

Par.1 . Material Transmitted and Purpose – Transmitted with this Manual Letter are changes and clarifications to Service Chapter 400-19 – Factors of Eligibility and Benefit Determination for Temporary Assistance for Needy Families (TANF). This manual letter also incorporates:

- IM 5141 – Clarification – TANF Allowable Amounts for Child Care Expenses

Par. 2. **Effective Date** – Changes included in this manual letter are effective when determining eligibility and benefits for July 2012.

Definitions 400-19-05

1. 400-19-05 – Corrected wording in the definition of ‘Caretaker Relative’ and ‘Legal Duty to Provide Care’ to coincide with the definition of ‘Dependent Child’ with regards to children over age 18. Children over age 18 do not actually have to have participated in the graduation ceremony or have their diploma in hand before their 19th birthday, but must have completed their training curriculum in order to receive their high school diploma or GED, or complete their training at a vocational or technical school that is equivalent to secondary school. (e.g. Individual will attain age 19 in May. In May, the individual will have completed their training curriculum in order to graduate, but graduation is not being held until June. The child would be eligible for TANF through May.)

Definitions 400-19-05

Caretaker Relative – The relative designated by the TANF household who provides care and support to a minor child, is either eligible or ineligible, and:

1. Lives with an dependent child or an SSI child under age eighteen, or a child who is a fulltime student and who, by their last day of the month of their 19th birthday, will:
 - a. Complete their training curriculum from a secondary school in order to receive a high school diploma or GED, graduate or
 - b. Complete their training at a vocational or technical school that is equivalent to secondary school, or
2. Is a pregnant woman in her last trimester who has no other dependent child(ren) residing with her.

Legal Duty to Provide Care - The legal responsibility to provide care to an individual as conveyed by marriage, parentage or by court order. The legal responsibility ends:

1. When the child turns age 18, or
2. In the month of graduation, if the child is over age 18 and a full-time student who ~~is expected to graduate from high school, no later than~~ by their last day of the month of their 19th birthday in which the child turns age 19, will:
 - a. Complete their training curriculum from a secondary school in order to receive a high school diploma or GED, graduate or
 - b. Complete their training at a vocational or technical school that is equivalent to secondary school.

Verification of Selected Factors of Eligibility and Verification Sources **400-19-15-10**

2. 400-19-15-10 - Corrected wording to #6 under the 'Verification Factors' section to coincide with the definition of 'Dependent Child' with regards to children over age 18. Children over age 18 do not actually have to have participated in the graduation ceremony or have their diploma in hand before their 19th birthday, but must have completed their training curriculum in order to receive their high school diploma or GED, or complete their training at a vocational or technical school that is equivalent to secondary school. (e.g. Individual will attain age 19 in May. In May, the individual will have completed their training curriculum in order to graduate, but graduation is not being held until June. The child would be eligible for TANF through May.)

Verification Factors

Verification is the use of third party information or documentation to establish the accuracy of statements and information provided to the TANF Eligibility Worker. TANF requires the following factors of eligibility to be verified:

1. Proper degree of relationship;
2. Social Security Number or Verification of Application for a Social Security Number;
3. Age;

4. Identity;
5. Citizenship;
6. School attendance of any child age 16 to 18, or if age 18, is a full-time student in a secondary school or a vocational or technical school that is equivalent to a secondary school, and who will, before the end of the calendar month in which the student will attain age 19 graduate:
 - a. Complete their training curriculum from a secondary school in order to receive a high school diploma or GED, or
 - b. Complete their training at a vocational or technical school that is equivalent to secondary school.
7. All income;
8. Equity value of assets whenever available information or the prudent person concept suggests such reported value may exceed program limitations;
9. Conditions requiring professional examinations or judgments to establish the existence of incapacity or pregnancy;
Note: In addition to verification of pregnancy when the case consists of a pregnant woman with no other child(ren), verification of the Estimated Date of Confinement (due date) is also required.
10. Special Items of Need requests;
11. Child or alimony/spousal support, or money paid to non-household members; and
12. Any other factor of eligibility for which available information is lacking, questionable, or inconclusive, and which suggests to a prudent person that further inquiry and/or documentation is necessary.

Application/Request for Benefits 400-19-20

3. 400-19-20-10 – Added policy indicating applications must be registered in the automated computer system as soon as possible upon receipt, but no later than the fifth working day following receipt.

Application Forms for TANF 400-19-20-10

The allowable application forms used to apply for benefits under the TANF Program are:

1. SFN 405, "Application for Economic Assistance Programs";
2. SFN 719, "TANF Request for Benefits"; and
3. The Electronic Application found on the Department of Human Service Website.

Upon receipt of an application, the TANF Eligibility Worker must:

1. Determine if it is complete and signed, and a face to face interview must be conducted.
 - If any one of the above signed applications is incomplete, the household must either complete the application or sign a Statement of Facts (or Monthly Report as defined below).
Note: If the application submitted is the SFN 719, "Request for Benefits", a Statement of Facts (or Monthly Report as defined below) is required.
 - If any one of the above signed applications does not list an address, TANF Eligibility Workers should review the contact information found on a mailing envelope, in a phone book, on a Motor Vehicle query, or using any other available resources for address information.
2. The application must be registered in the automated computer system as soon as possible upon receipt, but no later than the fifth working day following receipt. ~~and if~~ no mailing/residence address can be located, 'General Delivery' must be used ~~for~~ as the mailing address ~~and applicable for all notice(s) sent.~~ If the notices are returned for insufficient address:
 - If the application has not been approved, it should be denied due to loss of contact and documented in the casefile.

- If the application has been approved, the case can be closed for loss of contact and documented in the casefile.

Review of Eligibility Requirements 400-19-30

4. 400-19-30 - Added policy indicating annual reviews that are submitted timely must be processed no later than the last working day of the month in which it is due. If the review is not submitted timely, but during the month it is due, the review must be processed as soon as possible, but no later than 30 days following the date received.

Review of Eligibility Requirements 400-19-30

Eligibility for every TANF household is redetermined each month using the TANF Monthly Report. The purpose of the annual Review is to carefully examine all relevant factors of eligibility including deprivation, income, assets, and household composition, as well as to identify any inconsistencies in the information provided through the monthly report or the interview. Effective June 1, 2010, a face-to-face interview is no longer required when completing the annual Review.

The automated computer system provides an alert to the TANF Eligibility Worker when a review is due and automatically sends the Review Due notice advising the TANF household that the annual review is due. The TANF Monthly Report/ Review form is sent to the TANF Primary Individual on approximately the 25th of the month prior to the month due.

A review form submitted during normal business hours is considered received on the date submitted. When a review form is submitted after business hours, ~~on a~~ during the weekend, or on a holiday, the review form is considered received on the next business day.

Note: The TANF Eligibility Worker must document the date a review form is filed by recording the date received on the form.

Upon receipt of a completed review form:

- If the review was received timely (by the 5th day of the month or the first working day after the 5th, if the 5th falls on a weekend or holiday), the review must be processed no later than the last working day of the month in which it was received. (e.g. If a completed review is received by June 5th, the review must be processed no later than the last working day of June.)

- If the review was not submitted timely, but was submitted during the month it is due, the review must be processed as soon as possible, but no later than 30 days following the date received.

If the recipient fails to complete the review process by the last day of the ~~redetermination~~ review due month, the case will automatically close since continued eligibility cannot be determined. When a case closes due to recipient failure to complete the review process, the individual must reapply for assistance.

TANF Non-Financial Eligibility Factors 400-19-45

5. 400-19-45-05 – Corrected wording in the first #3 to coincide with the definition of 'Dependent Child' with regards to children over age 18. Children over age 18 do not actually have to have participated in the graduation ceremony or have their diploma in hand before their 19th birthday, but must have completed their training curriculum in order to receive their high school diploma or GED, or complete their training at a vocational or technical school that is equivalent to secondary school. (e.g. Individual will attain age 19 in May. In May, the individual will have completed their training curriculum in order to graduate, but graduation is not being held until June. The child would be eligible for TANF through May.)

TANF Household Composition (Filing Unit) 400-19-45-05

The TANF household is comprised of individuals who live together where at least one member is in receipt or would be in receipt of TANF if Pay after Performance (PAP) requirements are met. The household must include:

1. A dependent child;
2. The natural, adoptive, or stepparents of the dependent child; and
3. The dependent child's siblings (including half and step-siblings) who are under age 18, or if age 18 will, before the last day of the calendar month in which the sibling attains age 19; a full-time student reasonably expected to receive their high school diploma or GED by the last day of the month in which the student attains age 19.
 - a. Complete their training curriculum from a secondary school in order to receive a high school diploma or GED; or

- b. Complete their training at a vocational or technical school that is equivalent to secondary school.

Note: Any of the above members who are temporarily residing away from home must be included in the TANF household.

Parent(s) of the dependent child(ren) who reside in the home must be included, whether or not married. If a parent claims or appears to be incapacitated, incapacity must be explored because additional household members and their income and assets may then have to be included in the unit. Once the TANF household is established, all income and assets of the persons required to be included must be considered in determining eligibility.

A minor parent who resides with a legally or non-legally responsible caretaker is considered a dependent child (and not a caretaker). When the minor parent resides with a legally responsible caretaker, the legally responsible caretaker must be included in the TANF household (three-generation household).

Stepparent(s) must be included in the TANF household. ~~and either~~ ~~the~~ stepparent will either be eligible for benefits or stepparent budgeting will apply. No stepparent may be included as a second eligible caretaker for the TANF portion of the benefit unless the stepparent has a natural or adoptive child(ren) who is also included in the TANF household.

When a natural or adoptive parent does not reside in the home and the caretaker is a stepparent (who may or may not have a natural or adoptive child in the home), the caretaker (stepparent), as well as the caretaker's children and stepchild(ren) must be included in the TANF household.

Note: Effective June 1, 2010, the household must include the stepparent, any natural or adoptive children of the stepparent and stepchildren.

Individuals in receipt of Supplemental Security Income (SSI), including presumptive SSI benefits, are not included in the household size and their income, assets, and expenses are not considered in determining eligibility for TANF. If the person is receiving a zero SSI benefit but is

considered an SSI recipient (e.g. due to recoupments, 1619B eligible, etc.) they are not considered as receiving SSI benefits for TANF purposes and the person ~~is~~must be included in the household.

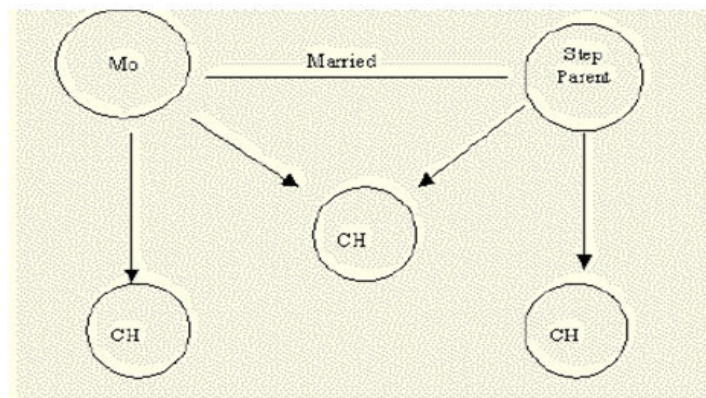
A child for whom a Subsidized Guardianship payment is received is not eligible for TANF and cannot be included in the household.

At times a parent may request that a particular child not be included in the TANF household. The parent has no option in this matter since the household provision requires that all otherwise technically eligible persons must be included in the household. However, a non-legally responsible person (i.e. grandmother, grandfather, aunt, uncle, etc.) may choose not to participate in TANF. (See Section 400-19-140, Kinship Care)

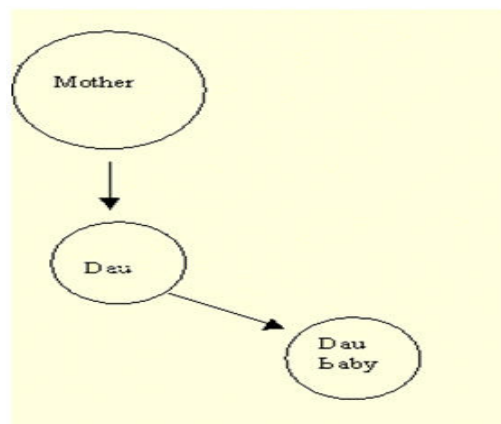
When the only dependent child in the household is a SSI recipient or is disqualified because of noncooperation with program requirements, the parent in the TANF household may remain eligible for benefits if all other factors of eligibility are met, unless the case progresses to close due to a sanction.

People absent from the household due to employment, training, education, or obtaining medical care are addressed in Section 400-19-45-70-15, Absence Reasons that DO NOT Establish Deprivation.

Examples of TANF Households:



1. If one of the stepparents is not incapacitated, disabled or aged, the unit would consist of either the mother and her child or the father and his child.
2. If both stepparents want TANF for their deprived child, the unit would consist of 4 persons with their child in common being ineligible ~~and~~ (i.e. that child's needs will be unmet).
3. If either stepparent is incapacitated, disabled or aged, the unit will consist of all 5 persons.
4. If one of the stepparents leaves, the unit will consist of 4 members since the child in common is a half-sibling to the stepchild and the stepparent is considered related to the stepchild within the 5th degree.



1. If the minor parent is under age 18, the minor parent is a dependent child in the parent's unit. The minor parent's baby must be included in the household.
2. If the minor parent is under age 18 and the case fails due to the parents' income, the minor parent cannot receive a TANF benefit for the minor parent and the baby.
3. If the parent is age 18 or older, the parent would qualify in their own right and the baby must be included in the parent's household. The baby's grandparent is not eligible.

6. 400-19-45-20 - TANF Household Living Arrangements – The following have been updated:
- Added a '**Note**' to #15 to clarify that when a child returns home for a trial period of 30 days or more and the Foster Parents do not continue to receive a Foster Care payment, the child must be added back into the parent's TANF case, if the child is a mandatory household member.
 - The title of the living arrangement in #20 from 'Out of State Institution for Mental Disabilities' to 'Out of State Institution for Intellectual Disabilities', to comply with Legislative requirements.

TANF Household Living Arrangements 400-19-45-20

For TANF purposes, a home is the family setting maintained or in the process of being established as demonstrated by the assumption and continuation of responsibility for day-to-day care of the child by the parent or relative with whom the child is living. A home exists as long as the parent or relative continues to exercise responsibility for the care and control of the child even though the child or the parent/relative may be temporarily absent from the home.

Assistance may not be denied to otherwise technically eligible families merely because they are homeless; that is, having no fixed address. Thus, a lack of a permanent dwelling or of a fixed home address does not constitute a barrier to the receipt of TANF. While residency requirements must be met a fixed address within the state is not necessary.

Individuals residing for a full calendar month in any living arrangement not listed below are not eligible for TANF.

Within this interpretation, TANF eligibility and benefit level for children and adults is determined according to the individual's living arrangement, as follows:

15. Licensed Foster Home: Foster care is 24-hour, out-of-home care for children whose parents are unable, neglectful, or refuse to provide for their children's needs. Foster care meets their needs for food, clothing, shelter, security, safety, guidance and comfort.

- Children placed in Foster care are ineligible for TANF Benefits.
Note: If a child returns home for a trial period of 30 days or more and the Foster Parents do not continue to

receive a foster payment, the child must be added back into the TANF case, if the child is a mandatory household member.

In the automated computer system, the Living Arrangement that should be selected is 'Licensed Foster Home/Specialized Facility'.

20. Out of State Institution for the Mental Intellectual Disabled: An out of state institution for ~~Mental disability~~ intellectually disabled individuals that provides psychiatric and chemical dependency services.
- Children residing at an out of state institution for ~~mental disability~~ the intellectually disabled for a full calendar month are ineligible for TANF Benefits.

In the automated computer system, the Living Arrangement that should be selected is 'Out of State IMD Facility'.

7. 400-19-45-40-25-10 – Added clarification that benefits, for a Qualified Alien who was ineligible due to the '5-year ban on benefits' provision, are prorated from the date following the date the '5-year ban on benefits' expires.

Qualified Aliens Lawfully Admitted for Permanent Residence on or After August 22, 1996 400-19-45-40-25-10

Qualified aliens who entered the United States for permanent residence on or after August 22, 1996, are not eligible for any federally funded TANF benefit for 5 years from the date they entered the United States. This 5-year period is also known as a '5-year ban on benefits' and is effective on the date the individual entered the country as a qualified alien, or the date the individual becomes a qualified alien, whichever is later. (See Section 400-19-45-40-30, Sponsor Income and Assets).

A qualified alien who is subject to the '5-year ban on benefits, and who meets all other TANF non-financial and financial eligibility criteria, is eligible for benefits beginning the date following the date the '5-year ban on benefits' expires.

The following qualified aliens are exempt from the '5-year ban on benefits' and may be eligible for TANF, at any time on or after their Date of US Entry provided if all other TANF eligibility criteria are met:

1. Aliens who have a past or current involvement with the United States Armed Forces. (These individuals include honorably discharged veterans, qualified aliens on active duty in the United States' armed forces, and the spouse or unmarried dependent child(ren) of such individuals.) (See Section 400-19-45-40-25-15, Establishing Past or Current Military Involvement of an Alien.)
2. An Amerasian immigrant admitted to the U.S. pursuant to section 84 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act of 1988;
3. Refugees, Refugee Unaccompanied Minors, and Iraqi and Afghani Special Immigrants who are considered refugees as of December 19, 2009;
4. Asylees who have been granted asylum (not applicants for asylum);
5. Aliens whose deportation was withheld under Section 243(h) of the Immigration and Naturalization Act (INA);
6. Cuban and Haitian Entrants;
7. Victims of a severe form of trafficking, including
 - If the victim is under 21, the victims spouse, children and unmarried siblings under 18 years of age on the date on which the victim applied for this status,
 - If the victim is age 21 or older, the spouse and children of the victim and also includes the victims parent or unmarried sibling under age 18 if it is determined that the parent or unmarried sibling faces a present danger of retaliation as a result of the alien's escape from the severe form of trafficking or cooperation with law enforcement.

Qualified Aliens who entered the US under one of the categories exempt from the 5 year ban remain eligible for TANF when their alien status is converted to a category that is not exempt from the 5 year ban.

Example: An individual enters the US with a status of Refugee (exempt from the 5 year ban). Two years later, their status changes from Refugee to Lawful Permanent Resident (LPR).

The status used when determining continued eligibility for TANF is Refugee (status as of date of entry) for the duration of the 5 year eligibility period.

8. 400-19-45-40-45 - Added policy to #1 of this section to indicate verification of citizenship through Third Party Query (TPQY) by receiving a 'Verified with positive citizenship' or 'Verified with positive citizenship; Deceased' response for Medicaid will also verify the individual's citizenship for TANF.

Documentation/Verification of Citizenship 400-19-45-40-45

Eligibility for TANF is determined primarily by information supplied by the applicant/recipient. Certain aspects of eligibility must be supported by conclusive, documenting evidence. Following are suggested records which may be available to verify citizenship and/or alien status:

1. US Citizenship

- Birth Certificate/Hospital Birth Certificate if signed by attending physician
- Vital Records Interface
- Immigration Papers
- Naturalization Papers
- Third Party Query (TPQY) - 'Verified with positive citizenship' or 'Verified with positive citizenship; Deceased' Citizenship Verification Code for Medicaid.

Note: A screen print of the response must be placed in the case file, and the TANF Verification Code 'Interface' must be entered in the automated computer system.

9. 400-19-45-55-05 – Added policy to this section to indicate verification of identity through Third Party Query (TPQY) by receiving a 'Verified with positive citizenship' or 'Verified with positive citizenship; Deceased' response for Medicaid will also verify the individual's identity for TANF.

Eligibility Requirements (Identity) 400-19-45-55-05

As a condition of eligibility, verification of identity must be supported by conclusive, documentary evidence.

Documentation/Verification of Identity

Document or other record available from the client or other sources

- Driver's License
- Picture ID
- Personal knowledge by the county staff
- School, hospital, nursing home personnel identification
- Bank records
- Utility records
- Mortgage/Rent receipt
- Affidavit of Identity
- Hospital crib card or bracelet for newborns
- Third Party Query (TPQY) - 'Verified with positive citizenship' or 'Verified with positive citizenship; Deceased' Citizenship Verification Code for Medicaid.

Note: A screen print of the response must be placed in the case file, and the TANF Verification Code 'Interface' must be entered in the automated computer system.)

10. 400-19-45-65-05 - Corrected wording in this section to coincide with the definition of 'Dependent Child' with regards to children over age 18. Children over age 18 do not actually have to have participated in the graduation ceremony or have their diploma in hand before their 19th birthday, but must have completed their training curriculum in order to receive their high school diploma or GED, or complete their training at a vocational or technical school that is equivalent to secondary school. (e.g. Individual will attain age 19 in May. In May, the individual will have completed their training curriculum in order to graduate, but graduation is not being held until June. The child would be eligible for TANF through May.)

Eligibility Requirements 400-19-45-65-05

One of the goals of the TANF Program is to ensure that every TANF recipient obtains their High School or General Education Diploma (GED). Therefore, emphasis is placed on school attendance of minor dependent children and minor parents.

The terms "full-time" and "part-time" school attendance for minor dependent children and minor parents is defined by the North Dakota

Department of Public Instruction and the North Dakota Department of Higher Education as follows:

1. "Full-time" attendance in an accredited secondary school (high school) requires four or more units of credit.
2. "Part-time" is anything less than four units of credit.
3. Attendance in an alternative school, full or part-time, is determined by the school the individual attends.

The full or part-time status of a minor dependent child(ren) or minor parent enrolled in an accredited correspondence, alternative high school or GED program, adult basic education, or home schooled, will have their status verified by a written statement from school officials.

Minor dependent children or minor parents participating in Job Corps are considered attending school full-time.

Verification of school attendance is required for individuals age 16 to 18, or if age 18, is a full-time student in a secondary school or a vocational or technical school that is equivalent to a secondary school, who will graduate before the end of the calendar month in which the student will attain age 19.

Documentation/Verification of School Attendance

Verification of school attendance is required for:

1. A child age 16 to 18 ; or
2. A child age 18 and who is a full-time student and who will graduate by their 19th birthday from a secondary school or a vocational or technical school that is equivalent to secondary school. by their last day of the month of their 19th birthday, will:
 - a. Complete their training curriculum from a secondary school in order to receive a high school diploma or GED, or
 - b. Complete their training at a vocational or technical school that is equivalent to secondary school.

For children under age 16, verification of school attendance is not required. If the child is not attending school, it becomes an issue for Child Protection Services.

School attendance of any child age 16 or older must be verified at the beginning of the school year and the beginning of each term as defined by the school. Verification may be secured more frequently if circumstances warrant.

Note: The automated computer system generates a notice to the household requiring verification of school attendance and anticipated date of graduation in August and January of each year.

When verification of school attendance is not received:

- If the child is age 16 to 18, update the 'Student Status' on the Education window to 'Not a Student' and complete a referral to the JOBS Program.
- If the child is age 18, and a full-time student who ~~will graduate by their 19th birthday~~, by the last day of the month of their 19th birthday, will:
 1. Complete their training curriculum from a secondary school in order to receive a high school diploma or GED, or
 2. Complete their training at a vocational or technical school that is equivalent to secondary school,update the 'Student Status' on the Education window must be updated to 'Not a Student'. This will either remove the child from the TANF household, or fail the case if this is the only child, ~~the case will fail and must be closed.~~

TANF Financial Eligibility Factors 400-19-55

11. 400-19-55-05-15 – Added wording to #6 to include policy that balances remaining on Debit Cards (other than checking and savings) are considered a liquid asset beginning the month following the month it was counted as income.

Countable Assets 400-19-55-05-15

Countable assets include, but are not limited to, the following:

6. **Liquid Assets** -- Liquid assets such as cash on hand, checking, savings and money market accounts, certificate of deposits, stocks, bonds, etc.

Many benefit programs deposit an individual's monthly benefit onto a debit card. Any balance remaining on these debit cards are considered a liquid asset beginning the month following the month it was deposited on the card and counted as income. Examples of these benefit programs are Unemployment Insurance Benefits (UIB), Child Support benefits, Workforce Safety and Insurance (WSI), Social Security Administration Benefits (SSA), etc.

12. 400-19-55-05-30 – The following changes were made:
- Reworded #13 for clarification as Indian per capita funds, while held in trust by the United States, are disregarded as assets.
 - Added a new #14 for Indian Trust and Restricted Land as they are exempt assets. This results in #14 through #24 to be renumbered #15 through #25.
 - Reworded the new #16, Individual Indian Monies Accounts, for clarification and added a reference in the new #16 to Section 400-19-55-20-15, Countable Unearned Income Types, for policy on the treatment of income from Individual Indian Monies (IIM) accounts.)

Exempt Assets 400-19-55-05-30

13. **Indian Per Capita and Judgment Funds** - Indian per capita and judgment funds awarded by either the Indian Claims Commission or the Court of Claims after October 19, 1973, ~~interest and investment income accrued on such Indian per capita or judgment funds~~ while held in trust are exempt assets. This includes interest and investment income accrued on such funds.

Note: The funds must be identifiable and distinguishable from other funds. If commingled with any other countable assets, these funds become a countable asset beginning the second month following the month of ~~receipt~~ comingled.

Purchases made using per capita or judgment funds and the interest or investment income accrued from on such funds, while held in trust are exempt. However, once sold, the item purchased is ~~sold~~ it loses its per capita status exemption.

(Refer to Section 400-19-55-25, Disregard of Certain Income, for policy on the treatment of Indian Per Capita income.)

14. **Indian Trust or Restricted Lands** – Indian Trust or restricted lands are exempt assets. The proceeds from the sale of these lands are also exempt provided the proceeds are held with the original trust. When paid out, the proceeds remain exempt as long as they are not comingled with other funds.

16. **Individual Indian Monies Accounts** -- The value of all interests of in Individual Indian Monies Accounts held in trust or restricted lands, including mineral rights, are exempt from the asset limit pursuant to the Indian Judgment Distribution Act of 1973.

~~Monies in IIM accounts are payments from range unit leasing, farm leases, gravel pit contract, sales, etc. Any portion that is not counted as income for a month, if retained by the household, would count as an asset the following month.~~

(Refer to Section **400-19-55-20-15**, Countable Unearned Income Types for policy on the treatment of Individual Indian Monies (IIM) income.)

13. 400-19-55-10-10 - Added policy to clarify that once assigned, any support retained by the household for an eligible child or caretaker (in the case of spousal support) is considered assigned and is treated as a terminated source of income.

Terminated Source of Income 400-19-55-10-10

For purposes of this section:

- Source: An entity from whom income, earned or unearned, is received.
- Terminated: Income, earned or unearned, that stops or ends and is not anticipated to begin again.

When the final payment of income is received during the 1st or 2nd prospective months, the income is considered a terminated source of income. Income cannot be treated as a terminated source of income if it ~~continues to be~~ is received in the 1st retrospectively budgeted month.

Example: The 1st and 2nd prospective months are January and February and the 1st retrospectively budgeted month is March.

- If the income ends in January or February and none is received in the calendar month of March, the income is considered a terminated source of income.
- If the income continues to be received in the calendar month of March, it is not considered from a terminated source and January income would be counted when determining March benefits.

If income is not received in the 1st retrospectively budgeted month, but in a later month the individual receives income from the same source (e.g. rehired to same job, begins receiving the same type of unearned income, etc.), the income received during the 1st or 2nd prospective months continues to be considered terminated source income.

Exception: Income received by an individual who is on temporary leave and who expects to return to the same employment when the leave ends is not considered income from a terminated source.

Terminated Source of Income is not counted when retrospective budgeting if the last payment was received during a prospective month.

Voluntary or Court Ordered Support payments for children and caretakers (in the case of spousal support), eligible for TANF are assigned to the State of North Dakota upon authorization of the initial month of TANF eligibility. Therefore, once assigned, any support retained by the household for an eligible child or caretaker is treated as a terminated source of income.

The following examples illustrate the treatment of terminated source income under two-month retrospective budgeting.

Example # 1: Applicant With Recurring Income Which Ends During First Prospective Month

Client applies in January and receives \$200 unearned income. The unearned income ends during January.

Benefit Month	Prospective		Retrospective		
	JAN	FEB	MARCH	APRIL	MAY
Base Month	JAN	FEB	JAN	FEB	MAR
Need Standard	523	523	523	523	523
Net Income	<u>-200</u>	<u>-0</u>	<u>-0*</u>	<u>-0</u>	<u>-0</u>
TANF Benefit	323	523	523	523	523

* The \$200 unearned income received in January is considered income from a terminated source, as it ends in the 1st prospective month. It is prospectively budgeted in January, then ~~adjusted~~ corrected, if necessary, when actuals are received. It is not counted again in the first retrospective benefit month (of March).

Example #2: Applicant With Recurring Income Which Ends During Second Prospective Month

Individual applies in January and receives \$200 unearned income in February. The unearned income ends during February.

	Prospective ➡		Retrospective ➡		
	JAN	FEB	MARCH	APRIL	MAY
Benefit Month	JAN	FEB	MARCH	APRIL	MAY
Base Month	JAN	FEB	JAN	FEB	MAR
Need Standard	523	523	523	523	523
Net Income	<u>-0</u>	<u>-200</u>	<u>-0</u>	<u>-0*</u>	<u>-0</u>
TANF Benefit	523	323	523	523	523

* The \$200 unearned income received in February is considered income from a terminated source as it ends in the 2nd prospective month. It is prospectively budgeted in February, ~~adjusted then~~ corrected, if necessary, when actuals are received. It is not counted again in retrospective benefit month of April.

Example #3: Applicant With Recurring Income Which Ends During First Or Subsequent Retrospective Months

Individual applies in January and receives \$200 unearned income in January, February and March. The final payment from this unearned income source is received in ends during March.

	Prospective ➡		Retrospective ➡			
	JAN	FEB	MARCH	APRIL	MAY	JUNE
Benefit Month	JAN	FEB	MARCH	APRIL	MAY	JUNE
Base Month	JAN	FEB	JAN	FEB	MARCH	APRIL
Need Standard	523	523	523	523	523	523
Net Income	<u>-200</u>	<u>-200</u>	<u>-200*</u>	<u>-200</u>	<u>200**</u>	<u>-0</u>
TANF Benefit	323	323	323	323	323	523

* The \$200 unearned income received in January and February is considered recurring income and NOT income from a terminated source. It must be budgeted in both the prospective benefit months (January and February) and the retrospective benefit months (March and April).

** The \$200 unearned income received in March must be budgeted against the May benefit.

14. 400-19-55-15-05 – Added a new #17 to address Alternative Trade Adjustment Assistance/Reemployment Trade Adjustment Assistance payments are counted as earned income.

Definition of Earned Income 400-19-55-15-05

17. Alternative Trade Adjustment Assistance/Reemployment Trade Adjustment Assistance wage subsidy, provided under the Trade Adjustment Assistance (TAA) Extension Act of 2011, is considered earned income as the individual must be employed to receive this assistance. This wage subsidy is paid to eligible workers over the age of 50 and pays a portion of the individuals wage (the difference between the individual's new wage and old wage).

15. 400-19-55-20-05 - Moved all of the information after the 1st paragraph to Section 400-19-55-20-15, Countable Unearned Income Types or 400-19-55-20-10, Treatment of Unearned Income.

Definition of Unearned Income 400-19-55-20-05

Unearned income is income not gained by current labor, service, or skill. Most unearned income is the result of past labor, services, or investments, which have enabled the individual to receive a current benefit or pension. All unearned income must be verified and documented in the case file.

~~The types of income listed below are illustrations of unearned income (gross income prior to deduction) and must be considered available in their entirety:~~

~~1. Currently received benefits such as Social Security Administration (SSA) benefits, Veterans benefits, private pensions, Worker's Compensation, Unemployment Insurance Benefits (UIB) (including any stimulus payments), mineral lease, rent, and royalty income, military~~

~~allotments, disaster unemployment benefits, general assistance received by cash or check by the household, gaming proceeds paid to tribal members (e.g. Three Affiliated Tribal Elderly Payments, Spirit Lake Social Impact Payments, etc.) etc;~~

~~**Note:** When a member of the TANF household serves as a representative payee for federal benefits (i.e. SSI, Social Security, Veterans benefits, etc), for a person or persons who are not members of the TANF household, the benefits paid to the representative payee on behalf of that individual shall not be considered income available to the TANF household.~~

- ~~1. Dividends and interest derived from savings and checking accounts, investments, and insurance proceeds, but not settlements, paid directly to a TANF household member is unearned income in the month in which it is received;~~

~~Accrued dividends and interest are considered assets rather than income and are subject to the asset limit even if the dividends and interest are later withdrawn;~~

- ~~2. Money deposited into a joint checking or savings account, when the depositor is not a member of the TANF household;~~
- ~~3. Other sources of income received on a regular basis such as CRP income. When a CRP contract is set up the full payment may be received by the landlord or operator, or a portion of the payment may be paid to a tenant of the farm. A portion of the payment is allowed to be paid to a tenant when the tenant was farming the land, or had an interest in the property (i.e. was on the previous contract), in the year before the contract was signed. The CRP contract specifies the amount of the payment and to whom the payment is made. For purposes of determining eligibility, only count the share the applicant or recipient receives per the CRP contract. Allowable expenses are those allowable costs of doing business that are claimed on the applicant or recipients tax return, including property taxes and insurance as a deduction;~~
- ~~4. Non-excluded lease payment income deposited in and disbursed through Individual Indian Monies accounts maintained by individual Indians by the Bureau of Indian Affairs as proceeds from the lease of lands held by the federal government in trust for the Indian~~
- ~~5. Lease payments made to persons for the use of lands occupied or owned by those persons unless the lease specifically provides for~~

- ~~monthly payments or unless the lease is for a total term of less than one year; and~~
- ~~6. Mineral lease payments, however denominated, except initial leasing bonus payments;~~
 - ~~7. Trust income received on a regular basis. If you are not certain whether an arrangement constitutes a trust, contact the Legal Advisory Unit. Submit all trusts to the Legal Advisory Unit for review and identify who is applying for assistance, send a complete copy of the trust agreement, provide verification of all assets owned by the trust, and provide any other relevant documents or information;~~
 - ~~8. General Assistance paid by cash or check directly to a TANF household from the county social service office or Bureau of Indian Affairs must be treated as unearned income. General Assistance paid by voucher on behalf of a TANF household by the county social service office or the Bureau of Indian Affairs is disregarded.~~
16. 400-19-55-20-10 – Added policy to this section regarding treatment of unearned income received by (or paid to) a TANF household member who is a representative payee.

Treatment of Unearned Income 400-19-55-20-10

All countable unearned income shall be considered available in the month in which it is received. Unearned income is usually received at fixed intervals and at regularly scheduled dates. State or federal assistance payments such as SSI or Social Security received on a recurring basis shall be considered as having been received once a month, even if mailing cycles may cause two payments to be mailed in one month and none in another month.

When a member of the TANF household serves as a representative payee for federal benefits (i.e. SSI, Social Security, Veterans benefits, etc.) for a person or persons who are not members of the TANF household, the benefits paid to the representative payee on behalf of such individual(s) shall not be considered income available to the TANF household.

17. 400-19-55-20-15 - The following changes were made:
- Removed reference to Disaster Unemployment benefits in #3 as removing this was missed when Manual Letter #3309 was issued (which incorporated IM 5126 – Disaster Unemployment Insurance

Benefits into the Countable Unearned Income Types section 400-19-55-20-15).

- Added Sisseton-Wahpeton Oyate of the Lake Traverse Reservation District Days payments as another example to #8.
- Enhanced the definition of Individual Indian Monies in #10.
- Added the types of Unearned Income from section 400-19-55-20-05 at #16 through #28, which includes policy that trade Readjustment Allowances received by individuals who are not attending training, will be considered unearned income.
- Clarified #20 – Treatment of Lease Payments
- Clarified policy in #27 that production taxes withheld are not included as royalty income; however any other withholdings are.
- Added Trade Readjustment Allowance income as #28.

Countable Unearned Income Types 400-19-55-20-15

The types of unearned income listed below are counted in their entirety when determining TANF eligibility:

3. **Workforce Safety and Insurance (WSI), Unemployment Insurance Benefits (UIB), Disaster Unemployment Benefits, and VA Benefits** – Workforce Safety and Insurance Benefits, Unemployment Benefits, ~~Disaster Unemployment Benefits,~~ and Veteran's Benefits must be considered in determining the TANF benefit.

Since WSI and UIB benefits are also paid on an Electronic Benefits Card, income is considered received on the date:

- a. The income is received; or
- b. When available and the recipient has a legal ability to access the income for support or maintenance.

If the household cannot ~~determine~~ verify the date of actual receipt, the receipt date is deemed to be either:

- a. The date funds were deposited into the account based on a bank statement from U.S. Bank or their personal bank account; or
- b. Two working days after the date ~~on a~~ the WSI or UIB was processed check.

8. **Proceeds Paid to Tribal Members** - Any proceeds from tribal gaming, gambling establishments, or tribal enterprises distributed to enrolled tribal members (residing on or off a reservation) must be considered unearned income. Payments made to enrolled tribal members from the proceeds of gaming or gambling businesses are not per capita payments; therefore the income cannot be disregarded. (e.g. Three Affiliated Tribal Elderly Payments, Spirit Lake Social Impact Payments, Sisseton-Wahpeton Oyate of the Lake Traverse Reservation District Days, etc.);
10. **Individual Indian Monies (IIM)** - Most IIM accounts receive income from the use or sale of a trust asset, such as agricultural or grazing leases, coal production, timber harvesting, and oil and gas leases, gravel pit contract, sales, royalties. Funds can also come from a per capita payment, and from income earned on deposited funds. Some accounts receive proceeds from an estate account following a probate.

~~Income received by an individual Indian derived from that Indian's interests in from Individual Indian trust or restricted lands will be counted as income. This includes leases on individually owned or restricted Indian lands. The income generally comes from interests in lands allotted to individual Indians many years ago. Income to individual Indians generated by these interests are likely to be small because many of the original interests are allotted lands which have been fractionalized due to the inheritance of multiple heirs over several generations. Incomes included in the accounts are payments from range unit leasing, farm leases, oil leases, oil rental, gravel pit contract, sales, royalties etc.~~

The Omnibus Budget Reconciliation Act of 1993 provides that up to \$2,000 per year of this income must be disregarded. Funds in the IIM accounts that do not have a specific exclusion must be counted for TANF. Other moneys deposited in the accounts, such as inheritances, VA, SSA, SSI, gaming profits, per capita payments, etc. are not part of the \$2,000 exclusion, as they are either considered countable or excluded assets, or countable or exempt income in the month received.

Beginning January 1, 2003, client statement is an accepted verification of the amount in an IIM account unless one of the following applies:

- a. The amount is more than \$2000 for the year;
- b. The client statement information is questionable; or
- c. The IIM account includes countable income such as inheritance, bonuses, and other income that is not derived from leases, trust, or restricted land.

Verification Options

There are three options by which verification may be obtained:

- a. Request for verification of IIM account information using form SFN 413, Individual Indian Monies Account. This form will need to be notarized per requirements of the United States Department of the Interior, Office of the Special Trustee for American Indians, Office of Trust Funds Management. These releases are valid for one (1) year and must be renewed annually.
- b. Individuals with IIM accounts receive statements from the Office of Trust Funds Management on a quarterly basis. A copy of this form may be requested from the recipient. However, the recipient will not receive the statement if the Office of Trust Funds Management does not have a current address.
- c. The individual may obtain a statement of their IIM account directly from the Office of Trust Funds Management through the Bureau of Indian Affairs (BIA) by requesting the information in person or by making a telephone request. In both cases, the individual will need to know their account number and provide at least two forms of identification.

At the time of application, verification of the deposits into the IIM account for the 12 month period prior to the month of application must be obtained. Deposits such as inheritances, VA, SSA, SSI, gaming profits, etc. must be deducted. Any countable income and the remaining must be amount divided by 12 to determine the monthly countable income for the next 12 months.

For on-going cases, a review of the IIM account is required on a yearly basis, when a child turns 18 years of age, when adding an individual to a case, and when the amount in the account reaches the maximum allowable amount or is questionable. Countable income is pro-rated over a 12 month period. Any of the verification options identified above may be utilized to obtain the information.

New Source Income

When new source income is deposited into an individual's IIM account, the countable amount for TANF will be determined as follows:

Verification of the IIM account must be obtained for the most recent FULL 12 month period through one of the three options identified above. Once verification of the IIM account is received, any deposits that will not be counted as IIM income will be subtracted (inheritances, VA, SSA, SSI, gaming profits, etc.). The most current month's countable new source income (or an average if received for multiple months) will be multiplied by 12 and added to all countable deposits for the 12-month period (excluding the new source income deposited into the IIM account). The \$2000 disregard will be subtracted and the remaining balance divided by 12 to determine the monthly countable unearned income.

Example #1: In 02/2009, the TANF Eligibility Worker learns that the individual began receiving a new source income in 02/2009 through their IIM account. The TANF Eligibility Worker will request verification of the IIM account for the period of 02/01/2008 through 02/28/2009 (the most recent FULL 12 month period, plus the current month of 02/2009) to capture the amount of the new source income.

Reviewing the ledger, the TANF Eligibility Worker would determine which income is countable. The new source income deposited in February was \$850. Multiplying \$850 by 12 equals \$10,200. The countable income, not including the new source income, for the FULL 12 month period (02/01/2008 through 01/31/2009) totals \$1,500. The total of income to be considered for the 12 month period is \$11,700 (\$10,200 plus

\$1,500). After deducting the \$2000 disregarded amount from \$11,700, \$9,700 must be annualized and the monthly amount of \$808.33 counted as unearned income.

Example #2: A new application is received in 07/2009 and the TANF Eligibility Worker requests verification of the IIM account for the period of 07/01/2008 through 06/30/2009, the most recent FULL 12 month period.

Reviewing the ledger, the TANF Eligibility Worker determines a new source income began to be deposited in 04/2009. The TANF Eligibility Worker would first determine which income is countable. The new source income deposited in April was \$850, in May was \$790 and in June was \$825. The three months of the new source income would be totaled and divided by 3 and the average would be projected for a 12 month period (\$2,465 divided by 3 equals \$821.67). Multiplying \$821.67 by 12 equals \$9,860.04. The countable income, not including the new source income, for the 12 month period totals \$87.29. The total of income to be considered for the 12 month period is \$9,947.33 (\$9860.04 plus \$87.29). After deducting the \$2000 disregard from \$9,947.33, \$7,947.33 must be annualized and the monthly amount of \$662.28 counted as unearned income.

Once a determination of the countable income has been made, TANF must begin counting the income when received and budgeted consistent with the individual's budget methodology.

16. **Dividends and Interest** – Dividends and Interest derived from savings and checking accounts, investments, and insurance proceeds, but not settlements, paid directly to a TANF household member is counted as unearned income in the month in which it is received.

Accrued dividends and interest are considered assets rather than income and are subject to the asset limit even if the dividends and interest are later withdrawn.

17. **Money deposited into a Joint Checking or Savings Account –** Money deposited, when the depositor is not a member of the TANF household, is counted as unearned income in the month in which it is deposited.
18. **Conservation Reserve Program (CRP) Income** - When a CRP contract is set up, the full payment may be received by the landlord or operator, or a portion of the payment may be paid to a tenant of the farm. A portion of the payment is allowed to be paid to a tenant when the tenant was farming the land, or had an interest in the property (i.e. was on the previous contract), in the year before the contract was signed. The CRP contract specifies the amount of the payment and to whom the payment is made. For purposes of determining eligibility, only count the share the applicant or recipient receives per the CRP contract. Allowable expenses are those allowable costs of doing business that are claimed on the applicant or recipients tax return, including property taxes and insurance as a deduction.
19. **Lease Payments** - Payments made to persons for the use of lands occupied or owned by those persons.
 - If the payments are received in equal monthly payments, that amount would be counted as monthly income.
 - If the payments are received annually or received in regular annual totals, but in irregular intervals, the total of the annual income must be prorated over a twelve-month period and one-twelfth of the amount would be counted as monthly income.
20. **Mineral Lease Payments** - Payment from mineral leases is considered unearned income, ~~however denominated,~~ except initial leasing bonus payments.
21. **Trust Income Received on a Regular Basis** – When it is unclear whether an arrangement constitutes a trust, contact the Legal Advisory Unit. Submit all trusts to the Legal Advisory Unit for review and identify who is applying for assistance, send a complete copy of the trust agreement, provide verification of all assets

- owned by the trust, and provide any other relevant documents or information.
22. **General Assistance** – General assistance paid by cash or check directly to a TANF household, from the county social service office or Bureau of Indian Affairs, is treated as unearned income. General Assistance paid by voucher on behalf of a TANF household by the county social service office or the Bureau of Indian Affairs is disregarded.
 23. **Veterans Benefits** - Veteran's pension or compensation, veteran's vocational rehabilitation subsistence payments and military allotments are counted as unearned income.
 24. **Private Pensions** – Income from private or employer pensions are counted as unearned income.
 25. **Rental Income** – Income from rental of rooms, apartments, or other property is considered unearned income.
Note: Income from room rentals is considered "earned" if the recipient is actively engaged in the venture by such means as making the bed, changing linens, cleaning the room, etc. If the income is determined to be earned, the first \$25 of income from each roomer is exempt to defray any associated expenses;
 26. **Royalty Income** - Royalty income less mandatory production taxes withheld prior to distribution is counted as unearned income (income taxes withheld are not allowed to reduce the royalty payment);
 27. **Trade Readjustment Allowance** – Payments made to individuals under the Trade Adjustment Assistance (TAA) Extension Act of 2011 who are not attending training as a result of being eligible under a training waiver (is under a waiver of the requirement to participate in training as training may be determined not feasible or appropriate and waived as a requirement for basic TRA eligibility) are considered unearned income.

28. **Other Unearned Income** – Other unearned income, received on a regular basis, is counted as unearned income.

18. 400-19-55-25 – The following changes were made:
- Added policy to #17.b. to clarify that funds from the John H. Chafee Foster Care Independence Program to assist individuals with furthering their education are disregarded as income.
 - Added a new #23 for Gift Cards and Gift Certificates and renumbered the old #23 through #38 to numbers #24 through #39.
 - Added a new #40 for Trade Adjustment Assistance and renumbered the old #39 through 44 to #41 through 46.
 - Removed reference to non-recurring lump sum payment in new #29 and clarified policy that per capita income payments are disregarded as income.
 - Removed the words 'within North Dakota' from new #41. Tribal High School Graduate/GED Payments from any federally recognized tribe to an enrolled member who graduates from high school or obtains their GED will be treated as a non-recurring lump sum.

Disregard of Certain Income 400-19-55-25

17. **Educational Loans, Grants, Scholarships and Stipends** –

Student assistance programs, for both undergraduate and graduate students, shall be disregarded as income. The following are disregarded:

a. Title IV aid includes:

- Pell or BEOG grants.
- Presidential Access Scholarships (Super Pell).
- Supplemental Education Opportunity Grants (SEOG).
- Stafford Loan (formerly Guaranteed Student Loan).
- PLUS/DEAL loans.
- Perkins Loans (formerly NDSL).
- SLS (formerly ALAS).
- Robert C. Byrd Honor Scholarships.
- Federal work study income.
- Bureau of Indian Affairs Grant Program.
- High School Equivalency Program (HEP).
- College Assistance Migrant Program (CAMP).
- Upward Bound (Trio Grants).

- National Early Intervention Scholarship and Partnership Program.
 - Robert E. McNair Post-Baccalaureate Achievement.
 - Stipends funded until Title IV.
 - Indian Vocational Education Program (IVEP)
- b. Aid that is federally funded but not under Title IV includes:
- Workforce Investment Act (WIA).
 - Veteran's benefits or other benefits through the United States Armed Services.
 - Reserve Education Assistance Program (REAP)
 - Recruitment/Retention of American Indians Into Nursing (RAIN)
 - Eduction funds received through the John H. Chafee Foster Care Independence Program
- c. Aid that is not federally funded includes:
- SELF loan program.
 - State work study income.
 - Division of Rehabilitation Services.

All aid extended to students by way of scholarships, grants, loans, stipends and awards by federal, state, tribal, civic, fraternal, and alumni sources to pursue training or education, either an undergraduate-level or graduate-level goal, is disregarded.

Note: Any stipend received while attending training that is specifically identified to cover the cost of daily living expenses must be counted as unearned income, ~~as~~ since it is intended to cover the same basic needs as those provided under TANF.

23. **Gift Cards/Gift Certificates** – Gift cards and gift certificates are disregarded as income.

28. **Indian Per Capita Funds** –Per capita payments made to members of Indian tribes under the Indian Tribal Judgment Funds Use and Distribution Act [25 U.S.C. 1407 et seq.], including all interest and investment income accrued on such funds while held in trust, are disregarded.

40. Trade Adjustment Assistance (TAA) – The following payments made to individuals under the Trade Adjustment Assistance (TAA) Extension Act of 2011:

- Training Readjustment Allowances - A wage subsidy available in the form of weekly cash payments to workers who are enrolled in a full-time training course;
- Job Search Allowance – A cash allowance provided to workers who cannot find an available job within the commuting area, which is used to cover transportation costs, etc.
Note: If the individual is participating in the JOBS Program, the Employment Contractor must be notified of the individuals receipt of these funds.
- Relocation Assistance – A cash allowance provided to workers who have to accept a job outside of their commuting area and relocate.
Note: If the individual is participating in the JOBS Program, the Employment Contractor must be notified of the individuals receipt of these funds.
- Health Coverage Tax Credit – A tax credit offered to TAA participants to help pay for the health insurance premiums of the worker and their family.
Note: If the individual is requesting reimbursement for a health insurance premium from TANF, TANF policy will only reimburse the difference between the actual premium amount and the amount of tax credit the individual receives and only that premium for coverage of a TANF eligible unit member.

41. Tribal High School Graduate/GED Payments - Payments from a federally recognized ~~T~~ tribes within North Dakota to enrolled tribal members who graduate from high school or receive a GED are considered non-recurring lump sum. These payments are disregarded as income.

19. 400-19-55-30-10 – The following changes were made to this section:
- Added a 'Note' under Child Care to include policy that a child care expense as a result of employment only can be used as a deduction from earned or unearned income
 - Removed the maximum amounts allowed for the cost of child care and replaced it with a reference to the amounts allowed under the Child Care Assistance Program, as TANF policy utilizes the amounts

allowed under the Child Care Assistance Program.

- Increased the maximum allowed for Adult Dependent Care from \$480 to \$610 effective July 1, 2012, and added a requirement that the need for care must be verified by the incapacitated adults medical provider.

Child or Adult Dependent Care 400-19-55-30-10

- Child Care -TANF allows a household the option of receiving child care expenses as a deduction from earned or unearned income, or as a reimbursement through the Child Care Assistance Program (CCAP).

Note: Child Care expenses as a result of employment are the ONLY child care expenses that can be allowed as a deduction from earned or unearned income. Child care expenses for education, training, participating in an allowable JOBS activity, etc., (other than paid employment) cannot be allowed as an expense from earned or unearned income. These expenses must be reimbursed through CCAP.

~~TANF families requesting to receive reimbursement at 100%, up to the maximum allowed, through the Child Care Assistance Program instead of receiving the expense for the child care incurred must request the change in writing. A family can switch from using their child care costs as an expense under TANF to requesting reimbursement of their costs through using the CCAP any time before the end of the month, or before benefits have been issued under TANF or the Child Care Assistance Program. Requests for such a change must be made in writing. However, Once benefits are issued under either program, a family cannot request a change.~~

Note: When the CCAP pays a child care provider a portion of the child care expenses, any amounts not paid by CCAP cannot be allowed as a deduction.

The amount of the expenses allowed under TANF for the cost of child care, cannot exceed the maximum allowed under the CCAP for the Provider Type of 'Center'. of:

- ~~\$480 from birth up to 2 years of age (through the month of their 2nd birthday)~~
- ~~\$450 for 2 and 3 year olds (through the month of their 4th birthday)~~

- ~~\$430 for 4 and 5 year olds (through the month of their 6th birthday)~~
- ~~\$400 for 6 up to 13 years of age (through the month of their 13th birthday)~~

Requests to allow an expense for the cost of child care provided to children between 13 and 18 years of age will require current, medical evidence from a physician, psychologist, or clinical specialist that clearly confirms the need.

Any ~~€~~child care expenses that exceed the allowable CCAP maximums can neither be paid through CCAP nor allowed as an income deduction. Child care costs deducted from the TANF gross income cannot be paid through CCAP.

If the employed TANF household member is a non-legally responsible ineligible TANF caretaker, the child care expense cannot be allowed as a deduction. However, the household may apply for assistance under the Child Care Assistance Program.

Child care costs must be verified by use of a completed SFN 616, "Child Care Assistance Program and Child Care Service Report and Bill" (See Forms Appendix), or by obtaining information from provider documents containing the same information. These costs are budgeted prospectively for the initial two months and retrospectively thereafter.

- Adult Dependent Care - The allowable deduction for the cost of adult dependent care for incapacitated adult living in the same home are not to exceed the maximum allowable rate of ~~\$480~~ \$610 per month, and will be disregarded from countable household income. However, the incapacitated adult must be an eligible TANF household member receiving TANF benefits.

Note: Verification must be received from the incapacitated adult's medical provider showing care is required.

Adult Dependent care expenses allowed when determining net household income cannot be paid through essential services or JOBS supportive services.

Adult dependent care costs must be verified and budgeted prospectively for the initial two months and retrospectively thereafter.

Adult dependent care costs shall be verified by obtaining a document signed by the provider which identifies the individual requiring the care, the month of service, the hours of care provided, and expenses incurred.

JOBS Supportive Services 400-19-65

20. 400-19-65-15 – Increased the maximum allowed for Care of Incapacitated Household Members in #1 from \$480 to \$610 effective July 1, 2012.

Types of JOBS Supportive Services 400-19-65-15

1. **Care of Incapacitated Household Members** - Assistance in the purchase of care for an incapacitated or disabled member of the participant's household to whom the JOBS participant owes a legal duty to provide care may be approved, provided:
- a. There is no other individual in the household who can provide the care; and
 - b. The incapacitated or disabled household member cannot provide self-care.

The cost must be negotiated with the provider. The amount paid must be the actual costs incurred but cannot exceed ~~\$480.00~~ \$610.00 per month per incapacitated or disabled household member. Payment for these expenses is made to the vendor utilizing the Vendor Payment process.

Job Opportunity and Basic Skills (JOBS) Program 400-19-75

21. 400-19-75-10-05 - Corrected wording in #4 to coincide with the definition of 'Dependent Child' with regards to children over age 18. Children over age 18 do not actually have to have participated in the graduation ceremony or have their diploma in hand before their 19th birthday, but must have completed their training curriculum in order to receive their high school diploma or GED, or complete their training at a vocational or technical school that is equivalent to secondary school. (e.g. Individual will attain age 19 in May. In May, the individual will have completed their training curriculum in order to graduate, but

graduation is not being held until June. The child would be eligible for TANF through May.)

Exempt Individuals 400-19-75-10-05

Under Federal TANF law, the following individuals are exempt and are not required to participate in the JOBS or Tribal NEW programs:

1. Individuals age 65 or older in receipt of TANF.

Note: A 65 year-old work eligible individual is included in the state's work participation rate, even though the individual is considered exempt under North Dakota TANF law, rule and policy.

2. Parents or caretaker relatives personally providing full-time care for a child who is under the age of 2 months and who have not received the lifetime maximum exemption of 12-months as a caretaker of a newborn.

Note #1: Such parents or caretaker relatives are considered exempt through the end of the 2nd month from their child's date of birth.

Note #2: When a household includes two parents, only one parent can claim theis exemption ~~based on the age of their child~~. When applicable, ~~theis~~ exemption applies to the non-disabled, non-aged, or non-incapacitated parent.

3. Children under the age of 16.
4. Children age 16 and older and who are currently enrolled or have been accepted as full-time students for the next school term in an elementary or secondary school or in a vocational or technical school that is equivalent to secondary school and who, by the last day of the month of ~~will graduate by~~ their 19th birthday, will:
 - a. Complete their training curriculum from a secondary school in order to receive a high school diploma or GED, or
 - b. Complete their training at a vocational or technical school that is equivalent to secondary school.

Note: Individuals age 16 or older who are pursuing a GED must participate in JOBS.

22. 400-19-75-10-15-05 - Corrected wording in the first #2 to coincide with the definition of 'Dependent Child' with regards to children over age 18.

Verified Provider of Care to a Disabled Family Member 400-19-75-10-15-05

For purposes of this section:

- "Parent" means a parent or caretaker relative who would otherwise be considered a non-exempt caretaker, including a Pay After Performance caretaker.
- "Disabled" or "Disability" means the existence of a verifiable physical or mental impairment.
- "Family member" means an individual who is within the fifth degree of relationship to the 'parent'.
- "Living in the home" means physically residing within the home of the 'parent' or spouse.
- "State Exemption Determination Team (SED)" means the Public Assistance Director and the TANF/JOBS Policy Administrator(s).
- "Legal Duty to Provide Care" means an individual whose legal responsibility to provide care to an individual is conveyed by marriage, parentage or by court order.

Note: Unless ordered by the court, a parent's 'Legal Duty to Provide Care' ends:

1. For a child who turns age 18, the month following the month a ~~the~~ child turns age 18; or
2. For a child who is age 18 and will complete their training curriculum from a secondary school or vocational or technical school that is equivalent to secondary school by the last day of the month of their 19th birthday, the month following the month of graduation ~~the child completes their training curriculum. ~~from high school of a child who is age 18.~~~~

The TANF program shall exclude from participation in the JOBS Program a parent or spouse who is providing care to a disabled family member if:

1. The disabled family member is "living in the home" and the parent or spouse has a "legal duty to provide care"; and

2. The SEDT has determined that the "family member's" disability supports the parent's or spouse's need to provide care to the disabled family member.

NOTE: When such a determination is made, the SEDT shall select the Verified Provider of Care (VP) exemption reason on the JOBS window. Only State TANF Policy may select the VP exemption reason.

Requests to have the SEDT grant VP exemption to an individual may be initiated by the disabled family member's parent or spouse, the TANF Eligibility Worker, or the JOBS Employment Contractor, as described below.

Required Process For Determining If A Parent or Spouse Should Be Considered A Verified Provider Of Care To A Disabled Family Member:

1. The parent or spouse must provide current medical documentation to verifying the family member's disability and supporting their parent or spouse's need to remain at home to provide full-time care to the disabled family member.
 2. The TANF Eligibility Worker or JOBS Employment Contractor must forward a completed copy of SFN 451 "Eligibility Report on Disability/ Incapacity" along with all available medical documentation to the SEDT requesting that VP exemption be granted to the parent or spouse.
 3. The SEDT will determine if the VP exemption will be granted. If the SEDT grants VP exemption to the parent or spouse, the parent or spouse will not be required to participate in the JOBS or Tribal NEW programs.
 4. The SEDT will inform the TANF Eligibility Worker and JOBS Employment Contractor, ~~as appropriate,~~ of the determination. If VP exemption is granted, the TANF Eligibility Worker is informed of:
 - a. The date of the next scheduled review; and
 - b. The information that must be provided to complete the review.
23. 400-19-75-20 – Clarified policy that when determining 'good cause' for the reason of Child Care Unavailable under 3.c., use 2 (two) times the maximum allowable amount as determined by the Child Care Assistance

program for the Provider Type of 'Center'.

Good Cause Allowable Reasons for Nonparticipation in JOBS or Tribal NEW 400-19-75-20

All nonexempt individuals capable of working or participating in JOBS program activities at any level will not be granted good cause from participation in the JOBS program.

A nonexempt individual who is unable to work or participate at any level may be granted good cause to **temporarily postpone** the referral to or **temporarily excuse** the individual from participation in JOBS. However, since most individuals will be able to participate at some level, a very small number of individuals will be granted good cause.

NOTE: A month in which a TANF recipient is granted good cause counts toward the state's work participation rate. It is imperative that an individual with good cause be referred to the JOBS program as soon as good cause ends.

Nonexempt individuals who are granted good cause to temporarily postpone a referral to the Job Opportunities and Basic Skills (JOBS) or Tribal Native Employment Works (NEW) program or who are granted good cause to reduce expectations for their involvement in work activities are always included in the state's work participation rate. Therefore good cause must be used sparingly.

All nonexempt individuals must participate in the JOBS program unless good cause is granted. Except for good cause due to medical reasons, determinations of good cause are made by the TANF Eligibility Worker. All requests for good cause due to medical reasons must be submitted to State TANF Policy. Once State TANF Policy ensures all necessary information is included with the request, the request will be forwarded to the State Review Team (SRT) for a final decision.

Note: For individuals who have given birth and are not eligible for the Caretaker of a Newborn exemption, the TANF Eligibility Worker may grant good cause for the month of birth and the month following (e.g. The caretaker met the 12-month lifetime limit; the newborn was never added to the TANF case due to death, adoption or placed in Foster Care, etc).

Good cause for failure or refusal to participate in the JOBS or Tribal NEW program exists when:

1. Incapacitated - The individual is incapacitated with a physical or mental impairment verified by reliable medical evidence which, by itself or in conjunction with age, prevents the individual from working or participating in any JOBS program activity (Refer to N.D.A.C. § 75-02-01.2-103(1)(a));
2. Temporary Illness - An individual has an illness or injury, verified by reliable medical evidence and reviewed every thirty days, which is serious enough to temporarily prevent entry into employment or participation in any JOBS program activity (Refer to N.D.A.C. § 75-02-01.2-103(1)(c)); or
3. Child Care Unavail - In the case of a parent or other eligible caretaker relative of a child under age six who is personally caring for the child full-time and who demonstrates an inability to obtain needed child care for one or more of the following reasons (Refer to N.D.A.C. § 75-02-01.2-103(1)(d)):
 - a. The commuting time, based on personal vehicle use, from the parent's home to the child care provider to the parent's worksite exceeds one hour;
 - b. Suitable child care is not available from a relative, from an approved licensed or registered child care provider, or from a child care provider not required to be licensed or registered under NDCC 50-11.1; or
 - c. Child care is not available, from a licensed or registered child care provider under NDCC 50-11.1, at a rate equal to or less than 2 (two) times the maximum allowable amount as determined by the Child Care Assistance program for the Provider Type of 'Center'. (~~e.g. If the current rate is \$480 per month, 2 (two) times the maximum allowance amount would be \$960~~).

All requests for 'good cause' for the reason of 'Child Care Unavail' must be submitted to State TANF Policy for final approval.

4. Family Violence - A victim of family violence may be granted good cause for non-participation in the JOBS program. (See Section 400-19-75-20-05, Good Cause - Family Violence Option.)
5. Contractor Limits - Contractor Limit good cause may only be used when the Department determines it is necessary to administratively limit the number of individuals being referred to, or participating in, the JOBS program. The Department will inform counties when and how contractor limit good cause may be used.

Using the Decision-Making Principles in Section 400-19-05, Definitions, the TANF Eligibility Worker is responsible to determine if a nonexempt TANF applicant has good cause to postpone the referral to JOBS or Tribal NEW program.

Once an individual begins participation in JOBS or Tribal NEW, the JOBS Employment Contractor, Tribal NEW Coordinator, or the TANF Eligibility Worker has the authority to pursue good cause for the individual to temporarily reduce their involvement within the JOBS program or to temporarily excuse them from participation in JOBS.

24. 400-19-75-40-25 – Added clarification to this section that an individual is allowed seven (7) calendar days, from the print date of the JOBS referral to resume participation in the JOBS program after moving to a new county.

JOBS or Tribal NEW Participant Moves to Another County 400-19-75-40-25

When an individual moves from one county to another, participation in JOBS or Tribal NEW is considered a continuation of service and the individual is not treated as a new participant. Whether or not the receiving county is served by the same JOBS Employment Contractor or Tribal NEW Coordinator, these individuals must resume involvement in JOBS or Tribal NEW ~~without any break in service~~ within seven (7) calendar days from the print date of the new JOBS referral.

Sending County:

Consistent with Service Chapter 448-01-40-40, the TANF Eligibility Worker is responsible to complete any unresolved actions in the individual's case prior to transferring the file to the receiving county.

Receiving County:

The TANF Eligibility Worker must:

1. Determine whether the individual should be referred to JOBS or Tribal NEW;
2. Create a new referral form and select the appropriate JOBS Employment Contractor or Tribal NEW Coordinator for those individuals who are required to participate in JOBS or Tribal NEW;
3. Select the 'Yes' radio button in the Transfer Case group box on the JOBS or Tribal NEW referral form, which will distinguish this action from a new referral; and
4. Send copies of the JOBS or Tribal NEW referral form to the client at their new address as well as to the JOBS Employment Contractor or Tribal NEW office.

Sanctions for Non-Compliance with Child Support Enforcement 400-19-95

25. 400-19-95-10 - Changed 'two' to three' in #2 to read correctly that 'A CSE sanction cannot be imposed on the last three working days of the month as the benefit amount for the future month cannot be decreased without adequate notice.'

Imposing a Child Support Enforcement Sanction 400-19-95-10

When Child Support Enforcement's (CSE) determination of non-cooperation occurs:

1. Prior to the third to the last working day, the automated computer system:
 - a. Creates an alert in the TANF case informing the TANF Eligibility Worker of the non-cooperation;
 - b. Creates a CSE Sanction on the Sanction Window;

Note: Creation of a CSE sanction will un-authorize the future benefit month.

- c. Updates the Cooperation Code to 'Not Cooperating' on the Child Support Cooperation/Paternity Window.
 - d. Creates and sends the TANF Child Support Sanction notice to the recipient.
2. On or after the third to the last working day, the automated computer system holds the sanction until the first day of the future month. A CSE sanction cannot be imposed on the last ~~two~~ three working days of the month as the benefit amount for the future month cannot be decreased without adequate notice. On the first of the future month, the automated computer system:
 - a. Creates an alert in the TANF case informing the TANF Eligibility Worker of the non-cooperation;
 - b. Creates a CSE Sanction on the Sanction Window effective the first day of the future month;
 - c. Updates the Cooperation Code to 'Not Cooperating' on the Absent Parent Maintenance Window; and
 - d. Creates and sends the TANF Child Support Sanction notice to the recipient.

Example: A sanction recommendation is received from CSE on January 30th. The automated computer system holds the sanction until the first day of February as there is not enough time to reduce the household's February benefit with adequate notice. On February 1, the system automatically imposes the CSE Sanction to be effective March 1. March becomes the Sanction Penalty Month.

TANF Budgeting 400-19-105

26. Corrected wording in the first '**Note**' to coincide with the definition of 'Dependent Child' with regards to children over age 18. Children over age 18 do not actually have to have participated in the graduation ceremony or have their diploma in hand before their 19th birthday, but must have completed their training curriculum in order to receive their high school diploma or GED, or complete their training at a vocational or technical school that is equivalent to secondary school. (e.g. Individual will attain age 19 in May. In May, the individual will have completed their training curriculum in order to graduate, but graduation is not being held until June. The child would be eligible for TANF through May.)

Budgeting for Persons Leaving the Household 400-19-105-40-45

Individuals leaving the household will be eligible through the month in which they leave. If a TANF household reports a mandatory TANF household member has or will leave the household during the benefit month, that individual must be included in the household for the benefit month in which the individual left, and removed effective the month following.

Note: Children are eligible through the month of their 18th birthday or, if age 18 and a full-time student, throughout the month they graduate, provided they graduate no later than the month they turn age 19. in a secondary school or a vocational or technical school that is equivalent to secondary school, will, before the end of the calendar month in which the student attains age 19:

- a. Complete their training curriculum from a secondary school in order to receive a high school diploma or GED, or
- b. Complete their training at a vocational or technical school that is equivalent to secondary school.

If a family reports that a mandatory TANF household member will be leaving or has left the household, it will be necessary to determine the prospective eligibility for the remaining household members for the month following the month in which the individual left.

- If the household is found to be prospectively eligible, the individual who left must be removed from the household. The TANF benefit amount for the remaining household members shall be determined considering the income and expenses of the remaining household members, excluding the income, expenses, and needs of the individual who left.
- If no prospective eligibility for the remaining household exists, the case must be closed.

These provisions also apply ~~When~~ when a child leaves a TANF household and is placed in foster care, the above provisions also apply. In this situation, ~~if~~ prior to the out-of-home placement, the child has received TANF benefits, and foster care payments are later made for the same month, the TANF benefit received for that month is not considered an overpayments.

Note#1: This duplication of benefits can only occur for the month of removal. If duplicate benefits are paid beyond the month of removal, TANF overpayments must be established.

Note #2: When a child exits a foster care setting to return to the TANF household, the TANF Eligibility Worker must verify the last day for which Foster Care payments were made in order to prevent duplicate benefits. Eligibility for the child begins the first day following the last day for which a Foster Care payment was made.

TANF Payment Process 400-19-120

27. 400-19-120-100 – Updated the procedure used for replacement of lost, destroyed or stolen checks.

Lost, Destroyed, or Stolen Checks 400-19-120-100

If the payee is reasonably certain that a check has been lost (TANF benefit not received within 7 days from the date mailed), ~~stolen, or destroyed, the check can be reissued. an indemnity bond, or in the case of a stolen check, a bond, or in the case of a stolen check, a forgery bond, for which there is no charge, should be requested from the Department of Human Services Fiscal Administration, by the TANF Eligibility Worker~~ To request the check be reissued, the TANF Eligibility Worker must submit the following information to State TANF Policy:

1. The check number (obtained from the TANF Issuance History (ISHI) screen
2. in TECS);
3. Check Date (Obtained from the TANF Issuance History (ISHI) window in TECS);
4. Check Amount;
5. Name of TANF Recipient.

Upon receipt, the information is forwarded to the After the bond has been executed and returned to Fiscal Administration Unit to begin the process of reissuing the check. Fiscal Administration request, a new check will be issued with the next immediate issuance. At the same time the bond is being prepared, a stop-payment order be is placed against the check allegedly lost, stolen, or destroyed. Once Fiscal Administration completes their procedures, a new check will be issued with the next immediate issuance.

Note #1: In these case, Do not setup overpayments shall not be established. Instead, Fiscal Administration will make all the proper adjustments.

Note #2: If the original check is located after the stop payment order is in place, the recipient shall not cash the check. It must be promptly forwarded to Fiscal Administration for cancellation.

Canceled TANF Checks – If a recipient wants to return a check to the Department of Human Services, the TANF Eligibility Worker must complete SFN 773 – Cancellation of Warrants or Checks, and send it, along with the check to the Department of Human Services Fiscal Administration. The cancellation form includes the recipient's name and address, case number, the amount of the check, and the reason the check is being returned. Do not set up overpayments. Fiscal Administration will make the proper adjustments.

Refund Checks – If an individual makes payment by personal check, cashier's check, etc. (the check must be made out to the North Dakota Department of Human Services) towards an established overpayment, complete SFN 827, Credit Form and send the check or money order to the North Dakota Department of Human Services Fiscal Administration for processing. The form includes the individual's name and address, the amount of the check, and the month the overpayment occurred or the program to apply the payment towards. Fiscal Administration will offset the overpayment in the automated computer system.

Electronic Payments Cards - If the recipient received benefits electronically, the benefits cannot be canceled because the card was lost, destroyed, or stolen. This is an issue between the recipient and U.S. Bank.

If an individual does not want the TANF benefit, the benefit cannot be canceled. The individual may cash out the amount of the benefit and return the funds by check or money order to the county. (See the Payment Corrections section in Section 400-19-120-25, Unrestricted Payment of TANF Benefits).

Appeals and Fair Hearing 400-19-125

28. 400-19-125-25 – Added policy to this section indicating the process an Eligibility Worker must complete when an appeal is the result of a decision for the JOBS Program. Also added a reference to the 448 manual for additional information regarding the procedures for Appeals and Fair Hearings.

Fair Hearing Process 400-19-125-25

When adverse action is taken against an individual in the TANF/JOBS Program and the individual requests a fair hearing, the hearing will be conducted by the Office of Administrative Hearings in accordance with N.D.A.C. § 75-01-03. (Refer to Administrative Manual Section [448-01-30](#), Procedures for Appeals and Fair Hearings for additional information.)

The following procedure should be followed when a TANF recipient requests a fair hearing:

1. If the individual submits their request to the county social service office, the request form should be date stamped upon receipt and both the envelope (the postmarked envelope is needed to determine the timeliness of the individual's request) and the Request for Hearing form should be immediately mailed to the DHS Appeals Supervisor at the address noted below;
2. If the individual hand delivers their request to the county, the request form should be:
 - a. Date stamped upon receipt, with a notation made on the form that it was hand delivered; and
 - b. Immediately mailed to the DHS Appeals Supervisor at the address noted below, along with a completed SFN 1784, Appeal Background Report and pertinent documents relating to the appeal; and

Note: If a completed SFN 1784, Appeal Background Report is not submitted, you will be sent a form by the Appeals Supervisor requesting the report be completed and mailed, along with any other pertinent documents relating to the appeal (e.g. 'good cause' determination letters, sanction notices, etc.) to:

Appeals Supervisor
DHS Legal Advisory Unit
600 East Boulevard Avenue, Dept. 325
Bismarck, ND 58505-0250

The TANF Eligibility Worker must notify the DHS Legal Advisory Unit Appeals Supervisor if the appellant is represented by legal counsel to ensure that legal counsel is also provided for the county. However, if the TANF Eligibility Worker believes that legal counsel is necessary in cases where the appellant is not represented, a request with rationale for counsel must be sent to the DHS Legal Advisory Unit Appeals Supervisor at 600 East Boulevard Avenue, Dept. 325, Bismarck, ND 58505-0250.

If the request for a fair hearing is the result of a JOBS Sanction, the TANF Eligibility Worker must arrange to have appropriate JOBS staff testify at the fair hearing. The TANF Eligibility Worker and/or JOBS Employment Contractor are responsible to compile a chronological written history of the individual's involvement and non-compliance with the regular TANF or JOBS program requirements.

When an appeal is the result of a decision by the JOBS Program and the Employment Contractor is expected to participate in the appeal hearing, upon receipt of the 'Notice of Hearing and Specification of Issue' the Eligibility Worker must:

1. Contact the Employment Contractor and obtain information used by the Employment Contractor to make their determination, and
2. Submit the information to the Administrative Law Judge.

Upon receipt of the date, time and place of the hearing, the Eligibility Worker must notify the Employment Contractor of those details.

29. 400-19-125-30 – Add clarification in this section regarding notification requirements when the result of the fair hearing is in the county's favor.

Results of the Fair Hearing 400-19-125-30

Upon receipt of the order, signed by the Executive Director of the Department:

- If the individual wins the appeal, a financial penalty is not applied to the case. If the appeal was a result of imposing a JOBS Sanction, the Sanction Status is updated to 'Removed', which allows the action to be tracked while rendering the sanction ineffective.
Note: The TANF Eligibility Worker must contact State TANF Policy and request the Sanction Status be updated to 'Removed'.
- In the event that an individual loses the appeal, any amount paid to the recipient pending the fair hearing decision shall be considered an overpayment, subject to recovery. The amount of such overpayment is the amount of additional benefits paid to the household while awaiting the decision of the fair hearing authority.
Note: A copy of the signed 'Order' is sent to the recipient and meets the notification requirements. Therefore, once the signed 'Order;' is received, an additional Advance (10-Day) or Adequate Notice is not required to take the action based on the 'Order'. However, if losing the appeal results in an overpayment, the TANF Overpayment Notice must be sent, as well as the TANF Closure notice, if applicable.
- In the event that an individual loses the appeal, supportive services paid during the appeal process are not to be considered an overpayment and thus, are not to be subject to recoupment.

Intentional Program Violation (IPV) 400-19-135

30. 400-19-135-30 – Added the following clarification:

- Reworded some sections for clarification and added additional information.
- Defined that the meeting with the household to discuss the IPV must be held within two (2) weeks of establishing the suspected IPV.
- Added that the preferred method for arranging the meeting is to send the household member a notice through the automated computer system.
- Added policy should the notice of meeting be returned as undeliverable or with no forwarding address.

Initiating Administrative Disqualification Hearing Process 400-19-135-30

The Administrative Disqualification Hearing process should be initiated in instances when there is sufficient documentary evidence to substantiate that an individual has committed one or more acts of intentional program violation. The following procedures are recommended:

1. ~~The county social service~~ TANF Eligibility Worker shall complete the first portion of SFN 1940, TANF/SNAP Notice of Suspected Intentional Program Violation, including:
 - a. ~~Indicate~~ the household member against whom there is evidence of a violation exists.
Note: In most instances this will be the household member who has completed the application, monthly report form, or any other appropriate materials used in the eligibility process which containeding false information or omitted necessary facts.
 - b. What information was provided that is deemed incorrect, or
 - c. What facts existed that were not revealed;
 - d. How that information was submitted by the household;
 - e. When that information was offered by the household.
2. Completion of the "description of evidence" on page 2 should be brief and to the point:
 - a. What information/verifications have been secured that dispute the accuracy of the household's statements;
 - b. When and with whom were discussions conducted, the outcomes of which contradict the household's statements;
 - c. What documents were provided that should have included information not revealed, and when were they submitted.

Note: If more room is needed, use a second sheet.

~~When completing the 'description of evidence' section of the form, be brief and to the point. Please address the specific household member. Identify what the household member misrepresented, as well as when and how. Describe what is believed to be the true information and where the information came from.~~

Many disqualifications involve unreported wages, so a typical example will be:

Page 1: You submitted reports for (identify the month or months and year) on (identify the date received in the agency) which you certified that no household member had income from employment. We now have wage information which shows that (name of household member) was employed by (name of employer) and had income from that employment during those months.

Page 2: ~~The employer has~~ We now have verification verified that (name) was employed ~~there from~~ during the period (date) to (date) and received income on the following dates and in the following amounts: ~~€~~(\$).

2. The TANF Eligibility Worker must attempt to hold a meeting with the household member to discuss the suspected IPV within two (2) weeks of establishing the suspected IPV. ~~shall contact the individual and arrange an appointment to meet and discuss the issue.~~

Note: The preferred method for arranging the meeting is to send the household member a notice through the automated computer system.

If the individual suspected of an Intentional Program Violation attends the meeting, the individual shall be given a copy of the DN 1087, Legal Service Organizations. This serves to meet the federal requirement that individuals being considered for Administrative Disqualification be notified of the availability of free legal assistance.

- If during the meeting it is determined there was no Intentional Program Violation, SFN 1940, TANF/Notice of Suspected Intentional Program Violation is placed in the casefile with a notation that it was not forwarded for further action along with a summary of the explanation as provided by the individual. However, any overpayments must still be established and recovered.
- If, during the meeting, the absence of any satisfactory explanation by the individual leads the county TANF Eligibility Worker to believe that the violation did occur and the individual has no satisfactory explanation, ~~the SFN 1940, TANF/Notice of Suspected Intentional Program~~

Violation ~~will be~~ is be given to the individual, along with an explanation and the consequences relating to the signing of Part A or B of the Waiver of Hearing.

The TANF Eligibility worker must explain that signing Part A or B of the Waiver of Hearing will result in specific program disqualification:

- 12 months on the 1st violation,
- 24 months for a 2nd violation, and
- Permanently for a 3rd violation.

Continued eligibility for TANF requires that at least one member of the household retains TANF eligibility.

Only the individual(s) found to have committed the violation or who signed the waiver or the consent agreement in court cases, and not the entire household, shall be disqualified; the disqualified individual's ~~their~~ income and assets will continue to be used in determining eligibility and benefit amount for the remaining eligible household members.

- i. If during the meeting the individual suspected of an Intentional Program Violation signs the Waiver of Hearing:
 - Provide the individual a copy of SFN 1940, TANF/SNAP Notice of Intentional Program Violation, and
 - Mail the SFN 1940, TANF/SNAP Notice of Intentional Program Violation, detailing the violation to the Appeals Supervisor, North Dakota Department of Human Services, Judicial Wing, 600 East Boulevard Avenue, Bismarck, ND 58505-0250.

Note: If Part B is signed, a cover letter detailing why the individual signed Part B rather than Part A must also be sent to the Appeals Supervisor.
- ii. If during the meeting, the individual suspected of an Intentional Program Violation refuses to sign the Waiver of Hearing:

- Explain that a hearing will be held, usually by telephone, though the individual may unless they request that a hearing officer be present by as so indicating ed on the SFN 1940 TANF/SNAP Notice of Intentional Program Violation.
- Give the individual a copy of the SFN 1940 TANF/SNAP Notice of Intentional Program Violation.
- Mail the original along with a letter detailing the violation, copies of relevant parts of the monthly report, statement of facts or the Application for Assistance (SFN 405), copies of any verification you obtained, etc., to the Appeals Supervisor, North Dakota Department of Human Services, Judicial Wing, 600 East Boulevard Avenue, Bismarck, ND 58505-0250.

Note: It will not usually be necessary to copy the entire monthly report, as long as it is identified.

3. If the individual suspected of an Intentional Program Violation fails to respond within two weeks to a request for a meeting or agrees to a meeting but fails (without satisfactory explanation within three days after the scheduled meeting) to appear for the meeting:
 - Forward the SFN 1940 TANF/SNAP Notice of Intentional Program Violation, along with a letter detailing the violation, to the Appeals Supervisor, North Dakota Department of Human Services, Judicial Wing, 600 East Boulevard Avenue, Bismarck, ND 58505-0250.

Prior to receipt of a disqualification decision, the household will continue to participate at the same benefit level as any other household while awaiting a disqualification decision. The Recoupment of any overpayment continues to be collected at the rate of 10%. Full repayment of the overpayment does not stop the disqualification procedure from taking place.

4. If the notice is returned as undeliverable or with no forwarding address, the IPV shall not be forwarded to the Legal Advisory Unit

for a hearing, as an IPV hearing cannot be scheduled by the Office of Administrative Hearings (OAH) if notice cannot be mailed and received (notice was returned as undeliverable or with no forwarding address) by the recipient.

- The IPV information shall be placed in the casefile until an address is known, at which time the TANF Eligibility Worker can begin the proceedings.

TANF Kinship Care 400-19-140

31. 400-19-140-20 – Added clarification in 1.a. to define responsible adult to be the spouse of the caretaker, child's biological or adoptive parent, or an individual (loco parentis) acting in the place of a child's parent who resides in the home and is available to provide the child care while the caretaker participates in paid employment, a combination of paid employment and education/training, or work search.

TANF Kinship Care Supportive Services 400-19-140-20

Supportive services may provide reimbursements within the limits established by the department under the Foster Care program. Any approved supportive services reimbursement will be paid retroactively and will require proof of costs incurred. Eligibility for TANF Kinship Care supportive services is the date of application or the date of eligibility whichever is later.

Once Kinship Care Study, Child Abuse and Neglect Background Check, Kinship Placement, and Kinship Care Agreement are completed, supportive services can be paid and continue to be paid until the 90th day, when results of the Criminal Background Check are required. In order for supportive services to continue beyond the 90th day, the Social Worker must provide verification of a successful Criminal Background Check on the adult with whom the child is placed. A successful Criminal Background Check may include confirmation of a criminal background; however, the offense and date of conviction may not warrant denial of a kinship care placement. Payment of supportive services will be prohibited beyond the 90th day if the TANF Eligibility Worker has not received the results of the Criminal Background Check or received confirmation that the adult with whom the child was placed has a criminal background.

TANF Kinship Care supportive services provide reimbursement for:

1. Child Care - Child care may be reimbursed to the caretaker as a TANF Kinship Care supportive service or as an expense from earned income. Effective with the benefit month of August 2011, there is no maximum on the amount of child care that can be reimbursed or allowed as an expense, provided the costs are reasonable and comparable to the market rate for the area.
 - a. Reimbursement is available for the caretakers paid employment, a combination of paid employment and education/training, or work search where care is necessary and no other responsible adult member unless the spouse of the caretaker, the child's biological or adoptive parent, or an individual (loco parentis) acting in the place of a child's parent resides in the home and is available to provide the child care.
 - b. The child care provider must be a licensed, certified, registered or an approved relative provider unless the TANF Eligibility Worker and Social Worker determine conditions prevent care from being provided outside the home or verified barriers prevent child care arrangements outside the home.
 - c. The Kinship Care child to whom care is provided must be younger than 13 years of age. (Requests for reimbursement for care provided to children between 13 and 18 years of age will require current, medical evidence from a physician, psychologist, or clinical specialist that clearly confirms the need).

Payment of Child Care expenses ~~is~~ ~~are made~~ issued through the automated computer system ~~through the~~ as a TANF benefit and not through the Child Care Assistance Program.

2. Clothing Allowance Reimbursement - Initial and Special:
 - a. Initial Clothing Allowance - During the first five months after the child enters a TANF Kinship Care arrangement, the child's clothing needs can be met with an initial clothing allowance, if needed. The initial clothing allowance must be requested and prior approval received. A list of clothing purchases and receipts must be submitted to the county for reimbursement. Approval for the initial clothing allowance should be included in the permanency planning document. The system limits the amount a payment may be made based on the age of a child

but does not keep track of the five month period. Tracking the five month period is a manual process and should be kept in the TANF Kinship Care casefile.

Note: Once a child receives the initial clothing allowance, they should not receive it again while residing within the same foster home. While it is expected that clothing purchased and reimbursed by Kinship Care follows the child, an additional allowance may be authorized if the child moves to a new foster home, ~~the child is again eligible to receive the initial clothing allowance. However, there is an expectation the clothes will follow the child.~~

- b. Special Clothing Allowance - A special clothing allowance (should the need arise) may be authorized to replace clothing lost in a fire, flood, theft, or other disasters, or for sudden spurts of growth. The special clothing allowance rate is for emergency and extraordinary circumstances and should rarely be used in meeting the needs of the child. The supportive service is not an entitlement, but an exception.
 - c. Following are the allowable rates for the initial and special clothing allowance (should the need arise) established under Family Foster Care:
 - Children ages 0 – 4 years of age \$150 maximum per year per child.
 - Children ages 5 – 12 years of age \$225 maximum per year per child.
 - Children ages 13 – over 18 or 18* \$300 maximum per year per child.
3. Emergency Needs - Payment for emergency needs may be reimbursed to meet expenses for which non-payment would threaten the placement as determined by the TANF Eligibility Worker and Social Worker, and cannot exceed \$500. The \$500 is a one-time option that may be reimbursed in one payment or several payments not to exceed a total of \$500. Reimbursement for miscellaneous expenses will be allowed only if the Kinship Care caretaker requested and received specific approval from the TANF Eligibility Worker and Social Worker prior to the services being provided. Some examples of items that may qualify in this category

- are a bed, bedding, crib, highchair, damage by a child in Kinship Care placement, etc.
4. Legal Fees - Legal fees incurred by the caretaker relative necessary to obtain legal guardianship of the TANF Kinship Care child can be paid under supportive services. Funds designated for this purpose, are currently administered by NDDHS Children and Family Services (CFS) and CFS is first payer before TANF Kinship Care. Reimbursement for legal fees may be allowed only if the caretaker relative requested and received specific approval from the TANF Eligibility Worker and Social Worker prior to the services being provided. TANF Kinship Care supportive services are payer of last resort for these expenses. Reimbursement may not exceed \$700. Normally this supportive service is available once per placement.
 5. School Supplies/Activity fees/Allowable Irregular Maintenance - Payment may be made under supportive services for:
 - a. School supplies or activity fees charged for participation in school and community activities (e.g. uniforms or supply rentals, activity fees, transportation costs, school pictures, field trips, school supplies, class ring, prom dress/tux, camps, music lessons/lease/purchase of musical instruments).
 - b. Allowable irregular maintenance payments may be for personal incidentals of the child such as personal hygiene items, cosmetics, over the counter medications, special dietary foods, infant and toddler supplies (including high chairs and diapers), and miscellaneous items.

Following are the allowable rates established under Family Foster Care:

- i. Children ages 0 – 4 years of age \$200 per year
 - ii. Children ages 5 – 12 years of age \$500 per year
 - iii. Children 13 and over 18 or 18* \$700 per year
6. Transportation Costs - Payment of transportation costs may be reimbursed on travel for the TANF Kinship Care child for reasonable travel to the child's parental home for visitation or other travel expenses as identified in the permanency plan. The allowable reimbursement rate for travel is \$0.45 per mile.

Diversion 400-19-145

32. 400-19-145-30 - Removed the maximum amounts allowed for the cost of child care and replaced it with a reference to the amounts allowed under the Child Care Assistance Program, as Diversion policy utilizes the amounts allowed under the Child Care Assistance Program.

Child Care Expenses 400-19-145-30

Child Care expenses cannot be paid as a supportive service under Diversion. However, these expenses may be allowed as a disregard from earned income, or paid through the Child Care Assistance Program (CCAP).

If the client requests the child care expenses be allowed as a disregard from earned income, the deduction cannot exceed the maximum allowable of under CCAP for the Provider Type of 'Center'.

- ~~\$480 from birth up to 2 years of age (through the month of their 2nd birthday)~~
- ~~\$450 for 2 and 3 year olds (through the month of their 4th birthday)~~
- ~~\$430 for 4 and 5 year olds (through the month of their 6th birthday)~~
- ~~\$400 for 6 up to 13 years of age (through the month of their 13th birthday)~~

If the client requests child care expenses paid through the ~~Child Care Assistance Program~~ CCAP, a ~~Child Care Assistance~~ CCAP application is required before payment may be made, and all ~~Child Care Assistance program~~ CCAP rules apply including licensing and registration requirements. Payment is allowed up to 100% of the charges, amount owed based on the age of the child up to up to the maximum allowed based on the child's age and type of setting.

Transition Assistance 400-19-150

33. 400-19-150-10 – Added policy to clarify that if a household receives an extra check during a Transition period, the household remains eligible for Transition Assistance if when counting the extra check results in a TANF grant of under \$200.00.

Factors of Eligibility 400-19-150-10

Eligibility for Transition Assistance may be established if:

1. The household was eligible under TANF for the month immediately preceding the month in which the family became ineligible; and
2. The household became ineligible for TANF benefits due to earned income; and

Note: The excess earned income failure cannot be due to the receipt of an extra check from a recurring source or the loss of the earned income disregards due to unreported income.

3. All other TANF eligibility requirements are met.

A household with countable earned and unearned income may be eligible for Transition Assistance if the household would have remained TANF eligible based on the countable unearned income only (gross amount minus allowable expenses).

Effective with the Benefit Month of August 2011, once a TANF case is found eligible for Transition Assistance, the case will remain eligible for the entire 6 consecutive month period, unless:

1. The household would be eligible for a regular TANF benefit (benefit amount prior to the Pay After Performance deduction) of \$200 or more; or
2. The household no longer meets all of the TANF eligibility requirements.

During a Transition Assistance period, if the household receives an extra check from a recurring source of income and counting the extra check results in a TANF grant of under \$200.00, the household remains eligible for Transition Assistance. The Transition Assistance benefit is not suspended, the month counts towards the six consecutive month period, and the household is eligible for the \$200.00 Job Retention benefit, JOBS Supportive Services and Special Items of Need.

Transition Assistance cannot be approved or, once approved ~~and cannot continue and must be closed~~ ongoing, ~~the case must be closed~~ if the individual whose earned income caused the failure is:

1. An individual sanctioned due to non-compliance with JOBS (DI);
2. A minor parent who is not the head-of-household (IN);
3. An alien who is ineligible to receive assistance due to their immigration status (DA);
4. An individual in receipt of Supplemental Security Income (SSI) benefits (SS);
5. An individual who loses their earned income disregards due to unreported income.
6. A caretaker relative who chooses to be ineligible ('OU' - for reasons other than Pay After Performance).

A household that includes an individual whose financial needs are not included in the benefit due to the Pay after Performance requirements may be eligible for Transition Assistance.

Note: The TANF Eligibility Worker must contact TANF policy to have the Meets Work Participation indicator set to 'Yes' for the individual for the future month.

Prior to authorizing eligibility for Transition Assistance, the TANF Eligibility Worker should consider the following factors:

1. Whether the child support income exceeds the sum of Special Items of Need potentially available under Transition Assistance;
2. Whether the recipient incurs child care expenses;
3. Whether the recipient is in favor of meeting the continued TANF eligibility requirements applicable to Transition Assistance (e.g. monthly reporting, child support assignment, JOBS program participation and lifetime limit).

When a Transition Assistance household fails or refuses to comply with TANF eligibility requirements, the Transition Assistance case must be closed. Upon reapplication for assistance, the household cannot resume eligibility under Transition Assistance. Instead, ~~E~~eligibility for the

household must be determined under "regular" TANF or Diversion Assistance.

The portion of the Transition Assistance benefit determined as Unreimbursed Public Assistance (UPA) is the amount paid for job retention and any transportation allowance paid during a month the individual was not employed.

~~When~~ Once a ~~Transition Assistance~~ benefit is paid, the case cannot be switched from Transition Assistance to "regular" TANF or "regular" TANF to Transition Assistance, when reworking the paid benefit month.

SFN 323, "JOBS Status Change" (or other means acceptable to the Employment Contractor) must be provided to the JOBS Employment Contractor whenever there is a change in eligibility from "regular" TANF to Transition Assistance or from Transition Assistance to "regular" TANF.