such individuals are excluded.

(3) the earned income of these individuals will be counted and the income disregards shall be applied in Section 208.4 and the remaining amount will be considered available to the assistance unit.

However, a family which is eligible for the \$50.00 child support disregard will be unaffected by the sanction policy (except where the principal earner is sanctioned).

(G) Consolidating Multiple Assistance Unit Households: When an individual is required to be in two or more assistance units living in the same household, these units must be consolidated. Two examples follow:

Case Example #1: A household consists of a mother and her three children. All are receiving AFDC. One of these children then has a baby. The

assistance unit provision requires that the minor mother be in the unit with her child and in the unit of her siblings. Thus, they must all form one unit.

Case Example #2: A mother and her child live with her second husband, who is disabled, and his child. Both parents receive AFDC, but as separate units. Then, they have a child. Since the child is required to be included in the assistance units of both parents and half-siblings. As a consequence, all five members must be consolidated in a single assistance unit.

(H) Minor Parent's Parent: A mother, her minor child, and the minor's child live together. If the grandmother or minor applies for AFDC, who must be included in the unit?

If the ES determines that the minor mother is the caretaker, then the grandmother may not be included in the assistance unit. If the grandmother is not included, her income would be counted in accordance with section 206.3 of the Guam Eligibility and Payment Manual, "Stepparent Income/Minor Parent's Parents Income.

If the ES determines that the grandmother is the caretaker, the minor mother would still be required to be included in the unit as the parent. The ES cannot automatically require that such a minor mother be treated as an AFDC child even in cases where the minor mother meets all AFDC eligibility factors as a dependent child. If the grandmother is included in the assistance unit, her income would be counted in accordance with section 208.4 of the Guam Eligibility and Payment Manual.

If the minor mother has siblings living in the household who receive AFDC as dependent children, she and her child shall be drawn into the unit with her siblings.

(I) Non-Needy Sibling: Should a "non-needy" sibling who is supported by his absent parent be included in the assistance unit? If this child receives child support which exceeds his increment of the need standard, must this child be included?

YES. All siblings who meet the AFDC factors of eligibility living in the household of an eligible child must be included in the unit. All income and resources of individuals required to be in the assistance unit shall be considered in determining eligibility and amount of payment for the entire assistance unit. Therefore, this child's income shall be considered as income for the entire unit.

(J) When is a new application form required? Individuals required to be included who join an existing assistance unit are included in the application already on file as of the date they join the assistance unit, whether by birth, adoption, or by beginning to live with the existing assistance unit. All necessary documents, such as verifications of identity, citizenship, age, income, Social Security Number, etc., is requested as usual.

A new application is required to include an additional member who is not required to be included in the assistance unit. However, the certification period remains the SAME. This application shall be used to re-determine eligibility and to ensure that the household signs the new application under the penalty of perjury. This eligible member's needs shall be included from the date of application.

(3) 185% Percent Income Limit for Eligibility.

(A) Applicants. An applicant is not a participant of any of the public assistance programs, but files a completed application for aid. The first step in determining initial eligibility for AFDC will be to apply the assistance unit's total income against the standard equal to 185 percent of the need standard for a family of the same size. If the unit has gross income in excess of the 185 percent limit, then the assistance unit is not eligible.

(B) Recipients. A recipient is one who is an active participant of any of the public assistance programs.

If the agency determines that the assistance unit's income will exceed the 185 percent limit for one month, the agency will suspend payment in

the corresponding payment month. If the income is expected to exceed the 185% limit longer than one month, the case shall be terminated.

(C) **Gross Income.** An assistance unit's gross income includes the income of those individuals who apply for or receive AFDC, the income of the natural, adoptive or stepparents (less applicable disregards) and any other persons whose income is taken into account in determining the AFDC grant prior to the taking of payroll and other deductions.

(4) **Age Requirements.** Children under the age of 18 are eligible for cash assistance and Medicaid if all other eligibility requirements are met. Children who are 18 but not year 19, will be eligible if they are attending a secondary school on a regular basis or are in the equivalent level of Vocational or Technical training and are expected to complete the program before reaching their 19th birthday.

Verification (Any one of the following is acceptable)

(A) Birth Certificate. A birth certificate from Vital Statistics, or birth certificate from the hospital.

(B) Baptismal Certificate or Church Record of Baptism

(C) Confirmation papers or Church Record of Confirmation

(D) School. A statement from school records

(E) Naturalization Record. The worker should note the naturalization number(s) and the names and birthdate of the child(ren) and parents.

(F) Immigration Papers or Government Record of Immigration

(G) Passport. Record the date issued, full name, and age of the client.

(H) Adoption Decree

(I) Newspaper Notices. A newspaper clipping is acceptable if it gives the name of the child and parents along with the date of birth.

(5) **Residence Requirements.** To be eligible for assistance, applicants must be living in Guam with the intention of making Guam their home permanently or for an indefinite period or entering Guam with a job commitment or seeking employment.

Clients/Representatives must provide verification of their Guam residency.

Verification (any of the following is acceptable)

Proof of alien status can be obtained from the Immigration and Naturalization service by completing form G-845.

- (A) Rent/Mortgage Receipt
- (B) Landlord Statement
- (C) Guam's Driver's License
- (D) Guam Vehicle Registration
- (E) Proof of Voter Registration in Guam
- (F) Utility Bills/Receipts
- (G) Employer Statement

(6) **Citizenship Requirements.** An applicant or recipient must be a U.S. Citizen or an Alien legally admitted for permanent residence to the U.S. to be eligible.

Verification (any of the following is acceptable)

- (A) Birth Certificate (U.S. or its possession)

Vital records that are off-island

The agency shall assist the applicant by:

(1) Providing the applicant with the name and address of the appropriate vital statistics office.

(2) Informing the applicant of the fee(s) charged to obtain a copy of the birth record.

The name, address and fees for vital statistic offices may be obtained from the "WHERE FOR VITAL RECORDS" handout issued by the Department of Health and Human Services. A copy of this handout is on file with certification case managers and district supervisors.

The agency shall allow the applicant thirty (30) days to obtain a copy of the birth record, the agency shall take action to deny the applicant's Application for Financial/Medical Assistance.

The applicant shall be responsible for mailing the request and appropriate fee(s) to the vital statistics office.

(1) For CNMI citizens - any one of the following documents is acceptable verification:

(a) Certificate of Citizenship (from court with official seal stamped on it)

(b) Certified copy of Birth Certificate (from CNMI government for individuals born after 1950)

(c) Certificate of Identity (blue card)

(d) Voting Registration Card (from CNMI)

(e) U.S. Passport

(f) Naturalization Papers

(g) Permanent Resident on Resident Alien Card (green card)

(7) Deprived of Parental Care and Support. One or both parents must be deceased, absent, incapacitated or unemployed.

(A) Deprived of Support and Care by Death of a Parent. If either parent is deceased, deprivation of parental support or care exists. Verification of death will be obtained through a death certificate or obituary notice.

(B) Deprived of Support and Care Due to Parental Absence. Deprivation exists when either parent has been absent from the home or out of the home and the nature of the absence interrupts or terminates the parent's functioning as a provider of maintenance, or provide physical care and guidance for the child; and the unknown or indefinite duration of the absence prevents the

parent function in planning for the present support or care of the child.

(8) Definition of "Continued Absence".

(a) "Continued absence" exists when the natural or adoptive parent is physically absent from the home and the nature of the absence constitutes disassociation; that is, a substantial severance of one of its natural parents.

A substantial severance of marital and family ties means that the absence is accompanied by a definite interruption of or marked reduction in marital and family responsibilities compared to previously existing conditions.

(b) "Continued absence" does not exist when one parent is physically absent from the home on a temporary basis less than 30 days. Examples are visits, trips or temporary assignments undertaken in connection with current or prospective employment.

(c) Circumstances That Meet the Definition of "Continued Absence". The physical absence of a parent from the home in conjunction with any one of the following circumstances shall be considered to meet the definition of "continued absence".

(1) The parents are not married to each other and have not maintained a home together.

(2) The parent:

(i) Who is a convicted offender but is permitted to live at home while serving a court- imposed sentence by performing unpaid public work or unpaid community service during the work day or

(ii) Has been deported, or has voluntarily left the island because of the threat of, or the knowledge that he or she is subject to deportation.

(3) A parent has filed, or retained legal counsel for the purpose of filing an action for dissolution of marriage, for a judgment of nullity, or for legal separation.

(4) The court has issued an injunction forbidding the parent to visit the child.

(5) The remaining parent has presented a signed, written statement that the other parent has left the family and that disassociation within the definition of "continued absence" exists.

(d) Parent on Active Duty in Uniformed Services. The absence of a parent on active duty in the uniformed services may or may not qualify as "continued absence", depending on whether or not the facts in the individual case indicate a substantial severance of marital and family ties. Some military absences may indeed be temporary; each case must be considered in light of all relevant factors.

Verification (any of the following is acceptable)

Divorce Decree - Legal Separation

Written statement from landlord, relative or friend with knowledge of the circumstances

Written statement from institution to verify confinement

(9) **Deprivation Due to Incapacity.** Deprivation due to physical or mental incapacity of a parent shall be deemed to exist when the parent of an otherwise eligible child has a physical or mental illness, defect, or impairment that reduces substantially, or eliminates the parent's ability to support or care for the child for a period which is expected to last at least 30 days and which is supported by acceptable evidence as specified in 2 below. Where the incapacity is initially expected to last less than 30 days but in fact lasts longer, payment shall be granted retroactively effective the correct beginning date of aid.

(A) Deprivation exists if the incapacity:

(1) Prevents the parent from working full time at a job in which he or she is equipped by education, training or experience, or which can be learned by on-the-job training; or

(2) Is the reason employers refuse to employ him or her for work the parent is

qualified to do. This includes behavioral disorders which interfere with the securing and maintaining of employment; or

(3) Prevents him or her from accomplishing as much on a job as a regular employee and is the reason the parent is paid on reduced basis even through working full time; or

(4) Qualifies the parent and he or she is employed in a job which is rehabilitative, therapeutic or in a sheltered workshop not considered to be a full-time job; or

(5) Reduces substantially or eliminates the parent's ability to care for the child.

(B) Determination of Incapacity. The determination that incapacity exists shall take into consideration the limited employment opportunities of handicapped individuals and be based upon the following acceptable evidence.

(1) A finding of eligibility for Social Security disability, disability retirement or other benefits based upon parent's disability or blindness is conclusive proof of incapacity for AFDC purposes when verified by the authorizing agency and the verification is adequately documented in the case record.

(2) Medical Report or other written statement from a licensed physician or certified psychologist, or by an authorized member of his or her staff with access to the patient's medical records that provides information sufficient to substantiate the determination of incapacity and includes the following:

(i) A diagnosis of the parent's condition and explanation of the extent to which it prevents him or her from engaging in employment or why it reduces substantially, or eliminates the parent's ability to support or care for the child.

(ii) The expected duration of the condition, and date of the next scheduled examination or appointment.

(C) Review. If the individual's condition is expected to last more than six months, it is to be reviewed at time of re- investigation, which is every six months, from date of approval. If the condition is not expected to last more than six months, review is to be completed at the time the condition is expected to end or earlier if there is reason to believe there has been a change in the condition.

(10) Deprivation Due to Unemployment.

(A) **Definition:** In a needy family where both parents live with the child, an AFDC unemployed parent is the natural or adoptive parent who is the principal wage earner and who:

(1) Is not working; or

(2) Is employed less than 100 hours per month; or

(3) Is employed 100 hours or more in a particular month but the work is intermittent and the excess over the 100 hours is temporary in nature as evidenced by:

(i) his/her hour of employment were less than the 100 hours standard in the two prior months; and

(ii) his/her hours of employment are expected to be less than the 100 hours standard in the succeeding month.

(B) Requirements to be met in order to establish deprivation due to unemployment.

(1) The AFDC unemployed parent (principal wage earner) has been unemployed for at least 30 days prior to the beginning date of aid.

(2) The AFDC unemployed parent (PWE) applicant shall not have refused, without good cause, a bona fide offer of employment or employment related training within the 30 days immediately prior to the beginning date of aid.

(3) The nonexempt AFDC unemployed parent (principal wage earner) shall be registered with the JOBS Program, Department of Labor.

The requirement is met by such parent's cooperation with and fulfilling the requirements of the JOBS Program.

(4) The ES must determine and verify that the AFDC unemployed parent/principal wage earner (UP/PWE) has met the AFDC work quarters requirement.

(C) **AFDC Work Quarters Requirement.** To be eligible for aid, the unemployed parent/principal wage earner must meet the AFDC work quarters requirement described below:

(i) An AFDC "Work Quarter" is a period of three (3) consecutive calendar months ending on March 31, June 30, September 30, or December 31, in which he/she received earned income of \$50.00 or more.

Example:	Jan-Feb-Mar	Qtr. No. 1
	Apr-May-Jun	Qtr. No. 2
	Jul-Aug-Sep	Qtr. No. 3
	Oct-Nov-Dec	Qtr. No. 4

(ii) To be eligible for aid based on unemployment, the Unemployed Parent/principal wage earner must have at least SIX (6) work quarters or more within a 13 calendar quarter period (3 years and 3 months) immediately preceding the date of application for aid based on unemployment. The UP/PWE must have earned a gross income of at least \$50.00 during a calendar quarter for that calendar quarter to be counted as a work quarter.

(iii) The counting of calendar quarters begins on the month of application and counted back thirteen (13) calendar quarters. However, the six (6) work quarters must end within one year from the date of application. Therefore, the unemployed parent/PWE who has been unemployed for one (1) year or

more prior to date of application shall be ineligible for aid.

(D) Definition of Principal Wage Earner (PWE)

(i) Deprivation shall be due to the unemployment of the child's natural or adoptive parent who is the principal earner as defined below.

Principal Wage Earner means:

(i) In the case of any child, whichever parent, in a home in which both parents of such child are living, earned the greater amount of income in the 24-month period the last month of which immediately precedes the month of application, regardless of when their relationship began.

(ii) If both parents earned an identical amount of income, or none, in such 24-month period, the agency shall designate which parent shall be the principal wage earner.

(E) Acceptable Evidence for Documenting the Unemployment of the Principal Wage Earner. The following are the types of evidence which may be used to support a determination of the unemployment of a parent:

(a) For Private or government employers, a statement indicating:

(i) The number of hours worked per month or per week;

(ii) If the applicant is no longer employed, the date and reason for leaving his employment; and

(iii) Whether additional hours of work were or were not offered or available.

(b) For self-employment: Obtain:

(i) Copies of the monthly Gross Receipts Tax (GRT) filed with the Department of Revenue and Taxation (or for off-island employment, a statement from the appropriate revenue reporting agency);

(ii) Dates and Identifying Number of business licenses obtained in the last three years prior to application for aid;

(iii) A statement from the client regarding the number of hours worked or the number of hours the business is open.

(iv) Statement from an individual who purchased his products or used his services.

(c) Good Cause Exists when:

(i) The offer of employment was from an employer who did not:

(a) Possess an appropriate license to engage in his business; or

(b) Without or hold in trust the employee's wages.

(ii) The employment or training violated applicable health and safety laws and regulations.

(iii) The wage offered for the employment or training was less than the applicable minimum wage.

(iv) The training or job was not available due directly to a bona fide strike or lockout.

(v) The individual was ill or required to care for an ill member of the immediate family and no other care arrangements were feasible.

(vi) Child care arrangements could not be made.

(vii) The individual was without a means of getting to or from the place of employment or training.

(viii) The individual's salary for employment or training was either (a) delayed (salary was not received on the day salary payment was scheduled to be received); or (b) never received.

The individual must file a complaint with the Department of Labor (DOL) indicating the delay or non-receipt of salary. An official copy of the complaint must be provided to the ES for verification.

(F) Discontinue of Aid Due to Employment.
Aid shall be discontinued/terminated, effective at the end of the month in which the unemployed parent/PWE accepts an offer of employment that is expected to provide him/her with more hours of work than specified in Section 202.7 (D) during the following month.

The notification of discontinuance/termination shall clearly indicate:

(1) That the action is based on an expectation the unemployed parent will work more than such number of hours (100-hours) in the next month; and

(2) That the discontinuance will be withdrawn if such parent submits verification substantiating that less than such number of hours were actually worked, that no offer of employment was refused without good cause, and that other conditions of eligibility for AFDC are met.

(G) Cause Determinations

(1) When there is an offer of employment, the ES makes a cause determination to determine if the AFDC unemployed parent (PWE) is:

(i) An applicant who refuses a bona fide offer of employment or employment related training within the 30 days prior to the beginning date of aid.

(ii) An applicant who quits a job or employment related training within 30 days prior to the beginning date of aid.

(2) The ES must include the following determinations in considering whether good cause exists:

(i) There must be a determination that an offer of employment or training was made to the individual.

(ii) There must be a determination that the individual refused to accept the bona fide offer of employment or training or failed to begin the employment or training as planned, or that the individual quit employment or training.

(iii) The individual must be given an opportunity to explain why the offer was not accepted or the employment or training discontinued.

(H) **Penalties.** If an AFDC unemployed parent applicant refuses to register for JOBS, the family shall be ineligible for AFDC benefits.

(11) **Essential Person:** Essential person is an individual in the home of the assistance unit who contributes to the well being of the AFDC and ADULT recipient.

In order to be eligible as an essential person, such individual must be:

(A) living in the home with an AFDC or ADULT recipient;

(B) ineligible in the person's own right for AFDC or ADULT assistance;

(C) designated by the AFDC or ADULT recipient as essential to the individual's well-being; and

(D) performing a service that would not otherwise be performed or that would have to be purchased if the individual was being alone.

(12) **Responsible Relatives.** Any parent or caretaker applying for or receiving AFDC is ineligible for assistance if he/she refuses to assist the office of Child Support Enforcement in establishing paternity or in seeking support. Only the needs of the dependent children will be considered in computing the grant, and vendor payments can be made to protective payee until the agency receives full cooperation from the caretaker/parent.

Cooperation and non-cooperation will be determined by the Office of Child Support Enforcement except when the client indicates non-cooperation on the AFDC application or redetermination form and the ES is determining or has determined good cause exists (as specified in Section 202.17) for not cooperating. Clients will not be required to cooperate when good cause determination is pending or established.

(13) Child Living in the Home of a Relative of a Specified Degree. To meet the eligibility requirement of living with a relative of a specified degree, a child must be living with an individual who is applying for assistance on the child's behalf, provides care, supervision, and is the child's:

(A) Father, mother, sister, brother, grandfather, grandmother, great grandfather, great grandmother, great great grandfather, great great grandmother.

(B) Uncle, aunt, great uncle, great aunt, first cousin, nephew, niece, grand nephew, grand niece.

(C) Stepfather, stepmother, stepbrother, stepsister.

(D) Relatives of half-blood siblings, adoptive parents, their spouses even when marriage is terminated by death or divorce.

(E) Assistance may be paid to a temporary payee (only the children's needs are considered) when the caretaker, through whom the children were receiving aid, will be absent for an extended period of six (6) months time.

If caretaker is in need of assistance and meets all requirements for AFDC, the needs of the caretaker can be included in the assistance unit benefits.

There can be only one needy caretaker for each family unit in the same household. When the natural parent resides with their children, that parent must be the needy or non-needy caretaker.

Verification (any of the following is acceptable)

(1) Relative of a specified degree:

Birth Certificate

(2) Child Living in the home:

Landlord statement

(School Attendance Record) listing the address of the child(ren).

(3) Power of Attorney, Legal Guardianship or any legal document.

The temporary payee may be any adult who has care or custody of the child(ren). If the regular payee has not reassumed responsibility for the child(ren) within THREE months, a permanent payee must be established by the agency or the case closed.

The agency may allow a person of no blood relation to be protective payee to minor child(ren) for a period of thirty (30) days pending determination of a specified relative by Bureau of Social Services Administration (BOSSA). After thirty (30) days and no specified relative is available, case will be terminated and referred to Child Welfare Services for foster care.

(14) Effect of Court Order Transferring Legal Custody of Child.

(A) Court Order removing child from home.

When a court order provides removal of a child from the physical custody of a caretaker, eligibility for the child continues only if:

The child is placed with a relative of specified degree and eligibility factors are met.

(B) Court order removing legal custody from parent or relative, but child remains in home.

When a child's custody or supervision is changed without removing them from their home, eligibility continues.

Court order that states if a child should not be returned to the home if there is an adoption decree.

(15) **Registration for Jobs Opportunity and Basic Skills (JOBS).** Determination of jobs status is part of the eligibility process at application and redetermination. Mandatory AFDC recipients, and volunteers, shall be referred to the Work Program Section (WPS), BES. Information regarding the JOBS Program shall be disseminated during the mass screening orientation. All clients who are not exempted must be referred to the Department of Labor for registration, Form APS-13 and the referral is noted in the case file. If an applicant, other than the unemployed parent in an AFDC- UP case, is not exempted from JOBS registration and fails to register, he or she is ineligible. When a non-exempt unemployed parent in an AFDC-UP case is not registered for JOBS, the entire family not eligible for assistance. When a recipient's status changes from exempt to non-exempt to non-exempt, he or she must register for JOBS immediately in order to remain eligible.

(A) **Determination of Exemptions.** The following persons are exempt from registration, but may register voluntarily. Exempt status must be documented in the case record and reviewed at each redetermination. Exempt persons must be informed in writing of their obligation to report any changes in their exempt status.

(1) Children

(a) Children under age 16.

(b) Children age 16 through 18 who are enrolled as full-time students. Summer vacations are considered as part of the school year.

(c) If age 18 and reasonably expected to complete the program before reaching age 19.

Verifications

Primary Evidence - School records or written statements from school authorities.

Secondary Evidence

(a) Current report cards.

(b) Correspondence to the BES from the school stating student status.

(c) Correspondence from scholarship boards or other similar sources.

PLEASE NOTE:

To be acceptable, the primary and secondary evidence must contain the names of both the child and the caretaker relative and the residence address.

(2) Ill and/or Disabled

(a) A person with an illness or injury, preventing his employment or training, determined on the basis of medical evidence by the Eligibility Specialist and entered in the narrative.

(b) A person whose incapacity, determined by a physician, certified psychologist, Department of Vocational Rehabilitation counselor prevents training or employment under JOBS. The ES must refer these persons to the Department of Vocational Rehabilitation.

(3) A person 60 years of age or older.

(4) Living in remote areas. Clients are exempt if they live more than two hours, commute time from a JOBS Project area by reasonably available public or private transportation. However, the principle wage earner (PWE) must be registered with the Guam Employment Service, Department of Labor.

(5) Care of an invalid. A person is exempt if an eligibility worker verifies that a medical or mental condition of another household member requires the client in the home. Exempt persons must register at redetermination if their presence is no longer needed in the home.

(6) Caring for minor children. parent or other caretaker relative of a child under age 3 who personally provides full-time care of the child with only brief and infrequent absences. Absences for shopping, recreation or medical

necessities or because the child is attending preschool or kindergarten is allowable. Clients working less than 30 hours per week or who are attending school "full-time" as defined by the school are considered absent for more than brief and infrequent periods and will be required to register for JOBS.

(7) Employed Persons. A person employed 30 or more hours per week, with wages equal to the Federal/local minimum wage, whichever is higher, times 30 hours.

(8) Continued incapacity. A parent or other caretaker of a child who is deprived of parental support or care by reason of physical or mental incapacity of a parent, when verified by the ES that a physical or mental impairment, determined by a physician or licensed or certified psychologist, prevents the individual from engaging in employment or training under JOBS.

(9) Unemployed Parent. The parent of a child who is deprived of parental support or care by reason of the unemployment of a parent, if the other parent who is the principal earner is not exempt under one of the other proceeding clauses of this section.

(10) When the absent parent returns to the household, and the deprivation factor changes from continued absence to Unemployed Parent, the assistance unit is ineligible if, as of the review date, the principal wage earner has not registered for JOBS.

(B) Action for Failure to Cooperate.

(1) Failure to Cooperate. Any JOBS recipient, except a volunteer who is determined to have failed or refused without good cause to appear for appraisal at JOBS office, Department of Labor or CWEP Office or any certified JOBS recipient, except a volunteer who has failed or refused to participate in the JOBS program without good cause shall be deregistered from JOBS/CWEP and removed from the AFDC

for failure to participate. Any mandatory individual who without good cause terminates or refuses to accept employment or reduces earnings shall be deregistered and removed from the AFDC grant. Any assistance unit with an unemployed parent who without good cause terminates or refuses to accept employment or reduces earnings shall be terminated from the welfare roll.

(2) Sanctions

(a) When an AFDC recipient who is a mandatory registrant in the JOBS program has been found to have failed or refused without good cause to participate in the program or has terminated employment, or has refused to accept employment or has reduced earnings without good cause the following sanctions shall apply:

(1) For the first occurrence, the individual shall be deregistered for three payment months.

(2) For the second and subsequent occurrences, the individual shall be deregistered for six payment months.

(b) During the sanction period if the deregistered recipient is:

(1) A needy caretaker relative. The needy caretaker's needs will be excluded from the grant for the length of the sanction period determined by JOBS office, Department of Labor. Protective or vendor payments will be provided for the caretaker's eligible dependents; or if all responsible efforts were made and the Agency is unable to locate an appropriate protective payee, payments can be allowed to the sanctioned caretaker for the remaining members of the assistance unit.

(2) An only dependent child. Assistance to the family will be denied/terminated for the length of the sanction period determined by JOBS office, Department of Labor.

(3) One of several dependent children. Assistance for such child will be denied/terminated for the length of the sanction period determined by JOBS office, Department of Labor.

(c) When an AFDC recipient who is a voluntary registrant has failed or refused to participate in the JOBS program without good cause, the individual will be deregistered for three to six payment months depending on whether this was the first or a subsequent deregistration for failure or refuse to participate. However, the individual's AFDC grant shall not be affected.

(3) Refusal

(a) An overt (express) refusal is a written or oral statement by an individual that he or she will not participate in the JOBS program.

(b) A de facto refusal is a current act or pattern of behavior consisting of a series of current events from which failure or refusal to participate or termination of employment, or refusal to accept employment, or reduction in earnings is implied, the JOBS sponsor shall send a notice setting and appointment for the individual to come to the JOBS office and discuss the act or pattern of behavior in question. The notice shall explain the reasons for the appointment and the consequences of failure to keep the appointment.

(4) JOBS Program Referral Procedures.

(a) At time of interview, the ES shall determine if the recipient is required to

participate in the JOBS Program. If required, or volunteers to participate in JOBS, the ES shall provide the recipient with Form GES-511, "Work Application," to complete. The ES shall review the form for completeness, and indicate requested information such as case number, village code, certification period, etc. on the back side of the form.

(b) The ES shall complete Form BES-91-05, "Referral for JOBS Participation," attach Form GES-511, and forward to WPS no later than three (3) working days following date of certification. The ES shall document date of registration, registrant's name, social security number and ES action on the contact sheet. A copy of the referral shall be filed in the AFDC case folder as reference.

(c) WPS shall prepare and mail out Form BES-91-01, "Notice of Opportunity to Participate in JOBS." A copy of the notice shall be filed in the JOBS case folder.

(d) For ongoing cases, the ES shall determine mandatory or voluntary status at each redetermination, or as changes occur, and follow the procedures outlined above.

(e) The ES shall continue to use the IM-6 and IM-9 forms to inform WPS of any changes in the participant's case status, or as feedback on action taken per WPS referral.

(5) Referral from JOBS. In the event a registrant is referred back to ES from JOBS, Department of Labor as having good cause for not continuing in a training plan or a job, the ES shall promptly restore the assistance payment to the individual or make other necessary payment adjustments.

NOTE: Form APS-13, "Referral for JOBS registration," has been revised and issued a new number, Form BES-91-05.

(C) Time of Registration

(1) JOBS Registration for all AFDC applicants and recipients (except those exempted under Section 202.11(a) above), shall take place immediately upon ES's determination that the individual(s) is eligible to receive benefits.

(2) When an individual is no longer exempted by the provisions in Section 202.11(A), the ES shall register the individual for JOBS in the month the exemption expired.

EXAMPLE: An AFDC mother is exempted from JOBS registration because her youngest child is under six years of age. However, the child will turn six on June 13, 1985. The ES must use the tickler system to "flag" the impending change in July, so our records will show the mother to be compliance with JOBS registration requirements in the month of July.

(16) **Furnishing Social Security Numbers (Enumeration).** Each applicant/recipient must provide proof of a social security number or apply for a social security number to be eligible for assistance.

Clients who cannot produce a social security card must obtain a receipt of an application for social security number before they be included in the assistance unit. Clients are required to report social security number as soon as it is received. The ES will provide clients with Form BES-8 to be submitted to Social Security Office.

(17) **Child Support.**

(18) **Assignment of Child Support.** As a condition of eligibility for assistance, each applicant for or recipient of AFDC shall assign to the Department any rights to support from any other person. If the relative with whom a child is living fails to comply with the above requirement, the relative shall be denied assistance and payment will be

provided for the otherwise eligible child in the form of payments through a protective payee.

(19) **Referrals to the Child Support Enforcement Office (CSEO).** The Agency shall, upon client's initial application, redetermination, or reapplication, refer to CSEO the following forms:

(A) Referral-Assistance Payment Unit to Child Support Enforcement Office.

(B) Assignment of Support.

(C) Location Information on Absent Parents and Basic Information on Intact Families

When there is a change in the recipient's circumstances, i.e., additional household member, etc., (other than changes resulting from shelter or utility allowances) the Agency shall complete and route a REFERRAL-ASSISTANCE PAYMENT UNIT TO CHILD SUPPORT ENFORCEMENT OFFICE form.

(20) **Cooperation in Establishing Paternity and Security.** The applicant or recipient shall be required to cooperate with the Public Assistance Program and Child Support Enforcement Office in establishing paternity and securing child support for any child applying for or receiving AFDC.

Should the applicant or recipient provide incorrect or false information regarding absent parent, the entire unit is ineligible for AFDC benefits. This means that recipient or applicant did not comply with the requirements to identify the correct absent parent of a child for whom an assistance is claimed.

Should the caretaker relative fail to cooperate with the Public Assistance Program and the Child Support Enforcement Office, the caretaker relative will be ineligible to receive AFDC benefits; however, the child(ren) will continue to receive AFDC benefits through a "Protective Payee".

Cooperation consists of:

(A) Providing all possible information and assistance to help identify and locate the putative or legal parent.

(B) Assisting the office of Child Support Enforcement in establishing paternity and in filing a non-support action.

(C) Appearing at the office of Child Support Enforcement as requested to present verbal, written or documentary evidence necessary to determine paternity or obtain child support.

(D) Providing information or attesting to lack of information, under penalty of perjury.

(E) Surrendering any support payments to the Office of Child Support Enforcement.

(21) **Determination of Good Cause.** Good cause exists when cooperation is against the best interest of the child, as specified in the good cause circumstances described. The following regulations establish the procedures for determining whether good cause exists and the procedures to be followed when the good cause determination is completed.

(22) **Good Cause Circumstances.**

(A) The applicant's or recipient's cooperation in establishing paternity or securing support is reasonable anticipated to result in:

(1) Serious physical harm to the child for whom support is to be sought; or

(2) Serious emotional harm to the child for whom support is to be sought; or

(3) Serious physical harm to the parent or caretaker relative with whom the child is living which reduces the capacity of the parent or caretaker relative to care for the child adequately; or

(4) Serious emotional harm to the parent or caretaker relative with whom the child is living, of such nature or degree that it reduces the capacity of the parent or caretaker relative to care for the child adequately.

(B) The Agency believes that proceeding to establish paternity or secure support would be detrimental to the child for whom support would be sought because at least one of the following circumstances exists:

(1) The child for whom support is sought was conceived as a result of incest or forcible rape;

(2) Legal proceedings for the adoption of the child are pending before a court of competent jurisdiction.

(C) The good cause circumstances of physical or emotional harm shall be genuine and of a serious nature. The mere belief of the applicant or recipient that cooperation would result in harm shall not be sufficient basis for finding good cause. A finding of good cause for emotional harm shall be based only upon a demonstration of an emotional impairment that substantially affects the individual's functioning.

(D) For every good cause determination which is based in whole or part upon the anticipation of emotional harm to the child, the parent or the caretaker relative, the agency shall consider the following:

(1) The present emotional state of the individual subject to emotional harm;

(2) The emotional health history of the individual subject to emotional harm;

(3) The intensity and probable duration of the emotional impairment;

(4) The degree of cooperation to be required; and

(5) The extent of the involvement of the child in the paternity establishment or support enforcement activity to be undertaken.

(E) Applicant or Recipient Responsibility in Establishing Good Cause. The applicant or recipient who claims to have good cause for refusing to cooperate shall have the burden to establish the existence of a good cause circumstance. The applicant or recipient shall be required to:

(1) Specify the circumstances that provide sufficient good cause for not cooperating, i.e., the good cause claim.

(2) Corroborate the good cause circumstances in accordance with 6 below, and,

(3) Provide corroborative evidence within 20 days from the day the good cause claim is made except in exceptional cases. Exceptional cases are defined as those in which it is difficult to obtain corroborative evidence. In such cases, the agency shall allow, upon approval by supervisory personnel, an additional period of time which the agency believes is reasonable.

(4) If requested, provide sufficient information (such as the putative father or absent parent's name and address, if known) to permit an investigation.

(F) Types of Corroborative Evidence. A good cause claim may be corroborated with the following types of evidence.

(1) Birth certificates or medical or law enforcement records which indicate that the child was conceived as the result of incest or rape;

(2) Court documents or other records which indicate that legal proceedings for adoption are pending before a court of competent jurisdiction;

(3) Court, medical, criminal, child protective services, social services, psychological, or law enforcement records which indicate that the putative father or absent parent might inflict physical or emotional harm on the child or caretaker relative.

(4) Medical records which indicate emotional health history and the present emotional health status of the caretaker relative or the child for whom support would be sought; or, written statements from a mental health professional indicating a diagnosis or prognosis concerning the emotional health of the caretaker relative or the child for whom support would be sought;

(5) A written statement from a social service agency that the applicant or recipient is being assisted by the agency to resolve the

issue of whether to keep the child or relinquish him or her for adoption;

(6) Statements under penalty of perjury from individuals other than the applicant or recipient with knowledge of the circumstances which provide the basis for the good cause claim.

(G) Proof of Good Cause Claim.

(1) The agency shall examine the corroborative evidence supplied by the applicant or recipient to ensure that it actually verifies the good cause claim.

(2) If after examining the corroborative evidence submitted by the applicant or recipient the agency wishes to request additional corroborative evidence which is needed to permit a good cause determination, the agency shall:

(i) Promptly inform the applicant or recipient that additional corroborative evidence is needed; and

(ii) Specify the type of document which is needed.

(3) Upon request, the agency shall:

(i) Advise the applicant or recipient how to obtain the necessary documents; and

(ii) Make an effort to obtain specific documents which the applicant or recipient is not reasonably able to obtain without assistance.

(4) Where a claim is based on the applicant's or recipient's anticipation of physical harm as specified and defined in Section B.1 above and corroborative evidence is not submitted in support of the claim:

(i) The agency shall investigate the good cause claim where it believes that:

(A) The claim is credible without corroborative evidence, and

(B) Corroborative evidence is not applicable.

(ii) Good cause shall be found if the claimant's statement and the investigation which is conducted satisfy the agency that the applicant or recipient has good cause for refusing to cooperate.

(iii) A determination that good cause exists shall be reviewed and approved or disapproved by the supervisory personnel and the agency's. Findings shall be recorded in the case record.

(5) In the course of determining whether good cause exists, the agency shall not contact the absent parent or putative father from whom support would be sought unless such contact is determined to be necessary to establish the good cause claim.

(i) Prior to making contact with the absent parent or putative father, the agency will inform the applicant or recipient that the absent parent or putative father may be contacted unless the applicant or recipient:

(A) Presents additional corroborative evidence or information so that contact with the parent or putative father becomes unnecessary;

(B) Withdraws the application for assistance or requests discontinuance.

(H) Finding that Good Cause Does or Does Not Exist.

(1) The agency shall determine whether good cause does or does not exist based on the claimant's statement together with the corroborative evidence if the statement and evidence provide a sufficient basis for making a determination. The agency may further verify the good cause claim through an investigation if necessary.

(2) The applicant or recipient shall be notified on the appropriate "Notice of Action" of the final determination that good cause does or does not exist. If good cause does not exist, the notice shall also specify that:

(i) The applicant or recipient will be afforded an opportunity to cooperate, or to either withdraw the application for assistance or to have the case closed; and

(ii) Continued refusal to cooperate will result in imposition of the sanction which is to provide aid in the form of protective payment and applicant or recipient is ineligible.

(3) If good cause exists, the agency shall determine whether the office of child support enforcement may proceed without risk of harm to the child or caretaker relative if the caretaker relative does not participate in these child support activities.

This determination shall be in writing, contain the agency's findings and basis for the determination, and be entered into the case record.

(4) Good cause may be denied if the applicant or recipient fails to meet his or her responsibilities as specified in Section B(5) above.

The determination of whether or not good cause exists shall be made within 45 days from the day the good cause claim is made. This time standard may be exceeded only where the case record documents that the agency needs additional time because:

(i) the information required to verify the claim cannot be obtained within the time standard; or

(ii) the claimant did not provide corroborative evidence within the period required by Section B.5.

(23) **Evaluation.** When "good cause" has been established, re-evaluate the decision at every re-

determination. The client is required to cooperate if "good cause" no longer exists.

(24) **Information Sent to the Office of Child Support Enforcement (CSEO).** Upon AFDC approval send Form APS-15A, Referral - Assistance Payment Unit to the Office of Child Support Enforcement.

Inform Office of Child Support Enforcement of:

- (A) Case closure
- (B) Reinstatement of money grant
- (C) Change in program - opening code or categorical
- (D) Name change for caretaker, child, or absent parent
- (E) Change in case name
- (F) Addition or deletion of caretaker, or children to the grant
- (G) Change of client address
- (H) Deprivation change from incapacity to continued absence
- (I) Any new information obtained on an absent parent

(25) **Child Support Enforcement Office's (CSEO) Responsibility.** The Child Support Enforcement Office (CSEO) informs the Bureau of Economic Security information affecting AFDC eligibility, such as the amount of support collection.

(26) **Bureau of Economic Security's Responsibilities.** Upon notification from the office of Support Enforcement (SEU) of the amount of child support collected, the State agency (BES) shall re-determine the family's eligibility for assistance. The use of these amounts so collected shall not be later than the second month after the month in which the agency received a report of the monthly collection from the Office of Support Enforcement.

(27) **Application of the \$50 Disregard.** A monthly disregard of \$50.00 child support is applied at eligibility determination. Retroactive support payments shall not be considered in re-determining eligibility. When the monthly AFDC grant is greater than the monthly child support collection, the family

continues its eligibility for assistance payment, and the AFDC grant will be calculated without regard to such collection.

If, after the \$50.00 disregard, the child support collected is greater than the AFDC grant, the family/case is ineligible for assistance. The Bureau of Economic Security shall notify the Office of Support Enforcement of the effective date of ineligibility or termination.

EXAMPLE:

APS received a referral from SEU indicating a collection of \$300.00 monthly support for Mrs. Cruz, an AFDC recipient. To determine if the case is still eligible for assistance, apply the following:

Child Support \$300.00
Disregard - 50.00
\$250.00 \$270.00 = AFDC grant

In the example above, the family continues eligibility for assistance because the AFDC grant of \$270.00 is greater than the child support of \$250.00 (minus disregard).

(28) Limitation of AFDC to Pregnant Women.

(A) **Money Payment.** Pregnant women under this provision will not get money payment until the sixth month of a medically verified pregnancy. (For example, for the pregnant woman with no other children if it has been medically determined that she is expected to deliver her baby in March, the agency may make AFDC payment for family of 1 to that woman as early as December). Monthly assistance paid to an AFDC mother can be increase only when the child is born and all necessary documents are provided.

(B) **Changes in Circumstances.** A premature or late birth will not create an underpayment or overpayment, provided eligibility conditions were met. Once the child is born, payment for a child is included upon verification of birth and application of Social Security Number. Terminated pregnancy must be reported within 10 days of such termination. A terminated

pregnancy may create an overpayment or an ineligible case.

(C) **Medical Coverage.** In order to provide pregnant women with access to prenatal care during the entire period of pregnancy, Medicaid coverage is provided to pregnant women (prior to the 6th month of pregnancy and eligibility for a cash benefit), who would qualify for AFDC if the child were born and living with her. This coverage may be provided at any time after the pregnancy has been medically verified.

(D) **Work and Training Requirement.** Pregnant women in their last trimester (6-9 months) are exempted from the JOBS registration requirement.

(29) **Strikers.** AFDC benefits are denied to persons participating in a strike. AFDC benefits are denied to any family for any month in which any caretaker relative with whom the child is living is, on the last day of such month participates in a strike. Caretaker relative means any natural or adoptive parent.

(30) **Aliens.**

(A) Aliens applying for assistance

(1) An alien who applies for assistance for the first time after September 30, 1981 and for a period of three years following entry into the United States, as a condition of eligibility shall:

(i) Provide information and documentation concerning the income and resources of the sponsor, who can either be an individual, public or private agency or organization.

(ii) Obtain the cooperation of the sponsor(s) for purpose of determining the income and resources that can be deemed available.

(2) The income and resources of a sponsor(s) and the sponsor's spouse if living together are deemed as unearned income and resources to an alien for three years following entry into the United States.

(3) When an individual sponsors his spouse or child, deeming is not required.

(4) Provide information necessary for the agency to determine that the sponsoring public or private agency or organization is either no longer in existence or has become unable to meet the alien's need.

(5) Aliens who are exempted by this provision are:

(i) Paroled into U.S. as refugees

(ii) Granted political asylum by the Attorney General

(iii) Admitted as Cubans or Haitians entrants

(iv) Admitted to the United States as a conditional entrant refugee as a result of the application prior to April 1, 1980 under Section 203 (a) (7) of the Immigration and Nationality Act.

(v) Admitted to the United States as a refugee as a result of the application after March 31, 1980 under Section (c) of the Act.

(6) Eligible Aliens Who Are Permanently Residing in the U.S. Under Color of Law (PRUCOL)

The following is a list of eligible aliens for your reference:

(i) Refugees admitted under Section 207(c) of the Immigration and Nationality Act (INA) after March 31, 1980 and conditional entrant refugees admitted pursuant to Section 203 (a)(7) of INA prior to April 1, 1980. (I-94)

(ii) Political asylees who were granted political asylum by the Attorney General pursuant to Section 208 of the INA. (I-94)

(iii) Alien granted temporary parole status pursuant to Section 212(d) (5) of the INA. (I-94)

(iv) Cuban/Haitian entrants with a notation "Status Pending Reviewable January 15, 1981" pursuant to Section 212(d) (5) of the INA. (I-94)

(v) Aliens under an INA Order of Supervision pursuant to Section 242(d) of the INA. These aliens have been found deportable, INS will not enforce deportation because of certain factors such as humanitarian concerns and lack of accepting countries. INS conducts periodic reviews to determine factor impending deportation continue exist. (I-220 B)

(vi) Aliens granted indefinite stay of deportation. INS defers deportation indefinitely due to humanitarian reasons. (I-94 or a letter from INS)

(vii) Aliens granted an indefinite voluntary departure status under Section 244 of the INA. This is a status whereby the alien informs INS that he/she is able to leave the country on his/her own resources and INS does not issue a deportation order. No specific time frames are stipulated for the departure and INS allows these aliens to remain in the US for an indefinite period. (I-94 or letter from INS)

(viii) Aliens granted a voluntary departure status under Section 242(b) of INA with a deportation date of not less than one year. This status must be subject to renewal. (I-94 or I-210)

(ix) Aliens granted deferred action status which defers departure. (I-210 or a letter from INS)

(x) Aliens granted suspension of deportation pursuant to Section 244 of the INA. (I-94, court order or a letter from INA)

(xi) Aliens who can produce evidence of entry into the U.S. prior to January 1, 1972 and continuous residence

since then pursuant to Section 249 of the INA.

(xii) Aliens granted lawful temporary resident status pursuant to Section 201 or 302 or the Immigration Reform and Control Act (IRCA) of 1986, Public Law 99-603 who are:

(a) Cuban and Haitians entrant pursuant to Section 501(e) of Public Law 96-422, as in effect on April 1, 1983;

(b) An adult applicant for OAA, AB and APTD;

(c) An applicant for AFDC who is not a Cuban or Haitian entrant applicant pursuant to Section 201 or 302 of INA who was adjusted to lawful temporary resident status more than five (5) years prior to application.

NOTE: These aliens who were granted lawful temporary or permanent resident status pursuant to Section 201 or 302 are eligible for program benefits except for AFDC applicant in item C, which must meet the first five (5) years from the date lawful temporary resident status is granted.

(xiii) Citizens of Compact of Free Association, Federated States of Micronesia (FSM) who possess INS Card I-94, noted "CFA/FSM" and were granted under PRUCOL.

The following are alien categories which do not meet the alien eligibility factor under PRUCOL of INA:

(1) Aliens granted a voluntary departure status for whom INS provides a specific departure date allowing the alien time for obtaining a visa. INS advises that this is a deportable status and is subject to enforcement of deportation proceedings.

(2) Aliens without a current alien status who are initially applying for a status, or aliens applying for an adjustment of status and currently in possession of a non-PRUCOL status.

(B) Treatment of Unemployed Alien Parent, Principal Wage Earner. An assistance unit which meets all the eligibility requirements for unemployed parent category, except for the alienage status of one of the parent, such assistance unit is considered eligible for AFDC benefits. However, the needs of such alien individual shall be excluded in the determination of AFDC benefits.

(C) Computation of Income Deemed Available to the Alien.

(1) The total monthly unearned income added to the total monthly gross earned income reduced by 20 percent (not to exceed \$175) of the total of any amounts received by the sponsor or the sponsor's spouse in the month as wages or salary or as net earnings from self-employment, plus the full amount of any costs incurred in producing self-employment income in the month.

(2) The amount described in (1) above is reduced:

(i) The case needs standard for a family of the same size and composition as the sponsor and those other people living in the same household as the sponsor who are claimed by the sponsor as dependents to determine his/her Federal personal income tax liability but whose needs are not taken into account in making a determination of need and amount of assistance.

(ii) Any amounts actually paid by the sponsor or the sponsor's spouse to people not living in the household who are claimed by the sponsor or the sponsor's spouse as dependents to determine his/her federal personal income tax liability; and

(iii) Actual payments of alimony or child support, with respect to individuals not living in the household.

(D) Computation of Resources Deemed Available to the Alien.

(1) The total amount of resources of a sponsor(s) (and the sponsor's spouse, if living together) is considered as if the sponsor is applying for AFDC).

(2) The amount (computed in A above) is reduced by \$1500 to determine the amount to be deemed to Alien.

(E) Proration of Income and Resources of Aliens

(1) In any case where a person is the sponsor of two or more aliens who are living in the same home, the income and resources of the sponsor (and the sponsor's spouse if living with the sponsor) to the extent they would be deemed, the income and resources shall be divided equally among the alien's family.

(F) Overpayments to Alien.

(1) Any sponsor of an alien and the alien shall be jointly and severally liable for any overpayment of aid made to the alien during the three years after the alien's entry into the United States due to the sponsor's failure to provide correct information without good cause.

(2) When a sponsor is found to have good cause or without fault for not providing information to the agency, the sponsor will not be held liable for the overpayment and recovery will not be made from the sponsor.

(h) Ongoing Eligibility AFDC.

(1) **Redetermination.** Redetermination of eligibility is required no longer than six months from the calendar month of initial approval and every six months thereafter. Resources and eligibility factors which have changed must be re-evaluated and necessary action taken. Information received between

redetermination which may affect eligibility or the grant amount must be evaluated. Redetermination must be completed within 30 days.

Clients are the primary source of information regarding their eligibility. If a client is unable to obtain information, the ES will assist. Home visits are optional and can be done at the discretion of the Unit Supervisor.

(2) **Inter-Office Transfer.** When a recipient moves to another village, only those eligibility factors which have changed must be re-evaluated. Assistance will not be withheld pending this evaluation. The ES in the village where the client last received assistance will make the necessary changes on the household data sheet. Request must be made with the Records and Document staff to send file to the appropriate office.

(3) **Termination.** When an eligibility requirement is not met or the client fails to provide information necessary to determine continued eligibility, investigation of another eligibility facts is unnecessary. Complete and mail notice of action APS-7 to the applicant/recipient a MINIMUM of ten (10) days before the proposed action is effective. After the ten (10) day advance notice period and client fails to provide needed information, the case is terminated. The reason for termination will be entered on computer generated household data sheet or (APS-6) to be submitted to Data Processing. Notification of case closure will be sent to the Office of Child Support within three days of the effective date of closure.

WHEN ASSISTANCE IS PENDING DUE TO NONCOOPERATION AND THE CLIENT COOPERATES WITHIN THE 10-DAY ADVANCE NOTICE PERIOD AND ELIGIBILITY FACTORS ARE MET, ASSISTANCE WILL BE CONTINUED.

The Agency dispenses with timely notice but sends adequate notice no later than the date of action in the situation below:

(A) The agency has factual information confirming the death of a recipient or of the AFDC payee when there is no relative available to serve as new payee.

(B) The recipient requests reduction or termination in writing.

(C) The recipient supplies written information which requires termination or reduction. A signed written statement that the client understands the consequences of supplying such information must be included in the case file.

(D) The recipient has been institutionalized and is no longer eligible for federal financial participation. (see State Plan-section 4.1 page 2)

(E) The recipient has been placed in skilled nursing care, intermediate care, or long-term hospitalization.

(F) A recipient's address is unknown and mail to the recipient is returned by the post office. A returned check must be released to the client if a correct address is reported during the month covered by the returned check.

(G) A recipient has been accepted for assistance by another state, and this fact has been verified.

(H) An AFDC child is legally removed from the home or is voluntarily placed in foster care by his legal guardian.

(4) Extended Medicaid Coverage.

(A) An AFDC assistance unit may remain eligible for Medicaid for four (4) months beginning with the month following the last AFDC grant when:

(1) Ineligibility was due to increased earnings or increased hours of employment.

(2) The assistance unit received an AFDC grant for at least three of the six months preceding the extended medicaid coverage.

(3) A member of the assistance unit remains employed during the four month extended medicaid coverage.

(B) An AFDC assistance unit may remain eligible for medicaid coverage for nine months to families who lose eligibility for AFDC due to the termination of the 30 and one-third disregard or the \$30 disregard.

(C) AFDC cases terminated due to Child Support Payment shall be provided extended

Medicaid Coverage for four (4) months. Effective date of the Medicaid Coverage begins in the first month following the month of termination.

Budget computations and redeterminations are not necessary during the extended medical period, unless the client submits a written request to have the monthly grant reinstated.

(i) Prospective Eligibility and Prospective Budgeting. The Agency shall determine eligibility (and compute the amount of assistance for the six (6) months of certification period) based on its best estimate of income and circumstances which will exist in the month of application and the following issuance month. This estimate shall be based on the Agency's reasonable expectation and knowledge of current, past or future circumstances.

(j) Action on Changes Reports. The ES shall take prompt action on all changes to determine if the change affects the household's eligibility or benefits. Even if there is no change in the benefits, the ES shall document the reported change in the case file, provide another change report for the household, and notify the household of the effect of the change, if any on its benefits. The ES shall also document the date a change is reported, which shall be the date the ES receives a report form or is advised of the change over the telephone or by a personal visit. Restoration of lost benefits shall be provided to any household if the ES fails to take action on a change which increases benefits within the time limits specified below.

(1) Increase in Benefits. For changes which result in an increase in a household's benefits, other than changes described below, the ES shall make the change effective no later than the first benefit issued ten (10) days after the date the change was reported to the ES. For example, a \$30 decrease in income reported on the 15th of May would increase the household's June benefits. If the same decrease were reported on May 28, and the household's normal issuance cycle was on June 1, the household's benefits would have to be increased by July.

Verification required by 201.2(d) must be obtained prior to the issuance of the monthly benefits after the change is reported. The household must provide the needed verification within ten (10) days, in order for the ES to change their benefits the following issuance month. If the verification is submitted after the ten (10)

days, the household's benefits will change on the second issuance month. If in these circumstances the household does not provide verification, the household's benefits to reflect a reported change and subsequent verification shows that the household was actually eligible for fewer benefits, the ES shall establish a claim for the over-issuance in accordance with section 300. In cases where the ES has determined that a household has refused to cooperate as defined in 202.1, the ES shall terminate the household's eligibility following the notice of adverse action.

(2) **Decrease in Benefits.** If the household's benefits level decreases or the household becomes ineligible as a result of the change, the ES shall issue a notice of action (BES form 90-001), within ten (10) days of the date the change was reported.

(3) **Failures to Report.** If the ES discovers that the household failed to report a change as required in 201.2(k) and, as a result, received benefits to which they are not entitled, the ES shall file a claim against the household. If the discovery is made within the certification period, the household is entitled to a notice of adverse action if the household's benefits are reduced. A household shall not be held liable for a claim because of a change in household circumstances which they are not required to report. Individuals shall not be disqualified for failing to report a change, unless the individual is disqualified in accordance with the fraud disqualification procedures.

(k) **Income and Resources.** Income, generally is any benefit in cash or in kind which is in fact currently available to the individual or is received by him as a result of current or past labor or services, business activities, interests in real or personal property, or as a contribution from persons, organizations or assistance agencies. To be considered in determining the AFDC aid payment, income must, in fact, be currently available to needy members of the family in meeting their needs during the budget period.

(1) **Earned Income.** Earned income encompasses gross income in cash or in-kind earned by a needy individual through the receipt of wages, salary, commissions, or profit from activities in which he is engaged as a self-employed individual or as an

employee prior to the taking of payroll and other deductions.

(A) **Verification of Income and Expense from Employment.** The client is responsible for reporting income and providing verifications. The ES will assist if the client cannot obtain information. If the client refuses to cooperate the case will be closed for lack of cooperation.

Good Cause for failing to make a timely report on earned income is:

(i) if report is lost in the mail;

(ii) circumstances beyond the client's control, such as, but not limited to, illness.

Verifications (any of the following is acceptable)

- Paycheck stubs
- Signed and dated statement from employer
- Copy of ledger sheets or receipts for business income/expenses

If no other verification of tips is available, the client's signed statement providing the amount of tips received or reported to Internal Revenue Service is accepted.

(B) Types of Earned Income of the Assistance Unit

(1) Earnings for AFDC child. Earnings of non-students are income to the assistance unit.

(2) Self-employment Income and Expenses. Verification of Expenses and income will be completed before eligibility can be established. The client is responsible for keeping records of income and expenses. Gross earned income for the self-employed is gross business income less all business operating costs.

Verification. Copy of business records used for computing withholding tax or FICA.

(3) Earned Income in Kind. Work performed by a client in exchange for room,

board, or other needs is earned income in kind. The monetary value verified by the employer is EARNED INCOME.

Verification. A signed and dated statement from the employer giving a money value to the earned income in kind must be provided.

(4) Earnings of a Non-Needy Caretaker (Natural Parent). The earnings of Non-Needy Caretaker, Natural Parent who lives with dependent child, are budgeted as Income to the assistance unit.

Verification. Verify as earned income.

FOR EXAMPLE:

The unit received \$2,000.00 and their PA grant amount \$370.00. 2,000 divided by 370 - 5.41. The unit is ineligible for 5 months. Five months multiplied by 370 is equal to \$1,850.00. \$2,000.00 minus \$1,850.00 is equal to \$150.00. This \$150.00 shall be treated as income in the 6th month if the household reapplies and is eligible for assistance.

(5) Earnings from the sale of whole blood or blood plasma. Money resulting from the sale of whole blood or blood plasma is to be considered as earned income from self-employment. Accordingly, the income is subject to the deduction of any necessary business expenses and appropriate earned income disregards.

Verification. A statement or receipt from the business entity purchasing the whole blood or blood plasma. The statement or receipt must indicate the following:

- (A) Name of person selling his/her whole blood or blood plasma;
- (B) The date it was purchased;
- (C) The amount it was purchased for;
- (D) The name and title of the purchaser or its representative;

(E) The name and address of the company purchasing the blood.

(2) **Earned Income Tax Credit (EITC).** Earned Income Tax Credits (EITC) payments received or paid to the assistance units, shall be disregarded as income or resources in determining eligibility for AFDC benefits.

(3) **Lump Sum Income (Earned and Unearned).** When the AFDC assistance unit's income, after applying applicable disregards, exceeds the need standard for the family because of receipt of non-recurring earned or unearned lump sum income, the family shall be ineligible for aid for the full number of months derived by dividing the sum of lump sum income and other income by the monthly need standard for such assistance unit. Any income remaining from this calculation is income in the first month following the period of ineligibility.

The period of ineligibility shall begin with the month of receipt of the non-recurring income or with the corresponding payment month. At present, the agency can not shorten the period of eligibility.

Examples of non-recurring lump sum income:

(A) Payments in the nature of a windfall, such as, but not limited to, lottery winnings, inheritances, poker winnings, etc.

(B) Personal injury awards, workman's compensation awards (to the extent it is not earmarked and used for the purpose for which it is paid, i.e., monies for back medical bills) (refer to section 206.4(10)).

(C) Social Security retroactive payments, and other retroactive monthly benefits.

Exemptions:

(i) Income Tax Refunds are the only non-recurring lump sum income that is not treated as lump sum income. It should be treated as a resource. However, any portion of a tax refund which represents an earned income payment (EIC) would still be considered as earned income.

(ii) The agency must disregard from the lump sum payment any amount earmarked and used for the purpose for which it is paid. Any remaining amount must be treated as lump sum income.

Treatment of non-recurring lump sum income received PRIOR to the date of application for aid:

When the lump sum income is received prior to the date of application for aid, the policy of dividing the lump sum by the assistance unit's monthly need standard shall **NOT** be applied.

This lump sum income shall be treated as a RESOURCE. The ES shall use prudent judgement to determine the availability of funds. The applicant shall be required to provide receipts or third party verification to show how the money was used and how much is available to the applicant.

(4) **Unearned Income.** Income which is not earned. Disregards such as work expense, child care and the 30 plus one-third are not applicable to unearned income.

(A) **Evaluation of Unearned Income.** All non-excluded unearned income will be verified, documented and applied against the need standard for the applicant or recipient.

When benefits such as Retirement or Survivors and Disability Insurance benefits may be available but the client has not applied, the ES will allow ten (10) working days for making application. Assistance will be denied or terminated if the client refuses to apply for, pursue and accept a claim or fails to provide information essential to establish the claim.

(B) Types of Unearned Income

(1) **Disability Benefits.** Statement from agency or business establishment allowing the disability.

Copy of award letter.

(2) Retirement, Survivors, and Disability Insurance (RSDI)

Verification (any of the following is acceptable)

- Copy of award certificate
- Copy of disallowance letter
- Copy of monthly check
- SSA 1610

(3) Veteran's Benefits. Clients who may be eligible must apply at the Veteran's Administration in Agana.

Verifications (any of the following is acceptable)

- Copy of award letter
- Copy of disallowance letter
- Copy of benefit check
- Written statement from Veteran's Administration Office

(4) Military Dependent's Allotments. Enlisted service men may make a monthly allowance for dependents.

Verifications (any of the following is acceptable)

- Copy of allotment check
- Written statement from Allotment Branch

(5) Civil Service Annuities (CSA). If the client has been a federal government employee or is the widow/widower or dependent child of a deceased federal employee, possible Civil Service retirement or disability benefits must be verified in writing.

Verifications (any of the following is acceptable)

- Copy of award letter
- Copy of disallowance letter
- Copy of Civil Service annuity check

(6) Public Employee's Retirement Benefits.

If the client has been a public employee or is the widow/widower or dependent child of a deceased public employee, possible retirement, survivors, or disability benefits must be verified in writing.

Verifications (any of the following is acceptable)

- Copy of award letter
- Copy of disallowance letter
- Copy of state retirement check

(7) Income from Rental and Lease. Gross rental income less rental expenses is unearned income to the assistance unit. Rental expenses include interest on mortgage, property taxes, maintenance/repair costs, insurance on structure, advertising and utilities when paid by the landlord. Verification of income and expenses must be completed before eligibility can be established.

Verifications (any of the following is acceptable)

- Copy of receipt book, checks, or money orders
- Tenant's statement of payment
- Proof of operating expenses

(8) Contributions. Any cash contributed to an assistance unit, unless excluded as a cash gift unearned income.

Verifications (any of the following is acceptable)

- Copy of check or money order
- Client's statement

(9) Child Support Payments. A monthly disregard of \$50.00 is applied to current child support payments both at eligibility determination and benefit calculation.

Any non-disregarded child support payments received directly and retained by an AFDC recipient shall be treated as unearned income, and computed against the need standard to determine grant amount. The \$50.00 disregard shall also be applied to current support payments retained by the recipient (instead of submitting it to SEU). However, before such contributions can be treated as support payments, either parents must acknowledge that the contribution was for the support of a child in the assistance unit.

Acceptable Verifications:

Signed, written statement from custodial parent and/or absent parent regarding intent of contribution, amount of contribution, frequency and dates of payment.

Copies of contribution checks (such as personal checks, money orders).

(10) Lump Sum Payments

(A) Income Tax Refunds are considered a resource for the program, and shall be counted against the \$1,000 resource limit.

However, any portion of a tax refund which represents an earned income payment (EIC) would still be considered as earned income.

(B) The Agency must disregard from the lump sum payment any amount that is earmarked and used for the purpose for which it is paid:

Example 1:

Personal Injury Awards and Worker's Compensation are treated as lump sum income. However, the agency must exclude from consideration, that portion which is paid for medical bills resulting from the injury or funeral costs.

Verifications: Court Order

Medical Bills

(C) Treatment of Tax Rebates and Cost Living Allowance (COLA) to Government of Guam Retirees

Tax Rebates shall be disregarded as income in the month it was received. However, any remaining amount after the month it was received, shall be treated as a resource in the same treatment with Tax Refunds. If the remaining amount of such rebates plus available resources in the case file exceeds the resource limit, the household is ineligible for benefits.

The COLA to Government of Guam Retirees shall be treated as lump sum income to the household. The ES shall divide the lump sum income by the assistance unit's monthly needs standard to determine the months of ineligibility.

(11) Trust Funds. Income or interest from trust funds is unearned income.

Verifications: (any of the following is acceptable)

- Copy of check
 - Signed and dated statement from the Administrator of trust funds.

(12) Income from Boarders. One-half the total payment for room and board is unearned income.

Verifications (all of the following is acceptable)

- Copy of receipt
 - A signed and dated statement from the roomer/boarder.

(13) JTPA Basic Allowance. Any allowance for JTPA participants based on paid wages (i.e., Need-Based payment) for full-time students is disregarded for six (6) months per calendar year.

Verifications (any of the following is acceptable)

- Signed and dated statement from the agency issuing payment
- Copy of check

(14) Earned Income of Full-time Students. The earned income of a full-time student, who secures employment unrelated to JTPA participation is disregarded for six month per calendar year.

(15) Income From Live-In-Mate or Common-Law Husband or Wife. The contribution from this source is considered unearned income.

Verification

- Statement from the live-in-mate.

(16) Funds obtained through Personal Loans. Any personal loan obtained from a lending institution such as a bank or credit unit, etc., shall be treated as unearned income in the month it is received if the funds are used for purposes of current living costs, i.e., utility bills, clothing, etc.

Medical, shelter and utility arrears are not to be considered current living costs. Therefore, any portion of the loan amount that was used to pay medical, shelter or utility arrears will not be counted as income.

The recipient shall be required to provide proof that the loan amount was used for purposes other than current living costs.

Verifications:

- Receipt of the purchase of travel fare, i.e., airline ticket;
- Receipts of the medical, shelter or utility arrears that were paid;
- Receipt of the amount used as down payment on a vehicle the client purchased;
- Any other receipts proving that the loan amount was not used for current living costs.

Example 1:

An AFDC recipient obtained a \$1,200 personal loan from the GovGuam Credit Union. The recipient used \$800. to purchase an airline ticket to bring one of her children home and then used the remaining \$400.00 to purchase clothing.

The \$800 is not counted as income to the household; however, the \$400.00 is counted as income because it was used for current living costs.

Example #2:

An AFDC recipient obtained a \$1,200 personal loan from a Bank and used the entire amount as a down payment for a vehicle she purchased. The loan amount is not counted as income to the household; however, the value of the vehicle purchased shall be counted as a resource.

Example #3:

On February 10, 1988, an AFDC recipient obtained a \$1,500 personal loan from a Bank and used the entire amount to pay medical bills in arrears since July and August 1987. This amount is not counted as income.

(C) Stepparent Income/Minor Parent's Parents Income. In a household where the stepparent or minor parent's parent(s) (or legal guardian(s) live with the dependent AFDC child, the stepparent's income and Minor Parent's Parents or legal guardian's income are income to the assistance unit. The following disregards will be applied to the stepparent and minor parent's parents or legal guardian's gross income before it is counted in reducing the AFDC grant. [Exception: if the stepparent or minor parent's parent(s) is included in the assistance unit, the disregards under section 208.4 apply instead].

(1) First \$75 for full-time/part-time employee who is regularly scheduled to work the number of hours and days required by employer;

(2) An additional amount for the support of the stepparent and other individuals who

are living in the home, but whose needs are not taken into account in making the AFDC eligibility determination, except for sanctioned individuals, and are/or could be claimed by the stepparent as dependents for purposes of determining his Federal income tax liability; this amount must equal the need standard amount for a family size of the same composition as the stepparent and those other individuals described in the preceding sentence;

(3) Alimony and child support payments to individuals not living in the household; and

(4) Amounts actually paid by the stepparent to individuals not living in the home but who are claimed by him or her as dependents.

If stepparent is unemployed and has no natural children in the household, the needs of the stepparent will be included as an essential person to the assistance unit.

(D) **Unearned Income-In-Kind.** Any non-cash benefit, goods, services, facilities from any source, provided at no cost to the client, and which may meet, in whole or in part, a recognized budgetary need.

All unearned income-in-kind shall be disregarded at eligibility determination and benefit calculation. A dollar amount shall not be assigned to the unearned in-kind contributions.

CASE EXAMPLE:

An absent father voluntarily provides a dependent AFDC child with pampers, milk,, toys, clothing, food, etc. This non-cash in-kind contribution shall be disregarded at eligibility determination and benefit calculation. However, this type of contribution does not satisfy the support requirements. All necessary assignment of support papers shall be forwarded to OCSE as usual.

The ES should advise the recipient to:

(1) obtain a statement from the absent parent indicating the type of contributions, frequency and dates of contribution; and if possible, the ES shall obtain the absent parent's home address, mailing address and/or telephone number(s) from the recipient in order to verify such statements.

(2) encourage the absent parent to report to OCSE so that a monetary support assignment may be established.

(3) report all contributions (cash or in-kind), no matter how small, to the ES.

(5) Resources.

(A) **Resource Reserve Limits.** The resource reserve limit is \$1,000 for the assistance unit.

(1) Resources, personal and real properties are counted toward the resource reserve limit, for all persons included in the assistance unit. Property of the non- needy caretaker, natural, legally liable, or an adoptive parents, with whom the children are living, is also included in the assistance unit's property reserve. Properties are evaluated at market value less encumbrances. The following are considered real property: Land, houses, mobile homes, and immovable property attached to the land; personal property is all assets other than real property. When the reserve limits are exceeded, the assistance unit is ineligible.

(2) Client is representative payee or legal guardian for managing someone else's funds. These funds are NOT included in the client's personal property reserve when they are kept in an account separate and apart from the client's monies AND can be identified as being received and designated for someone other than the client.

(B) Types of Personal Property.

(1) Cash on hand

(2) Stocks, bonds, notes, mortgages and deed of trust

Evaluate at current retail market value less encumbrances

Verifications:

- Stock report
- Copy of bond or maturity scheduled
- Copies of receipt
- Copy of the note, mortgage or deed

(3) Checking or Savings Accounts. Any amount in the accounts is considered a resource.

Verifications:

- Copy of current bank statement
- Copy of bank passbook/checkbook

(4) Insurance. If the client is the OWNER of a policy, the cash value is applied to the property reserve.

Verifications:

- Insurance policy
- Written statement from insurance company

(5) Vehicles. The first \$1,500 of the equity value of one car is exempted from consideration as a resource.

Verifications:

Client's statement regarding the number of vehicles owned, ownership status and availability is acceptable. Possible sources of verification are:

- Kelly Blue Book
- Copy of bill of sale
- Copy of vehicle registration
- Estimate from auto dealer
- Cars not in the Kelly Blue Book worker's assessments

(6) Farm Machinery/Equipment. The wholesale value of machinery and equipment

less encumbrances is placed in the property reserve.

Verifications:

- Written dealer's estimate
- Written estimate from agricultural agent

(7) Trust Funds. Trust funds are referred to the Attorney General Office for a decision on availability.

(8) Individual and Family Grant (IFG). Funds received through the Individual and Family Grant Program shall be treated as a resource and counted towards the \$1,000 resource reserve limit IF a recipient cannot provide proof that the IFG funds were used for the purposes intended, i.e., purchase of building materials, clothing, appliance, etc.

The recipient shall be required to provide a copy of the IFG award document.

Verifications:

- A receipt from the retailer describing the item(s) purchased and the amount and date purchased and the amount and date of purchase; or

Verifications:

- A statement from the retailer (building supplier, department store, etc.) indicating that the retailer has received the IFG funds to be held in trust for the purchase of goods at some later date. The statement must also indicate the retailer's name and address, the amount received and the date of the funds were received.

(9) **Income Tax Refunds.** Income Tax Refunds are considered a resource and shall be counted against the \$1,000.00 resource limit. However, any portion of a tax refund which represents an earned income payment (EIC) shall be considered as earned income.

(C) **Real Property.** The fair market value, less encumbrances, of property will be applied toward

the property reserve limit, unless excluded Cash settlement received from the sale of real or personal property will be considered a resource. See 208.2

Verifications:

- Signed and dated statement from a licensed real estate broker
- Tax lists
- Copy of mortgage papers
- Copy of deed

(D) Transfer of Resources.

(1) At the time of application, households shall be asked to provide information regarding any resources which any household member (or ineligible alien or disqualified person whose resources are being considered available to the household) and transferred within the 3-month period immediately preceding the date of application. Households which have transferred resources knowingly for the purpose of qualifying or attempting to qualify for Public Assistance benefits shall be disqualified for Public Assistance benefits shall be disqualified from participation in the program for up to 1 year from the date of the discovery of the transfer. This disqualification period shall be applied if the resources are transferred knowingly in the 3-month period prior to application or if they are transferred knowingly after the household is determined eligible for benefits. An example of the latter would be assets which the household acquires after being certified and which are then transferred to prevent the household from exceeding the maximum resource limit.

(2) Eligibility for the program will not be affected by the following transfers:

- (i) Resources which would not otherwise affect eligibility, for example, resources consisting of excluded personal property such as furniture, or of money that, when added to other nonexempt

household resources, totaled less at the time of the transfer than the allowable resource limits;

(ii) Resources which are sold or traded at, or near, fair market value;

(iii) Resources which are transferred between members for the same household (including ineligible aliens or disqualified persons whose resources are being considered available to the household); and

(iv) Resources which are transferred for reasons other than qualifying or attempting to qualify for Public Assistance benefits, for example, a parent placing funds into an educational trust fund.

(3) In the event the ES establishes that an applicant household knowingly transferred resources for the purpose of qualifying or attempting to qualify for Public Assistance benefits the household shall be sent a notice of denial explaining the reason for the and length of the disqualification. The period of disqualification shall begin in the month of application. If the household is participating at the time of the discovery of the transfer, a notice of adverse action explaining the reason for and length of the disqualification shall be sent. The period of disqualification shall be made effective with the first allotment to be issued after the notice of adverse action period has expired, unless the household has requested a fair hearing and continued benefits.

(4) The length of the disqualification period shall be based on the amount by which non-exempt transferred resources, when added to other countable resources, exceeds the allowable resource limits. For example, if a one-person household with a \$1,750 in the bank transferred ownership of a car worth \$5,000, \$250 of that transfer would be considered because the first \$1,500 of the car's value was exempt and an additional

\$500 of the transferred asset would have been applied toward the \$1,000 resource limit.

(6) **Disaster and Emergency Assistance.** Any assistance to individuals and families under the Disaster Relief Act of 1974, which is provided by the federal or local government and disaster assistance organizations, such as the Red Cross, shall not be considered as income or resources when determining eligibility.

The following defines an Emergency or Major disaster situations:

EMERGENCY:

any occasion or instance in which the President has declared that Federal assistance is needed to supplement State local efforts and capabilities to save lives and to protect property and public health and safety, or to lessen or avert the threat of a catastrophe in any part of the territories.

MAJOR DISASTER:

any natural catastrophe, or regardless of cause, such as any fire, flood, or explosion, in any part of the territories, and where the President declares it a major disaster area which warrants assistance to supplement the efforts and available resources of local governments and disaster relief organizations in alleviating the damage, loss, hardship or suffering caused by the disaster.

(1) **Parent and Relatives Responsibility to Contribute.**

Parents are responsible for the support of their children until they reach age 18, unless otherwise specified in a court order. All cases approved for AFDC will be referred to the Office of Child Support Enforcement for action in locating absent parents, establishing support obligations, enforcing court orders, and establishing paternity.

In the case of a deceased parent or parents, verification of death will be obtained by the ES through a death certificate or obituary notice. Incapacitated parent cases will not be referred to the Office of Child Support unless the incapacitated parent is absent from the home and deprivation exists.

(m) **Exclusions, Deductions and Disregards.**

(1) Excluded Income.

(A) Assistance from Vocational Rehabilitation agencies.

(B) Assistance from other agencies and organizations when the assistance is for items not included in the AFDC need standard.

(C) Student Assistance:

(1) Basic Education Opportunity Grants Program (BEOG)

(2) Supplemental Educational Opportunity Grant (SEOG)

(3) Professional and Technical Award (PTA)

(4) Guaranteed Student Loans (GSL)

(5) Merit Scholarship

(D) Student loans, grants and scholarships COVERING ITEMS NOT INCLUDED IN AFDC NEED STANDARDS.

(E) Payments from ACTION programs including:

Retired Senior Volunteer Program

(F) Incentives Allowances and training relating expenses

(G) College work study EARNINGS. Earnings from a college work study program based on need

(H) CASH GIFTS: Small, non-recurring cash gifts to the assistance unit which do not exceed \$30.00 per person per calendar quarter and which are received for: (a) BIRTHDAYS; (b) CHRISTMAS; and (c) GRADUATION.

(I) Payments received as reimbursement for child care services under the Child Care and Development Block Grant (CCDBG).

(2) Excluded Property.

(A) Clothing, personal items, furniture, household equipment, food for personal use.

(B) The first \$1,500 of the equity value of one car is exempt from consideration as a resource.

(C) One burial plot and one funeral agreement, not to exceed a maximum equity value of \$1,500 per family member.

(D) Real Property is excluded when:

(1) The property is a home, including any surrounding land in which a client lives and owns or is buying. Land is contiguous to the home when not separated by property owned by another person.

(2) The property is owned by a stepparent and is not available to the assistance unit.

(E) Additional Real property is exempted for six months which the family is making a good faith effort to sell, but only if the family agrees in writing to use the proceeds from the sale to repay the AFDC benefits received had disposal occurred at the beginning of the period. Any remaining proceeds would be considered a resource. If property is not disposed in 6 months, case is terminated due to resources and payments received is considered as overpayment.

A good faith effort will be to list the property with any of the licensed realtors to be put up for sale. A statement from the realtor must be submitted to verify such good faith effort.

(3) Other Exclusions.

(1) Income/resources of a non-needy caretaker or a Protective Payee (PP) (not the natural parent).

(2) Payments received from the Agent Orange Settlement Fund or any funds connected with paying Agency Orange liability claims, shall be excluded as income or resources for determining eligibility or amount of benefits under any Federal or Federally assisted program. This is retroactive to January 1, 1989.

(4) Earned Income Deductions and Disregards.

(A) Prospective eligibility for each payment month. ES shall determine eligibility prospectively for each of the payment month by determining whether gross earned income for the

month exceeds 185% of need standard for the household size.

(1) Compute total monthly gross earned income received or expected to be received for the month.

(2) Determine assistance unit need standard.

(3) Determine 185% of need standard.

(4) Compare gross income to 185% of need standard.

(i) If gross income exceeds 185 percent of need standard, the client is ineligible.

(ii) If gross income does not exceed 185 percent of need standard, ES shall apply the applicable disregards when determining the benefit amount of the unit.

(B) **Disregards.** The ES shall apply the following earned income disregards when determining the benefit amount for the household;

(1) **Work Expense Disregards.** Deduct the first \$90 from monthly gross income for full-time and part-time employment.

(2) **\$30 Plus One-Third of the Remainder.** The \$30 and 1/3 disregard is applied for four (4) consecutive months. Once the four consecutive months has been applied, ES shall not apply the disregard again for the individual until that individual has been terminated from AFDC for twelve (12) consecutive months.

(a) The four (4) months must be consecutive unless the suspension or termination is due to temporary increase of income and such increase is less than two months. If the suspension is caused by temporary increase of income, the consecutive month is delayed but not discontinued. ES shall continue the four consecutive month count when

assistance is received in the month following the month of suspension.

(b) The individual remains eligible for the \$30 and 1/3 disregard and the four month count starts over if such disregard is received for three (3) month or less, because of one of the following reasons:

(i) Non-voluntary termination of assistance; or

(ii) Loss of employment with good cause.

(c) If the unit received AFDC assistance in one of the four (4) months prior to the month of application, ES shall apply the \$30 disregard when determining eligibility and benefit for the unit. However, \$30 and one-third disregard will not apply to an individual if the four (4) months disregard has been previously applied to his earned income and the recipient has not been terminated from AFDC for 12 consecutive months.

(d) The four (4) consecutive months shall be counted even if the disregards did not actually apply when:

(i) An applicant reapplies within 12 months of receiving assistance and it is determined that the applicant voluntarily terminated assistance in an attempt to interrupt the four month disregard sequence.

(ii) A recipient quits work without good cause.

(iii) Makes an untimely income report without good cause.

(3) \$30 Disregard for Eight (8) Consecutive Months

(a) Apply the \$30 disregard beginning with the first month following

the fourth consecutive month the \$30 and 1/3 disregard is applied.

(b) Extend the disregard for eight (8) consecutive months, whether or not the recipient has income or is on the assistance.

(c) The disregard cannot be applied again until the individual has not received AFDC for 12 consecutive months.

(4) Child Care and Incapacitated Adult Care Disregards. Apply the dependent care disregards to the earned income for the actual child care cost for each dependent up to the maximum.

(a) The maximum amount for dependent care of a child under age two (2) is \$200.00.

(b) The maximum amount for dependent care of a child age two (2) and above is \$175.00.

(c) The disregard for dependent care can be applied to the earned income for care of an incapacitated adult in the wage earner's assistance unit for the actual cost up to \$175.00

(d) For part-time employment, ES shall apply the disregard for dependent care at 50% level for cost incurred for items indicated above.

In order to be eligible for the dependent care disregards, the recipients shall provide verification of expenses incurred.

(C) Determine the Net Income Effect on Eligibility.

(1) After all applicable earned income disregard has been applied, ES shall compare the net income to the payment standard according to the number of the eligible members in the assistant unit.

(2) If the net income exceeds the payment standard, the unit is not eligible.

(3) If the net income is less than the payment standard, ES shall subtract the net income from the payment standard and provide the difference as payment to the assistance unit.

EXAMPLE:

STEP 1	Determine monthly gross income	\$125.00
	(Twice monthly)	X 2
	Total Monthly Gross	\$250.00

STEP 2 Determine if monthly gross income is over 185% of standard of need for family of four. If income is over standard, family is ineligible. However, if income passes the 185% income limit, continue to **STEP 4**.

STEP 3 Take monthly gross income from **STEP 2** - \$250.00.

STEP 4	Apply the \$90 disregard for work expense for either full/part-time employment	\$ 90.00
	\$160.00	

STEP 5	Apply 30 1/3 disregard	\$
	30.00	
		\$130.00
	1/3 of remainder	-

\$43.33

STEP 6	Apply dependent care disregard \$175.00 full-time ages 2 and over/or incapacitated adult \$200.00 full-time below age 2. \$87.50 for part-time ages 2 and over \$100.00 for part-time below age 2	
	Total Countable income	\$ 86.67

NOTE: If total countable income is greater than standard of need for family of four, (\$776. including rental and utilities), family is ineligible. If countable income is less than standard, proceed to Step 7.

STEP 7	Calculation of benefits	
	Take standard of need for family of four including rental and utilities	\$776.00
	Subtract countable income	- \$ 86.67
	Monthly PA grant	\$689.33

NOTE: Regulation requires that amount must be rounded down to the lowest dollar.
Therefore, monthly PA grant would be \$689.00

(n) Protective, Vendor, or Two-Party Payments.

(1) Protective, vendor, or two-party payments, may be issued when the recipient voluntarily chooses to have them made. The request must be in writing and included in the cases file.

(2) Protective Payments can be made to a sanctioned caretaker for the remaining member of the assistance unit if after making reasonable efforts an appropriate individuals to whom such protective payment can be made cannot be located. the provisions does not change the requirement that individuals who do not meet the work incentive or child support requirements are subject to the penalty of being removed from the grant.

(o) Procedures in the Replacement of a PA Check.

When a client contacts the agency to report that his/her PA check was not received, the following procedures shall be followed:

(1) The Receptionist shall verify on the system if a PA check was generated and the mailing address is correct. If yes, client shall be referred to DOA Accounting Division, to inquire if their PA check was returned or unclaimed.

(2) If the receptionist verifies on the system that the mailing address is incorrect and a PA check was generated, the receptionist shall refer client to his/her caseworker for correction. The ES shall then refer the client to DOA (Accounting) for immediate replacement.

(3) If the receptionist verifies with the Issuance Unit that the PA check is withheld, the client shall be referred to his/her caseworker to release the check. If client complies to the ES's request, the ES shall write a note for the client to present to DOA for the PA check to be released.

§1823. Recoupment and Correction of Payments.

Recoupment of overpayment and correction of underpayments are applied uniformly throughout the Territory of Guam. The recovery of an overpayment can be waived when it can be reasonably assumed that the cost to

collect will exceed the amount owed. Except in fraud cases, the amount of less than \$35.00 will be waived from recoupment to former recipients. In fraud cases the amount will be collected.

(a) **Recoupment of Overpayments.** Overpayment is the amount of difference between what the assistance unit received and what it should have received.

(1) All attempts must be made to recoup all overpayments regardless if the overpayment is a result of IPV or non-IPV.

(2) Recoupment will be made in such a way that available income, resources, and the assistance payment equal to 90 percent of the amount payable to an assistance unit of the same composition with no other income. If recoupment is made from current assistance payment only, 90% of the payment will be made available to client.

(3) Where a former recipient with an outstanding overpayment reapplies and is found to be eligible, the agency must recover the overpayment considering the current income, resources, and assistance payment of the recipient in determining the monthly recovery amount.

(4) All terminated cases with an overpayment must be referred to Investigation and Recovery Unit for collection. The EW shall determine the amount of overpayment and the period the overpayment existed.

(5) All other recoupment cases must be reported to Investigation and Recovery Office (IRO).

(6) For cases in which overpayments resulted due to Intentional Program Violation, refer to Chapter VII, Section 707.12 of this Manual.

(b) **Corrected Payments of Underpayment.**

(1) Payment of underpayments is not considered as income or resources in the month paid nor in the following months.

(2) All underpayments must be paid to current recipients.

(3) If an assistance unit has both an outstanding overpayment and an underpayment, the agency may offset one against the other before adjusting the incorrect payment.

(c) **Determination of Overpayment.** Overpayment is the amount of difference between what the household received and what should be received. This means ES shall compare the amount of payment received by the assistance unit for the payment month and subtract the amount the assistance unit is entitled. The difference between the two amounts is the overpayment amount and should be recouped.

EXAMPLE:

\$480.00 - PA received

- \$250.00 - actual grant the household is entitled

\$230.00 - overpayment that should be recouped

NOTE: If the assistance unit is found to be ineligible for the payment month, the entire grant received is considered as overpayment and should be recouped.

(d) **Procedures in Restoration of Payments Due to Overpaid Claims Procedures for Active Cases:**

(1) Should the ES receive a referral that the household is entitled to a restoration due to an overpaid claim collection from the Bureau of Management Support, Claims Management Unit, the ES shall take action to determine the correct amount to be restored.

(2) After the ES has determined the correct amount to be restored, the amount shall be keyed into the system as the extra amount. The extra amount will be added to the household's welfare payments for the Issuance month.

(3) The ES shall indicate the status of restoration on the IRO referral form and return it to the IRO for information. The following shall include:

(i) what action had been taken,

(ii) the date of restoration, and

(iii) the amount to be restored.

(4) The ES shall maintain a copy of the referral form in the case file.

Procedures for Inactive Cases:

(1) If the IRO staff discovered that the household is entitled to restoration of benefits due to overpaid claims collection, the IRO staff shall determine the

correct amount to be restored and prepare direct payment request to pay the individual or household.

(2) IRO staff shall not refer any overpaid claims to BES when a case is terminated.

EXAMPLES: Claim Amount:	\$332.00
HHLD Total Payments	
Made to Date	\$382.00
Benefit Reduction	\$332.00
Cash Payments	\$ 50.00
Amount to be Restored	\$ 50.00

§1824. Transitional Child Care Services. (a) **Introduction.** The purpose of this manual is to provide instructions on actions to be taken by Bureau of Economic Security (BES) staff in the administration of the Transitional Child Care Services. This manual is intended to provide directions for determining eligibility and furnishing assistance in compliance with the requirements of Title IV-A of the Social Security Act, Federal Regulations contained in the Code of Federal Regulation (45 CFR), and the Guam State Plan.

(1) **Organization of the Manual.** This manual is organized so that, whenever possible, sections are presented in the same order as the procedures in practice.

(2) **Changes and Responsibilities for Updating Manual.** The Program Management Section (PMS), Policy Development Unit (PDU) will be responsible for updating the manual and keeping it current. Information regarding changes will be sent to all BES staff and official holders of the manual via memorandum. Necessary controls will be established to assure that all manuals are current and up to date at all times.

(b) **The Application Process.**

(1) **Eligibility.** AFDC recipients who are terminated from Public Assistance due to employment may be eligible for Transitional Child Care Services (TCC).

(2) **Initial Contact with Agency.** The family shall be informed of the availability of Transitional Child Care Services at the time of AFDC termination. An application must be filed with BES requesting transitional child care services using Form BES-008,

08/87. A face-to-face interview would only be required if the information is incomplete or inconsistent.

An individual contacting the agency for assistance or information will be provided application forms by the receptionist.

(3) **Person Who May Sign Applications.** The applicant must sign the application forms.

(4) **Applicant's Rights.** Applicants or recipients of TCC have certain rights which are protected by Federal and Local policy. Informing individuals of these rights, and interpreting them as necessary, is a basic part of the application process and review of eligibility. These include:

- (A) Right to apply
- (B) Right to a Fair Hearing
- (C) Right to Appeal
- (D) Right to Confidentiality
- (E) Civil Rights

(c) **Applicant's Responsibilities.** The applicant or a protective payee is responsible, to the extent permitted by his physical and mental condition, for providing documentation to establish eligibility. Some applicant responsibilities include:

- (1) Verification of required documents such as:
 - (i) Receipts; or
 - (ii) Statement from service provider.
- (2) The service provider may be:
 - (i) A licensed day care center;
 - (ii) Licensed Institution Business providing domiciling care services;
 - (iii) Individual providing sitting services.

When additional information is needed to establish eligibility, the applicant shall be given specific written instructions at time of interview regarding any information that the applicant is responsible for providing within five (5) days from the date of the written request for additional information.

(d) **Delay of Information.** If the requested verification is not submitted within five (5) days from the date of the written request, it shall be considered a delay on the part of the applicant. The delay shall be the basis for denial of the application when it appears that the applicant is not cooperating in establishing eligibility. The specific reason for the denial shall be clearly stated in the case record and in the notice of denial sent to the applicant.

(e) **Worker's Role.** The Eligibility Specialist (ES) represents the agency in dealing with inquiries, applicants, and recipients. The ES must:

(1) Explain the TCC program and the different categories of child care available to the applicants.

(2) Assist the applicant to complete and file his/her application within agency policy.

(3) Explain that some factors of eligibility must be verified and explain what the applicant/recipient is expected to provide in the way of verification and that failure to provide information related to eligibility within five (5) days may be used as basis for denying the case.

(4) Explain that if assistance is granted, the client must assume the responsibility of notifying the agency of any change which would affect eligibility or the amount of payment within ten (10) days from the date of change.

(f) **Appraisal of the Right to Appeal.** Each applicant must be apprised of his/her right to appeal any action or failure to act by the Agency.

(g) **Client's Responsibility.** It is the applicant's/recipient's responsibility to report any of the following changes in the household within ten (10) days from the date the change occurs:

(1) New address or change in mailing address;

(2) Changes in household's income if it increases or decreases by \$25.00 or ceases;

(3) Changes in household composition - increase or decrease;

(4) Changes in child care providers.

(h) **Non-Discrimination.** No person will be subject to discrimination (on the basis of race, sex, color, ethnic origin, handicap, age, religious beliefs, etc) for any reason

under any program of the Guam Division of Public Welfare according to Federal Rules and Regulations.

The Eligibility Specialist (ES) must inform applicants and recipients of their right to file a complaint with the Division of Public Welfare, the Federal Agency (Family Support Administration), or both, if they believe discrimination is being practiced.

(i) **Securing Essential Information.** Before approval, all verifications necessary to determine eligibility must be completed.

Applicants and/or recipients are the primary source of information. If a client is unable to obtain information, the Social Worker (SW) shall assist.

If the verification/information is to be provided by a third party, an "Authorization to Release Information" form must be signed by the applicant/recipient. Lack of third party cooperation must be verified/documented.

(j) **time Limits on Processing.** Applicants must be determined eligible or ineligible and notification of such determination mailed to the client within thirty (30) days from the date of application.

(1) DISPOSITION OF APPLICATION

(A) **DENIAL.** Applications are denied when:

(i) Ineligibility is established by the ES;

(ii) Applicant fails to provide information essential to determine eligibility; and

(iii) The agency loses contact with the applicant before eligibility is determined. Documentation in the case file is necessary.

(B) **Withdrawal.** Applications are withdrawn when the client initiates a voluntary request. The reason for withdrawal must be documented in the case file.

(C) **Approval.** When eligibility requirements are met, assistance is approved.

(k) **Eligibility Requirements.** Recipients must be employed and in need of child care to maintain such employment. In addition, they must also have been terminated from the AFDC program due to increased hours of, or earnings from employment or termination of \$30.00 + 1/3 or \$30.00 disregard.

Recipients who are interested in TCC services must file an application to request such services.

The Caretaker must meet all the conditions specified.

The assistance unit must have been terminated from AFDC program due to:

(1) termination of \$30.00 + 1/3 or \$30.00 disregards; however, if a household lost the disregard because it failed to submit a change report within 10 days, the household does not qualify for TCC due to the loss of the disregard; or

(2) child care must be necessary to maintain employment.

(3) increased hours of, or income from employment.

The assistance unit must have dependents under the age of 13, or a dependent who is physically or mentally incapable of caring for himself/herself as determined by a physician or licensed or certified psychologist.

A member of the assistance unit must remain employed in order to be eligible for TCC services.

The household must have been on AFDC for at least three of six months preceding the first month of ineligibility.

(l) **Period of Eligibility.** Eligibility for TCC begins with the first month for which the family is ineligible for AFDC and continues for a period of twelve (12) consecutive months. Determination of eligibility shall be made within thirty (30) days from the date of application. Reimbursements for child care expenses incurred may be requested retroactively to the first month of TCC eligibility.

If the caretaker relative loses a job with good cause and then finds another job, the family can qualify for the remaining portion of the 12-month eligibility period.

Families not needing TCC at the time of AFDC termination may request such services at any time during the 12-month period following termination, provided a member remains employed and child care is necessary to maintain such employment.

(m) **Cost Sharing method/Income Based (See Table A, PG. B-81).** The assistance unit shall be required to contribute to the cost of child care.

If the gross income is below the federal poverty guidelines, the unit shall pay one-fourth (25%) of the actual child care cost.

If the gross income is between 100% and 185% of the federal poverty guidelines, the unit shall pay one-half (50%) of the actual child care cost.

If the gross income exceeds 185% of the federal poverty guideline, the unit shall pay the full cost (100%) of child care. (See Poverty Guidelines).

The Social Worker (SW) will determine whether the family is unable to pay the prescribed percentage. If such is the case, the family shall contribute a minimum of \$50.00 in lieu of the above requirement.

Contributions shall be paid directly to the child care provider. TCC benefits shall be suspended if participants fail to pay their share of the expenses, unless arrangements have been made by the client with the TCC provider.

Arrangements of child care shall be verified with the Expense Report and Receipt (BES 90-015) and Calendar Showing Breakdown of Child Care in Hours (BES 90-016).

(n) **Good Cause Provision.** Good cause for reducing hours or earnings; or terminating employment includes, but is not limited to:

The participant was ill or temporarily incapacitated preventing employment, as medically verified;

The participant was required to care for an ill member of the immediate household, and no other care arrangements were feasible;

The participant experienced a family crisis, such as death of a family member and required immediate attention;

The participant was admitted to a drug and/or alcohol rehabilitation program;

The employment and/or training is in excess of the participant's physical or mental capacity;

The employment and/or training violated applicable health and safety laws and regulations;

The participant's salary for employment and/or training was either delayed or never received.

The employer reduced hours of employment;

The employee was discriminated against or harassed at work.

(o) **Adverse Action.** TCC benefits may be terminated if:

(1) The parent or caretaker relative terminates employment without good cause; or

(2) he parent or caretaker relative reduces hours or earning without good cause; or

(3) The parent or caretaker fails to cooperate with the agency in establishing payments and enforcing child support obligations.

(p) **TCC Participant Reimbursement.** The family's share of child care fees shall be paid directly to the child care provider. A receipt will be provided to the family who will submit a copy to BES. The agency will remit the balance of the child care fees to the provider under the direct payment procedures. Receipts shall be submitted to BES no later than the fifth of the month in order to ensure the provider's payments are processed by the twentieth of the month.

The amounts of TCC reimbursement shall be based on the following criteria:

AGE GROUPS	PART-TIME	FULL-TIME
0 - 2 years	\$ 115.00	\$180.00
2 - 5	\$ 160.00	\$180.00
6 - 12	\$ 150.00 (After school care)	

The maximum monthly payment or reimbursement for center-based, full- time child care shall be the actual cost up to \$200.00 for children below age 2, and the actual cost up to \$190.00 for children age 2 or older. For the part-time care, the maximum monthly payment or reimbursement shall not exceed the amount specified above. The maximum monthly payment or reimbursement shall not exceed the amount specified above. The maximum monthly reimbursements for children who have special needs shall be consistent with the above rates.

The participant shall be informed that the dependent care reimbursement request must be accompanied with the verification of dependent care expenses incurred.

The SW shall follow the "Procedures for Direct Payment Process" for dependent care reimbursement.

(q) Overpayment for Transitional Child Care (and Child Care Under Job Opportunity and Basic Skills (JOBS) Training Program). An overpayment to a family or provider currently receiving child care payments or benefits must be recovered through repayment (in part or in full) by the family or provider responsible for the overpayment or by recovering the overpayment through a reduction in the amount payable to the family or provider.

TABLE A. GROSS MONTHLY INCOME AT 100% AND AT 185% OF THE FEDERAL POVERTY GUIDELINE. (EFFECTIVE OCTOBER 1, 1991)

IF THE HOUSEHOLD SIZE IS: POVERTY	THE GROSS MONTHLY INCOME AT 100% OF THE FEDERAL POVERTY	THE GROSS MONTHLY INCOME AT 185% OF THE FEDERAL
	GUIDELINE IS:	GUIDELINE IS:
1	\$ 552.00	\$ 1,021.00
2	740.00	1,369.00
3	928.00	1,717.00
4	1,117.00	2,066.00
5	1,305.00	2,414.00
6	1,493.00	2,762.00
7	1,682.00	3,112.00
8	1,870.00	3,460.00
9	2,058.00	3,807.00
10	2,247.00	4,157.00
11	2,435.00	4,505.00
12	2,623.00	4,853.00
13	2,812.00	5,202.00
14	3,000.00	5,550.00
15	3,188.00	5,899.00
Each additional member	+ 188.00	+ 348.00

NOTE: THIS TABLE IS SUBJECT TO CHANGE EVERY OCTOBER OF EACH YEAR.