

CONDENSED
SCHEDULES
OF
ALLOWANCES *

* Source: New Jersey Categorical Assistance Budget Manual

New Jersey Department of Institutions and Agencies
Division of Welfare

DEFINITIONS

ACTIVITY GROUPINGS

Adult - Minimal Activity

- a. Refers to any person who is performing the household tasks for a family of not more than two persons (including the client); or
- b. refers to Dily person who is chairfast or bedfast.

Adult - Moderate Activity

- a. Refers to any person who is performing the household tasks for a family of 3-5 members (including the client) or to any person who is performing the household tasks for a family of not more than two persons but who also is giving extensive personal service or patient care to the other person in the home; or
- b. refers to any person who is undergoing a planned program of physical and/or vocational rehabilitation.

Adult - Strenuous Activity

- a. Refers to any person who is performing the household tasks for a family of six or more members (including the client).

FAMILY SIZE

Total number of people for whom marketing and food preparation is done in common. This number will, in some instances, not be identical with shelter unit.

AGE

For purposes of budgeting, the age of the child means the age at his nearest birthday whether in the 6 months past or in the future 6 months.

**!;HEDULES XI - TO.TAL MONTHLY ALLOWANCES FOB
PERSONAL AND HOUSEHOLD NEEDS.**

SCHEDULE A - CHILDREN						
FAMILY SIZE	2	3	4	5-6 (7 or More)	BLIND CHILDREN	
Birth • 3 Yrs.	\$34.70	\$31.60	\$28.40	\$27.60	\$26.80	Add \$6.00 to total
Child: 4- 9 Yrs.	42.50	38.90	35.20	34.40	33.60	Add \$6.00 to total
Child: 10- 12 Yrs.	52.30	48.00	43.50	42.70	41.90	Add \$6.00 to total
Girls: 13- 18 Yrs.	56.80	52.30	47.70	46.90	46.10	Add \$6.00 to total
Boys: 13- 18 Yrs.	62.60	57.50	52.30	51.50	50.70	Add \$6.00 to total

SCHEDULE B - ADULTS						
FAMILY SIZE	1	2	3	4	5-6	7 or more
ACTIVITY						
Minimal	\$61.70	\$50.90	\$47.00	\$43.10	\$42.30	\$41.50
Moderate	67.40	56.30	52.20	48.10	47.30	46.50
Strenuous	75.80	63.90	59.30	54.70	53.90	53.10

SCHEDULE C - BLIND ADULTS RESPONSIBLE FOR MARKETING AND FOOD PREPARATION						
FAMILY SIZE	1	2	3	4	5-6	7 or more
ACTIVITY						
Minimal	\$76.10	\$66.10	\$59.90	\$51.10	\$51.60	\$51.80
Moderate	82.60	70.40	65.70	60.90	60.10	59.30
Strenuous	92.70	72.50	67.10	68.80	68.00	67.20

SCHEDULE D - BLIND ADULTS NOT RESPONSIBLE FOR MARKETING AND FOOD PREPARATION						
FAMILY SIZE	1	2	3	4	5-6	7 or more
ACTIVITY						
Minimal	\$67.70	\$56.90	\$53.00	\$49.10	\$48.30	\$47.50
Moderate	73.40	62.30	58.20	54.10	53.30	52.50
Strenuous	81.80	69.90	65.30	60.70	59.90	59.10

SCHEDULE I - MONTHLY ALLOWANCES FOR FOOD ,y (BRS Food Pricing 8/58)
Lo!...lost Diet Plan - FE84/55)

FAMILY MEMBERS AGE & ACTIVITY	FAMILY SIZE			
	ALONE	2	3	4 OR MORE
Birth - 3 Yrs. - - - - -		>17,60-	-6.20	11.70
Child: 4- 9 Yrs. - - - - -		23.50	21.60	19.6.9
Own: 10- 12 Yrs. - - - - -		30.60	28.10	25.50
Girl : 13- 18 Yrs. - - - - -		31.20	28.60	26.00
Boy: 13- 18 Yrs. - - - - -		38.30	35.10	31.90
Adult: Lin. Act. - - - - -	\$33.80	30.00	27.50	25.00
Adult: Mod Act. - - - - -	16070	32.60	29.90	27.20
Adult: n. A: - - - - -	\$3.50	38.90	31.10	38.80

!!/? If usinr- Schedule I, refer to ecial Adjustments on P 7,

SCHEDULE II - MONTHLY ALLOWANCES FOR RESTAURANT MEALS

MEALS	TOTAL MONTHLY FOOD ALLOWANCE
CLIENT EATS IN A RESTAURANT:	
(a) all meals	60.00
(b) only dinner	tz.6.20
(c) breakfast and lunch	11.6.90
(d) breakfast & dinner	22.50
(e) lunch and dinner	53.50
(f) only lunch	40.1.0
(g) only breakfast	10.40

SCHEDULE UI - MONTHLY ALLOWANCES FOR THERAPEUTIC DIETS
(Based on Bi5B Food Pricing)

TYPE OF DIET	ADDITIONAL MONTHLY ALLOWANCE
Bland Low Residue (All Ulcer Diets)	\$ 7.10
Diabetic	9060
High Vitamin, High Calorie, High Protein (Malnutrition, Tuberculosis, Anemia)	8.30
Low Fat, High Protein	8.30
Low Sodium	4.30
Nursing Mother	12.30
Pregnancy	6.00

SCHEDULE IV - MONTHLY ALLOWANCES FOR CLOTHING *al*
(Clothing Pricing 4/56)

FAMILY MEMBERS AGE & ACTIVITY	FAMILY SIZE			
	ALONE -	2	3	4 OR MORE
Birth - 3Yr&		1f 5.80	1 5.50	1.20
Child: 4- 9 Yrs.		6.10	6.10	5.80
Child: 10- 12 Yrs.		8.60	8.20	7.20
Girl : 13- 18 Yrs.		10.60	10.10	0.10
Boy : 13- 18 Yrs.		C. 30	8 11, 0	8.20
Adult: Min. Act.	5099	5.30	11.9	5.00
Adult: Med Act.	8.70	8.70	8.70	8.70
Adult: Sen. Act.	10.60	10.10	10.10	10.10

9: If using Schedule IV, refer to special adjustment on page 7

SOLEUDLE V - MONTHLY ALLOWANCES FOR PERSONAL INCIDENTALS (Pricing 5/56)

AGE AND ACTIVITY	MONTHLY ALLOWANCE
Birth - 3 Yrs.	1.50
Child: 4- 9 Yrs.	2.80
Child: 10- 12 Yrs.	1.30
Girl : 13- 18 Yrs.	5.20
Boy : 13- 18 Yrs.	5.20
Adult:	5.20
Adult: Blind	7.20
Adult: Any client (incl, blind) living in a private medical institution	1.05 fl1
Adult: Any client (incl, blind) living in a public medical institution	2.90 111

[1] Medicine diet supplies are not included.

SCHEDULE VI - MONTHLY ALLOWANCES FOR HOUSEHOLD SUPPLIES

FAMILY SIZE	ALLOWANCE
1-persons living alone	1.90
2 person families	12.5 (Per Person)
3-persons families	1.00 (Per Person)

4/60

SCHEDULE VII- TOTAL MONTHLY ALLOWANCES FOR PERSONAL NEEDS (4/56 Clothing Pricing, 5/56 Pers. Inc. Pricing, 8/58 BRS Food Pricing, 6/56 HH Sup. Pricing)

FAMILY MEMBER	FAMILY SIZE			
		2	3	4 OR MORE
Birth 3 Yrs.		\$26.20	\$24.20	\$22.40
Child: 4- 9 Yrs.		34.00	31.50	29.20
Child: 10- 12 Yrs.		43.80	40.60	37.50
Girl : 13- 18 Yrs.		48.30	44.90	41.70
Boy : 13- 18 Yrs.		54.10	50.10	46.30
Adult: Hn. Act.	\$46.80	42.40	39.60	37.10
Adult: Mod. Act.	52.50	47.80	44.80	42.10
Adult: Siren. Act.	60.90	55.40	51.90	48.70

SCHEDULE VIII- MONTHLY PER CAPITA ALLOWANCES FOR HOUSEHOLD NEEDS ITEMS

(Based on 9/58 Fuel Pricing) A Schedule of per capita allowances for heating fuel, cooking, water heating, lighting and electrical appliances & refrigeration.

NO. PERSONS	1	2	3	4	5	6	7 OR MORE
Cooking	\$ 2.25	\$1.15	\$1.00	\$.75	\$.60	\$.60	\$.50
Water Heating	2.15	1.10	1.20	.90	.70	.80	.60
Lighting and Elec. Appliances	3.00	1.50	1.30	1.00	.80	.75	.50
Refrigeration	1.50	.75	.50	.35	.30	.25	.20
Fuel for Heat	6.00	4.00	3.35	3.00	2.80	2.70	2.60
PER CAPITA TOTALS	\$14.90	\$8.50	\$7.35	\$6.00	\$5.20	\$5.10	\$4.40

SCHEDULE IX- TOTAL ALLOWANCES ACCORDING TO FAMILY SIZE FOR HOUSEHOLD NEEDS ITEMS (Based on 9/58 Fuel Pricing)

A schedule of total allowances according to family size for heating fuel, cooking, water heating, lighting and electrical appliances and refrigeration.

FAMILY SIZE	1	2	3	4	5	6*
Cooking	2.25	2.00	3.00	1.00	3.00	1.60
Water Heating	2.15	2.20	3.60	3.60	3.60	1.80
Lighting and Elec. Appliances	3.00	3.00	3.90	3.90	3.00	1.50
Refrigeration	1.50	1.50	1.50	1.50	1.50	1.50
Fuel for Heat	6.00	4.00	3.35	3.00	2.80	2.60

To determine family totals for families of 7 or more, use applicable per capita allowances in Schedule VIII.

**SCHEDULE X - PRE ADDED SCHEDULE WHICH INCLUDES THE
ELEMENTS OF CLOTHING, PERSONAL INCIDENTALS AND
HOUSEHOLD SUPPLIES**

~~FAMILY~~ SIZE 1
ACTIVITY
MINIMAL 11.00
MODERATE .50
STRENUOUS 17.40

COST FIGURES (503.43)

- ROOMER** - (Items supplied include light, housecleaning supplies, water, fuel, bed and bathroom linens, and laundry of same) \$11.00
- TABLE BOARDER** - (Items supplied include food, cooking fuel, housecleaning supplies, refrigeration and water) 35.00
- ROOMING BOARDER** - (Items supplied include food, utilities, housecleaning supplies, fuel, refrigeration, water, bed and bathroom linens, and laundry of same) 41.00

NURSING HOME RATES (310.8)

Maximum ¹¹Basic¹¹ Monthly Allowance for Patient Care \$180.00
Maximum ¹¹Inclusive¹¹ Monthly Allowance for Patient Care \$90.00

ROOM AND BOARD RATES (Appendix Page 14)

- 4.4 ¹¹shall not exceed \$20.00 month¹¹
- 4.5 "plus personal services as verified shall not exceed \$25.00"

4/60

ACE	1/MONTHLY ALLOWANCE FOR PERSONAL EXPENSES OF EMPLOYMENT (Other than Blind Allowance.)	PER DIEM ALLOWANCE FOR PERSONAL EXPENSES OF EMPLOYMENT (Other than Blind Allowance)
Under 16	12.00	.60
16 and over	31.00	1.10

SCHEDULE OF EXEMPTIONS (607.)

FAMILY UNIT SIZE	ANNUAL EXEMPTION (GROSS INCOME)	MONTHLY EXEMPTION (GROSS INCOME)
1a	2400	200
1b	1000	211
2	1710	39
3	2100	420
4	2880	130
5	7680	610
6	8400	272

For each additional person in the family unit add \$420. to the annual amount or \$35. to the monthly amount.

Special Adjustments

- 9/ Appropriate food allowances shall be increased by 25% for those blind persons responsible for making and food preparation.
- 10/ Special adjustment for blindness. An additional allowance of \$4.00 shall be made for blind persons to cover added maintenance and repair costs.

N.J. D pt. of Institution and Agencies.
Division of Public Welfare.
Bureau of Assistance.

CATEGORICAL ASSISTANCE MANUAL.

NJ/KA8

I5/A172

v12

copy 1

DO NOT CIRCULATE

STATE OF NEW JERSEY
DEPARTMENT OF INSTITUTIONS AND AGENCIES
DIVISION OF PUBLIC WELFARE

September 11, 1968

CEM--#2

TO : Holders of Categorical Assistance Budget Manual
SUBJECT: Revisions to Categorical Assistance Budget Manual

This revision authorizes increases in the monthly allowances for nursing home care as follows:

- the "basic" monthly allowance adjusted from \$260 to \$275;
- the "inclusive" monthly allowance adjusted from \$275 to \$290.

In accordance with current regulations as herein revised :

- (1) when the authorized rate for an institution is a "basic" monthly rate, additional allowances for physician services not otherwise paid for by Medicare or other health insurance, will be recognized as special circumstance vendor payments on behalf of the client;
- (2) when the authorized rate for an institution is an "inclusive" monthly rate, the costs for physician services (whether or not reimbursable by Medicare or other health insurance) are the full responsibility of the nursing home.

INSTRUCTIONS FOR FILING:

Wherever applicable these revisions supersede the corresponding Categorical Assistance Budget Manual sections and pages.

REMOVE AND DESTROY:

Chapter 300
pages 11 & 12
pages 13 & 14
pages 15 & 15a

Appendix Section IV
pages 5, 6 & 7

INSERT IN PLACE THEREOF:

Chapter 300 - revised 10/1/68
pages 11 & 12
pages 13 & 14
pages 15 & 15a

Appendix Section IV - revised
pages 5, 6 & 7 10/1/68

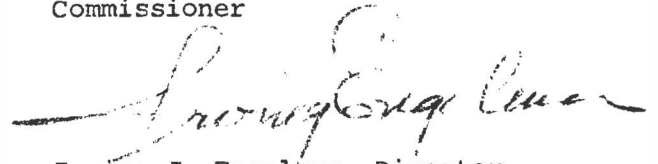
11
-?1

September 11, 1968

EFFECTIVE DATE:

These regulations are effective as of October 1, 1968. All adjustments shall be completed by January 1, 1969.

Lloyd W. McCorkle
Commissioner



Irving J. Engelman, Director
Division of Public Welfare

LJE:GU-
Attach.

STATE OF NEW JERSEY
DEPARTMENT OF INSTITUTIONS AND AGENCIES
DIVISION OF PUBLIC WELFARE

July 22, 1968

CBM Rev. t}l

TO : Holders of Categorical Assistance Budget Manual

SUBJECT: Revision to categorical Assistance Budget Manual

This revision provides for an extension from \$1.90 to \$2.20 of the adjustment factor for allowances for nursing home care based on minimum wage payments.

Effective with this letter, all revisions to the categorical Assistance Budget Manual will be numbered. Thus, this revision, as identified is CBM Rev. #1.

INSTRUCTIONS FOR FILING

Remove and destroy:

Appendix Section IV,
Pages 3, 4, 5, 6 & 7

Insert in place thereof:

Revised July 1, 1968
Appendix Section IV
Pages 3, 4, 5, 6 & 7

EFFECTIVE DATE

These revisions are effective July 1, 1968.

Don
8/1/68
(B)

1/
Lloyd W. McCorkle
Commissioner

(J) *(-)*
Irving J. Engelman, Director
Division of Public Welfare

IJE:GLA

STATE OF NEW JERSEY
DEPARTMENT OF INSTITUTIONS AND AGENCIES
DIVISION OF PUBLIC WELFARE

October 10, 1967

TO : Holders of Categorical Assistance Budget Manual
SUBJECT: Revisions to Categorical Assistance Budget Manual

This revision authorizes increases in the monthly allowances for nursing home care as follows:

- the "basic" monthly allowance adjusted from \$235 to \$260;
- the "inclusive" monthly allowance adjusted from \$250 to \$275.

In accordance with current regulations as herein revised, when the authorized rate for an institution is the basic monthly allowance, additional allowances for physician services not otherwise paid for by Medicare, or other health insurance, will be recognized as special circumstance vendor payments on behalf of the client; when the authorized rate for an institution is the "inclusive" monthly allowance, the costs for physician services not paid for by Medicare or other health insurance are to be met by the nursing home.

INSTRUCTIONS FOR FILING:

Wherever applicable these revisions supersede the corresponding Categorical Assistance Budget Manual sections and pages.

REMOVE FROM D D STROY:

Chapter 300
pages 11 & 12
pages 13 & 14
pages 15 r, 15a

Appendix Section IV
pages 5, 6 & 7

INSERT IN PLACE THEREOF:

Chapter 300 - revised 10/1/67
pages 11 & 12
pages 13 & 14
pages 15 r, 15a

Appendix Section IV
pages 5, 6 & 7

*already inserted
CSY
5/1/69*

October 10, 1967

EFFECTIVE DATE:

These regulations are effective as of October 1, 1967. Because there has been unavoidable delay in the publication and distribution of this material, and because of the additional time required to accomplish payment adjustments, it will be necessary for all appropriate adjustments to be made on a post-payment rather than pre-payment basis. All such retroactive adjustments shall be accomplished by February 1, 1968.

Lloyd W. ,!lcao kle
Commissioner

Irving J. Engelman, Director
Division of Public Welfare

STATE OF NEW JERSEY
DEPARTMENT OF INSTITUTIONAL AGENCIES
DIVISION OF PUBLIC WELFARE

October 1, 1967

TO : Holders of Categorical Assistance Budget Manual

SUBJECT: Revisions of Regulations and Standards for the Determination of
Legally Responsible Relatives' Capacity to Support

It is recognized that many relatives who are financially able do help their needy relatives on a voluntary basis. In any setting, different individuals will have different concepts as to the amount of support a person can or should contribute to a needy relative. This variation in personal point of view exists among agency staff just as among relatives whose responsibility is under review. To establish reasonable equity and objectivity for all, the methods for determining a relative's capacity to support have been revised. Schedules I and II as now developed incorporate a principle that the financial responsibility of a spouse for a spouse or a parent for a minor child is greater than that of a parent for an adult child, a grandparent for a grandchild, or an adult child for a parent.

These revisions include the following:

- (a) Revision of both Schedule I and Schedule II - For Determining Capacity of Relatives to Support
- (b) Revision of method for determining capacity to support of LRRs who are married and both husband and wife have incomes
- (c) Changes in format of the Manual so that regulations pertinent to legal responsibility are included in Chapter 600, and the specific methods and schedules for determining capacity to support are incorporated in Appendix V.
- (d) Revised sub-index to Chapter 600.

October 1, 1967

INSTRUCTIONS FOR FILING

Remove and destroy:

CHAPTER 600

Sub-Index:
p. i-ii

Pages 1-11

APPENDIX V

Pages 1-9

Insert in place thereof:

CHAPTER 600

Sub-Index
p. i

Pages 1-3

APPENDIX V

Pages 1-21

*already filed
5/1 f*

EWECTDm DATE

These regulations are effective immediately for all new cases and at the time of the periodic review for all existing cases.

Lloyd W. McCorkle
Lloyd W. McCorkle
Commissioner

Irving J. Engelman
Irving J. Engelman, Director
Division of Public Welfare

STATE OF NEW JERSEY
DEPARTMENT OF INSTITUTIONS AND AGENCIES
DIVISION OF PUBLIC WELFARE

June 18, 1963

Joe P.
D.K.
1.16.63
jfk

TO : HOLDERS OF CATEGORICAL ASSISTANCE BUDGET MANUAL

SUBJECT: REVISIONS TO THE CATEGORICAL ASSISTANCE BUDGET MANUAL

The changes in the attached revised policies and procedures result from the Public Welfare Amendments (Federal) of 1962 and New Jersey Statutes Ch. 222-P.L. -1962 and Ch. 197 P.L. 1962.

EFFECTIVE DATE:

These revisions are effective July 1, 1963.

INSTRUCTIONS FOR FILING:

Remove and destroy the following:

Chapter 100. - pages 3 and 4;

Chapter 100. - pages 5, 6, 7, 8, 15 and 16;

Chapter 500. - pages 1, 2, 5, 6, 13 and 14;

Chapter 600. - pages 3 and 4;

Exhibits "A"

and "B" - A.B. Director's Letters #9 and #34;

The January 5, 1960 letter pertaining to earned income of an A.B. client.

Replace with the following:

Chapter 100. - pages 3 and 4;

Chapter 100. - pages 5, 6, 7, 8 and 8a, 15, 16 and 16a;

Chapter 500. - pages 1, 2, 5, 6, 6a and 6b, 13 and 14;

Chapter 600. - pages 3 and 4.

LloA(it MOCok'e
Commissioner

: i"t
Director
Division of Public Welfare

DETAILED LISTING OF
JULY 1, 1963 REVISIONS TO CATEGORICAL ASSISTANCE BUDGET MANUAL

<u>CHAPTER</u>	<u>PAGE</u>	<u>SECTION</u>	<u>TOPIC</u>	<u>REVISION</u>
100	3	110.	Blind Person	Revised definition of a blind person.
300	6	309.2-a.-4.	Premiums for Insurance	Revised to include policy for AB clients.
	7	309.3	Review and/or Adjustment of Life Insurance	Revised to include pertinent policy for AB clients.
	16 and 16a	310.10	Blue Cross and Blue Shield Insurance Premium Costs	Revised to include the new policy for recognizing an allowance (in the form of vendor payment to the Hospital Service Plan of New Jersey) for all OAA recipients.
500	1	501.2 and 501.4	Resources in the Aid to the Blind Program	Revised to include policy for disregarding other income and resources of an AB client who has a plan for achieving self-support.
	6a	503.1-c.	Earned Income of a Client	Revised to include method for applying AB clients "earned income exemption" and for determining net earned income of the AB client.
	14	504.3-g.	Insurance as a Resource	Revised to include insurance as a resource for an AB client.
600	4	606.1-b.	Assistance Budgeting Method for Determining LRR's Capacity to Support	Revised in accordance with MAA, spouse of an OAA client not included within the intent of this section.

STATE OF NEW JERSEY
DEPARTMENT OF INSTITUTIONS AND AGENCIES

PROPERTY OF
RECEIVED

October 22, 1962

NOV 2 - 1962

Division of State Library
Archives and History
Trenton, N. J.

TO : HOLDERS OF CATEGORICAL ASSISTANCE BUDGET MANUAL
SUBJECT : REVISIONS TO CATEGORICAL ASSISTANCE BUDGET MANUAL

The total Categorical Assistance Budget Manual, other than Appendix Pages 1 through 9 and Appendix Pages 15 through 17 has been revised and reorganized.

New policy, major policy changes and clarification of existing policy are included within these revisions.

The Manual continues to recognize the concept that the existence and extent of financial need varies with the client's living arrangement. At the same time it clarifies and reinforces the following related concepts:

- (a) that financial need (cognizable by public assistance) exists for an individual only when he is in fact being deprived of a standard of living compatible with decency and health, and this deprivation is because he lacks sufficient income and resources to purchase such standard; and
- (b) when an individual is one member of a group of related persons actually living together as a family unit, in most such situations financial need may be considered to exist for the individual only if financial need exists for the family unit collectively.

Thus, the revised policies and procedures are designed to eliminate instances of budgeting based on any concept of two different economic levels of living within a family unit maintaining a single household. They require the recognition of all income and resources of all family-unit members as income and resources of the family-unit budget. The resulting budgeting methods, which are used to determine whether or not financial need exists for the family unit and its members, are separate from and are not to be confused with the methods for enforcing support contributions by the legally responsible relatives of a dependent person.

The revised policies and procedures relating to the budgetary method for determining need are designed to be more objective and therefore more equitable, and are consistent with the program purpose of strengthening family life.

The principal changes in policy and procedures are identified in the tabulation below. Incidental editorial changes in terminology and reorganization of contents are not included within this outline.

October 22, 1962

<u>CHAPTER</u>	<u>SECTION NO.</u>	<u>SUBJECT</u>	<u>REVISION</u>
Title Page			Revised.
Table of Contents			Corrected.
100	109.	Services from non-profit organizations.	Policy pertinent only in situations where specially approved rates have not been authorized or established.
300 - Special Circumstance Requirements	306.2	Advance deposits incident to utility costs.	Revised to conform to new policy of the State of New Jersey Board of Public Utility Commissioners, Department of Public Utilities.
	307.4	Insurance costs for personal property.	New policy to recognize this as a special circumstance item.
	307.5	Personal property taxes.	New policy to recognize this as a special circumstance item.
	309.	Premiums for life insurance.	Reorganization and clarification of current policy on insurance. (This item previously within Chapter 500.)
	310.7 and 310.8	Expenses incident to patient care for the chronically ill.	Conditions not pertinent to budgeting procedures deleted. (These conditions are now included in the Manual of Administration.)
	313.2	Cost of operation of an automobile as a transportation item.	Clarifies current policy.
	314.	Expenses incident to vocational education.	New policy recognizing this item as a special circumstance requirement.

October 22, 1962

<u>CHAPTER</u>	<u>SECTION NO.</u>	<u>SUBJECT</u>	<u>REVISION</u>
500 - Resources	501.	General considerations.	Incorporates new policy pertaining to a blind client's exempt earned income. Includes new policy that income and resources of all family budget unit members are income and resources to the family budget unit for the purpose of determination of need.
	502.	Income from children placed by SBCW in the home of a client.	New policy.
	503.	Budgetable earned income of a client.	Clarifies current policy of budgetable earned income from employment and self-employment. Recognizes \$31.00 per month as a personal expense of employment regardless of age of client or hours of employment.
	504.	Potential resources.	Includes the concept that potential resources of family members are potential resources to the family budget unit.
	504.3	Personal property as a potential resource.	New policy and clarification of current policy pertaining to automobiles as a potential resource. Clarifies policy pertaining to insurance as a resource.

October 22, 1962

<u>CHAPTER</u>	<u>SECTION NO.</u>	<u>SUBJECT</u>	<u>REVISION</u>
600 - Policies and Standards Governing Support from Relatives	601.	Relatives as a resource.	Clarifies current policy.
	602.3	Legally responsible relative.	New policy pertaining to LRR of 2 clients who are not members of the same family budget unit.
	603.	Capacity of an LRR to support.	Clarifies current policy.
	606.	Assistance budgeting method.	Clarifies current policy.
	607.3	Schedule of Exemptions.	Exemptions increased to recognize increased costs of living and changes in consumer expenditure patterns.
	607.4	Family unit size of an LRR.	New policy whereby <u>any</u> relative of an LRR or his spouse, living in the home of an LRR and being sup- ported by an LRR, may be included in the family size of the LRR.
	608.	Extraordinary needs of an LRR.	New policy recognizing for the LRR the same concept expressed in Section 305.
	609.	Resources other than income of an LRR.	Statement of new policy.
700 - Instructions for Budgeting	706.	Persons to be included in the budget.	New policy and major policy change pertaining to the family budget unit and for the determination of need.

October 22, 1962

<u>CHAPTER</u>	<u>SECTION NO.</u>	<u>SUBJECT</u>	<u>REVISION</u>
700 (continued)	707.2	Determination of budgeting procedures.	For purposes of simplification, a schedule has been developed by living arrangement and head of household to determine which budgeting method shall be used.
	711.	Budgetary statement section PA-3A - monthly budget for others.	Relates this section to Section 606. when assistance standards are used to determine capacity to support.
Appendix - II.	3.1	Premises rented by client or family budget unit.	Revised to include concept of family budget unit in the determination of the shelter cost item.
	3.1-b.-(2)	Owner is LRR but client and LRR not living in the same premises.	New policy.
	3.2	Taxes.	Recognizes personal property taxes on a home as a shelter cost item.
	3.3	Shelter available to client as a member of a household - client is not the head of the household.	Changes in policy to include the family budget unit concept and revised to conform to new budgeting procedures.
	3.4	Shelter schedule - methods for determination of shelter cost.	Methods have been tabulated for determining shelter allowances in chart form by program and head of household.
	3.5	Shelter and household needs allowance where a multi-person ADC family moves in with a self-supporting LRR.	New policy.
	3.7	Shelter available to client under special circumstances.	New policy as it pertains to exempt earned income of a blind client.
	5.	Allowances for room and board in ADC program.	New policy.

October 22, 1962

EFFECTIVE DATE

The above Categorical Assistance Budget Manual revisions are effective December 1, 1962 for all new cases and existing cases shall be brought into conformity at the time of periodic review.

INSTRUCTIONS FOR FILING

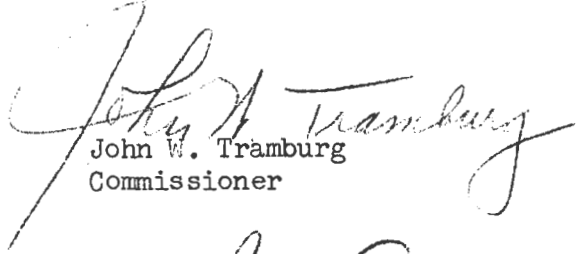
Wherever applicable these revisions will supersede the corresponding Budget Manual chapters, sections and pages.

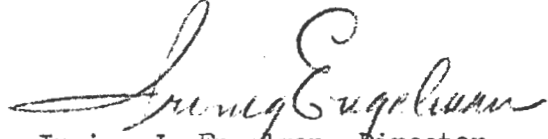
Remove and destroy the following:

Cover page.
Table of Contents.
Chapter 100.
Chapter 200.
Chapter 300.
Chapter 500.
A.B. Director's Letters #9 and #18.
Chapter 600.
Chapter 700.
Appendix Pages 10 through 14.

Replace the above with the applicable December 1, 1962 revisions and Exhibit "A" - A.B. Director's Letter #9, Exhibit "B" - A.B. Director's Letter #34, and revised Appendix Pages 10 through 18.

Renumber current Categorical Assistance Budget Manual Appendix Pages 15, 16 and 17 to 19, 20 and 21.


John W. Tramburg
Commissioner


Irving J. Engelman, Director
Division of Welfare

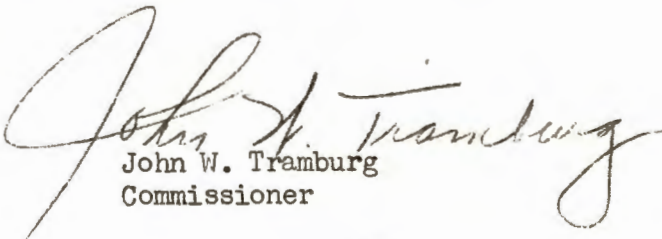
Revised 12/1/62

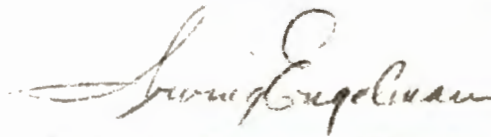
STATE OF NEW JERSEY
DEPARTMENT OF INSTITUTIONS AND AGENCIES
DIVISION OF WELFARE
TRENTON 25

CATEGORICAL ASSISTANCE BUDGET MANUAL

This is an official Manual of standards and procedures pertaining to assistance budgeting and is to be uniformly applied in the four categorical assistance programs.

Such revisions as subsequently become necessary will be issued in the form of new pages which can be incorporated in the Manual in the place of pages which become obsolete. Any revisions become operative only when issued over the signatures of the Commissioner of Institutions and Agencies and the Director of the Division of Welfare.


John W. Tramburg
Commissioner


Irving J. Engelman, Director
Division of Welfare

Assistance for Dependent Children ✓

Aid to the Blind ✓

Old Age Assistance ✓

Permanent and Total Disability Assistance ✓

TABLE OF CONTENTS

	<u>Section</u>	<u>Sub-section</u>
<u>CHAPTER 100. - INTRODUCTION AND DEFINITIONS</u>		
<u>PURPOSE OF BUDGET MANUAL</u>	101.	
<u>CONTENT OF BUDGET MANUAL</u>	102.	
<u>OBJECTIVES OF BUDGET MANUAL</u>	103.	
<u>DESCRIPTION OF A STANDARD</u>	104.;	105.
<u>REVISION OF ALLOWANCES</u>	106.	
<u>REQUIREMENT WITHOUT AN ESTABLISHED ALLOWANCE</u>	108.	
<u>COST OF SERVICE FROM A NON-PROFIT ORGANIZATION</u>	109.	
<u>DEFINITIONS</u>	110.	

CHAPTER 200. - BASIC REQUIREMENTS

<u>POLICY</u>	201.
<u>RECOGNIZED BASIC REQUIREMENTS</u>	202.
<u>DETERMINATION OF ALLOWANCES</u>	203.
<u>SHELTER</u>	204.
<u>ROOM AND BOARD</u>	205.

(continued)

TABLE OF CONTENTS (continued)

	<u>Section</u>	<u>Sub-section</u>
<u>CHAPTER 300. - SPECIAL CIRCUMSTANCE REQUIREMENTS</u>		
<u>DEFINITION</u>	301.	
<u>POLICY</u>	302.	
<u>RECURRING AND NON-RECURRING</u>	303.	
<u>POLICY FOR UNIDENTIFIED REQUIREMENTS</u>	305.	
<u>EXPENSES INCIDENT TO SHELTER COSTS</u>	306.	
ADVANCE DEPOSITS INCIDENT TO SHELTER COSTS		306.1
ADVANCE DEPOSITS INCIDENT TO UTILITY COSTS		306.2
Payment of Deposit		
Return of Deposit		
GARBAGE COLLECTION AND DISPOSAL		306.3
PROPERTY REPAIRS AND IMPROVEMENT		306.4
SEWER CHARGES		306.5
TELEPHONE		306.6
WATER CHARGES		306.7
<u>EXPENSES INCIDENT TO PERSONAL PROPERTY</u>	307.	
REPAIR OR REPLACEMENT OF HOUSEHOLD FURNISHINGS		307.1
STORAGE CHARGES		307.2
MOVING		307.3
INSURANCE COSTS FOR PERSONAL PROPERTY ..		307.4
PERSONAL PROPERTY TAXES		307.5

(continued)

TABLE OF CONTENTS (continued)

	<u>Section</u>	<u>Sub-section</u>
<u>CHAPTER 300. - SPECIAL CIRCUMSTANCE REQUIREMENTS</u> (continued)		
<u>INDEBTEDNESS</u>	308.	
POLICY		308.1; 308.2
TYPES OF DEBTS RECOGNIZED AS A SPECIAL CIRCUMSTANCE REQUIREMENT		308.3
Installment Payments on Essential Clothing and Household Furnishings		308.3-a.
Installment Payments on Personal Loans		308.3-b.
Indebtedness for Shelter and Utilities		308.3-c.
Delinquent Taxes, Assessments and Penalties		308.3-d.
Indebtedness for Room and Board		308.3-e.
<u>PREMIUMS FOR LIFE INSURANCE (INCLUDING ANY FRATERNAL AND LODGE BENEFITS)</u>	309.	
INSURANCE IS A RESOURCE		309.1
PREMIUMS INCLUDED IN THE ASSISTANCE BUDGET		309.2
Recurring Allowance for Premiums		309.2-b.
REVIEW AND/OR ADJUSTMENT OF LIFE INSURANCE		309.3
Review and/or Adjustment is Not Required		309.3-a.
Review and/or Adjustment is Required		309.3-b.
Method for Review and/or Adjustment of Life Insurance		309.3-c.

(continued)

TABLE OF CONTENTS (continued)

	<u>Section</u>	<u>Sub-section</u>
<u>CHAPTER 300. - SPECIAL CIRCUMSTANCE REQUIREMENTS</u> (continued)		
<u>MEDICAL CARE</u>	310.	
MEDICAL CARE NEEDS		310.1
MEDICINE CHEST ITEMS IN EXCESS OF STANDARDS		310.3
EXPENSES INCIDENT TO SPECIAL SERVICES		310.4
Errand		310.41-a.
Domestic		310.41-b.
Homemaker		310.41-c.
Allowances for Special Service		310.42
Special Services and IRRs		310.45
GUIDE SERVICE		310.5
THERAPEUTIC DIET		310.6
PATIENT CARE IN A HOME OTHER THAN A MEDICAL INSTITUTION		310.7
Conditions for Patient Care		310.71; 310.72
Allowance for Patient Care		310.73; 310.74

(continued)

TABLE OF CONTENTS (continued)

	<u>Section</u>	<u>Sub-section</u>
<u>CHAPTER 300. - SPECIAL CIRCUMSTANCE REQUIREMENTS</u> (continued)		
<u>MEDICAL CARE</u> (continued)		
PATIENT CARE IN LICENSED PROPRIETARY NURSING HOMES, PUBLIC MEDICAL INSTITUTIONS AND INFIRMARY SECTIONS OF NON-PROFIT OR CHARITABLE HOMES	310.8	
Conditions for Patient Care	310.81; 310.82	
Maximum Monthly Allowance for Patient Care in Licensed Proprietary Nursing Home	310.83	
Amount	310.83-1.	
Definition	310.83-1.-a.	
Physician's Fees and Basic Allowance	310.83-1.-c.	
Recognized Additional Items to "Basic"	310.83-1.-d.	
Special Circumstance for Medical Needs	310.83-1.-e.	
Maximum "Inclusive" Allowance	310.83-2.	
Definition	310.83-2.-a.	
Additional Items to "Inclusive"	310.83-2.-b.	
Special Circumstances for Medical Needs	310.83-2.-c.	
Physical and/or Functional Occupational Therapy	310.83-3.	
Maximum Monthly Allowance for Patient Care in Public Medical Institution	310.84	
Allowance	310.84-a.	
Definition	310.84-b.	

(continued)

TABLE OF CONTENTS (continued)

	<u>Section</u>	<u>Sub-section</u>
<u>CHAPTER 300. - SPECIAL CIRCUMSTANCE REQUIREMENTS</u> (continued)		
<u>MEDICAL CARE</u> (continued)		
Maximum Allowance for Patient Care in a Non-Profit or Charitable Home		310.85
Other Budgetary Items Pertaining to Patient Care		310.86
Blue Cross and Blue Shield Premium Costs		310.10
<u>RESTAURANT ALLOWANCE</u>	311.	
<u>SPECIAL CLOTHING REQUIREMENTS</u>	312.	
Conditions		312.-a.; -b.
<u>TRANSPORTATION</u>	313.	
FOR VISITS TO FAMILY IN HOSPITAL		313.1
USE OF AUTOMOBILE		313.2
DUE TO ILLNESS, INFIRMITY OR PHYSICAL HANDICAP		313.3
PERMANENT MOVE		313.4
RECREATION, DAY CARE CENTERS, ETC.		313.5
<u>EXPENSES INCIDENT TO VOCATIONAL EDUCATION OR REHABILITATION</u>	314.	
Conditions		314.-a.
Allowance		314.-b.
<u>CHAPTER 500. - RESOURCES</u>		
<u>GENERAL CONSIDERATION</u>	501.	
EXEMPT EARNED INCOME IN A.B.		501.1
DEFINITION OF RESOURCES		501.4
PRINCIPLES PERTAINING TO CONSIDERATION OF RESOURCES		501.5

(continued)

TABLE OF CONTENTS (continued)

	<u>Section</u>	<u>Sub-section</u>
<u>CHAPTER 500. - RESOURCES</u> (continued)		
<u>AVAILABLE RESOURCES</u>	502.	
MONEYS AVAILABLE IN A LUMP SUM	502.1	
At Time of Application	502.1-a.	
Sufficient to Meet Total Monthly Budgetary Needs	502.1-a.-1.	
Insufficient to Meet Total Budgetary Needs	502.1-a.-2.	
During the Period Assistance is Being Received	502.1-b.	
Sufficient to Meet Total Budgetary Needs for 3 Months or More	502.1-b.-1.	
Insufficient to Meet Total Budgetary Needs for 3 Months	502.1-b.-2.	
RESOURCES ON WHICH CASH CAN BE IMMEDIATELY REALIZED	502.2	
REGULAR RECURRING INCOME	502.3	
Regular Recurring at Monthly Intervals or Less	502.3-a.	
Regular Recurring Intervals Greater Than a Month	502.3-b.	
INCOME IN KIND AND INCOME EQUIVALENTS ..	502.4	
Income in Kind	502.41	
Income Equivalents	502.42	
OCCASIONAL GIFTS AND CONTRIBUTIONS	502.5	
SUPPLEMENTAL AID BY OTHER AGENCIES OR ORGANIZATIONS	502.6	
INCOME FROM RELATIVES AND FRIENDS	502.7	
INCOME FROM CHILDREN PLACED BY STATE BOARD OF CHILD WELFARE	502.8	

(continued)

TABLE OF CONTENTS (continued)

	<u>Section</u>	<u>Sub-section</u>
<u>CHAPTER 500. -- RESOURCES</u> (continued)		
<u>EARNED INCOME OF A CLIENT</u>	503.	
METHODS FOR DETERMINING BUDGETABLE EARNED INCOME OF A CLIENT	503.1	
From Employment	503.1-a.	
From Self-Employment	503.1-b.	
MONTHLY AMOUNT FOR PERSONAL EXPENSES OF EMPLOYMENT	503.2	
FROM SEASONAL EARNINGS	503.3	
NET INCOME TO CLIENT FROM ROOMER(S), ROOMER-BOARDER(S) AND TABLE-BOARDER(S) ..	503.4	
Roomer(s) and Roomer-Boarder(s)	503.41	
Table-Boarder(s)	503.42	
Cost Figures	503.43	
Net Income to Client from Roomer(s) and Roomer-Boarder(s) ~ Client's Shelter Cost Includes All Household Needs	503.44	
INCOME FROM APARTMENTS AND/OR HOUSEKEEPING UNITS IN HOME OF CLIENT ...	503.5	
<u>POTENTIAL RESOURCES:</u>	504.	
PRINCIPLES AFFECTING POTENTIAL RESOURCES	504.1	
Procedure	504.1-a.; -b.; -c.; -d.	

(continued)

TABLE OF CONTENTS (continued)

	<u>Section</u>	<u>Sub-section</u>
<u>CHAPTER 500. - RESOURCES</u> (continued)		
<u>POTENTIAL RESOURCES</u> (continued)		
FACTORS AFFECTING EVALUATION OF REAL PROPERTY	504.2	
Real Property Used as a Home	504.2-a.	
Sale of Home	504.2-b.	
Real Property Other Than Home	504.2-c.	
Plans for Liquidation of Real Property	504.2-d.	
PERSONAL PROPERTY AS A POTENTIAL RESOURCE	504.3	
Basic Policy	504.3-a.	
Household Furnishings and Personal Clothing	504.3-b.	
Personal Effects	504.3-c.	
Automobile	504.3-d.	
Livestock, Farm Machinery, Tools, Etc.	504.3-e.	
Insurance as a Resource	504.3-g.	
Suits and Claims	504.3-h.	
Stocks, Bonds, Mortgages, Etc.	504.3-i.	
A.B. DIRECTOR'S LETTER #9	"EXHIBIT A"	
STATEMENT OF POLICY ON INSURANCE		
A. General		
B. Rehabilitable Cases		
C. Non-Rehabilitable Cases		
D. Procedure		
A.B. DIRECTOR'S LETTER #34	"EXHIBIT B"	
\$85 EARNED INCOME EXEMPTION		
Federal Law		
State Law		
Interpretation		
Earned Income Defined		
Procedure		

(continued)

TABLE OF CONTENTS (continued)

	<u>Section</u>	<u>Sub-section</u>
<u>CHAPTER 600. - POLICIES AND STANDARDS GOVERNING SUPPORT FROM RELATIVES</u>		
<u>RELATIVES AS A RESOURCE</u>	601.	
POLICY		601.1; 601.2
LRR SUPPORT AS AVAILABLE RESOURCE		601.3
LRR SUPPORT AS A POTENTIAL RESOURCE		601.4
RELATIVE IS AN LRR OF FAMILY BUDGET UNIT		601.5
<u>LEGALLY RESPONSIBLE RELATIVES</u>	602.	
IDENTIFICATION		602.1
<u>CAPACITY OF AN LRR TO SUPPORT A CLIENT</u>	603.	
POLICY		603.1 through 603.4
<u>METHODS TO BE USED FOR DETERMINING THE LRR'S CAPACITY TO SUPPORT</u>	604.	
INCOME OF LRR FROM CERTAIN SPECIAL BENEFITS		604.2
INCOME IN THE FORM OF MAINTENANCE		604.3
NET INCOME OF A CHILD OF AN LRR		604.4
ROOMER-BOARDER IN HOME OF LRR		604.5
LRR IS ROOMER-BOARDER IN HOME OF CLIENT		604.6
EMANCIPATED CHILD IN HOME OF LRR		604.7
<u>LRR'S SUPPORT TO THE CLIENT</u>	605.	
RULES PERTAINING TO CONTRIBUTION		605.-a.;-b.;-c.
<u>ASSISTANCE BUDGETING METHOD FOR DETERMINING THE LRR'S CAPACITY TO SUPPORT</u>	606.	
APPLICATION OF METHOD		606.1

(continued)

TABLE OF CONTENTS (continued)

	<u>Section</u>	<u>Sub-section</u>
CHAPTER 600. - <u>POLICIES AND STANDARDS GOVERNING</u> <u>SUPPORT FROM RELATIVES</u> (continued)		
<u>SCHEDULE OF EXEMPTION METHOD FOR</u> <u>DETERMINING THE LRR'S CAPACITY TO</u> <u>SUPPORT FROM INCOME</u>	607.	
When Method is Used	607.1-a.	
BASIS FOR SCHEDULE OF EXEMPTIONS	607.2	
SCHEDULE OF EXEMPTIONS	607.3	
FAMILY UNIT SIZE OF AN LRR	607.4	
Income of LRR	607.4-c.	
LRR is Married and Both Husband and Wife Have Income	607.4-d.	
Husband is LRR	607.4-d.-2.	
Wife is LRR	607.4-d.-3.	
Husband and Wife are LRRs of the Same Client	607.4-e.	
Child of LRR Turns Over All Income to LRR	607.4-f.	
Extraordinary Expenses of the LRR ...	607.4-g.	
LRR's Contribution to Person Other Than the Client	607.4-g.-1.	
Medical Obligations	607.4-g.-2.	
Educational Expenses	607.4-g.-3.	
Indebtedness Due to Catastrophic Events	607.4-g.-4.	
<u>EXTRAORDINARY NEEDS ARISING FROM</u> <u>MAJOR HEALTH OR SOCIAL PROBLEMS</u>	608.	
<u>RESOURCES, OTHER THAN INCOME, OF AN LRR</u> ...	609.	
<u>AVAILABILITY OF THE LRR'S EVALUATED</u> <u>CAPACITY TO SUPPORT THE CLIENT</u>	610.	

(continued)

TABLE OF CONTENTS (continued)

	<u>Section</u>	<u>Sub-section</u>
CHAPTER 600. - <u>POLICIES AND STANDARDS GOVERNING</u> <u>SUPPORT FROM RELATIVES</u> (continued)		
<u>EFFECT OF THE LRR'S CAPACITY TO SUPPORT</u> <u>ON THE ELIGIBILITY OF THE CLIENT</u>	611.	
LRR'S CAPACITY TO SUPPORT EXCESS BUDGETARY DEFICIT		611.1
LRR REFUSES TO MAKE SUPPORT TO CLIENT		611.2
<u>EFFECT OF LRR'S REFUSAL TO</u> <u>FURNISH NECESSARY INFORMATION</u>	612.	
CHAPTER 700. - <u>INSTRUCTIONS FOR BUDGETING</u>		
<u>POLICY</u>	701.	
<u>DEFINITION</u>	702.	
<u>BUDGETARY STATEMENT FORM PA-3A</u>	703.	
<u>INFORMATION SUPPORTING</u> <u>BUDGETARY STATEMENT</u>	704.	
<u>CLIENT'S BUDGET</u>	705.	
BUDGET DEFICIT		705.2
ADJUSTMENT TO NEAREST DOLLAR		705.3
<u>PERSONS TO BE INCLUDED IN THE BUDGET AND</u> <u>PERSONS TO BE EXCLUDED FROM THE BUDGET</u>	706.	
FAMILY BUDGET UNIT IN OAA, DA, AB		706.1
FAMILY BUDGET UNIT IN ADC		706.2
Policy		706.2-a.; -b.
Family Budget Unit		706.2-c.
Parent-Person Not Applying for Assistance		706.2-d.
Family Budget Unit Separately Eligible for Other Category		706.2-e.
Eligible Child Temporarily in Institution		706.2-f.
CHILD OVER 18 IN THE HOME OF CLIENT		706.3
		(continued)

TABLE OF CONTENTS (continued)

	<u>Section</u>	<u>Sub-section</u>
<u>CHAPTER 700. - INSTRUCTIONS FOR BUDGETING</u> (continued)		
<u>BUDGETING PROCEDURES</u>	707.	
POLICY		707.1
SCHEDULE FOR BUDGETING PROCEDURES APPLICABLE IN OAA, DA, AND AB PROGRAMS ..		707.2
SCHEDULE FOR BUDGETING PROCEDURES APPLICABLE IN ADC PROGRAM		707.3
METHODS FOR BUDGETING		707.4
DETERMINATION OF INITIAL GRANT		707.5
<u>BUDGETARY STATEMENT SECTION - RECOMMENDATION AND DECISION</u>	708.	
RECOMMENDATION		708.1
DECISION		708.2
DATE OF ADMINISTRATIVE ACTION		708.3
RATIFICATION BY WELFARE BOARD		708.4
WELFARE BOARD ACTION		708.5
<u>BUDGETARY STATEMENT SECTION - DETAIL REQUIREMENTS FOR INDIVIDUALS IN THE FAMILY BUDGET UNIT</u>	709.	
<u>BUDGETARY STATEMENT SECTION - DETER- MINATION OF MONTHLY SHELTER COST</u>	710.	
<u>BUDGETARY STATEMENT SECTION - MONTHLY BUDGET FOR OTHERS</u>	711.	
<u>BUDGETARY STATEMENT SECTION - DETER- MINATION OF INCOME FROM ROOMER(S), TABLE-BOARDER(S) OR ROOMER-BOARDER(S)</u>	712.	
<u>DETERMINATION OF BUDGETABLE EARNED INCOME FROM EMPLOYMENT</u>	713.	
<u>FORMS FOR THE EVALUATION OF CAPACITY OF LRR TO SUPPORT</u>	714.	

(continued)

TABLE OF CONTENTS (continued)

	<u>Section</u>	<u>Sub-section</u>
<u>APPENDIX SECTION - PART I-PERSONAL AND HOUSEHOLD NEEDS</u>		
<u>A. PERSONAL NEEDS</u>		
<u>FOOD</u>	1.	
SCHEDULE I-MONTHLY ALLOWANCES FOR FOOD		
SPECIAL ADJUSTMENT FOR BLINDNESS		
DEFINITION OF ACTIVITY GROUPINGS		
ALLOWANCES FOR RESTAURANT MEALS		1.5
SCHEDULE II - MONTHLY ALLOWANCES FOR RESTAURANT MEALS		
ALLOWANCES FOR THERAPEUTIC DIETS		1.6
SCHEDULE III - MONTHLY ALLOWANCES FOR THERAPEUTIC DIETS		
<u>CLOTHING STANDARDS</u>	2.	
SCHEDULE IV - MONTHLY ALLOWANCES FOR CLOTHING		
<u>PERSONAL INCIDENTALS</u>	3.	
SCHEDULE V - MONTHLY ALLOWANCES FOR PERSONAL INCIDENTALS		
<u>HOUSEHOLD SUPPLIES</u>	4.	
SCHEDULE VI - MONTHLY ALLOWANCES FOR HOUSEHOLD SUPPLIES		
<u>PRE-ADDED SCHEDULE OF ALLOWANCES FOR PERSONAL NEEDS</u>		
SCHEDULE VII- TOTAL MONTHLY ALLOWANCES FOR PERSONAL NEEDS		
Special Adjustments for Blindness		
Gainfully Employed		

(continued)

TABLE OF CONTENTS (continued)

	<u>Section</u>	<u>Sub-section</u>
<u>APPENDIX SECTION - PART I-PERSONAL AND HOUSEHOLD NEEDS</u> (continued)		

B. HOUSEHOLD NEEDS

<u>POLICY AND SCHEDULE OF AUTHORIZED ALLOWANCES FOR FUEL FOR HEATING AND UTILITIES</u>	1.
<u>FUEL FOR HEATING</u>	2.
<u>UTILITIES</u>	3.
FUEL FOR COOKING	3.4
FUEL FOR WATER HEATING	3.5
LIGHTING	3.6
REFRIGERATION	3.7

SCHEDULE VIII-MONTHLY PER CAPITA ALLOWANCES
FOR HOUSEHOLD NEEDS ITEMS

SCHEDULE IX-TOTAL ALLOWANCES ACCORDING TO
FAMILY SIZE FOR HOUSEHOLD NEEDS ITEMS

SCHEDULES XI-TOTAL MONTHLY ALLOWANCES FOR
PERSONAL & HOUSEHOLD NEEDS

SCHEDULE A-CHILDREN

SCHEDULE B-ADULTS

SCHEDULE C-BLIND ADULTS RESPONSIBLE
FOR MARKETING AND FOOD PREPARATION

SCHEDULE D-BLIND ADULTS NOT RESPONSIBLE
FOR MARKETING AND FOOD PREPARATION

SCHEDULE X-PRE-ADDED SCHEDULE WHICH INCLUDES
THE ELEMENTS OF CLOTHING, PERSONAL INCIDENTALS
AND HOUSEHOLD SUPPLIES

(continued)

TABLE OF CONTENTS (continued)

	<u>Section</u>	<u>Sub-section</u>
<u>APPENDIX SECTION - PART II-SHELTER</u>		
<u>POLICY</u>	1.; 2.	
<u>RULES FOR DETERMINING AUTHORIZED SHELTER ALLOWANCE UNDER SPECIFIED SHELTER ARRANGEMENTS</u>	3.	
PREMISES RENTED BY CLIENT OR FAMILY BUDGET UNIT	3.1	
Owner is Not an LRR	3.1-a.	
Owner is an LRR	3.1-b.	
PREMISES OWNED, IN WHOLE OR IN PART, AND OCCUPIED BY CLIENT OR FAMILY BUDGET UNIT	3.2	
Method of Determining Shelter Cost	3.2-a.	
Taxes and Assessments	3.2-a.-1.	
Insurance	3.2-a.-2.	
Interest	3.2-a.-3.	
Amortization	3.2-a.-4.	
Method of Determining Shelter Allowance	3.2-b.	
SHELTER AVAILABLE TO CLIENT AS A MEMBER OF A HOUSEHOLD	3.3	
Determination of Need	3.3-a.	
Head of Household is LRR	3.3-c.	
Client as Member of "Self-Supporting" Household	3.3-d.-1.	
Client as Member of "Marginal" Household	3.3-d.-2.	
Definition of "Self-Supporting" Household	3.3-d.-3.	
Definition of "Marginal" Household	3.3-d.-4.	

(continued)

TABLE OF CONTENTS (continued)

	<u>Section</u>	<u>Sub-section</u>
<u>APPENDIX SECTION - PART II-SHELTER</u> (continued)		
SHELTER AVAILABLE TO CLIENT AS A MEMBER OF A HOUSEHOLD (continued)		
Head of Household is Not LRR		3.3-e.
SCHEDULE FOR DETERMINATION OF SHELTER ALLOWANCE WHERE SHELTER IS AVAILABLE TO CLIENT AS A MEMBER OF A HOUSEHOLD (NOT AS HEAD)		3.4
SCHEDULE FOR DETERMINATION OF SHELTER AND HOUSEHOLD NEEDS ALLOWANCES WHEN A MULTI-PERSON ADC FAMILY LIVES WITH AN OTHERWISE "SELF-SUPPORTING" HOUSEHOLD...		3.5
SHELTER AVAILABLE TO CLIENT AS A BOARDER OR PATIENT		3.6
SHELTER AVAILABLE TO CLIENT UNDER SPECIAL CIRCUMSTANCES		3.7
SHELTER AVAILABLE TO CLIENT DURING TEMPORARY ABSENCE		3.8
<u>POLICY AND SCHEDULE OF MONTHLY ALLOWANCES FOR ROOM AND BOARD FOR ADULTS</u>		4.
<u>ROOM AND BOARD IN ADC PROGRAM</u>		5.

100. INTRODUCTION

101. The policy and procedures established by the regulations in this Manual are based on the concept that the purpose of public assistance is to provide the requirements of economic need to eligible persons only to the extent that they are unable through their own efforts and resources to purchase the essentials for an adequate minimum standard of living.
102. The State Department of Institutions and Agencies recognizes basic and special circumstance living requirements of an eligible individual. The Department of Institutions and Agencies accepts the concept that the standards for the basic and special circumstance requirements should provide an adequate minimum standard of living that will protect and promote the health and well-being of eligible persons.
103. To attain these objectives, the Manual:
- a. defines the basic requirements which the agency recognizes as essential;
 - b. describes the circumstances in which additional special requirements may be recognized as essential;
 - c. prescribes methods for evaluating and considering resources available to the client;
 - d. establishes the monetary values (i.e. allowances), or methods of determining the monetary values for all recognized requirements;
 - e. establishes budgeting procedures for determining the amount of the assistance grant.
104. The standards for basic requirements have been carefully developed and are based on scientific data wherever possible. Standards define the kind, quantity and quality of goods and services included in each item.
105. Standards and allowances will be reviewed periodically by the Department of Institutions and Agencies to assure that content is adequate and costs current.
106. The monetary allowance for the Personal and Household Needs requirement will be subject to revision whenever State-wide cost studies reflect an increase or decrease of 5% over or under the current allowance. The authorized allowance for other items will also be subject to revision whenever cost studies reflect an increase or decrease of 5% over or under the appropriate current allowance.

107. The Department has established standards which provide a method for determining an LRR's ability to support. The standards do not describe how the individual or family shall actually spend income.
108. Standards and monetary allowances have not been established for all requirements which are recognized by the Department. Where no standard has been established allowances are authorized on an actual cost basis, subject in certain instances to a maximum limitation. Whenever an allowance is defined as actual cost or as an amount that is actually paid up to a maximum, it shall be interpreted that the agency shall examine the reasonableness of the amount which the client is paying for the goods and services received and shall discuss, advise and/or assist the client in securing such goods and services for a more reasonable amount. Where it is clearly demonstrated that such goods and services are available for a more reasonable amount, then this amount shall be the maximum allowance to be included in the client's budget.
109. When any service which is made available from an organization on a non-profit basis is being purchased by a client, in the absence of a specially approved rate for such service otherwise specified either in this Manual or in other regulations of the State agency or the Division of Welfare, the amount to be paid for this service shall not exceed the lowest amount for which this organization is supplying the service to non-assistance individuals. If the organization is under contract to supply the service without charge or is in fact supplying the service without charge to the community or to a specified class of persons of which the client is a member, then it shall be recognized as an available free service for the client and no monetary allowance for the service shall be included in the client's budget.

110. DEFINITIONS

For purposes of this statement of policy and procedure the following terms shall be applied as here defined or as defined in the sections referred to:

- | | |
|------------------------------------|--|
| activity, minimal | - as defined on Appendix Page 2. |
| activity, moderate | - as defined on Appendix Page 2. |
| activity, strenuous | - as defined on Appendix Page 2. |
| agency | - Bureau of Assistance; County Welfare Board; Commission for the Blind; whichever is appropriate. |
| allowance | - is the monetary value of a standard. |
| basic requirement | - as defined in Section 202. |
| blind person | - a client who, regardless of the kind of assistance being received or applied for, has been found by the determination of the Bureau of Medical Affairs to be within the definition of blindness as established by agency policy. |
| boarder, roomer,
roomer-boarder | - a person, other than a member of a "family unit", whose acceptance in the household is dependent upon payment in cash for board, room or room and board. A client may be considered a boarder only under the circumstances specified in the Appendix. |
| budgetary statement | - refers to Form PA-3A provided by the agency on which has been entered the computations relating to allowances and income and the final budget computations relating to a client(s) or family budget unit in support of the action recommended or approved. |

(continued)

110. DEFINITIONS (continued)

categorical assistance	- Assistance for the Blind, Disability Assistance, Assistance for Dependent Children and Old Age Assistance.
city worker's family budget	- as defined in Section 607.2.
client	- in O.A.A., A.B., and D.A., the individual applying for or receiving assistance; in A.D.C., the child or children for whom assistance is being applied for or received and, the parents or relatives applying for or receiving assistance for dependent children.
earned income exemption	- as defined in Sections 501.2, and 503.1c.
earned income, budgetable	- as defined in Section 503.1.
earnings, seasonal	- as defined in Section 503.3.
element	- refers to an item included in the basic requirements, personal needs and household needs.
emancipated	- release of a child from the duty to serve and obey his parent, conferring on the child the right to his earnings. Emancipation may be expressed or implied from the circumstances.
evaluation of capacity of legally responsible relatives to support	- as defined in Section 714.
family budget unit	- refers to certain family members in specified situations whose needs and income are budgeted as a unit.
family size	- as defined in Appendix Page 1.

(continued)

110. DEFINITIONS (continued)

- family unit size - refers to the number of persons in the family of a legally responsible relative and is used in applying the Schedule of Exemptions. See Section 607.4.
- head of the household - refers to the individual who is recognized by other members of the household as the individual having primary responsibility for the financial control and direction of the household.
- income equivalent - as defined in Section 502.42.
- income in kind - as defined in Section 502.41.
- marginal household - as defined on Appendix Page 13, Section 3.3-d-(4).
- monthly amount - monthly amount of income or monthly allowance for any requirement for which a monthly allowance is not already established is to be computed on the basis of $4\frac{1}{3}$ weeks per month.
- needy person - whenever in this Manual reference is made to a needy person or a family budget unit in need, it means a person whose individual budgetary requirements when computed in accordance with this Manual (excluding Chapter 600) exceeds the income and resources available to him.
- ownership of real or personal property - whenever referred to in this Manual, includes any and all right, title or interest, legal or equitable to such property.

(continued)

110. DEFINITIONS (continued)

- per capita
- whenever in this Manual an amount or allowance is directed to be apportioned "per capita", the number of individuals included in the term "client", "family budget unit", "family size", or "shelter unit", whichever is appropriate, shall be counted.
- personal and household needs requirement
- is the sum of the monthly per capita allowances for food, clothing, personal incidentals, fuel for heating, fuel for cooking, fuel for water heating, lighting and electrical appliances, refrigeration and household supplies.
- recurring
- refers to an item of expense or an item of income which is repeated in monthly amount over periods of two months or more.
- relatives, legally responsible
- as defined in Section 602.1.
- resources
- when pertaining to a client, see Section 501.4; when pertaining to an LRR, see Section 609.
- resources, available
- when pertaining to a client, see Section 502.
- resources, potential
- when pertaining to a client, see Section 504.
- schedule of exemptions
- applies to legally responsible relatives as defined in Section 607.4.
- self-supporting household
- as defined on Appendix Page 13, Section 3.3-d-(3).
- shelter unit
- refers to a group of persons living together as a household. Boarders, roomers, and roomer-boarders, even though not otherwise members of the family or household group shall be counted as members of the shelter unit for determining client's per capita share of shelter costs.

(continued)

110. DEFINITIONS (continued)

- | | |
|----------------------------------|--|
| special circumstance requirement | - as defined in Section 301. |
| spouse | - the husband or wife of the person whose status is under consideration. |
| standard | - specifies the item or items necessary for adequate minimum living for either a basic or a special circumstance requirement and is used in pricing for determining an allowance. |
| state office | - office of the Commission for the Blind in Newark; Bureau of Assistance in Trenton for Assistance for Dependent Children, Old Age Assistance and Disability Assistance; whichever is appropriate. |
| Standards and Sources Section | - refers to the Section of the Manual which describes in detail the sources and the content of the standards. This Section of the Budget Manual is available in County offices. |

200. BASIC REQUIREMENTS

201. Each basic requirement and all its elements must be recognized and accounted for in the budget of a client and of a family budget unit.

202. The basic requirements which the agency recognizes are:

a. Personal and Household Needs

This requirement includes the elements: food, clothing, personal incidentals, household supplies, fuel for heating, cooking, water heating, lighting and electrical appliances and refrigeration.

b. Shelter

203. Authorized monetary allowances or the methods for determining the authorized monetary allowances for all the basic requirements and their elements are found in the appropriate schedules in the Appendix Section of this Manual.

204. SHELTER

204.1 Because of the great variety of ways in which shelter is provided for clients, and the variety of elements which constitute shelter cost under varying circumstances, no standard cost figures for shelter are established, but certain limitations are established in the Appendix.

204.2 Methods for determining the proper monetary allowance to meet the shelter requirement are specified in the Appendix.

205. ROOM AND BOARD

205.1 An allowance for room and board where authorized represents the total allowance for all elements of both basic requirements (with the exception of the elements clothing, and personal incidentals) and also to include all the incidental services that are necessary for providing these items. Room and board in some instances may include personal care and services (other than nursing care) that may be required by a client.

205.2 The allowance for room and board shall be as paid, subject to the standards and limitations established in the room and board section of the Appendix.

S U B - I N D E X300. SPECIAL CIRCUMSTANCE REQUIREMENTS

	<u>Section</u>	<u>Sub-section</u>
<u>DEFINITION OF SPECIAL CIRCUMSTANCE REQUIREMENTS</u>	301.	
<u>RECURRING AND NON-RECURRING SPECIAL CIRCUMSTANCE REQUIREMENTS</u>	303.	
<u>RECOGNIZED SPECIAL CIRCUMSTANCE REQUIREMENTS</u>	304.	
<u>EXTRAORDINARY SPECIAL CIRCUMSTANCE REQUIREMENTS</u>	305.	
<u>EXPENSES INCIDENT TO SHELTER AND UTILITY COSTS</u>	306.	
ADVANCE DEPOSITS INCIDENT TO SHELTER COSTS		306.1
ADVANCE DEPOSITS INCIDENT TO UTILITY COSTS		306.2
GARBAGE COLLECTION AND DISPOSAL		306.3
PROPERTY REPAIRS AND IMPROVEMENTS		306.4
SEWER CHARGES		306.5
TELEPHONE		306.6
WATER CHARGES		306.7
<u>EXPENSES INCIDENT TO PERSONAL PROPERTY</u>	307.	
REPAIR OR REPLACEMENT OF HOUSEHOLD FURNISHINGS		307.1
STORAGE CHARGES		307.2
MOVING		307.3
INSURANCE COSTS FOR PERSONAL PROPERTY		307.4
PERSONAL PROPERTY TAXES		307.5
<u>INDEBTEDNESS</u>	308.	
POLICY PERTAINING TO INDEBTEDNESS		308.1; 308.2
DEBTS RECOGNIZED		308.3

(continued)

300. Sub-index (continued)

	<u>Section</u>	<u>Sub-section</u>
<u>PREMIUMS FOR LIFE INSURANCE</u>	309.	
INSURANCE IS A RESOURCE		309.1
PREMIUM INCLUDED IN THE ASSISTANCE BUDGET		309.2
REVIEW AND/OR ADJUSTMENT OF LIFE INSURANCE		309.3
<u>MEDICAL CARE</u>	310.	
MEDICAL CARE AS A SPECIAL CIRCUMSTANCE REQUIREMENT		310.1
MEDICINE CHEST SUPPLIES AS A SPECIAL CIRCUMSTANCE REQUIREMENT		310.3
EXPENSES INCIDENT TO SPECIAL SERVICES		310.4
GUIDE SERVICE		310.5
THERAPEUTIC DIETS		310.6
EXPENSES INCIDENT TO PATIENT CARE FOR THE CHRONICALLY ILL IN A HOME OTHER THAN A MEDICAL INSTITUTION		310.7
EXPENSES INCIDENT TO PATIENT CARE FOR THE CHRONICALLY ILL IN LICENSED PROPRIETARY NURSING HOMES, ELIGIBLE PUBLIC MEDICAL INSTITUTIONS AND APPROVED INFIRMARY SECTIONS OF NON-PROFIT AND CHARITABLE HOMES		310.8
Maximum Monthly Allowance for Patient Care in Licensed Proprietary Nursing Homes		310.83
Maximum Monthly Allowance for Chronically Ill in an Eligible Public Medical Institution		310.84
Maximum Monthly Allowance for Chronically Ill in an Approved Infirmary Section of a Non-Profit or Charitable Home		310.85
GENERAL STATEMENT PERTAINING TO LIMITATIONS ON ALLOWANCES FOR HEALTH SERVICES		310.9
BLUE CROSS AND BLUE SHIELD INSURANCE PREMIUMS		310.10
<u>RESTAURANT ALLOWANCE</u>	311.	
<u>SPECIAL CLOTHING REQUIREMENTS</u>	312.	
<u>TRANSPORTATION</u>	313.	
<u>EXPENSES INCIDENT TO VOCATIONAL EDUCATION OR REHABILITATION</u>	314.	

300. SPECIAL CIRCUMSTANCE REQUIREMENTS

301. Special circumstance requirements are those particular requirements, additional to the basic requirements, which are recognized by the agency as essential for the health and welfare of persons in specified situations.
302. Consideration shall be given to each total case situation; that is to health, to living arrangements, etc., to determine which, if any, of the authorized special circumstance requirements are essential and are not available without cost to the client or are not otherwise provided for in agency policy.
303. Special circumstance items may be regular recurring or non-recurring depending upon the nature of the item.
304. The special circumstance requirements (representing items distinct from any basic requirement) which shall be recognized and included in the budget when essential for the health and welfare of the client or the family budget unit are identified in Sections 306. through 317.
305. Situations may arise in which a client may have need for a special circumstance item which is not identified in Sections 306.-317., but which in the judgment of the local agency is essential to the health and welfare of the client. Each such case shall be brought to the attention of the State Office for approval prior to authorization.

306. EXPENSES INCIDENT TO SHELTER AND UTILITY COSTS

306.1 ADVANCE DEPOSITS INCIDENT TO SHELTER COSTS

In some situations it may be necessary for a client to pay for such items as extermination and/or to pay an advance rental deposit for a specific period (not to exceed one month) in addition to the current rental cost and/or to make a deposit for keys, meter or for breakage and loss. A non-recurring allowance based on actual cost (as verified) shall be included in the budget.

306.2 ADVANCE DEPOSITS INCIDENT TO UTILITY COSTS*

In some situations it may be necessary for a client to pay in addition to the current bill for a utility (applicable to metered and unmetered utility and telephone services) a reasonable deposit as a condition of supplying the service. Deposits to insure credit shall be reasonably related to the probable charge for service during a billing period, this period to include the average time required for collection after bills are rendered.

(continued)

*Policy as stated within this Section has been approved by the State of New Jersey, Board of Public Utilities Commissioners, Dept. of Public Utilities.

306.2 (continued)

Deposits for new customers shall be the estimated average bill of the customer for a given billing period increased by one month's estimate average bill.

When a utility, other than a telephone utility, furnishes unmetered service for which payment is received in advance, it may not demand other guarantee to secure payment for service.

A non-recurring allowance for such utility deposits based on actual cost (as verified) shall be included in the budget.

Return of Deposits Upon closing any account the balance of any deposit remaining after the closing bill for service has been settled shall be returned promptly to the client with interest due.

Each utility shall review a customer's account at least once every two years and if such review indicates that the customer has established credit satisfactory to the utility, then the outstanding deposit shall be refunded to the customer.

Simple interest, at the rate of at least 4 percent per annum, must be paid by the utility on all deposits held by it, provided the deposit has remained with the utility for at least six months.

306.3 GARBAGE COLLECTION AND DISPOSAL

In certain municipalities garbage collection and disposal is not available as a government service and householders are required to pay fixed charges to private individuals or companies for this service. In such situations, this constitutes a special circumstance requirement which shall be recognized. A recurring allowance equal to the actual monthly cost of such service shall be included in the budget.

306.4 PROPERTY REPAIRS AND IMPROVEMENTS

Repairs and improvements to property real or personal are sometimes necessary in order to insure health and safety and to maintain continuity of shelter. Where repairs and improvements answer this description they constitute a special circumstance requirement which shall be recognized. In such circumstances there shall be included in the budget a non-recurring allowance equal to the actual verified cost necessary to secure the repairs and improvements on the most reasonable basis as determined, whenever feasible, by three price estimates.

A recurring allowance estimated to liquidate such cost over a stipulated period of time may be substituted for a non-recurring allowance when circumstances support such action.

306.5 SEWER CHARGES

In certain municipalities it is necessary for the client to pay a sewer charge to either a public or private concern. In such situations, a special circumstance allowance equal to the actual monthly cost of this service shall be included in the client's budget. (See also Appendix Section II-3.2-c.)

306.6 TELEPHONE

Telephone service shall be recognized as a special circumstance requirement in the budget of the client when (as verified):

- a. the client's physical condition or the remoteness of a client's home requires telephone service to secure the necessities of life, and is essential for the safety of the client, or
- b. the telephone service is essential to earnings, or
- c. a client is blind or has some other serious physical handicap and is living alone or is alone for most of the day.

306.7 WATER CHARGES

It may be necessary for a client to purchase water from a public or private concern. In such situations, a special circumstance allowance equal to the actual monthly cost of the water charges shall be included in the client's budget. (See also Appendix Section II, 3.2-c.)

307. EXPENSES INCIDENT TO PERSONAL PROPERTY

307.1 REPAIR OR REPLACEMENT OF HOUSEHOLD FURNISHINGS

- a. It may be necessary for a client, in order to insure health and safety, to repair, replace or purchase essential household furnishings. It shall be the agency's responsibility to examine the situation with regard to the following before an allowance is made:
 1. When possible would it be more economical to repair the article? If repaired, would the article continue to give service so as to justify the cost of repair in lieu of replacement?
 2. Is it possible to substitute some other article already available?
 3. Can a used or reconditioned item that will give the necessary service without additional repair or maintenance costs be procured?

(continued)

307.1 (continued)

- b. The allowance for a special circumstance requirement to repair, replace or purchase essential household furnishings to be included in the budget of the client shall be a non-recurring allowance equal to the actual verified cost on the most reasonable basis as determined, whenever feasible, by two price estimates. A recurring allowance estimated to liquidate such costs over a stipulated period of time may be substituted for a non-recurring allowance when circumstances support such action.

307.2 STORAGE CHARGES

Storage charges for essential clothing, household equipment, furnishings or furniture may be recognized as a special circumstance requirement when:

- a. The articles stored are essential to the client (see Section 504.3-b) and the cost of storage does not exceed the cost of replacement.
- b. During a period of hospitalization or rehabilitation away from home or following an eviction, it is necessary to temporarily store these articles.

307.3 MOVING

The necessary transport of household goods, incident to the moving of the client, shall be recognized as a special circumstance requirement. A non-recurring allowance equal to actual verified cost shall be included in the budget only if the cost arrangements have been approved by the agency in advance. In approving such grants, the local office shall request competitive estimates whenever feasible.

307.4 INSURANCE COSTS FOR PERSONAL PROPERTY

It may be necessary for a client to pay insurance costs for essential personal property. In such situations, an allowance equal to the actual monthly cost shall be included in the client's budget.

307.5 PERSONAL PROPERTY TAXES

In certain municipalities it is necessary for clients to pay personal property taxes. In such situations, a non-recurring allowance based on actual cost, for taxes on essential personal property shall be included in the client's budget.

308. INDEBTEDNESS

- 308.1 The purpose of public assistance is to meet present need and not claims for prior incurred indebtedness or past need.

308.2

A special circumstance requirement for the specified indebtedness as outlined in 308.3 may be recognized in the budget of the client only when the following exist:

- a. the indebtedness referred to in this Section refers only to the indebtedness which is in existence at the time eligibility of the client is established and;
- b. payment of the prior incurred indebtedness, in part or total, is necessary to preserve for the client the continued use or ownership of a service of essential real or personal property and this service or property is an item for which a basic or special circumstance allowance would be authorized and;
- c. payment of the prior incurred indebtedness can be accomplished at a cost which does not exceed the cost of replacement or substitution of satisfactory items.

308.3 Only the following types of debts may be recognized as a special circumstance requirement:

- a. Installment payments on essential clothing and household furnishings may be recognized as an indebtedness only after efforts have been made to defer, cancel, or reduce payments (as verified) and when the cost of replacement of the essential articles would exceed the cost of the remaining payments.
- b. Installment payments on personal loans made through finance companies or banks may be recognized as indebtedness only after efforts have been made to defer, cancel, or reduce payments (as verified) and when the loan is secured by a mortgage or a conditional sales agreement on essential, tangible property and foreclosure or repossession is threatened.
- c. Indebtedness for shelter and utilities (as verified) from the first day of the month in which the client was found to be eligible for assistance may be included in the client's budget except that:
 1. in the situation where a legal eviction proceeding has actually been initiated against a client and other adequate housing is not available or obtainable, the minimum amount, but not to exceed 3 months back indebtedness for shelter, which will prevent eviction, may be included in the client's budget;
 2. in the situation where a utility company has given final notice that service will be discontinued, the minimum amount as verified, which the utility company will accept to insure continuance of service, may be included in the client's budget.

(continued)

308.3 (continued)

- d. An allowance for delinquent taxes, assessments and penalties may be recognized as an indebtedness to be included in the client's budget where the total indebtedness for the property does not exceed the current value of the property.
- e. Indebtedness for room and board (which includes obligations to nursing homes, boarding homes, non-profit or charitable homes for the aged and infirm, public medical institutions for the chronically ill, etc.) may be recognized from any one of the following three dates, whichever is the most recent:
 1. the first day of the month in which eligibility is officially established;
 2. the date of application for assistance;
 3. the date of admission to the home.

309. PREMIUMS FOR LIFE INSURANCE (INCLUDING ANY FRATERNAL AND LODGE BENEFITS)

309.1 INSURANCE IS A RESOURCE

In accordance with Chapter 500, life insurance is either an available or potential resource. Premiums may be recognized in the client's budget as a special circumstance requirement to the extent and under the conditions hereafter stated.

309.2 PREMIUMS INCLUDED IN THE ASSISTANCE BUDGET

- a. The actual amount of premiums may be recognized in the budget as a special circumstance requirement only:
 1. for clients or family budget unit members eighteen or over; and
 2. for whole life policies or the equivalent (except in those cases where the review procedure specified below results in a finding that they cannot or should not be converted); and
 3. for policies yielding a total death benefit not to exceed \$500 (unless the review procedure specified below results in a finding that they cannot or should not be adjusted to such limitations);
 4. if (except in the A.B. program) the policy is either assigned or the person has made other equivalent arrangements satisfactory to the agency.
- b. A recurring allowance equal to the actual cost of such premiums shall be included in the budget. In certain situations an allowance for premiums may be made on a non-recurring basis. Budgeting the cost of premiums on a non-recurring basis shall be limited

(continued)

309.2-b. (continued)

to situations of special cause where the client himself has requested this arrangement and where this arrangement is essential in the judgement of the agency.

309.3 REVIEW AND/OR ADJUSTMENT OF LIFE INSURANCE

a. Review and/or adjustment is not required.

Where the total face value of all policies on the life of an individual is less than \$300, submission of such policies for review and/or adjustment (as described below) is not required.

b. Review and/or adjustment of life insurance is required.

1. Where the total face value of all policies on the life of an individual is \$300 or more, regardless of the age of the individual, such policies shall be submitted for review, recommendation and/or adjustment, unless Section 309.3-c. is applicable.
2. All other policies on the life of the client or member of the family budget unit shall be submitted for review and/or adjustment, unless Section 309.3-c. is applicable.

c. Insurance of an A.B. client in programs of rehabilitation.

Adjustment of insurance holdings may be deferred for certain A.B. clients during a limited period of time which will enable the agency to extend rehabilitation services aimed at a vocational adjustment.

1. If the client's policies carry a death benefit value of \$500 or less then no action shall be taken to adjust the insurance.
2. If the client's policies should exceed a death benefit value of \$500 then action to adjust the insurance may be deferred during the period of rehabilitation. Decision will be based upon such factors as L.I.A.B. recommendation, whether client has dependents, the size of the insurance estate and the susceptibility of the client for rehabilitation.

d. Method for review and/or adjustment of life insurance.

1. The following policies of all clients or members of the family budget unit, regardless of age of such persons, are to be submitted for review, recommendations and/or adjustment at the time of application:
 - (a) Policies totaling \$300 face value or more.
 - (b) Policies which are other than whole life.

(continued)

309.3-d. (continued)

2. Policies for review and/or adjustment are to be submitted to one of the following offices:
 - (a) LIAB for companies served by this Bureau, or
 - (b) main office of the insurance company for all other, or
 - (c) in situations where the agency has only the name of the insurance company and the policy number, they may submit the request for review, recommendations and/or adjustment to LIAB.
3. The insurance company or LIAB are to be requested to review policies to determine resources and feasibility of adjustment to the kind and amount of policy identified in Section 309.3-c.-1. above.
4. It is understood that the LIAB (for all companies served by this Bureau) or the other insurance companies will take into consideration the following:
 - (a) reduced life expectancy because of poor health;
 - (b) disability income actually being paid;
 - (c) possible disability benefits.
5. Premiums shall be recognized in the budget of persons 18 and over until recommendations for adjustment have been received.
6. Recommendations of the LIAB or the insurance companies shall be followed and thereafter only the amount of the adjusted premiums shall be included in the budget.

310. MEDICAL CARE

- 310.1 The medical care needs of a client, including medical and dental services, prescribed drugs, prescribed prosthetics, hospital beds, wheel chairs, crutches, etc., which cannot be provided without cost to the client through utilization of existing family or community facilities, shall be recognized as a special circumstance requirement. Non-recurring allowances, based on actual cost, shall be included in the budget, unless expenses of procuring health services are otherwise provided for by agency policy.
- 310.2 Detailed rules and procedures governing recognition of medical care requirements as budgetary items are set forth in special statements of agency policy to which reference should be made.

- 310.3 A person with a chronic physical condition who is not living in a medical institution may need medicine chest supplies in excess of the amount already included in the standard. For example, a client in a family home may need rubbing alcohol in substantial amounts, or a client may require considerable amounts of bandages and dressings. When the nature of the client's condition, the amount and kind of medicine chest supplies needed as based upon current requirements, has been certified in writing by the physician to the agency, a non-recurring allowance based on actual cost shall be included in the client's budget.

(continued)

310.4 EXPENSES INCIDENT TO SPECIAL SERVICES

310.41 A client because of handicap, illness or infirmity may need a special service. For the purpose of this Manual special services include:

- a. Errand Service - which is the cost of employing a person to do shopping, to tend a furnace or stove, to carry coal or wood, or to perform similar errands or tasks.
- b. Domestic Service - which is the cost of employing a person to perform part or all of the routine household tasks.
- c. Homemaker Service - which is either the cost of employing a homemaker for the situation where the mother or mother person is ill or temporarily absent from the home and the homemaker is necessary in order that the family may continue to function as a family unit; or is the cost of employing a homemaker to perform essential service for any client.

310.42 An allowance for a special service shall be included in the client's budget only if all the following exist:

- a. Client has a mental or physical handicap, illness or infirmity, the existence of which has been verified by evidence satisfactory to the local agency; and
- b. the client lives alone or as a member of a family group; and
- c. the service is essential to the health and welfare of the client; and
- d. there is no person available who will perform the services without cost and the service is not otherwise available without cost to the client; and
- e. the allowance is not for wages to be paid to a legally responsible relative who is performing the service (see Section 310.45).

310.43 The allowance for a special service shall be the most reasonable rate for which the service can be obtained including the Social Security tax when the client is liable for the tax.

310.44 The total cost of all regular recurring allowances, including both basic and special circumstance requirements, should be compared with the maximum allowable basic rate for purchasing patient care in a private medical institution. When the cost exceeds the maximum allowable basic care rate in a private medical institution, there must be medical and social reasons for continuing this home living arrangement. Consideration shall be given to the desirability

(continued)

310.44 (continued)

of preserving the family unit and to the feasibility of continuing to permit the client to live in his home.

- 310.45 There are situations where a client lives with a legally responsible relative, other than a spouse, and this relative is performing an essential special service for the client, which service would otherwise have to be purchased by the client from another person. If the legally responsible relative performing the service is himself in need (as determined by the budgetary standards and allowances as authorized in this Manual) and is not eligible for a categorical assistance program and has been refused a grant of general assistance, the allowance to be included in the client's budget for the special service may be the amount of the deficit in the legally responsible relative's budget (for maximum allowance see Section 310.44). However, if the legally responsible relative performing the service is presumptively eligible for any assistance program and refuses to apply, no allowance for his requirements shall be included in the client's budget.

310.5 GUIDE SERVICE

When it is established that a blind person requires guide service which is not otherwise available without cost or that a blind person has a seeing eye dog, a recurring allowance based on estimated average cost or a non-recurring allowance based on an actual cost, whichever is appropriate, for the cost of the guide's services or the expenses necessary to maintain a seeing eye dog, shall be included in the budget. This applies to a recipient who was determined to be blind regardless of the categorical assistance being received.

310.6 THERAPEUTIC DIET

A special circumstance requirement for a therapeutic diet when prescribed by a physician, in writing, shall be recognized in the budget of the client in accordance with the conditions and allowances as specified in the Appendix.

310.7 EXPENSES INCIDENT TO PATIENT CARE FOR THE CHRONICALLY ILL IN A HOME OTHER THAN A MEDICAL INSTITUTION

- 310.71 A client because of a defect, disease or impairment may need to purchase patient care in a home other than a medical institution.

- 310.72 Allowances for patient care in a home other than a medical institution may be included in the client's budget only if all the conditions as specified in the Manual of Administration Section 2254 exist and in addition the following conditions also exist:

- a. The home is a boarding home in which this client is the only person, unrelated to the operator, who is receiving patient
(continued)

310.72 (continued)

- a. The client is the only person receiving patient care in a home in which he is neither related to the family members nor the operator, or the client is receiving patient care in a home and all members, including the client, are related by blood or marriage.
- b. There is no person who will perform the service and care without cost to the client and the service is not otherwise available without cost to the client.

310.73 The allowance for patient care in a home other than a medical institution shall be the most reasonable rate for which the service can be obtained.

310.74 The total cost of all regular recurring allowances, including both basic and special circumstance requirements shall be compared with the maximum allowable "inclusive" rate (310.83-2.-a.). When the cost exceeds the maximum allowable "inclusive" rate there must be medical and social reasons for continuing this home living arrangement. Consideration shall be given to the desirability of preserving the family unit and to the feasibility of continuing to permit the client to live in his home.

310.8 EXPENSES INCIDENT TO PATIENT CARE FOR THE CHRONICALLY ILL IN LICENSED PROPRIETARY NURSING HOMES, ELIGIBLE PUBLIC MEDICAL INSTITUTIONS, AND APPROVED INFIRMARY SECTIONS OF NON-PROFIT OR CHARITABLE HOMES

310.81 A client because of a defect, disease, or impairment may need patient care in one of the above institutions.

310.82 A monthly allowance for patient care for the chronically ill in a licensed proprietary nursing home, eligible public medical institution or approved infirmary section of a non-profit or charitable home shall be included in the client's budget only:

- a. if all the conditions as specified in the Manual of Administration Section 2254 exist; and
- b. if there is no person available who will perform the service and care without cost to the client and the service is not otherwise available without cost to the client.

310.83 Maximum Monthly Allowances for Patient Care in Licensed Proprietary Nursing Homes

Two maximum monthly allowances for patient care in a licensed proprietary nursing home have been established; a "basic" monthly allowance as described in Section 310.83-1.-a., and an "inclusive" monthly allowance as described in Section 310.83-2.-a.

1. Maximum "Basic" Monthly Allowance For Patient Care In Licensed Proprietary Nursing Homes.

(continued)

310.83-1. (continued)

The maximum allowable "basic" monthly allowance that a client shall pay, regardless of source or sources of such payments, for patient care in a licensed proprietary nursing home is \$275.00, plus, when applicable, the monthly allowance authorized in accordance with Appendix Section IV, Increase in Monthly Allowance Related to Minimum Wage Payment.

- a. The maximum allowable monthly "basic" allowance for patient care in a licensed proprietary nursing home shall be construed to include room and board, bed and bathroom linens, nursing care, laundry of client's personal clothing (but not dry cleaning costs) (*), personal services, supervision as required by the nature of the client's illness, therapeutic diets, all vitamins, all common medicine chest supplies (such as and including all mouth washes, all analgesics, all laxatives, all emollients, all burn ointments, all first-aid creams, all protective creams and liquids, cough and cold preparations, all simple eye preparations, all antacids, dressings, the application or administration of all drugs, the administration of intravenous, subcutaneous, and/or intramuscular injections, infusions, etc.), and all medical supplies (such as and including gauzes, bandages, tapes, plasters, compresses, cottons, sponges, hot water bags, ice bags, syringes, thermometers, catheters, cellu cotton or any other types of pads used to save labor or linen, rubber gloves, etc.).
- b. When a client is purchasing patient care in a licensed proprietary nursing home at the "basic" allowance, special circumstance allowances for items of medical care may be included in the budget of the client only in the situation as identified in the following Sections: 310.83-1.-c, 310.83-1.-d., 310.83-1.-e., and 310.83-3.
- c. Physicians' fees for professional visitations to individual patients paying the "basic" monthly allowance in licensed proprietary nursing homes are authorized to be a special circumstance allowance except that: (also see Manual of Administration Chapter 2400)
 - (1) individual fees will not be allowed if payable to a physician who is the owner or operator of a nursing home or who is a stockholder in a corporation which owns the nursing home;

(continued)

(*) Client's personal incidental and clothing allowances provide for dry cleaning costs.

310.83-1.-c. (continued)

- (2) individual fees will not be allowed if payable to a physician who is employed or retained by the nursing home on a fixed compensation basis.
- d. A client who is a patient paying the "basic" monthly allowance in a licensed proprietary nursing home may need:
 - (1) Drugs, other than those identified in Section 310.83-1.-a.
 - (2) Dental service and dentures.
 - (3) Blood, blood plasma, infusions.
 - (4) Hearing aids.
 - (5) Eye examinations by a specialist, eye glasses and other prosthesis.
 - (6) Chiropody service (other than normal pedicure services).
 - (7) Laboratory services.
 - (8) X-ray services.
 - (9) Prosthetics.
 - (10) Oxygen.
- e. A special circumstance allowance for the medical needs, as identified in Section 310.83-1.-d., shall be included in the budget of a client paying the "basic" monthly allowance only on the basis of actual and verified cost to the nursing home and only if all of the following exist:
 - (1) It is essential to the health and welfare of the client; and
 - (2) it has been recommended in writing by a licensed physician; and
 - (3) it is not otherwise available without cost to the client.

- 2. Maximum "Inclusive" Monthly Allowance For Patient Care In Licensed Proprietary Nursing Homes.

(continued)

310.83-2. (continued)

The maximum allowable "inclusive" monthly allowance that a client shall pay, regardless of source or sources of such payment, for patient care in a licensed proprietary nursing home is \$290.00, plus, when applicable, the monthly allowance authorized in accordance with Appendix Section IV, Increase in Monthly Allowance Related to Minimum Wage Payment.

- a. The maximum "inclusive" monthly allowance for patient care in a licensed proprietary nursing home includes in addition to all items and services identified in the "basic" patient care allowance (see Section 310.83-1.-a.) all prescribed drugs and physician services.
- b. A client who is a patient paying the "inclusive" monthly allowance in a licensed proprietary nursing home may need:
 - (1) Dental service and dentures.
 - (2) Blood, blood plasma, infusions.
 - (3) Hearing aids.
 - (4) Eye examinations by a specialist, eyeglasses, and other prosthesis.
 - (5) Chiropody service (other than normal pedicure services).
 - (6) Laboratory service.
 - (7) X-ray service.
 - (8) Prosthetics.
 - (9) Oxygen.
- c. A special circumstance allowance for the medical needs, as identified in section 310.83-2.-b., shall be included in the budget of a client paying the "inclusive" monthly allowance only on the basis of actual and verified cost to the nursing home and only if all of the following exist:
 - (1) It is essential to the health and welfare of the client; and
 - (2) it has been recommended in writing by a licensed physician; and
 - (3) it is not otherwise available without cost to the client.

(continued)

310.83 (continued)

3. A client who is a patient in a licensed proprietary nursing home may need physical therapy or functional occupational therapy. A special circumstance allowance for physical therapy or functional occupational therapy may be included in the budget of the client only:
 - a. if all of the conditions as specified in Manual of Administration Section 2410.14 exist; and
 - b. if the therapy is not otherwise available without cost to the client.

310.84 Maximum Monthly Allowance For The Chronically Ill In An Eligible Public Medical Institution

- a. The maximum monthly allowance for patient care for the chronically ill in an eligible public medical institution shall be whichever of the following is the least:
 - (1) one-twelfth of the annual per capita cost; or
 - (2) the minimum rate charged by the public medical institution to chronically ill persons who are not recipients of public assistance; or
 - (3) \$290 plus, when applicable, the monthly allowance authorized in accordance with Appendix IV - Increase in Monthly Allowance Related to Minimum Wage Payment.
- b. The maximum monthly allowance for patient care for the chronically ill in an eligible public medical institution shall be construed to include all the items included in the "inclusive" allowance for patient care in a licensed proprietary nursing home (see Section 310.83-2.) and shall also include any laboratory, diagnostic, X-ray, dental, physical therapy, functional therapy, or other services which are available for all patients in the eligible public medical institution.

310.85 The maximum monthly allowance for the chronically ill in an approved infirmary section of a non-profit or charitable home shall be whichever of the following is the least:

- a. The minimum rate charged by the home to chronically ill persons who are not recipients of public assistance; or
- b. The "basic" monthly allowance of \$275.00, as described in Section 310.83-1 or the "inclusive" monthly allowance of \$290.00 as described in Section 310.83-2., plus, when applicable, to either the "basic" or "inclusive" rate, the monthly allowance authorized in accordance with Appendix Section IV, Increase in Monthly Allowance Related to Minimum Wage Payments.

(continued)

310.86 The budget of a client who is purchasing patient care in a licensed proprietary nursing home, eligible public medical institution, or approved infirmary section of a non-profit or charitable home shall include the allowances for patient care, clothing (unless Appendix Section Clothing 2.5 is applicable), personal incidentals and allowances for the appropriate special circumstance items identified below:

Indebtedness if Section 308. is applicable.

Insurance if Section 309. is applicable.

Property Repair and Improvement if Section 306.4 is applicable.

(continued)

310.86 (continued)

Clothing if Section 312 is applicable.
Storage if Section 307.2 is applicable.
Transportation if Section 313 is applicable.
Blue Cross and Blue Shield Insurance Premium costs if
Section 310.10 is applicable.
Insurance Costs for Personal Property if Section 307.4 is
applicable.
Personal Property Taxes if Section 307.5 is applicable.

310.9 Allowances for the goods and services referred to in Sections 310.83-1.-c., 310.83-1.-d., 310.83-2.-b., 310.83-3., and 310.85 are also subject to any limitations of maximum allowances or procedural requirements that are established in separate agency policy.

310.10 SUPPLEMENTARY MEDICAL, BLUE CROSS AND BLUE SHIELD INSURANCE PREMIUM COSTS

a. Supplementary Medical Insurance (Part B, Title XVIII, Social Security Act)1. OAA

Every OAA recipient will automatically receive an allowance for Supplementary Medical Insurance in the form of a vendor payment to the Social Security Administration under the "buy-in" plan.

2. AB, ADC

If an AB client, or an aged ADC client not eligible for OAA, is enrolled for Supplementary Medical Insurance, a recurring allowance based on the actual cost of the monthly premium (currently \$3.00 per month) shall be included in the client's budget.

b. Blue Cross

1. Subject to the provisions of paragraph b.2. below, if a client is already paying a premium for a Blue Cross policy which provides benefits for himself, or for himself and his dependents, or for his dependents only, a recurring allowance based on actual cost shall be included in the client's budget unless the benefits included within the medical insurance or the expenses of procuring these benefits are otherwise available without cost to the client or are otherwise provided for by agency policy.
2. For any client or dependent of a client who is 65 years of age or older, the amount of the recurring allowance shall not exceed the premium cost of a Blue Cross policy which augments but does not duplicate the benefits provided by Part A of Title XVIII of the Social Security Act (~~Hospital Insurance Benefits~~).

310.10-c. Blue Shield

1. Subject to the provisions of paragraph c.2. below, if a client is already paying a premium for a Blue Shield policy which provides benefits for himself, or for himself and his dependents, or for his dependents only, a recurring allowance based on actual cost shall be included in the client's budget unless the health benefits included within this medical insurance or the expenses of procuring these health benefits are otherwise available without cost to the client or are otherwise provided for by agency policy.
2. For any client or dependent of a client who is 65 years of age or older, the amount of the recurring allowance shall not exceed the premium cost of a Blue Shield policy which augments but does not duplicate the benefits provided by Part B of Title XVIII of the Social Security Act (Supplementary Medical Insurance Benefits).

311. RESTAURANT ALLOWANCE

A special circumstance requirement for restaurant meals shall be recognized in the client's budget when the client's living arrangements (as verified) are in accordance with the conditions specified in the Appendix. The monetary allowance to be included in the client's budget for restaurant meal(s) shall be the amount(s) according to the client's individual living arrangement, as stated in the Appendix.

312. SPECIAL CLOTHING REQUIREMENTS

An individual may under specific circumstances need an allowance for special clothing. Special clothing requirements shall be provided on the basis of actual need (as verified) and at reasonable cost. The clothing standard in the Standards and Sources Section may be used as a guide for determining adequacy, kind, quality, and probable years of wear. An allowance for special clothing may be included in the client's budget only in the following situations:

- a. Where a client, who because of a physical or mental incapacity, is unable to do his own shopping for clothing and does not have a relative or interested person in whom he has confidence who could do this shopping for him, the clothing allowance as a basic requirement shall not be included in the

(continued)

312.-a. (continued)

client's budget. However, in all such cases, the clothing requirement shall be granted as a special circumstance requirement and the client's clothing needs shall be revised at regular intervals of not more than 6 months.

- b. When a client needs in addition to his regular monthly clothing allowance:
 - 1. replacement of essential clothing which has been destroyed;
 - 2. additional clothing necessitated for admission to a hospital, institution, camp or school;
 - 3. additional garments necessitated by a health condition which has been medically verified;
 - 4. clothing for immediate wear because he does not have adequate wearing apparel and has not been receiving assistance for a long enough period of time to enable him to purchase the necessary clothing;
 - 5. special clothing for confirmation or graduation.

313. TRANSPORTATION

313.1 A special circumstance requirement for transportation to visit members of the client's immediate family who are in hospitals or institutions may be recognized in the client's budget. A recurring allowance equal to the estimated average monthly cost of transportation for these purposes or a non-recurring allowance equal to the actual cost of the transportation shall be included in the budget. However, the factor of reasonableness in regard to frequency of visits, distances traveled, and total costs of visits shall be considered in determining the allowances for this requirement.

313.2 a. The cost of the continued possession and operation of an automobile by a client or member of the family budget unit may be recognized as a special circumstance requirement in the budget when any of the following is existent:

- 1. public transportation is not available;
- 2. the client or a member of the family budget unit, due to an illness or infirmity, cannot use public transportation;
- 3. an automobile is currently necessary
 - (a) to produce income or

(continued)

313.2-a.-3(continued)

- (b) in order to secure employment or
- (c) will be necessary if employment is secured.
(However, in situations where the continued use and operation of an automobile is determined to be necessary solely for the purpose of producing income, all such transportation expenses shall be recognized as a cost of employment. See Section 503.1-a. and b.);

4. the agency determines the automobile to be essential to the client because it is an incentive to self-help for reasons other than those enumerated in 1., 2., or 3. above.

- b. A recurring allowance equal to the actual monthly cost of operation (or estimated monthly cost when actual costs cannot be obtained) may be recognized in the budget.
- c. A non-recurring allowance for essential repairs, licenses, insurance, maintenance of an automobile (other than operation costs) may be recognized in the budget as a special circumstance requirement.
- d. When an automobile is shared by a person(s) who is not a member of the family budget unit, only the client's or family budget unit's pro-rata share of the costs of operation, repair, etc. shall be included in the budget.

313.3 A client, because of an illness, infirmity or physical handicap may need expenses for transportation:

- a. to clinic, hospital or doctor;
- b. to public or private medical institutions;
- c. to school;
- d. to church;
- e. for shopping.

A recurring allowance equal to the estimated average monthly cost of minimum essential transportation, or non-recurring allowance equal to actual cost of such transportation shall be included in the budget. (For transportation costs of employment see Section 503.1-a.1.).

313.4 A client may need a special circumstance requirement for transportation costs to move to another area of the State or for a

(continued)

313.4 (continued)

permanent move to another State. A non-recurring allowance equal to the actual verified costs of such transportation shall be included in the client's budget.

313.5 A client may need a special circumstance requirement for transportation to attend a recreation center, clubs for the aged, youth clubs, day care centers, etc. When such clubs are operated and sponsored by a recognized agency, a recurring allowance equal to the estimated average monthly minimum cost of such transportation or a non-recurring allowance equal to the actual cost of such transportation shall be included in the budget.

313.6 a. A client may need additional expenses for transportation as an incident to education or training in accordance with Manual of Administration Section 2280.2.

b. A special circumstance for transportation costs as an incident of education or training shall be the actual cost not to exceed the maximum of three dollars (\$3.00) per day for each day of school or training.

c. The special circumstance allowance for transportation as an incident of education or training may be recognized in the client's budget on either a recurring or non-recurring basis.

314. EXPENSES INCIDENT TO VOCATIONAL EDUCATION OR REHABILITATION

a. An allowance for a special circumstance requirement for vocational education or rehabilitation which is not otherwise available without cost to the client, may be included in the budget of a client if it is an essential part of a planned program of vocational adjustment and training for an individual.

A special circumstance requirement for vocational education or rehabilitation must be recommended by both the investigating agency, where necessary, and the County Welfare Board.

It shall be the County Welfare Board's responsibility to examine the situation with regard to the following before an allowance is made:

1. Does the educational facility selected meet the specific needs of the client?
2. Is this educational facility a recognized school for the type of training selected?
3. Is this kind of training available through a public educational facility?
4. Does the education facility provide a free placement service?

b. The allowance for expenses incident to vocational education shall not exceed the actual cost of such training.

315. EXPENSES INCIDENT TO HOMEMAKER SERVICE

315.1 An allowance for a special circumstance for homemaker service may be included in the budget of a client when illness, death or other disruption in normal family living has created problems and on the basis of the social and/or medical diagnosis, it is determined that homemaker services can maintain and preserve family life.

315.2 An allowance for homemaker service shall be included in the client's budget only if all the following exist:

- a. client lives alone or as a member of a family group; and
- b. there is no person available who will perform the services without cost and the service is not otherwise available without cost.

315.3 The allowance for homemaker service shall be the most reasonable rate for which the service can be obtained.

316. EXPENSES INCIDENT TO PARTICIPATION IN A WORK EXPERIENCE AND TRAINING PROGRAM, TITLE V OF THE ECONOMIC OPPORTUNITY ACT OF 1964

316.1 When a client or a member of the family budget unit is participating in a work experience and training program, a monthly special circumstance allowance of \$50.00 for each such person shall be recognized in the budget.

316.2 This special circumstance allowance is for costs directly attributable to participating in a work experience and training program and includes the additional costs of food, clothing, clothing care and maintenance, personal care, telephone and public transportation.

316.3 The monthly allowance of \$50.00 includes the amount of \$13.00 for costs of public transportation. If transportation by automobile is necessary to participate in a work experience and training program, compute the cost of automobile operation and maintenance at ten cents (\$.10) per mile. To the extent that this amount exceeds \$13.00, consider the amount of the excess as a separate special circumstance requirement in accordance with Section 313.2.

316.4 The expenses of employment as described in Section 503. have no applicability to work experience and training programs.

S U B - I N D E X500. RESOURCES

	<u>Section</u>	<u>Sub-section</u>
<u>GENERAL CONSIDERATION</u>	501.	
<u>AVAILABLE RESOURCES</u>	502.	
MONEYS AVAILABLE IN A LUMP SUM		502.1
RESOURCES ON WHICH CASH CAN BE IMMEDIATELY REALIZED		502.2
REGULAR RECURRING INCOME		502.3
INCOME IN KIND AND INCOME EQUIVALENTS		502.4
Income in Kind		502.41
Income Equivalents		502.42
OCCASIONAL GIFTS AND CONTRIBUTIONS		502.5
SUPPLEMENTAL AID BY OTHER AGENCIES OR ORGANIZATIONS		502.6
INCOME FROM RELATIVES AND FRIENDS		502.7
INCOME FROM CHILDREN PLACED BY STATE BOARD OF CHILD WELFARE IN HOME OF CLIENT		502.8
<u>EARNED INCOME OF A CLIENT</u>	503.	
METHODS FOR DETERMINING BUDGETABLE EARNED INCOME OF A CLIENT		503.1
From Employment		503.1-a.
From Self-Employment		503.1-b.
MONTHLY AMOUNT FOR PERSONAL EXPENSES OF EMPLOYMENT		503.2
FROM SEASONAL EARNINGS		503.3

(continued)

500. Sub-index (continued)

	<u>Section</u>	<u>Sub-section</u>
<u>EARNED INCOME OF A CLIENT</u> (continued)		
NET INCOME TO CLIENT FROM ROOMER(S), ROOMER-BOARDER(S) AND TABLE-BOARDER(S)		503.4
Roomer(s) and Roomer-Boarder(s)		503.41
Table-Boarder(s)		503.42
Cost Figures		503.43
Net Income to Client From Roomer(s) and Roomer-Boarder(s) When Client's Shelter Cost Includes All Household Needs		503.44
NET INCOME FROM APARTMENTS AND/OR HOUSEKEEPING UNITS IN HOME OF THE CLIENT		503.5
<u>POTENTIAL RESOURCES</u>	504.	
PRINCIPLES AFFECTING POTENTIAL RESOURCES		504.1
FACTORS AFFECTING EVALUATION OF REAL PROPERTY		504.2
PERSONAL PROPERTY AS A POTENTIAL RESOURCE		504.3

500. RESOURCES501. GENERAL CONSIDERATION

501.1 The Social Security Act and laws of the State of New Jersey provide that the agency shall consider all income and resources of the client in determining need and in determining the amount of assistance to be granted, except as defined in Section 501.2 below.

501.2 EXEMPT RESOURCES

a. IN THE AID TO THE BLIND PROGRAM

1. In the Aid to the Blind program the first \$85 plus 1/2 of earned income in excess of \$85 per month of a blind client's earned income shall be disregarded in determining need for himself or his dependents who are applying for or receiving categorical assistance. (For method, see 503.1-c).
2. In the situation where a client has a plan for achieving self-support and this plan has been approved by the State Office, the additional amounts from the client's other income and resources necessary to the fulfillment of such a plan shall be disregarded for a period not in excess of twelve (12) months. Other income and resources refers to income in addition to the disregarded earned income in Section 501.2-1 above and includes all other earned and unearned income and other resources including real and personal property.

501.2 b. PAYMENT UNDER THE ECONOMIC OPPORTUNITY ACT OF 1964

1. Where payments (as such word is defined in 503.1-c) are made under Titles I or II of the Economic Opportunity Act of 1964, or under any program assisted under such Titles, to or on behalf of any client, or any member of a family budget unit, or any LRR whose evaluated capacity to contribute to the support of a client is determined by the assistance budgetary method, the first \$85 per month plus 1/2 of the payments in excess of \$85 per month shall be disregarded in determining need for himself or his dependents who are applying for or receiving categorical assistance. (For specific methods, see 503.1-d).
2. The remainder of the income from such payments shall be considered in evaluating the capacity of a LRR, and in determining need of a client or his dependents who are applying for or receiving categorical assistance, only to the extent that such income is actually available to or for the benefit of the client or his dependents.
3. Disregard of income from payments under Title I or II of the Economic Opportunity Act of 1964 applies to programs such as:

501.2-b-3 (continued)

Jobs Corps Programs (Title I, part A)
Work-Training Programs (Title I, part B)
Work-Study Programs (Title I, part C)
Community Action Programs (Title II)
Voluntary Assistance Programs for Needy Children (Title II)

4. The above procedure for disregarding income is not applicable to amounts paid to regular employees as wages, or as compensation to persons engaged as independent contractors, for services performed in the administration of Economic Opportunity Act programs.

c. EXCESS VALUE OF FOOD STAMPS

For any household participating in the Food Stamp Program of the U.S. Department of Agriculture, the value of the coupon allotment in excess of the amount paid by the household for such allotment shall be disregarded in determining need for the client or his dependents who are applying for or receiving assistance.

- 501.3 The establishment in this Manual of certain measures and procedures for determining need and the amount of grant does not imply the exercise by the agency of any control or restriction of the client's use and expenditure of the income or resources which are so measured.
- 501.4 The allowance standards authorized in this Manual are calculated to be adequate and complete; there is therefore no basis for ignoring or discounting any resources as a means of meeting alleged needs not required by the standards, except in the programs as defined in Section 501.2 above.
- 501.5 Resources are defined as cash, or any other property of value, real or personal, the disposition of which is in the control of the client or a member of the family budget unit and which is available, or can be made available, for the support of the client or family budget unit.
- 501.6 The following principles shall govern in the consideration of resources:
 - a. The client and each member of the family budget unit shall identify for the agency and participate in the evaluation of his own resources. Resources are of two kinds: available (see Section 502) and potential (see Section 504).
 - b. All resources of individuals included within the family budget unit shall be recognized as resources of the family budget unit.
 - c. Whenever any resource is being received by any member of the family budget unit who is legally responsible for one or more other dependents in the household who are not members of the family budget unit, such resources shall be apportioned on a per capita basis among those in the family budget unit plus those

501.6-c (continued)

dependents for whom he is legally responsible in order to determine the amount of resource for the family budget unit or the client.

- d. In ADC, when a child is living with a natural or adoptive parent and a stepparent, the income and resources of the stepparent are deemed available to meet the needs of the stepchild and its natural or adoptive parent in the same manner as identified in a., b., c. above.
- e. In ADC, when a child is living with a natural or adoptive parent and a person with whom the natural or adoptive parent is living in a non-marital relationship, the income and resources of this person are deemed available to meet the needs of the child and its natural or adoptive parent in the same manner as identified in a., b., c. above.

502. AVAILABLE RESOURCES

Only available resources shall affect the amount of the grant. The following shall be considered available resources, and their effect on the determination of need and the amount of the grant, whether at the time of application or at any other later time during the period when the client is receiving assistance, shall be as prescribed.

502.1 MONEYS AVAILABLE IN A LUMP SUM

(Note: Pursuant to the option provided in the Social Security Amendments of 1965, the lump sum payment of retroactive increases in OASDI benefits for the months of January through September 1965, shall be disregarded in determining need for assistance, and the provisions of this section shall not apply thereto.)

a. At the time of application

The entire amount of moneys available for the support of the client or family budget unit at the time of application shall be considered in determining eligibility on the basis of need.

1. Sufficient to meet total monthly budgetary needs

If the amount of such moneys is sufficient to meet the budgetary requirements of the client or family budget unit for a period of thirty days or more, the client shall be considered ineligible for payment. (Also see Manual of Administration Section 2514.)

502.1-a-2 (continued)

2. Insufficient to meet total monthly budgetary needs

If the amount of such moneys is insufficient to meet the budgeted requirements of the client or family budget unit for a period of thirty days the grant for the first month shall be limited to an amount necessary to meet the **deficit** between the available cash and total requizements for that month.

502.1 (continued)

b. During the period assistance is being received.

The entire amount of moneys which may become available to the client or family budget unit at any time during the period where assistance is being received shall be considered in determining need.

1. Sufficient to meet total budgetary needs for 3 months or more.

If the amount of such moneys available to the client or family budget unit members is sufficient to meet the budgeted requirements of the client for a period of three months or more, the grant shall be terminated. (Any money which becomes available to the agency from liquidation of a potential resource owned by the client or family budget unit member at the time of application and which the agency, pursuant to an agreement or arrangement with the client, claims and retains as repayment for assistance extended during the period of liquidation, is not included within the meaning of "moneys available to the client" as used in the preceding sentence nor shall this statement be construed to limit the policy pertaining to reimbursement in the ADC, DA and OAA programs.)

2. Insufficient to meet total budgetary needs for 3 months.

If the amount of such moneys available to the client or family budget unit is insufficient to meet the budgeted requirements of the client or family budget unit for a period of three months, the grant shall be adjusted by reduction or suspension, based upon the period of time which the client or family budget unit should be supported by such moneys.

502.2 RESOURCES ON WHICH CASH CAN BE IMMEDIATELY REALIZED

The cash, which can be realized by the sale or pledge of a resource within a period of seven days, shall be considered in the same manner as prescribed in Section 502.1 (for information concerning all other resources see Section 504.1).

502.3 REGULAR RECURRING INCOME

Regular recurring income includes moneys received as income from employment or business, income from investments, trusts, estates, contributions, support payments by relatives, or benefits from OASI, workman's compensation, railroad retirement, veteran's administration, union, lodges, etc. (When benefits are granted for special purposes in accordance with intent of the law under which they are

(continued)

502.3 (continued)

provided, such as education, rehabilitation, medical costs, etc., such benefits shall be recognized as a resource applicable only to the particular requirements for which they are granted.)

- a. When such income recurs at monthly intervals or less it shall be budgeted as monthly income.
- b. When such income recurs at intervals greater than a month, it shall be budgeted in accordance with either of the following procedures, whichever may be more appropriate in the judgment of the agency, for the individual case situations:
 1. Apply the amount of income in total to meet current monthly requirements and reduce or suspend the grant as may be appropriate.
 2. Pro-rate the amount of income on a monthly basis between the periods of payment, provided that such income shall not be pro-rated to cover monthly periods in advance of the actual receipt of the income.

502.4 INCOME IN KIND AND INCOME EQUIVALENTS

502.41 Income in Kind

- a. Any element or requirement which is clearly identifiable as to nature and availability that is being provided without cost, either in part or whole, to the client shall be recognized as income in kind.
- b. The monetary value for income in kind (other than home produce) shall be the appropriate authorized allowance for the element or requirement.
- c. Home produce may either be produced by or contributed to a client. Home produce refers to farm and garden products such as eggs, milk, poultry, potatoes and other vegetables which are consumed by a client and his family and does not refer to the sale of any home produce. When home produce is sold, net income shall be computed according to Section 503.1-b. When home produce is available in the amount stated in the section of the Appendix pertaining to home produce, the monthly cash value of such income in kind shall be determined according to the method outlined in the Appendix.

502.42 Income Equivalents

When any element included within the total allowance for personal and household needs is being supplied with another element or requirement, the element supplied shall be recognized and budgeted as an income equivalent.

502.5 OCCASIONAL GIFTS AND CONTRIBUTIONS

Purely occasional gifts of nominal amount or value such as those given on birthdays, Christmas, and other holidays, shall be disregarded.

502.6 SUPPLEMENTAL AID BY OTHER AGENCIES OR ORGANIZATIONS

Supplemental aid by other agencies and organizations whether public or private need not be considered as income (i.e., need not be deducted in determining the amount of assistance needed) provided the following concurrent conditions are met:

- a. That there is no duplication between the aid granted by the other agency and the public assistance grant.
- b. That the aid granted by the other agency is for a special purpose not within the function of the public assistance agency, for example, vocational rehabilitation.

502.7 INCOME FROM RELATIVES AND FRIENDS

502.71 Consideration of resources to be derived from relatives and friends must be made in terms of social as well as legal relationships, since it is recognized that interest and willingness to assume responsibility are not limited to relatives obligated by law. When income from relatives or friends is available to the client, it shall be budgeted as in Section 502.3. See Chapter 600 for policy and methods for determining a legally responsible relative's capacity to support.

502.8 INCOME FROM CHILDREN PLACED BY STATE BOARD OF CHILD WELFARE IN HOME OF CLIENT

Children placed by the State Board of Child Welfare in the home of the client shall not be considered as roomer-boarders and in no case shall payments for clothing and medical care be considered in the determination of income.

a. Basic payments.

State Board of Child Welfare basic payments for such a child shall be considered as equal to the cost of providing the care.

b. Payments in excess of the basic.

Where the State Board of Child Welfare payment exceeds the basic payment, the difference between the amount paid and the basic payment shall be considered as income to the client.

503. EARNED INCOME OF A CLIENT

503.1 METHODS FOR DETERMINING BUDGETABLE EARNED INCOME OF AN OAA, DA AND ADC CLIENT

(continued)

503.1 (continued)

a. From employment.

1. A client's budgetable earned income will be considered as the total wages, bonuses and commissions, etc., in cash or in kind, currently received from the employer less deductions by the employer for withholding taxes, union dues, any compulsory contributions to a retirement plan, group insurance plan, and garnishments, and less the following:
 - (a) expenses of employment which are not personal but necessary for continued employment such as tools, transportation, material, special uniforms, child care, etc., if not furnished by the employer;
 - (b) when applicable, the expenses of employment due to participation in employment activities such as expenses for recreation groups, contributions to welfare and gift funds, coffee breaks, etc.;
 - (c) the monthly amount for personal expenses of employment, whether full or part-time and regardless of the age of the client. This item includes the additional costs of food, clothing and personal incidentals. (See Section 503.2).
2. Deductions for any other purposes will not be recognized, and if they are being made this amount should be added to the net sums actually received by the employee in order to determine budgetable earned income.
3. Earnings shall be verified from voucher records or statements in writing submitted by the employed person, subject to additional verification as required by agency standards.
4. Where a client's weekly or monthly earnings are of irregular amounts, the current income for budgetable purposes shall be the average earnings computed from the 8 weeks experience immediately preceding the determination.

b. From self-employment.

1. Earned income from self-employment (other than when earned income is from roomers, boarders and/or roomer-boarders) is considered to be the net profit from a business enterprise, farming, etc. Net profit is the total revenue less the cost of producing the revenue (business expenses). Expenses such as income tax payments, lunches, etc., are not to be considered as business expenses.

(continued)

503.1-b. (continued)

2. A client's budgetable earned income from self-employment is the net profit as defined in 1. less income taxes and Social Security taxes when required, and less the applicable personal expense of employment (see Section 503.1-a.-1., and Section 503.2).
 3. Persons who are self-employed shall be required to submit evidence of business receipts and expenditures as the basis for a sound estimate of budgetable income. If the person is unable to submit satisfactory records, an evaluation based on current operations as observed and reported by the worker shall be made.
 4. In the case of a client who is self-employed, if it is clearly evident that the expense of producing the income exceeds the income produced, assistance shall not be granted or continued if the client persists in operating the business, since this in effect would be using public assistance to subsidize a failing business.
3. Method for applying "earned income exemption" and determining net earned income of an AB client.

1. From employment.

An Aid to the Blind client's earned income will be considered as total income in cash or in kind, earned by the client through the receipt of wages, bonuses, commissions, etc. The following method shall be used to determine earned income of an AB client.

- (a) Deduct from gross earnings expenses of employment which are not personal but necessary for continued employment, such as tools, material, special uniforms if not furnished by the employer.
 - (b) From the amount in (a) above, disregard the first \$85 per month and one-half of the excess above \$85.
 - (c) From the amount in (b) above, deduct personal expenses of employment as set forth in Section 503.2-a.
 - (d) The remainder of income shall be recognized as income to the family budget unit unless Section 501.2-b. is applicable.
2. Income not included within definition of earned income.

Income from dividends, rentals, compensation for lack of employment, benefits from old-age and survivors insurance or other public or private insurance funds, veteran's benefits

(continued)

503.1-c.-2. (continued)

and pensions, and all other forms of income not within the definition in Section 503.1-c.-1. above, shall not be considered as earned income for purposes of the "earned income exemption." However, all such other income shall be recognized and accounted for as available resources in establishing eligibility and the amount of the grant, in accordance with policies and procedures otherwise established in this Manual.

3. From self-employment.

In computing the gross salary of self-employed AB clients, (for example a vending stand operator or a client employed at a home industry occupation) gross income shall be determined by subtracting the cost of raw materials or the cost of merchandise from the total monthly sales less the applicable expenses of employment identified in Sections 503.1-b.-1. and 503.2-a.

In computing earned income-in-kind, the value of such income shall be established, preferably with the employer, and this amount shall be considered the gross income. (An example of this would be the ambulatory blind person in a home who receives part of his budgetary needs for such work as helper in the house, janitor, etc.) If an AB client receives free shelter or part of his board for performing work duties, the client shall receive a budgetary allowance equal to the value of the shelter or board so long as this allowance is within the intent of this regulation and does not exceed the allowances set forth in the Appendix.

4. Income from roomers and boarders.

Net income received by an AB client from roomers and/or boarders shall be considered earned income provided the client actively supplies a service to the roomer or boarder, such as room cleaning, laundry, preparation of meals, etc.

- (a) Where the client and spouse or the client and another individual jointly supply room cleaning, laundry and/or meals, the earned income derived shall be divided between the two.
- (b) Income from tenants, roomers or boarders to whom the client supplies no service himself shall be considered rental income not subject to the "earned income exemption" and therefore a resource.

503.1-a (continued)

3. Earnings shall be verified from voucher records or statements in writing submitted by the employed person, subject to additional verification as required by agency standards.
4. Where a client's weekly or monthly earnings are of irregular amounts, the current income for budgetable purposes shall be the average earnings computed from the 8 weeks' experience immediately preceding the determination.

b. From self-employment

1. Earned income from self-employment (other than when earned income is from roomers, boarders and/or roomer-boarders) is considered to be the net profit from a business enterprise, farming, etc. Net profit is the total revenue less the cost of producing the revenue (business expenses). Expenses such as income tax payments, lunches, etc., are not to be considered as business expenses.
2. A client's budgetable earned income from self-employment is the net profit as defined in 1. less income taxes and Social Security taxes when required, and less the applicable personal expense of employment (see Section 503.1-a.-1., and Section 503.2).
3. Persons who are self-employed shall be required to submit evidence of business receipts and expenditures as the basis for a sound estimate of budgetable income. If the person is unable to submit satisfactory records, an evaluation based on current operations as observed and reported by the worker shall be made.
4. In the case of a client who is self-employed, if it is clearly evident that the expense of producing the income exceeds the income produced, assistance shall not be granted or continued if the client persists in operating the business, since this in effect would be using public assistance to subsidize a failing business.

c. Payments made to or on behalf of any person under Title I or II of the Economic Opportunity Act of 1964

1. Payments made to or on behalf of any person under Title I or II of the Economic Opportunity Act of 1964.

The term payments as used for this purpose refers to amounts paid to individuals who are recipients of benefit payments under the Economic Opportunity Act of 1964.

503.1-c (continued)

- (a) Enrollees or student participants in Title I projects as Jobs Corps (Title I-A) and Neighborhood Youth Corps (Title I-B) and students employed under the College Work Study Program (Title I-C) are recipients of benefit payments under the EQA programs.

(b) Community Action Programs

Payments made to individuals under Community Action Programs sometime qualify as benefit payments for purposes of disregard of income.

(1) Payment to Trainees

Community Action trainees are individuals enrolled in community action training programs who do not engage in substantial work activities and who do not receive their payments in the form of wages. All payments to such persons in connection with other training shall be considered as benefit payments.

(2) Payments to Resident Non-Professionals

"Resident non-professionals" are persons whose status or relationship to the Community Action Program is determined, by the public welfare agency, to meet all of the following criteria:

- they are so designated by the community action agency; and
- they are selected primarily on the basis of residence in a target area or membership in the target population; and
- they work and concurrently receive training as health aides, teacher's aides, neighborhood workers, survey workers, etc.

Such persons are regarded as beneficiaries only on a partial and temporary basis. For each of the first 12 months only of combined work and training as a "resident non-professional," only the first \$150 a month shall be recognized as a benefit payment to which the disregard of income applies. If such worker is retained after the first 12 months, he is to be regarded in all respects as a member employee and his payments shall be regarded as earned income (503.1a) not subject

503.1-c-a-2 (continued)

to any further "benefit payment" exemptions.

- (3) Individuals employed by Community Action agencies, other than those determined to be "resident non-professionals," are regarded in all respects as regular employees and their wages shall be regarded as earned income from employment in accordance with 503.1-a.

503.1 d. Method for:

1. Disregarding income received as "benefit payments" under Title I and II of the Economic Opportunity Act of 1964; and
2. Applying "earned income exemption" and determining earned income of an AB client.
 - (a) Deduct from gross earnings expenses of employment which are not personal but necessary for continued employment, such as tools, material, and special uniforms, if not furnished by the employer.
 - (b) From the amount in (a) above, disregard the first \$85 per month and one-half of the excess above \$85; except that with respect to "resident non-professionals," as defined in 503.1-c, disregard, of the first \$150, the first \$85 and one-half of the remainder, and only for the first 12 months.
 - (c) From the amount remaining after any deductions specified in (b), deduct expenses of employment as set forth in Section 503.2-a., plus any other personal expenses such as transportation to and from work, child care, etc.
 - (d) The remainder of income shall be recognized as income to the family budget unit unless Section 501.2-a-2 or 501.2-b-2 is applicable.

- (1) In AB Program, Income from employment

An Aid to the Blind client's earned income will be considered as total income in cash or in kind, earned by the client through the receipt of wages, bonuses, commissions, etc. The above method shall be used to determine earned income of an AB client.

503.1-d-1-a-2 (continued)

(2) In AB Program, Income not included within definition of earned income

Income from dividends, rentals, compensation for lack of employment, benefits from old-age and survivors insurance or other public or private insurance funds, veteran's benefits and pensions, and all other forms of income not within the definition in Section 503.1-c.-1. above, shall not be considered as earned income for purposes of the "earned income exemption." However, all such other income shall be recognized and accounted for as available resources in establishing eligibility and the amount of the grant, in accordance with policies and procedures otherwise established in this Manual.

(3) In AB Program, Income from self-employment

In computing the gross salary of self-employed AB clients, (for example a vending stand operator or a client employed at a home industry occupation) gross income shall be determined by subtracting the cost of raw materials or the cost of merchandise from the total monthly sales less the applicable expenses of employment identified in Sections 503.1-c.(1) and 503.2-a.

In computing earned income-in-kind, the value of such income shall be established, preferably with the employer, and this amount shall be considered the gross income.

503.44 (continued)

b. Roomer(s)

1. Subtract from the per capita share of the rental cost the sum of the appropriate per capita allowances (based on the number of persons eating in the home) for cooking and refrigeration.
2. Add \$2.00* to the result of b.-1.
3. Subtract the results of b.-2 from the amount paid to the client; the difference is the net income to the client.

c. Roomer-Boarder(s)

1. Determine the appropriate food allowance for the roomer-boarder(s) using the food allowance for a boy age 13-18 [regardless of actual age of roomer-boarder(s)] and the appropriate family size.
2. Add to the per capita share of the rental the appropriate food allowance and \$2.00*.
3. Subtract the sum, as determined in c.-2. from the amount paid to the client. The difference is the net income to the client.

503.45 The entry of income to the client in his budget shall be limited to the net monthly income as computed according to Sections 503.41, 503.42 or 503.44, whichever is applicable. It is to be assumed for purposes of the "Client's Budget" that all roomer(s), table-boarder(s) and roomer-boarder(s) in the home of a client are paying an amount that is at least equal to the cost.

503.5 NET INCOME FROM APARTMENTS AND/OR HOUSEKEEPING UNITS IN HOME OF THE CLIENT

In such situations, determine the net income by deducting the actual operating costs from the gross income; the following method shall be used.

a. Determine the shelter cost:

1. If the client owns his home -

the sum of the actual yearly cost of home ownership
(continued)

* (This amount represents the approximate monthly cost of maintenance and replacement for non-durable house furnishings other than household supplies. This amount has been included in the cost figures identified in Section 503.43).

503.5-a.-1. (continued)

(i.e., taxes, special assessments, interest, mortgage, insurance, sewer charges, water, etc.) divided by 12 to determine the monthly cost.

2. If the client rents his home -

the monthly rent is the shelter cost.

3. Divide the monthly shelter cost by the number of rooms in the whole house to determine a room cost. Multiply the room cost by the number of rooms in each apartment or housekeeping unit to determine the shelter cost per unit.

b. Where the client furnishes heat or any other utility item with rent:

1. Determine on an actual expenditure basis the average monthly cost of the item(s) furnished by the client.

2. If the cost of any of the client's utility items are included in the total cost, subtract the client's appropriate monetary allowance for the item(s).

c. Subtract the sum of the monthly shelter cost and the monthly cost of utility items included with rent (a. plus b), if any, from the total rental income paid to the client. The difference is the net income to the client.

d. Costs for maintenance and repair shall be included in the client's budget in accordance with Section 307.

504. POTENTIAL RESOURCES

Potential resources are those resources which a client or a member of the family budget unit may possess without immediately affecting the amount of his assistance grant because not currently available for expendable use but which must be considered as a possible future source of support to the client or the family budget unit.

504.1 PRINCIPLES AFFECTING POTENTIAL RESOURCES

a. The agency shall recognize all potential resources and shall plan with the client or family budget unit members to assure that all necessary steps are taken to:

1. inform the client and family budget unit members at the time of application that all such resources must be liquidated;

(continued)

503.43 Cost Figures

- a. Roomer (cost figures include light, housecleaning supplies, water, fuel, bed and bathroom linens and laundry of same) \$12.00
- b. Table-Boarder (cost figures include food, cooking fuel, housecleaning supplies, refrigeration and water \$40.00
- c. Roomer-Boarder (cost figures include food, utilities, housecleaning supplies, fuel, refrigeration, water, bed and bathroom linens and laundry of same) \$46.00

503.44 Net Income to the Client from Roomer(s) and Roomer-Boarder(s) when Client's Shelter Cost Includes All Household Needs

- a. Divide the rental cost by the number of persons living in the home to determine the per capita share of the rental.
- b. Roomer(s)
 - 1. Subtract from the per capita share of the rental cost the sum of the appropriate per capita allowances (based on the number of persons eating in the home) for cooking and refrigeration.
 - 2. Add \$2.00* to the result of b.-1.
 - 3. Subtract the results of b.-2 from the amount paid to the client; the difference is the net income to the client.
- c. Roomer-Boarder(s)
 - 1. Determine the appropriate food allowance for the roomer-boarder(s) using the food allowance for a boy age 13-18 [regardless of actual age of roomer-boarder(s)] and the appropriate family size.
 - 2. Add to the per capita share of the rental the appropriate food allowance and \$2.00*.
 - 3. Subtract the sum, as determined in c.-2 from the amount paid to the client. The difference is the net income to the client.

(continued)

* (This amount represents the approximate monthly cost of maintenance and replacement for non-durable house furnishings other than household supplies. This amount has been included in the cost figures identified in Section 503.43.)

503.45 The entry of income to the client in his budget shall be limited to the net monthly income as computed according to Sections 503.41, 503.42 or 503.44, whichever is applicable. It is to be assumed for purposes of the "Client's Budget" that all roomer(s), table-boarder(s) and roomer-boarder(s) in the home of a client are paying an amount that is at least equal to the cost.

503.5 NET INCOME FROM APARTMENTS AND/OR HOUSEKEEPING UNITS IN HOME OF THE CLIENT

In such situations, determine the net income by deducting the actual operating costs from the gross income; the following method shall be used.

a. Determine the shelter cost:

1. If the client owns his home -

the sum of the actual yearly cost of home ownership (i.e., taxes, special assessments, interest, mortgage, insurance, sewer charges, water, etc.) divided by 12 to determine the monthly cost.

2. If the client rents his home -

the monthly rent is the shelter cost.

3. Divide the monthly shelter cost by the number of rooms in the whole house to determine a room cost. Multiply the room cost by the number of rooms in each apartment or housekeeping unit to determine the shelter cost per unit.

b. Where the client furnishes heat or any other utility item with rent:

1. Determine on an actual expenditure basis the average monthly cost of the item(s) furnished by the client.

2. If the cost of any of the client's utility items are included in the total cost, subtract the client's appropriate monetary allowance for the item(s).

c. Subtract the sum of the monthly shelter cost and the monthly cost of utility items included with rent (a. plus b.), if any, from the total rental income paid to the client. The difference is the net income to the client.

d. Costs for maintenance and repair shall be included in the client's budget in accordance with Section 307.

504.2-d.-4. (continued)

and not lower than the price set by the independent appraisal.

5. Client or family budget unit member shall be required to sell such property within a period of six months at the highest offer, provided such offer is not less than the independent appraisal.
6. Whenever the client or family budget unit member presents evidence that such property cannot be sold, or that all his efforts have failed to provide a buyer who is willing to buy the property at the established value, the property must be reevaluated.
7. If a client or family budget unit member has used reasonable diligence in seeking a purchaser and is unable to sell the property at any price, such property may be evaluated as having no substantive value, pending any change which might give value to the property.
8. If encumbrances against the property, plus the cost of sale, equal or exceed the price at which the property can be sold, the property need not be considered as a potential resource.

504.3 PERSONAL PROPERTY AS A POTENTIAL RESOURCE

- a. All personal property must be evaluated to determine whether it is a potential resource that shall be liquidated.
- b. Household furnishings and personal clothing which are used and useful to the client and family budget unit are regarded as essential for adequate living and shall not be considered as a potential resource for liquidation. Household furnishings and personal clothing which are in storage are presumed to be not used and useful and shall be considered as a potential resource for liquidation in the absence of evidence to the contrary.
- c. Personal Effects. Incidental personal property, commonly recognized as personal effects as watches, jewelry, etc., if regularly worn or of small intrinsic value, shall not be considered as a potential resource for liquidation. In unusual situations, however, where there may be an item or items of exceptional value, not regularly used and not essential to the client's health and welfare, the client shall be informed that such personal effects shall be considered as a potential resource for liquidation.

(continued)

504.3 (continued)

- d. Automobile. The possession and use of an automobile shall not in itself be a condition of eligibility based on need.

An automobile shall not be considered as a potential resource for liquidation if:

1. In accordance with Section 313.2 the need for an automobile has been determined to be essential; or
2. when in accordance with Section 313.2 it has been determined that an automobile is not essential but the market or sale value, less encumbrances if any, is \$300 or less.

In all other cases, an automobile shall be considered as a potential resource for liquidation.

- e. Livestock, farm machinery, tools, etc. Livestock, farm machinery, tools, etc., which are ordinarily utilized in the production of some net income, either in cash or in kind, to the client or spouse, shall not be considered as a potential resource for liquidation. Even if no net income is produced, if such possessions are actually used by the client, their value as incentive to self-help and self-satisfaction warrants retention by the client. If livestock or any other similar property is owned by a child for the sole purpose of participating in an organized group or school activity (such as 4-H group) such property shall not be considered for liquidation. In all situations other than those cited above, such property shall then be considered as a potential resource for liquidation.
- f. Whenever a person ceases to make use of or is unable to make use of any personal property which was not considered as a potential resource because of such use, it shall then be considered as a potential resource for liquidation.
- g. Insurance as a resource.
1. Any life insurance other than that authorized to be in force under Section 309, is to be considered as a potential resource.
 2. Any moneys received as a result of adjustment are to be treated as "cash" under Section 502.1.
 3. Any refusal on the part of the client or family budget unit member to submit policies for review or to follow recommendations for adjustment in situations where such review and/or adjustment is required by these regulations, shall render the client ineligible for assistance in accordance with Section 504.1.

(continued)

504.3-g. (continued)

4. There shall be an initial presumption that a person has control over the insurance on his life even though the policy is not in his possession. However, any insurance over which the insured has demonstrated that he has no control shall not be considered as a resource available for current maintenance. This demonstration shall include the presentation of evidence on the part of the person having possession that there is a justified reason for such possession.
 5. When the terms of the insurance contract specify that the consent of the beneficiary is necessary for adjustment, borrowing or assignment and the beneficiary will not give his consent, then the insured shall be required to change his beneficiary to his estate.
 6. When the insured does not have physical possession of the policy, he shall be required to avail himself of legal recourse, if necessary, to secure such possession unless it can be demonstrated that he has no legal right to possession.
- h. Suits and Claims. There are situations where the client is at time of application or subsequently becomes the owner of an interest in a suit or claim arising out of an accident, inheritance of legacy, insurance on the lives of relatives or others, statutory benefits or pensions, unfulfilled contracts or obligations coming to the client, etc. Such interests constitute personal property, and are potential resources which must be recognized. Realization of such interests in cash is frequently not immediately possible or even possible within a period of six months. Such interests, when realized, frequently result in lump sum payments of substantial amounts and shall be considered as cash. Where assistance is extended during the period that the realization or liquidation of such an interest is pending, an agreement if authorized by law, shall be made whereby the client will, when liquidation occurs, repay the agency the amount of assistance extended during such period or the amount received as the result of the claim, whichever is the lesser.
- i. Stocks, Bonds, Mortgages, Etc. Stocks, bonds, mortgages, etc. which cannot be liquidated within a period of seven (7) days constitute a potential resource and shall be considered in the same manner as prescribed in Section 504.1.

504.3-g. (continued)

4. There shall be an initial presumption that a person has control over the insurance on his life even though the policy is not in his possession. However, any insurance over which the insured has demonstrated that he has no control shall not be considered as a resource available for current maintenance. This demonstration shall include the presentation of evidence on the part of the person having possession that there is a justified reason for such possession.
 5. When the terms of the insurance contract specify that the consent of the beneficiary is necessary for adjustment, borrowing or assignment and the beneficiary will not give his consent, then the insured shall be required to change his beneficiary to his estate.
 6. When the insured does not have physical possession of the policy, he shall be required to avail himself of legal recourse, if necessary, to secure such possession unless it can be demonstrated that he has no legal right to possession.
- h. Suits and Claims. There are situations where the client is at time of application or subsequently becomes the owner of an interest in a suit or claim arising out of an accident, inheritance of legacy, insurance on the lives of relatives or others, statutory benefits or pensions, unfulfilled contracts or obligations coming to the client, etc. Such interests constitute personal property, and are potential resources which must be recognized. Realization of such interests in cash is frequently not immediately possible or even possible within a period of six months. Such interests, when realized, frequently result in lump sum payments of substantial amounts and shall be considered as cash. Where assistance is extended during the period that the realization or liquidation of such an interest is pending, an agreement if authorized by law, shall be made whereby the client will, when liquidation occurs, repay the agency the amount of assistance extended during such period or the amount received as the result of the claim, whichever is the lesser.
- i. Stocks, Bonds, Mortgages, Etc. Stocks, bonds, mortgages, etc. which cannot be liquidated within a period of seven (7) days constitute a potential resource and shall be considered in the same manner as prescribed in Section 504.1.

505. LOANS

Loans made to clients under conditions which preclude their use for meeting current living costs and which are held and used in accordance with the conditions of the loan shall be disregarded in the determination of need for the client or any of his dependents who are applying for or receiving assistance.

Loans made by the Farmers Home Administration, U.S. Department of Agriculture, under Title III of the Economic Opportunity Act and loans made by the Farmers Home Administration under provisions in Title V of the Housing Act of 1949, as amended are examples of loans described above.

507. EARNINGS OF A CHILD UNDER 14 YEARS OF AGE

- 507.1 In most instances the average earnings of children under 14 years of age, who are members of a family budget unit, are casual and inconsequential; therefore, for purposes of determining eligibility and the amount of the grant, no inquiry shall be made as to the amount of the earned income of children under 14 years of age unless 507.2 or 507.3 is applicable.
- 507.2 When a child under 14 years of age does make income contributions to his family which are regular and identifiable, or which are of substantial amount, such income must be recognized in determining eligibility and the amount of the grant.
- 507.3 In situations, where on the basis of available information, there is reason to believe that a child under 14 has regular, substantial income from earnings, the situation shall be explored.

S U B - I N D E X600. POLICIES AND STANDARDS GOVERNING SUPPORT FROM RELATIVES

	<u>Section</u>	<u>Sub-section</u>
<u>RELATIVES AS A RESOURCE</u>	601.	
<u>LEGALLY RESPONSIBLE RELATIVES</u>	602.	
<u>CAPACITY OF A LEGALLY RESPONSIBLE RELATIVE TO SUPPORT A CLIENT</u>	603.	
<u>METHODS TO BE USED FOR DETERMINING THE LEGALLY RESPONSIBLE RELATIVE'S CAPACITY TO SUPPORT</u>	604.; 604.1	
INCOME OF LEGALLY RESPONSIBLE RELATIVE FROM CERTAIN SPECIAL BENEFITS		604.2
INCOME IN THE FORM OF MAINTENANCE		604.3
NET INCOME OF A CHILD OF A LEGALLY RESPONSIBLE RELATIVE		604.4
ROOMER-BOARDER IN HOME OF LEGALLY RESPONSIBLE RELATIVE		604.5
LEGALLY RESPONSIBLE RELATIVE IS ROOMER- BOARDER IN HOME OF CLIENT		604.6
EMANCIPATED CHILD IN HOME OF LEGALLY RESPONSIBLE RELATIVE		604.7
<u>LEGALLY RESPONSIBLE RELATIVE'S SUPPORT TO THE CLIENT</u>	605.	
<u>ASSISTANCE BUDGETING METHOD FOR DETERMINING LEGALLY RESPONSIBLE RELATIVE'S CAPACITY TO SUPPORT</u>	606.	

(continued)

600. Sub-index (continued)

	<u>Section</u>	<u>Sub-section</u>
<u>SCHEDULE OF EXEMPTION METHOD FOR DETERMINING THE LEGALLY RESPONSIBLE RELATIVE'S CAPACITY TO SUPPORT FROM INCOME</u>	607.; 607.1	
BASIS FOR THE SCHEDULE OF EXEMPTIONS		607.2
SCHEDULE OF EXEMPTIONS		607.3
FAMILY UNIT SIZE OF A LEGALLY RESPONSIBLE RELATIVE		607.4; 607.4-a.
<u>Family Unit Size - 1a and 1b</u>		607.4-b.
<u>Income of the Legally Responsible Relative</u>		607.4-c.
<u>Legally Responsible Relative is Married and Both Husband and Wife Have Income</u>		607.4-d.
<u>Husband and Wife are Legally Responsible Relatives of the Same Client</u>		607.4-e.
<u>Child of Legally Responsible Relative Turns Over All Income to Legally Responsible Relative</u>		607.4-f.
<u>Extraordinary Expenses of the Legally Responsible Relative</u>		607.4-g.
<u>EXTRAORDINARY NEEDS ARISING FROM MAJOR HEALTH OR SOCIAL PROBLEMS</u>	608.	
<u>RESOURCES, OTHER THAN INCOME, OF A LEGALLY RESPONSIBLE RELATIVE</u>	609.	
<u>AVAILABILITY OF THE LEGALLY RESPONSIBLE RELATIVE'S EVALUATED CAPACITY TO SUPPORT THE CLIENT</u>	610.	
<u>EFFECT OF THE LEGALLY RESPONSIBLE RELATIVE'S CAPACITY TO SUPPORT ON THE ELIGIBILITY OF THE CLIENT</u>	611.	
<u>EFFECT OF LEGALLY RESPONSIBLE RELATIVE'S REFUSAL TO FURNISH NECESSARY INFORMATION</u>	612.	

S U B - I N D E X

600. REGULATIONS AND STANDARDS GOVERNING SUPPORT FROM RELATIVES

	<u>Section</u>
<u>RELATIVES AS A RESOURCE</u>	601.
<u>LEGALLY RESPONSIBLE RELATIVES</u>	602.
<u>CAPACITY OF A LEGALLY RESPONSIBLE RELATIVE TO CONTRIBUTE TO SUPPORT</u>	603.
<u>METHODS TO BE USED FOR DETERMINING THE LEGALLY RESPONSIBLE RELATIVE'S CAPACITY TO SUPPORT</u>	604.
<u>AVAILABILITY OF THE LEGALLY RESPONSIBLE RELATIVE'S EVALUATED CAPACITY TO SUPPORT THE CLIENT</u>	605.
<u>EFFECT OF THE LEGALLY RESPONSIBLE RELATIVE'S CAPACITY TO SUPPORT ON THE ELIGIBILITY OF THE CLIENT</u>	606.
<u>EFFECT OF THE LEGALLY RESPONSIBLE RELATIVE'S REFUSAL TO FURNISH NECESSARY INFORMATION</u>	607.

600. REGULATIONS AND STANDARDS GOVERNING SUPPORT FROM RELATIVES

601. RELATIVES AS A RESOURCE

- 601.1 Relatives, whatever the relationship, are a potential resource. It is and shall be at all times the duty of the agency and its staff to determine the willingness of relatives to contribute to the support of the client.
- 601.2 The agency shall determine what contributions and whether in cash or in kind, the relative is currently contributing or is willing to contribute toward the support of the client.
- 601.3 Only the amount of support, whether in cash or as income in kind, actually being received by the client shall be considered as an available resource.
- 601.4 When a legally responsible relative fails to make available to the client the amount of the capacity to contribute support as determined by the applicable methods identified within this Chapter, such support shall then be considered as a potential resource.
- 601.5 When a relative who has an evaluated capacity to support is legally responsible for all members of a family budget unit, the relative's financial capacity to support shall be considered as a resource to the family budget unit.

602. LEGALLY RESPONSIBLE RELATIVES

- 602.1 Certain relatives are specifically identified by law as legally responsible relatives (R.S. 44:1-140). For purposes of application of the specific policies and standards hereafter provided in this Chapter and Appendix V, legally responsible relatives shall refer to the following relatives according to program:
- ADC - grandparent, parent, spouse, child and grandchild
 - OAA - spouse and child
 - DA - parent, spouse and child
 - AB - grandparent, parent, spouse and child
 - MAA - spouse and child
- 602.2 It shall be recognized that a person's obligation to support those relatives for whom he is legally responsible takes precedence over any voluntary preference on his part to support relatives or other persons for whom he is not legally responsible, except as otherwise provided in Appendix V, Sections F-2, G-2.
- 602.3 Responsibility of a married person for the support of his or her own minor children takes priority over any obligations to contribute to support of any other dependent relatives.

- 602.4 When a relative who has an evaluated capacity to contribute to support is legally responsible for two or more clients who are not members of the same family budget unit, the capacity to support may be allocated according to the relative's wishes provided that the amount allocated to any one client does not exceed that client's budgetary deficit.
- 602.5 When a relative is legally responsible for one or more, but not all, member(s) of the family budget unit, the legally responsible relative's obligation to support shall be the per capita share of the family budget unit's deficit for those persons for whom he is legally responsible.

603. CAPACITY OF A LEGALLY RESPONSIBLE RELATIVE TO CONTRIBUTE TO SUPPORT

- 603.1 It is recognized that families who are in no way dependent on public assistance customarily make changes in their living patterns in order to meet emergencies or to obtain additional items of living. Accordingly, it is recognized that a legally responsible relative may sometimes need to make some readjustment in the standard of living of himself and his immediate family in order to provide in part or total for a relative who is, or is applying to become, a public assistance client.
- 603.2 The capacity of each legally responsible relative to contribute to the support of the client must be determined.
- 603.3 Before determining a legally responsible relative's capacity to contribute to support, the agency shall have ascertained the amount and kind of support that a legally responsible relative will voluntarily contribute to the client or family budget unit as provided in Section 601.2 and Appendix V - Section C.
- 603.4 Where it is determined that a legally responsible relative does not have a capacity to contribute to support, then the amount, if any, he may have voluntarily offered to contribute shall be accepted as satisfactory; the determination shall also be that the legally responsible relative does not have an evaluated capacity to support.

604. METHODS TO BE USED FOR DETERMINING THE LEGALLY RESPONSIBLE RELATIVE'S CAPACITY TO SUPPORT

- 604.1 Two methods are established for purposes of evaluating the capacity of the legally responsible relative to support. They are:
- a. Schedule I - A gross income scale based on a low-cost level of living, which shall be used for certain relatives of defined relationship to the client (see Appendix V - Section F-1); and,
 - b. Schedule II - A gross income scale based on a moderate level of living for other legally responsible relatives (see Appendix V - Section G-1).

605. AVAILABILITY OF THE LEGALLY RESPONSIBLE RELATIVE'S EVALUATED CAPACITY TO SUPPORT THE CLIENT

When the client or family budget unit is living in the same household with the legally responsible relative, the amount of the relative's evaluated capacity to support shall be entered as income in the budget and shall for all purposes be considered available to the client or family budget unit, unless and until there is affirmative and persuasive evidence that the relative is in fact failing or refusing to contribute such amount or its equivalent in goods or services.

606. EFFECT OF THE LEGALLY RESPONSIBLE RELATIVE'S CAPACITY TO SUPPORT ON THE ELIGIBILITY OF THE CLIENT

606.1 The client or family budget unit will not be eligible for assistance when the amount of the legally responsible relative's evaluated capacity to support equals or exceeds the amount of the client's or family budget unit's total budget deficit and this support is actually available to the client or family budget unit.

606.2 When any legally responsible relative not living in the same household with the client, fails or refuses to make available to the client or family budget unit all or any portion of his monthly evaluated capacity to support, and this has been verified, such amount shall not be entered as income in the budget. However, in every such case, the agency shall, within 30 days, take appropriate action in accordance with available procedure to compel contribution in the amount of the budget deficit or the evaluated capacity to support, whichever is less.

607. EFFECT OF LEGALLY RESPONSIBLE RELATIVE'S REFUSAL TO FURNISH NECESSARY INFORMATION

607.1 Whenever the legally responsible relative fails or refuses to furnish or produce information concerning his ability to support the client, it shall be deemed a failure or refusal to provide support for the client as required by law.

607.2 In every such case, the agency shall take appropriate action within 30 days in accordance with available procedure to secure judicial determination of the legally responsible relative's ability to support the client.

METHODS AND SCHEDULES FOR DETERMINING
A LEGALLY RESPONSIBLE RELATIVE'S CAPACITY TO SUPPORT

A. INCOME OF THE LEGALLY RESPONSIBLE RELATIVE

1. For the purpose of Schedules I & II - Determining the LRR's Capacity to Contribute to Support, income (as verified) of the LRR includes:
 - a. Gross income before deductions, or the net profit from a business, farm or profession before income and other personal taxes are deducted. This includes all income of whatever kind and from whatever source (except as stated in B-1) for the twelve (12) months immediately preceding the evaluation of his capacity to contribute support.
 - b. "Net profit" as used in the preceding sub-section is the total revenue less the cost of producing the revenue. Business deductions which are allowable for income tax purposes may be recognized as expenses of producing this revenue.
 - c. In those cases where there has been no appreciable change in the income in the past year, the average for the most recent period of four (4) months may be accepted as satisfactory evidence of the average for the last year, but the income record for the entire twelve (12) month period may be considered if the individual so requests and makes the necessary information available.
 - d. However, in situations where the LRR's income either increases or decreases in the four (4) months preceding the determination of his capacity to support, the average income for the most recent four (4) months may be considered as available income for purposes of determining his capacity to support.
2. The gross income available to an LRR shall be applied to Schedule I or Schedule II - Appendix V, whichever is applicable, for determining the relative's capacity to support the person or persons as identified by program in Section 602.1 (unless modified by Sections F & G).

B. OTHER INCOME OF LEGALLY RESPONSIBLE RELATIVES

1. Special Benefits

Whenever an LRR or his dependents is the recipient of benefits, current or accrued, which are granted for and restricted to a specific purpose in accordance with the requirements of the law or contract under which they are provided, such as education, rehabilitation, medical care, etc., such benefits shall not be included in the income of the LRR for the purpose of computing his evaluated capacity to contribute to the costs of support.

2. Income in the Form of Maintenance

When a person is receiving food or lodging or both as part of his income, his total gross income shall be determined as follows:

The gross cash payment plus the monetary value of the maintenance received as used by the employer for tax purposes (the employer's monetary evaluation for payment of social security and withholding taxes).

3. Net Income of a Child of a Legally Responsible Relative

With respect to any child for whom an LRR is providing support, any net income of such child shall be counted as income of the LRR unless information is provided by the LRR to substantiate that he by actual practice is foregoing both directly and indirectly all claim to that income.

4. Roomer-Boarder in Home of Legally Responsible Relative

If an LRR has either related or unrelated roomers or roomer-boarders living in the home, the method as outlined in Section 503.4 shall be used to determine the net income to the LRR from such roomers or roomer-boarders.

5. Legally responsible Relative is Roomer-Boarder in Home of Client

Whenever an LRR is a roomer, table-boarder or roomer-boarder in the home of a client and there is net income to the client from this service, this income should be entered in the budget as income to the client or family budget unit, and does not diminish or otherwise affect the LRR's evaluated capacity, if any, to contribute to support.

B. (continued)

6. Emancipated Child in Home of Legally Responsible Relative

When an LRR has an emancipated child living in the home, such child shall be considered as a roomer or roomer-boarder, and Section 503.4 shall be used to determine the net income to the LRR.

7. Child of Legally Responsible Relative Turns Over All Income to Legally Responsible Relative

When an LRR has a child who is turning over all his income to a parent, add this income to the parent's income and include the child as a member of the LRR's family unit size.

C. LEGALLY RESPONSIBLE RELATIVE'S SUPPORT TO THE CLIENT

1. The LRR may fulfill his obligation to the support of the person or persons for whom he is responsible by contributing in cash or in kind or by cash and kind. The following rules must be applied:

- a. contribution must be regular, recurrent and reliable;
- b. contribution other than cash must be substantial and identifiable;
- c. contribution other than cash must be acceptable to the client, unless otherwise ordered by the courts.

2. When a legally responsible relative's contribution in kind is for a basic or a special circumstance requirement, the applicable monthly monetary allowances for the item(s) or requirement(s) in accordance with 3 below shall be deducted from his monthly capacity to contribute to support, when the following exist:

- a. the rules identified in Section 1 above apply;
- b. the contribution in kind is not a service which the LRR is performing for the client; and
- c. Appendix II Section 3.5 is not applicable.

3. Monetary Values for LRR's Contribution in Kind

- a. When the LRR's contribution in kind is a personal needs item(s), the appropriate allowance(s) in accordance with Appendix Section I shall be deducted from the LRR's monthly capacity to support.

C. (continued)

3. (continued)

- b. When the LRR's contribution in kind is shelter and household needs for:

one or two clients, the monthly monetary value is \$60.00;

three or more clients, the applicable amount in Appendix II Section 3.5.

- c. When the LRR's contribution is for a special circumstance requirement, the monthly monetary value is the allowance where established or the actual cost in accordance with agency regulations.

D. EXTRAORDINARY EXPENSES OF THE LEGALLY RESPONSIBLE RELATIVE

The following types of extraordinary expenses shall be considered, in the manner specified, as affecting the LRR's capacity to contribute to the support of the client.

1. Legally Responsible Relative's Contribution to Persons Other Than the Client

When an LRR or his spouse is supporting or making contributions to support (including judicial orders for support) of a parent, child, grandparent, grandchild, separated or divorced spouse who is not living in the home of the LRR, the actual amount of such contribution shall be subtracted from the LRR's monthly income. These persons shall not be included in the determination of the LRR's family unit size.

2. Medical Obligations

Where the average monthly cost for medical, dental, etc. services exceeds the appropriate amount shown in the Schedule of Monthly Medical Exemptions, the amount of the excess shall be subtracted from the LRR's monthly income.

3. Schedule of Monthly Medical Exemptions

Family Size	Monthly Medical Exemption
1	\$17.00
2	23.00
3	30.00
4	34.00
5	41.00
6 or more	45.00

D. (continued)

4. Educational Expenses

If educational expenses are being incurred for a member of the family unit for whom free educational facilities are not available, proceed as follows:

- a. When the member of the family unit is being maintained at home, the verified cost of tuition, fees, books and transportation shall, when pro-rated on a twelve (12) month basis, be subtracted from the LRR's monthly income;
- b. When the member of the family unit is being maintained away from home, the verified costs of tuition, fees, books and transportation, plus any cost of maintenance in excess of \$450 per annum shall, when pro-rated on a twelve (12) month basis, be subtracted from the LRR's monthly income.

5. Indebtedness Due to Catastrophic Events

When an LRR, whether before or following the determination of his capacity to support, is required to incur debts due to catastrophic events, other than medical, over which he had no control (for example: fire, flood, etc.) the verified monthly amount of payments necessary to liquidate these debts shall be subtracted from his monthly income. Whenever an LRR has been determined not to have a capacity to support for a specified period in order to liquidate the indebtedness due to catastrophic events, the agency shall reevaluate the LRR's capacity to support at the date set for full payment of the debt.

6. Extraordinary Needs Arising from Major Health or Social Problems

- a. Situations may arise in which an LRR may have an extraordinary need, other than those identified above; and in the judgement of the agency this need involves an expense which is extraordinary and not manageable within the exemptions and should be recognized in order to be fair and reasonable.
- b. Each such case shall be brought to the attention of the State office for approval prior to the recognition of this cost as an amount to be subtracted from the LRR's monthly income.

E. RESOURCES, OTHER THAN INCOME, OF A LEGALLY RESPONSIBLE RELATIVE

Although the application of the Schedules I and II does not provide for evaluating resources, other than income, of an LRR, it is not intended that the agency shall totally disregard the LRR's other financial resources; neither is it intended that the agency shall be precluded from taking such resources into consideration in arriving at a determination concerning the LRR's capacity to support.

Therefore, in considering any such resources of the LRR other than current income, the agency shall limit its consideration to bank accounts, savings bonds, stocks and securities. The value of such items in combination shall not be regarded as sufficiently significant (to be taken into consideration in evaluating the LRR's capacity to support), unless such value at least exceeds the appropriate amount* as follows:

<u>FAMILY SIZE</u>	<u>AMOUNT</u>
1	\$ 8,160
2	11,160
3	14,280
4	16,440
5	19,680
6	21,360

For each additional person in the family over 6 add \$1,200.

* (These amounts represent two times the annual amount of a Moderate Income Schedule.)

F. SCHEDULE I - METHOD FOR DETERMINING SPECIFIED RELATIVES' CAPACITY
TO SUPPORT

1. The capacity of the relatives as identified in a, b, c and d below to contribute to the support of person or persons for whom he is legally responsible is determined by Schedule I and the rules relating to the use of this Schedule as set forth in Chapter 600 and Appendix V - A, B, C and D.
 - a. The LRR has no dependents other than the client and is living in the same household as the client but this LRR is not the head of the household;
 - b. With respect to ADC, the LRR is the child(ren)'s natural or adoptive parent who is not living in the same household with the client;
 - c. In DA, AD and MAA (other than for nursing home care under this program) the LRR is the spouse of the client and the client is purchasing patient care in a medical institution and client and spouse had been customarily living together;
 - d. With respect to ADC, the LRR is a grandchild under 18, or under 21 where applicable, who is ineligible for ADC for reasons other than need, and is living in the same household with his grandparent(s) who is receiving ADC.
2. The family unit size of this LRR shall include the following persons in the LRR's household (family unit size for this purpose does not include the client or family budget unit member):
 - a. The LRR;
 - b. His or her spouse in the home;
 - c. Spouse's legal dependents who are unemancipated and under 21 years of age;
 - d. Dependents who are blind or disabled.

F. (continued)

3. SCHEDULE I - FOR DETERMINING LEGALLY RESPONSIBLE RELATIVE'S CAPACITY TO CONTRIBUTE TO SUPPORT

Gross Monthly Income	Monthly Capacity to Contribute by Family Size							
	1	2	3	4	5	6	7	8 or more
\$ 300 - 309.99								
310 - 319.99								
320 - 329.99	\$ 10.00							
330 - 339.99	13.00							
340 - 349.99	17.00							
350 - 359.99	20.00							
360 - 369.99	24.00							
370 - 379.99	27.00							
380 - 389.99	30.00							
390 - 399.99	35.00							
400 - 409.99	39.00	\$10.00						
410 - 419.99	42.00	13.00						
420 - 429.99	46.00	16.00						
430 - 439.99	49.00	20.00						
440 - 449.99	55.00	23.00						
450 - 459.99	59.00	26.00						
460 - 469.99	62.00	29.00	\$10.00					
470 - 479.99	66.00	34.00	12.00					
480 - 489.99	69.00	37.00	15.00					
490 - 499.99	75.00	41.00	18.00					
500 - 509.99	79.00	44.00	21.00					
510 - 519.99	83.00	47.00	24.00					
520 - 529.99	87.00	53.00	27.00					
530 - 539.99	90.00	56.00	31.00	\$10.00				
540 - 549.99	98.00	60.00	34.00	13.00				
550 - 559.99	101.00	63.00	37.00	16.00				
560 - 569.99	105.00	67.00	40.00	18.00				
570 - 579.99	109.00	73.00	43.00	21.00				
580 - 589.99	113.00	76.00	48.00	23.00				
590 - 599.99	121.00	80.00	52.00	27.00				

F. (continued)

3. SCHEDULE I - FOR DETERMINING LEGALLY RESPONSIBLE RELATIVE'S CAPACITY TO CONTRIBUTE TO SUPPORT - (continued)

Gross Monthly Income	Monthly Capacity to Contribute by Family Size							
	1	2	3	4	5	6	7	8 or more
\$ 600 - 609.99	\$125.00	\$83.00	\$54.00	\$30.00				
610 - 619.99	129.00	87.00	58.00	32.00				
620 - 629.99	133.00	94.00	61.00	35.00				
630 - 639.99	137.00	98.00	66.00	38.00				
640 - 649.99	146.00	101.00	70.00	42.00				
650 - 659.99	150.00	105.00	73.00	45.00	\$10.00			
660 - 669.99	154.00	109.00	74.00	48.00	12.00			
670 - 679.99	158.00	116.00	77.00	50.00	13.00			
680 - 689.99	162.00	120.00	80.00	53.00	14.00			
690 - 699.99	172.00	124.00	86.00	58.00	16.00	\$10.00		
700 - 709.99	176.00	128.00	90.00	61.00	18.00	12.00		
710 - 719.99	180.00	132.00	93.00	64.00	21.00	14.00		
720 - 729.99	184.00	140.00	97.00	67.00	23.00	16.00		
730 - 739.99	189.00	144.00	100.00	70.00	26.00	18.00	\$10.00	
740 - 749.99	199.00	148.00	106.00	75.00	30.00	20.00	12.00	
750 - 759.99	203.00	152.00	110.00	78.00	34.00	22.00	16.00	
760 - 769.99	208.00	156.00	114.00	81.00	38.00	26.00	19.00	
770 - 779.99	212.00	165.00	118.00	84.00	45.00	28.00	21.00	
780 - 789.99	217.00	169.00	121.00	87.00	49.00	30.00	23.00	\$10.00
790 - 799.99	228.00	173.00	129.00	93.00	54.00	33.00	25.00	12.00
800 - 809.99	232.00	177.00	132.00	96.00	56.00	35.00	26.00	14.00
810 - 819.99	237.00	182.00	136.00	99.00	60.00	37.00	29.00	16.00
820 - 829.99	241.00	191.00	140.00	102.00	64.00	41.00	31.00	17.00
830 - 839.99	246.00	196.00	144.00	105.00	70.00	43.00	33.00	19.00
840 - 849.99	257.00	200.00	152.00	112.00	74.00	46.00	35.00	21.00
850 - 859.99	262.00	204.00	156.00	115.00	78.00	49.00	37.00	22.00
860 - 869.99	267.00	208.00	159.00	118.00	82.00	51.00	41.00	25.00
870 - 879.99	271.00	219.00	163.00	122.00	86.00	53.00	43.00	26.00
880 - 889.99	276.00	223.00	167.00	125.00	90.00	56.00	45.00	28.00
890 - 899.99	289.00	228.00	176.00	132.00	95.00	60.00	47.00	30.00

F. (continued)

3. SCHEDULE I - FOR DETERMINING LEGALLY RESPONSIBLE RELATIVE'S CAPACITY TO CONTRIBUTE TO SUPPORT - (continued)

Gross Monthly Income	Monthly Capacity to Contribute by Family Size							
	1	2	3	4	5	6	7	8 or more
\$ 900 - 909.99	\$293.00	\$232.00	\$180.00	\$135.00	\$100.00	\$62.00	\$49.00	\$31.00
910 - 119.99	298.00	236.00	184.00	139.00	104.00	65.00	52.00	34.00
920 - 929.99	303.00	248.00	188.00	142.00	108.00	67.00	55.00	36.00
930 - 939.99	308.00	252.00	192.00	145.00	112.00	70.00	56.00	38.00
940 - 949.99	321.00	257.00	201.00	153.00	119.00	74.00	58.00	40.00
950 - 959.99	326.00	261.00	205.00	156.00	122.00	77.00	60.00	41.00
960 - 969.99	331.00	266.00	209.00	160.00	125.00	79.00	63.00	45.00
970 - 979.09	336.00	278.00	213.00	163.00	128.00	82.00	65.00	46.00
980 - 989.99	341.00	282.00	217.00	167.00	131.00	84.00	67.00	48.00
990 - 999.99	355.00	287.00	226.00	175.00	138.00	89.00	69.00	50.00
1000 - 1009.99	360.00	291.00	232.00	179.00	141.00	92.00	71.00	52.00
1010 - 1019.99	365.00	296.00	236.00	182.00	144.00	95.00	74.00	55.00
1020 - 1029.99	370.00	309.00	240.00	186.00	147.00	97.00	78.00	57.00
1030 - 1039.99	375.00	314.00	244.00	189.00	150.00	100.00	80.00	59.00
1040 - 1049.99	390.00	318.00	253.00	198.00	158.00	105.00	82.00	61.00
1050 - 1059.99	395.00	323.00	259.00	201.00	161.00	108.00	85.00	63.00
1060 - 1069.99	400.00	327.00	264.00	205.00	164.00	111.00	87.00	65.00
1070 - 1079.99	406.00	341.00	268.00	209.00	167.00	114.00	90.00	67.00
1080 - 1089.99	411.00	346.00	272.00	212.00	170.00	116.00	92.00	69.00
1090 - 1099.99	426.00	351.00	280.00	222.00	178.00	120.00	94.00	71.00
1100 - 1109.99	432.00	356.00	288.00	226.00	181.00	124.00	97.00	72.00
1110 - 1119.99	437.00	361.00	293.00	229.00	185.00	128.00	99.00	74.00
1120 - 1129.99	442.00	370.00	297.00	233.00	188.00	131.00	101.00	76.00
1130 - 1139.99	448.00	380.00	306.00	237.00	191.00	133.00	104.00	79.00
1140 - 1149.99	464.00	385.00	314.00	247.00	200.00	139.00	107.00	81.00
1150 - 1159.99	470.00	390.00	318.00	251.00	203.00	143.00	109.00	83.00
1160 - 1169.99	475.00	395.00	323.00	255.00	207.00	146.00	112.00	85.00
1170 - 1179.99	480.00	405.00	327.00	258.00	210.00	148.00	114.00	87.00
1180 - 1189.99	486.00	410.00	332.00	262.00	213.00	151.00	116.00	90.00
1190 - 1199.99	503.00	415.00	345.00	273.00	222.00	158.00	118.00	91.00

Revised 11/1/67

F. (continued)

3. SCHEDULE I - FOR DETERMINING LEGALLY RESPONSIBLE RELATIVE'S CAPACITY TO CONTRIBUTE TO SUPPORT - (continued)

Gross Monthly Income	Monthly Capacity to Contribute by Family Size							
	1	2	3	4	5	6	7	8 or more
\$1200 -1209.99	\$509.00	\$420.00	\$350.00	\$277.00	\$226.00	\$161.00	\$121.00	\$93.00
1210 -1219.99		425.00	354.00	281.00	245.00	164.00	122.00	95.00
1220--1229.99		431.00	359.00	284.00	249.00	167.00	124.00	97.00
1230 -1239.99		440.00	363.00	295.00	253.00	170.00	127.00	99.00
1240--1249.99		446.00	372.00	299.00	256.00	173.00	129.00	102.00
1250--1259.99		452.00	380.00	303.00	260.00	176.00	132.00	105.00
1260--1269.99		457.00	387.00	306.00	265.00	180.00	136.00	107.00
1270--1279.99		462.00	391.00	310.00	272.00	183.00	138.00	109.00
1280--1289.99		467.00	396.00	321.00	278.00	186.00	141.00	111.00
1290--1299.99		484.00	412.00	325.00	281.00	189.00	144.00	113.00
1300--1309.99		489.00	415.00	329.00	287.00	195.00	146.00	118.00
1310 -1319.99		495.00	420.00	332.00	293.00	200.00	148.00	120.00
1320 -1329.99		500.00	425.00	336.00	296.00	204.00	150.00	123.00
1330 -1339.99		505.00	430.00	340.00	303.00	207.00	152.00	125.00
1340 -1349.99		511.00	439.00	344.00	306.00	210.00	155.00	127.00
1350 -1359.99		516.00	447.00	357.00	310.00	214.00	157.00	130.00
1360 -1369.99		521.00	455.00	361.00	318.00	218.00	160.00	131.00
1370 -1379.99		526.00	460.00	365.00	321.00	221.00	163.00	133.00
1380 -1389.99		532.00	465.00	370.00	325.00	225.00	165.00	135.00
1390 -1399.99		537.00	470.00	374.00	329.00	231.00	172.00	137.00
1400 -1409.99		545.00	475.00	387.00	333.00	240.00	176.00	139.00
1410 -1419.99		555.00	480.00	391.00	336.00	243.00	178.00	142.00
1420 -1429.99		560.00	485.00	396.00	344.00	246.00	181.00	145.00
1430 -1439.99		566.00	490.00	400.00	352.00	249.00	184.00	149.00
1440 -1449.99		570.00	495.00	404.00	357.00	253.00	190.00	150.00
1450 -1459.99		575.00	505.00	409.00	360.00	262.00	191.00	152.00
1460 -1469.99		580.00	513.00	413.00	364.00	266.00	193.00	155.00
1470 -1479.99		585.00	520.00	417.00	368.00	269.00	196.00	157.00
1480 -1489.99		590.00	525.00	421.00	372.00	272.00	199.00	160.00
1490 -1499.99		595.00	530.00	425.00	376.00	276.00	202.00	163.00

F. (continued)

3. SCHEDULE I - FOR DETERMINING LEGALLY RESPONSIBLE RELATIVE'S CAPACITY TO CONTRIBUTE TO SUPPORT - (continued)

Gross Monthly Income	Monthly Capacity to Contribute by Family Size							
	1	2	3	4	5	6	7	8 or more
\$1500 -1509.99		\$600.00	\$535.00	\$430.00	\$380.00	\$284.00	\$210.00	\$166.00
1510 -1519.99				433.00	383.00	285.00	212.00	168.00
1520 -1529.99				438.00	387.00	292.00	215.00	170.00
1530 -1539.99				442.00	392.00	296.00	218.00	173.00
1540 -1549.99				447.00	397.00	306.00	221.00	176.00
1550 -1559.99				450.00	402.00	314.00	229.00	180.00
1560 -1569.99				453.00	407.00	320.00	232.00	182.00
1570 -1579.99				457.00	412.00	327.00	235.00	184.00
1580 -1589.99				460.00	417.00	333.00	238.00	187.00
1590 -1599.99				465.00	422.00	340.00	240.00	190.00

For every \$10 of increase in income, increase capacity \$3.

G. SCHEDULE II - FOR DETERMINING THE LEGALLY RESPONSIBLE RELATIVE'S
CAPACITY TO CONTRIBUTE TO SUPPORT

1. For all LRRs, other than those coming under the provisions of Appendix V Section F, the capacity to contribute to support of the person or persons for whom he is legally responsible is determined by Schedule II - Method for Determining Capacity to Contribute to Support, and the rules relating to the use of such Schedule as set forth in Chapter 600 and Appendix V - A, B, C, D and E.
2. Schedule II - Family Unit Size of a Legally Responsible Relative
 - a. In using Schedule II, the appropriate family unit size will be determined by recognizing all of the following (family unit size for this purpose does not include the client or family budget unit member):
 - (1) legally responsible relative;
 - (2) his or her spouse;
 - (3) any relative of the LRR or his spouse who is and has been customarily living in the home and for whom the LRR or his spouse is providing support. When the amount of support for any such relative is less than \$50 per month, do not include this relative in determining the LRR's family unit size, but subtract the actual amount of monthly support from the LRR's monthly income.
3. Legally Responsible Relative Is Married and Both Husband and Wife Have Income
 - a. When the LRR whose capacity to support is being determined is a married person, and both the husband and wife have income, proceed as follows:
 - (1) For Family Size of 2 only:

Consider only the income of the LRR and include the spouse in determining family size.
 - (2) For Family Sizes of 3 or more:

Consider only the income of the LRR and exclude the spouse only in determining family size.
 - (3) Make any adjustments as authorized by Appendix V - A, B, C and D.
 - (4) The resulting figure is the income to be used to determine the LRR's capacity to support.

G. (continued)

3. (continued)

- b. Husband and wife are legally responsible relatives of the same client

When the husband and wife have incomes and both are LRRs of the same client or family budget unit:

- (1) Add the incomes of the husband and wife;
- (2) Make any adjustments as authorized by Appendix V - A, B, C and D; and
- (3) The resulting figure is income to be used to determine the LRR's capacity to contribute to support.

4. The Legally Responsible Relative(s) Is a Grandparent of the Client

50% of the adjusted capacity to support as determined by Schedule II shall be the grandparent's capacity to contribute to support.

G. (continued)

5. SCHEDULE II - FOR DETERMINING LEGALLY RESPONSIBLE RELATIVE'S CAPACITY TO CONTRIBUTE TO SUPPORT
(To be used for all LRRs other than those coming under the provisions of Schedule I.)

Gross Monthly Income	Monthly Capacity to Contribute by Family Size							
	1	2	3	4	5	6	7	8
\$ 300 - 309.99								
310 - 319.99								
320 - 329.99								
330 - 339.99								
340 - 349.99								
350 - 359.99								
360 - 369.99								
370 - 379.99	\$10.00							
380 - 389.99	13.00							
390 - 399.99	16.00							
400 - 409.99	18.00							
410 - 419.99	21.00							
420 - 429.99	23.00							
430 - 439.99	27.00							
440 - 449.99	30.00							
450 - 459.99	33.00							
460 - 469.99	35.00							
470 - 479.99	38.00							
480 - 489.99	41.00							
490 - 499.99	44.00	\$10.00						
500 - 409.99	46.00	12.00						
510 - 519.99	49.00	14.00						
520 - 529.99	52.00	17.00						
530 - 539.99	57.00	19.00						
540 - 549.99	60.00	22.00						
550 - 559.99	63.00	25.00						
560 - 569.99	66.00	28.00						
570 - 579.99	68.00	30.00						
580 - 589.99	72.00	33.00						
590 - 599.99	74.00	35.00						

Revised 11/1/67

G. (continued)

5. SCHEDULE II - FOR DETERMINING LEGALLY RESPONSIBLE RELATIVE'S CAPACITY TO CONTRIBUTE TO SUPPORT
(To be used for all LRRs other than those coming under the provisions of Schedule I.)

Gross Monthly Income	Monthly Capacity to Contribute by Family Size							
	1	2	3	4	5	6	7	8
\$ 600 - 609.99	\$77.00	\$38.00						
610 - 619.99	80.00	40.00						
620 - 629.99	83.00	43.00						
630 - 639.99	90.00	45.00						
640 - 649.99	93.00	48.00	\$10.00					
650 - 659.99	96.00	53.00	13.00					
660 - 669.99	99.00	55.00	15.00					
670 - 679.99	102.00	58.00	18.00					
680 - 689.99	109.00	61.00	20.00					
690 - 699.99	112.00	63.00	23.00					
700 - 709.99	115.00	66.00	25.00					
710 - 719.99	119.00	69.00	28.00					
720 - 729.99	122.00	71.00	30.00					
730 - 739.99	130.00	74.00	32.00	\$10.00				
740 - 749.99	133.00	77.00	35.00	12.00				
750 - 759.99	137.00	83.00	37.00	14.00				
760 - 769.99	140.00	86.00	39.00	16.00				
770 - 779.99	143.00	88.00	42.00	18.00				
780 - 789.99	152.00	91.00	44.00	21.00				
790 - 799.99	155.00	94.00	48.00	23.00				
800 - 809.99	159.00	101.00	51.00	25.00				
810 - 819.99	162.00	104.00	53.00	27.00				
820 - 829.99	166.00	107.00	56.00	29.00				
830 - 839.99	176.00	109.00	58.00	32.00				
840 - 849.99	179.00	112.00	61.00	34.00				
850 - 859.99	183.00	120.00	63.00	36.00				
860 - 869.99	186.00	123.00	65.00	38.00				
870 - 879.99	189.00	126.00	68.00	40.00				
880 - 889.99	200.00	129.00	70.00	44.00	\$10.00			
890 - 899.99	204.00	132.00	73.00	46.00	12.00			

Revised 11/1/67

G. (continued)

5. SCHEDULE II - FOR DETERMINING LEGALLY RESPONSIBLE RELATIVE'S CAPACITY TO CONTRIBUTE TO SUPPORT
(To be used for all LRRs other than those coming under the provisions of Schedule I.)

Gross Monthly Income	Monthly Capacity to Contribute by Family Size							
	1	2	3	4	5	6	7	8
\$ 900 - 909.99	\$207.00	\$140.00	\$76.00	\$48.00	\$14.00			
910 - 919.99	211.00	144.00	78.00	51.00	15.00			
920 - 929.99	215.00	147.00	81.00	53.00	16.00			
930 - 939.99	225.00	150.00	83.00	55.00	18.00			
940 - 949.99	230.00	153.00	86.00	57.00	20.00			
950 - 959.99	234.00	162.00	89.00	59.00	24.00	\$10.00		
960 - 969.99	238.00	165.00	92.00	62.00	28.00	11.00		
970 - 979.99	241.00	168.00	95.00	64.00	30.00	12.00		
980 - 989.99	254.00	172.00	98.00	69.00	34.00	14.00		
990 - 999.99	257.00	175.00	100.00	71.00	36.00	16.00		
1000 - 1009.99	261.00	185.00	103.00	74.00	40.00	17.00		
1010 - 1019.99	265.00	188.00	106.00	76.00	43.00	19.00		
1020 - 1029.99	269.00	192.00	110.00	78.00	45.00	20.00	\$10.00	
1030 - 1039.99	282.00	195.00	113.00	84.00	47.00	22.00	12.00	
1040 - 1049.99	290.00	198.00	116.00	86.00	49.00	24.00	14.00	
1050 - 1059.99	294.00	209.00	118.00	89.00	50.00	25.00	15.00	
1060 - 1069.99	298.00	212.00	121.00	91.00	52.00	27.00	16.00	
1070 - 1079.99	312.00	216.00	127.00	94.00	54.00	28.00	18.00	
1080 - 1089.99	316.00	219.00	129.00	100.00	59.00	30.00	19.00	\$10.00
1090 - 1099.99	320.00	223.00	132.00	103.00	61.00	35.00	20.00	12.00
1100 - 1109.99	324.00	238.00	134.00	105.00	63.00	36.00	22.00	13.00
1110 - 1119.99	328.00	241.00	137.00	108.00	65.00	38.00	23.00	14.00
1120 - 1129.99	343.00	245.00	140.00	110.00	66.00	40.00	25.00	15.00
1130 - 1139.99	347.00	248.00	145.00	117.00	71.00	41.00	29.00	16.00
1140 - 1149.99	351.00	256.00	149.00	120.00	73.00	43.00	30.00	17.00
1150 - 1159.99	356.00	260.00	151.00	122.00	75.00	45.00	31.00	18.00
1160 - 1169.99	360.00	265.00	154.00	125.00	78.00	46.00	33.00	20.00
1170 - 1179.99	365.00	272.00	157.00	127.00	80.00	48.00	34.00	21.00
1180 - 1189.99	370.00	275.00	163.00	130.00	85.00	52.00	36.00	22.00
1190 - 1199.99	375.00	280.00	169.00	135.00	87.00	53.00	37.00	24.00

Revised 11/1/67

G. (continued)

5. SCHEDULE II - FOR DETERMINING LEGALLY RESPONSIBLE RELATIVE'S CAPACITY TO CONTRIBUTE TO SUPPORT
(To be used for all LRRs other than those coming under the provisions of Schedule I.)

Gross Monthly Income	Monthly Capacity to Contribute by Family Size							
	1	2	3	4	5	6	7	8
\$1200 -1209.99	\$380.00	\$286.00	\$172.00	\$138.00	\$89.00	\$55.00	\$39.00	\$25.00
1210 -1219.99	385.00	292.00	176.00	140.00	91.00	57.00	40.00	27.00
1220 -1229.99	389.00	296.00	179.00	143.00	94.00	59.00	41.00	28.00
1230 -1239.99	393.00	300.00	182.00	151.00	99.00	63.00	45.00	29.00
1240 -1249.99	410.00	303.00	187.00	157.00	102.00	68.00	46.00	30.00
1250 -1259.99	414.00	317.00	191.00	160.00	104.00	70.00	48.00	31.00
1260 -1269.99	418.00	321.00	195.00	162.00	106.00	75.00	49.00	33.00
1270 -1279.99	423.00	325.00	198.00	165.00	108.00	77.00	51.00	34.00
1280 -1289.99	427.00	329.00	201.00	169.00	115.00	79.00	55.00	35.00
1290 -1299.99	432.00	333.00	204.00	174.00	117.00	81.00	56.00	38.00
1300 -1309.99	436.00	347.00	215.00	177.00	119.00	83.00	58.00	39.00
1310 -1319.99	441.00	351.00	218.00	180.00	122.00	88.00	59.00	40.00
1320 -1329.99	446.00	355.00	221.00	183.00	124.00	90.00	61.00	42.00
1330 -1339.99	451.00	359.00	224.00	186.00	128.00	92.00	63.00	43.00
1340 -1349.99	455.00	363.00	228.00	190.00	131.00	96.00	65.00	46.00
1350 -1359.99	460.00	365.00	234.00	195.00	133.00	101.00	67.00	48.00
1360 -1369.99	464.00	369.00	239.00	198.00	136.00	103.00	68.00	49.00
1370 -1379.99	468.00	373.00	242.00	201.00	138.00	105.00	70.00	50.00
1380 -1389.99	472.00	378.00	246.00	204.00	140.00	107.00	72.00	51.00
1390 -1399.99	476.00	382.00	249.00	207.00	144.00	109.00	74.00	55.00
1400 -1409.99	480.00	386.00	252.00	217.00	148.00	116.00	76.00	56.00
1410 -1419.99	485.00	391.00	259.00	220.00	150.00	118.00	78.00	58.00
1420 -1429.99	490.00	395.00	264.00	223.00	153.00	120.00	79.00	59.00
1430 -1439.99	495.00	399.00	268.00	226.00	155.00	122.00	81.00	61.00
1440 -1449.99	500.00	403.00	271.00	229.00	158.00	124.00	83.00	64.00
1450 -1459.99		407.00	275.00	240.00	162.00	126.00	86.00	66.00
1460 -1469.99		412.00	278.00	243.00	166.00	129.00	88.00	67.00
1470 -1479.99		416.00	283.00	246.00	168.00	131.00	90.00	69.00
1480 -1489.99		420.00	290.00	250.00	171.00	133.00	91.00	70.00
1490 -1499.99		423.00	294.00	253.00	173.00	135.00	93.00	74.00

Revised 11/1/67

G. (continued)

5. SCHEDULE II - FOR DETERMINING LEGALLY RESPONSIBLE RELATIVE'S CAPACITY TO CONTRIBUTE TO SUPPORT
(To be used for all LRRs other than those coming under the provisions of Schedule I.)

Gross Monthly Income	Monthly Capacity to Contribute by Family Size							
	1	2	3	4	5	6	7	8
\$1500 -1509.99		\$427.00	\$298.00	\$258.00	\$176.00	\$137.00	\$95.00	\$76.00
1510 -1519.99		431.00	301.00	261.00	184.00	139.00	100.00	77.00
1520 -1529.99		435.00	305.00	264.00	187.00	146.00	102.00	79.00
1530 -1539.99		440.00	311.00	267.00	190.00	149.00	104.00	80.00
1540 -1549.99		444.00	318.00	271.00	192.00	151.00	106.00	85.00
1550 -1559.99		450.00	322.00	274.00	195.00	153.00	107.00	86.00
1560 -1569.99		455.00	325.00	277.00	200.00	155.00	110.00	88.00
1570 -1579.99		461.00	329.00	281.00	204.00	163.00	113.00	89.00
1580 -1589.99		464.00	333.00	285.00	207.00	165.00	115.00	91.00
1590 -1599.99		468.00	336.00	289.00	209.00	167.00	117.00	93.00
1600 -1609.99		473.00	340.00	292.00	212.00	170.00	119.00	96.00
1610 -1619.99		476.00	344.00	296.00	215.00	172.00	121.00	97.00
1620 -1629.99		480.00	347.00	299.00	220.00	180.00	127.00	99.00
1630 -1639.99		485.00	350.00	303.00	224.00	182.00	129.00	100.00
1640 -1649.99		490.00	354.00	306.00	227.00	185.00	131.00	102.00
1650 -1659.99		500.00	358.00	309.00	230.00	187.00	133.00	107.00
1660 -1669.99			362.00	312.00	233.00	190.00	136.00	109.00
1670 -1679.99			366.00	315.00	236.00	194.00	141.00	111.00
1680 -1689.99			370.00	319.00	240.00	198.00	143.00	112.00
1690 -1699.99			373.00	322.00	244.00	200.00	145.00	114.00
1700 -1709.99			377.00	326.00	246.00	203.00	147.00	119.00
1710 -1719.99			381.00	329.00	249.00	205.00	149.00	121.00
1720 -1729.99			385.00	333.00	251.00	208.00	152.00	123.00
1730 -1739.99			390.00	336.00	254.00	217.00	156.00	124.00
1740 -1749.99			396.00	340.00	257.00	219.00	158.00	126.00
1750 -1759.99			401.00	344.00	260.00	222.00	160.00	130.00
1760 -1769.99			408.00	347.00	264.00	224.00	162.00	132.00
1770 -1779.99			413.00	350.00	268.00	227.00	164.00	134.00
1780 -1789.99			419.00	353.00	271.00	230.00	172.00	136.00
1790 -1799.99			425.00	357.00	274.00	234.00	174.00	137.00

G. (continued)

5. SCHEDULE II - FOR DETERMINING LEGALLY RESPONSIBLE RELATIVE'S CAPACITY TO CONTRIBUTE TO SUPPORT

(To be used for all LRRs other than those coming under the provisions of Schedule I.)

Gross Monthly Income	Monthly Capacity to Contribute by Family Size							
	1	2	3	4	5	6	7	8
\$1800 -1809.99			\$430.00	\$361.00	\$277.00	\$236.00	\$176.00	\$139.00
1810 -1819.99			435.00	365.00	280.00	239.00	178.00	145.00
1820 -1829.99			441.00	369.00	283.00	242.00	180.00	147.00
1830 -1839.99			445.00	373.00	286.00	244.00	188.00	149.00
1840 -1849.99			450.00	376.00	289.00	247.00	190.00	151.00
1850 -1859.99			456.00	381.00	292.00	249.00	192.00	152.00
1860 -1869.99			462.00	386.00	295.00	252.00	194.00	159.00
1870 -1879.99			468.00	390.00	298.00	255.00	197.00	161.00
1880 -1889.99			475.00	396.00	305.00	257.00	200.00	163.00
1890 -1899.99			483.00	400.00	309.00	260.00	204.00	165.00
1900 -1909.99			490.00	405.00	313.00	263.00	206.00	166.00
1910 -1919.99			496.00	410.00	318.00	264.00	208.00	170.00
1920 -1929.99			505.00	415.00	324.00	269.00	210.00	174.00
1930 -1939.99				421.00	330.00	273.00	212.00	175.00
1940 -1949.99				428.00	336.00	276.00	214.00	177.00
1950 -1959.99				435.00	342.00	280.00	217.00	179.00
1960 -1969.99				440.00	347.00	285.00	220.00	181.00
1970 -1979.99				448.00	353.00	290.00	224.00	183.00
1980 -1989.99				455.00	360.00	295.00	228.00	185.00
1990 -1999.99				463.00	366.00	300.00	235.00	187.00
2000 -2009.99				470.00	374.00	305.00	240.00	189.00
2010 -2019.99				478.00	380.00	310.00	245.00	191.00
2020 -2029.99				485.00	388.00	315.00	250.00	193.00
2030 -2039.99				492.00	396.00	320.00	254.00	196.00
2040 -2049.99				500.00	404.00	325.00	258.00	200.00
2050 -2059.99					410.00	330.00	264.00	204.00
2060 -2069.99					416.00	335.00	268.00	208.00
2070 -2079.99					424.00	340.00	274.00	212.00
2080 -2089.99					430.00	345.00	278.00	215.00
2090 -2099.99					437.00	350.00	285.00	220.00
2100 -2109.99					445.00	355.00	290.00	225.00

For each \$20 increase in income, increase capacity \$5.

SCHEDULE II - (continued)

Legally Responsible Relative's Family Size Is 9 or more:

1. If the LRR's gross monthly income is less than \$1200, there is no monthly capacity to contribute to support.
2. If the LRR's gross monthly income is \$1200 or more, proceed as follows:

10% of each \$100 over \$1200 shall be the LRR's capacity to contribute to the support of the client.

S U B - I N D E X700. INSTRUCTIONS FOR BUDGETING

	<u>Section</u>	<u>Sub-section</u>
<u>GENERAL CONSIDERATION</u>	701. -	704.2
<u>THE CLIENT'S BUDGET</u>	705.	
<u>PERSONS TO BE INCLUDED IN THE BUDGET AND PERSONS TO BE EXCLUDED FROM THE BUDGET</u>	706.	
OAA, DA, AB		706.1
ADC		706.2
CHILD OVER 18 IN THE HOME OF CLIENT		706.3
<u>BUDGETING PROCEDURES</u>	707. -	707.1
SCHEDULE OF DETERMINATION OF BUDGETING PROCEDURES APPLICABLE IN OAA, DA AND AB PROGRAMS		707.2
SCHEDULE OF DETERMINATION OF BUDGETING PROCEDURES APPLICABLE IN ADC PROGRAM		707.3
METHODS FOR BUDGETING		707.4
DETERMINATION OF INITIAL GRANT		707.5
<u>BUDGETARY STATEMENT SECTION - RECOMMENDATION AND DECISION</u>	708.	
<u>BUDGETARY STATEMENT SECTION - DETAIL REQUIRE- MENTS FOR INDIVIDUALS IN FAMILY BUDGET UNIT</u>	709.	
<u>BUDGETARY STATEMENT SECTION - DETERMINATION OF MONTHLY SHELTER COST</u>	710.	
<u>BUDGETARY STATEMENT SECTION - MONTHLY BUDGET FOR OTHERS</u>	711.	
<u>BUDGETARY STATEMENT SECTION - DETERMINATION OF INCOME FROM ROOMER(S), TABLE-BOARDER(S) OR ROOMER-BOARDER(S)</u>	712.	
<u>DETERMINATION OF BUDGETABLE EARNED INCOME FROM EMPLOYMENT</u>	713.	
<u>FORMS FOR THE EVALUATION OF CAPACITY OF LEGALLY RESPONSIBLE RELATIVES TO SUPPORT</u>	714.	

700. INSTRUCTIONS FOR BUDGETING

701. The amount of the assistance grant is determined by the budgeting method on a monthly basis. In order to determine the amount, if any, of the assistance grant, the total monthly allowances for all of the elements on both basic requirements and the essential special circumstance requirements shall be balanced against all income which is available to the client or family budget unit except in the Aid to the Blind program * (see Section 501.1).
702. In the budget for a family budget unit, the total monthly allowances for both basic and special circumstance requirements of all members of the family budget unit are balanced against the total income of all members of the family budget unit. The budgeting deficit, if any, represents the need of the total family budget unit.
703. Budgetary Statement Form PA-3A shall be used to record the budget of the client or family budget unit.
704. All information supporting the data in the Budgetary Statement must be included in the agency's case record.
- 704.1 A brief statement describing the client's or family budget unit's living arrangement upon which the budget was based shall be included on each Budgetary Statement form under "Comments".
- 704.2 The following information should be included within this statement.
- a. If client lives as a member of a family unit:

Number of persons in home; members of family budget unit; who is the head of the household; and the items, if any, furnished with the shelter cost.
 - b. If the client lives alone:

Kind of living arrangement, that is, house, apartment or housekeeping unit, rented rooms, etc.; and the items, if any, furnished with the shelter cost.
 - c. If the client is living on a boarding basis:

Whether the client is living in an approved boarding home or whether the client is living on a boarding basis in a family home.

* See A.B. Director's Letter #34.

705. THE CLIENT'S BUDGET

- 705.1 The client's or family budget unit's budget is the final statement of the total monthly needs and total monthly income.
- 705.2 The difference between total monthly budgetary needs and the monthly income is the budgetary deficit.
- 705.3 The amount of the grant shall be the amount of the budgetary deficit adjusted to the nearest dollar. (Fifty cents or above shall be carried to the next highest dollar.)

706. PERSONS TO BE INCLUDED IN THE BUDGET AND PERSONS TO BE EXCLUDED FROM THE BUDGET

706.1 OAA, DA, AB

- a. In the following situations, the persons mentioned shall be recognized as constituting a "family budget unit" and the needs of the client are determined from the preparation of a budget for such unit, as specified:
1. When husband and wife are living together, but only one spouse is a client and the other spouse is not eligible for Categorical Assistance, need shall be determined on the basis of a "family budget unit". The difference between combined need and combined income is the budgetary deficit to the client.
 2. When husband and wife are living together and both are recipients of Categorical Assistance, need shall be determined on the basis of the "family budget unit". One-half of the combined budgetary deficit represents each client's budgetary deficit.
- b. In all other situations, include only the client in the budget.

706.2 ADC

- a. An ADC grant necessarily relates to a family of at least two persons; all ADC budgetary determinations necessarily involve preparation of a budget for one or more persons who live as a member of a family.
- b. It shall be recognized that the natural or adoptive parent(s) cannot be determined to be not financially needy while the eligible child(ren) are determined to be in need, and conversely an eligible child cannot be determined to be not financially needy while the natural or adoptive parent(s) are determined to be in need.

(continued)

706.2 (continued)

- c. In all ADC situations, unless Section 706.2-d. is applicable, need shall be determined on the basis of a family budget unit.

1. The following persons shall be included in the family budget unit:

eligible child(ren);

natural or adoptive parent or needy parent person;

incapacitated spouse of natural or adoptive parent or needy parent person;

ADC families as identified in Section 706.2-c,-2. below.

2. (a) When an ADC family consists of a natural or adoptive parent, eligible child(ren) and a stepparent (the family may or may not also include ineligible child(ren) or
- (b) when an ADC family consist of a natural or adoptive parent, eligible child(ren) and a person with whom the natural or adoptive parent is living in a non-marital relationship [the family may or may not also include ineligible child(ren)] or
- (c) when an ADC family consists of a natural or adoptive parent or needy parent person, eligible children and ineligible children,

need shall be determined on the basis of the family budget unit.

Need exists if the income of all members of the family is less than the sum of basic and special circumstance requirements for all family members; however, the amount of the grant shall not exceed the sum of the basic and special circumstance requirements for the eligible child(ren) and the natural or adoptive parent or needy parent person.

Need does not exist if the income of the family equals or exceeds the sum of the basic and special circumstance requirements for all family members.

706.2 (continued)

- d. When the child(ren) lives with a parent-person who is not himself applying for assistance and the natural or adoptive parent is not in the home, include only the eligible child(ren) in the grant.
- e. When a member of an ADC family budget unit is separately eligible for other Categorical Assistance, a per capita share of the family budget unit's deficit represents this person's budgetary deficit.
- f. A child or an adult eligible for ADC who is temporarily in an institution shall be included or continue to be regarded as a member of the family budget unit. The basic and special circumstance requirements that are to be included in the family budget unit are governed by the temporary living arrangement of the child or adult and the budgeting method.

706.3 CHILD OVER 18 IN THE HOME OF CLIENT

When a child over 18, and under 21 who is not regularly attending school (and in accordance with Manual of Administration Section 2280.2) is not eligible for ADC, and does not have income and resources to meet his own requirements according to assistance standards, and is living with one or both of his parents who are clients of Categorical Assistance and the presence of this child creates a deficit in the client's budget, this child's needs shall not be included in the client's budget, unless Section 310.45 is applicable. This child's needs shall be met through the appropriate public assistance program. (Also see Section 310.45 and 501.6-c).

706.4 ELIGIBLE ADC CHILD OVER 18 AND UNDER 21 REGULARLY ATTENDING SCHOOL

- a. In ADC, when in accordance with Manual of Administration Section 2280.2, an eligible child under 21 is regularly attending school and is living at home during the school year, this child shall be included as a member of the family budget unit and his basic and special circumstances, in accordance with agency regulations, shall be included in the grant.

Any budgetable earned income of this child shall be first applied to the unmet costs for those items incident to education which are non-allowable budgetary items. All remaining budgetable earned income (unless 503.6 is applicable) shall be considered as income to the family budget unit.

- b. 1. In ADC, when in accordance with Manual of Administration Section 2280.2, an eligible child under 21 is regularly attending school and it is necessary for this child to live in the vicinity of the school during the school year, in accordance with agency regulations, the basic and special circumstance needs of this child shall be recognized as a special circumstance item of the family budget unit.

706.4 b. 2. (continued)

Allowance for room and board up to a maximum of \$100 per month for each portion or full month in school attendance may be included as a special circumstance item of the child on a recurring or non-recurring basis.

3. Any budgetable earned income of this eligible child shall first be applied to educational and student costs for which no provision is made in regulations, such as books, tuition, student government fees, etc. Any surplus of earnings or loans over and above the costs of the items not recognized as either basic or special circumstance items, shall be applied first against the actual costs of room and board and then against the remaining needs of the child.

707. BUDGETING PROCEDURES

- 707.1 The living arrangement of the client and the head of the household determines the method to be used for budgeting a client.

To select the appropriate budgeting method, see:

707.2 - Determination of Budgeting Procedures Applicable in OAA, DA, and AB Programs, or

707.3 - Determination of Budgeting Procedures Applicable in the ADC Program.

707.2 SCHEDULE OF DETERMINATION OF BUDGETING PROCEDURES APPLICABLE IN
OAA, DA AND AB PROGRAMS

DETERMINATION OF BUDGETING PROCEDURES APPLICABLE IN OAA, DA AND AB PROGRAMS		
LIVING ARRANGEMENT	HEAD OF HOUSEHOLD	USE METHOD
1. CLIENT LIVES ALONE OR WITH SPOUSE AND MAINTAINS HOME.	1. CLIENT OR SPOUSE.	A
2. CLIENT HAS ROOMER-BOARDER(S) LIVING IN HOME.	2. CLIENT OR SPOUSE.	A
3. CLIENT IS A MEMBER OF A HOUSEHOLD AND ALL MEMBERS <u>ARE SHARING</u> EQUALLY IN FOOD AND HOUSEHOLD NEEDS.	3. PERSON OTHER THAN LRR.	A
4. CLIENT IS A MEMBER OF A HOUSEHOLD AND ALL MEMBERS <u>ARE SHARING</u> EQUALLY IN FOOD AND HOUSEHOLD NEEDS.	4. LRR WHO IS RECIPIENT OF PUBLIC ASSISTANCE.	A
5. CLIENT IS A MEMBER OF A HOUSEHOLD AND ALL MEMBERS <u>ARE NOT SHARING</u> EQUALLY IN FOOD AND HOUSEHOLD NEEDS.	5. SAME AS 1., 3., OR 4. ABOVE.	B
6. CLIENT LIVES AS A MEMBER OF A " <u>SELF-SUPPORTING</u> " HOUSEHOLD. [SEE APPENDIX PART II, SECTION 3.3-D.-(1)] .	6. IN OAA AND DA, PARENT OR CHILD. IN AB, GRANDPARENT OR PARENT OR CHILD.	C
7. CLIENT LIVES AS A MEMBER OF A " <u>MARGINAL</u> " HOUSEHOLD. [SEE APPENDIX PART II, SECTION 3.3-D.-(1)] .	7. IN OAA AND DA, PARENT OR CHILD. IN AB, GRANDPARENT OR PARENT OR CHILD.	D
8. ROOM AND BOARD ARRANGEMENT.	8. PERSON WHO IS NEITHER AN LRR NOR SPOUSE OF AN LRR.	E
9. RENTS ROOM AND EATS IN RESTAURANT.	9. PERSON OTHER THAN AN LRR.	F
10. PURCHASING PATIENT CARE IN A MEDICAL INSTITUTION OR IN A HOME OTHER THAN A MEDICAL INSTITUTION.	10. PERSON WHO IS NEITHER AN LRR NOR A SPOUSE OF AN LRR.	G

707.3 SCHEDULE OF DETERMINATION OF BUDGETING PROCEDURES APPLICABLE IN ADC PROGRAM

DETERMINATION OF BUDGETING PROCEDURES APPLICABLE IN ADC PROGRAM		
LIVING ARRANGEMENT	HEAD OF HOUSEHOLD	USE METHOD
1. NATURAL OR ADOPTIVE PARENT AND/OR INCAPACITATED SPOUSE AND ELIGIBLE CHILD(REN) MAINTAIN A HOME AND ALL <u>ARE SHARING</u> EQUALLY IN FOOD AND HOUSEHOLD NEEDS. [MAY OR MAY NOT INCLUDE OTHER PERSONS].	1. NATURAL OR ADOPTIVE PARENT AND/OR INCAPACITATED SPOUSE OF PARENT.	A
2. NEEDY PARENT-PERSON AND/OR INCAPACITATED SPOUSE OF NEEDY PARENT-PERSON AND ELIGIBLE CHILD(REN) MAINTAIN A HOME AND ALL <u>ARE SHARING</u> EQUALLY IN FOOD AND HOUSEHOLD NEEDS. [MAY OR MAY NOT INCLUDE OTHER PERSONS].	2. NEEDY PARENT-PERSON AND/OR INCAPACITATED SPOUSE OF PARENT-PERSON.	A
3. NATURAL OR ADOPTIVE PARENT AND SPOUSE WHO IS STEP-PARENT OF ELIGIBLE CHILD(REN) [MAY OR MAY NOT INCLUDE OTHER PERSONS] MAINTAIN A HOME AND ALL <u>ARE SHARING</u> EQUALLY IN FOOD AND HOUSEHOLD NEEDS [SEE SECTION 706.2-0.].	3. SPOUSE OF NATURAL OR ADOPTIVE PARENT WHO IS STEP PARENT OF ELIGIBLE CHILD(REN).	A
4. NATURAL OR ADOPTIVE PARENT AND PERSON WITH WHOM PARENT IS LIVING IN A NON-MARITAL RELATIONSHIP, ELIGIBLE CHILDREN (MAY OR MAY NOT INCLUDE OTHER PERSONS) MAINTAIN A HOME AND ALL <u>ARE SHARING</u> EQUALLY IN FOOD AND HOUSEHOLD NEEDS [SEE SECTION 706.2-0.].	4. PERSON WITH WHOM NATURAL OR ADOPTIVE PARENT IS LIVING IN A NON-MARITAL RELATIONSHIP.	A
5. SAME AS 1., 2., 3., AND 4. ABOVE AND THERE ARE ROOMER-BOARDER(S) IN THE HOME.	5. SAME AS 1., 2., 3., AND 4. ABOVE.	A
6. CLIENT LIVING AS A MEMBER OF A FAMILY AND ALL <u>ARE SHARING</u> EQUALLY IN FOOD AND HOUSEHOLD NEEDS.	6. LRR WHO IS A RECIPIENT OF PUBLIC ASSISTANCE.	A
7. CLIENT LIVING AS A MEMBER OF A FAMILY AND ALL <u>ARE NOT SHARING</u> EQUALLY IN FOOD AND HOUSEHOLD NEEDS.	7. SAME AS 1., 2., 3., 4., 5., AND 6. ABOVE.	B
8. CLIENT LIVES AS A MEMBER OF A " <u>SELF-SUPPORTING</u> " HOUSEHOLD [SEE APPENDIX PART II, SECTION 3.3-D.-(1)].	8. GRANDPARENT, GRANDCHILD OR CHILD.	C
9. CLIENT LIVES AS A MEMBER OF A " <u>MARGINAL</u> " HOUSEHOLD [SEE APPENDIX PART II, SECTION 3.3-D.-(2)].	9. GRANDPARENT, GRANDCHILD OR CHILD.	D
10. CLIENT LIVES AS A MEMBER OF A " <u>SELF-SUPPORTING</u> " HOUSEHOLD [SEE APPENDIX PART II, SECTION 3.3-D.-(1)].	10. PARENT-PERSON OR SPOUSE OF PARENT-PERSON BUT IS NOT AN LRR.	C
11. CLIENT LIVES AS A MEMBER OF A " <u>MARGINAL</u> " HOUSEHOLD [SEE APPENDIX PART II, SECTION 3.3-D.-(2)].	11. PARENT-PERSON OR SPOUSE OF PARENT-PERSON BUT IS NOT AN LRR.	D
12. CLIENT LIVES AS A MEMBER OF A FAMILY AND ALL <u>ARE SHARING</u> EQUALLY IN FOOD AND HOUSEHOLD NEEDS.	12. PERSON OTHER THAN THOSE IDENTIFIED ABOVE. *	A
13. CLIENT HAS A ROOM AND BOARD ARRANGEMENT.	13. PERSON OTHER THAN THOSE IDENTIFIED ABOVE. *	E
* (THIS REFERS TO A PERSON WHO IS NEITHER A NATURAL OR ADOPTIVE PARENT, NOR A STEPARENT, NOR AN LRR, NOR A PARENT-PERSON, NOR A SPOUSE OF A PARENT-PERSON, NOR A PERSON WITH WHOM NATURAL OR ADOPTIVE PARENT IS LIVING IN A NON-MARITAL RELATIONSHIP.)		

707.4 METHODS FOR BUDGETINGMETHOD A

(All basic requirements are shared equally by all household members)

Enter and identify under income:

1. all income available to client or members of family budget unit;
2. when any element included within the pre-added schedule of total personal and household needs is available without cost to the client or is being supplied with another requirement, the element so supplied or available without cost is an income equivalent and its appropriate monetary allowance shall be entered as income to the client.

Enter under requirements the appropriate allowances for:

1. a. personal and household needs based on family size, adult and age of eldest child (see Schedule XI);
(for blind adult, see Schedule XII;
- b. shelter cost (see Appendix Pages 10 through 16); if shelter is supplied without cost to the client, enter the letter "S" in the appropriate column;
- c. the essential special circumstance items.
2. The sum of the items in 1. above is the client's, or if applicable, the family budget unit's, total needs.

METHOD B

(All basic requirements are not shared equally by all household members)

Enter and identify under income:

Same as Method A.

Enter under requirements the appropriate allowances for:

1. a. personal needs (food, clothing, personal incidentals and household supplies - see Schedule VII) based on family size and age of eldest child;
- b. household needs (see Schedule VIII) items based on number of persons in the client's budget who are actually using the items;
- c. the client's shelter cost (see Appendix Section); if shelter is supplied without cost to the client, enter the letter "S" in the appropriate column;
- d. the essential special circumstance items.
2. The sum of the items in 1. above is the client's or family budget unit's total needs.

707.4 METHODS FOR BUDGETING (continued)METHOD C

(Client lives as a member of a "self-supporting" household, the head of which is an LRR)

Enter and identify under income:

Same as Method A.

Enter under requirements the appropriate allowances for:

1. a. for personal needs (see Schedule VII);
b. the letter "S" in the appropriate columns for household needs and shelter (in accordance with the Shelter Section 3.3-d.--(3) the household needs and shelter shall be recognized as available to the client without separate cost);
c. the essential special circumstance items.
2. The sum of the items in 1. above is the client's or family budget unit's total needs.

METHOD D

(Client lives as a member of a "marginal" household the head of which is an LRR)

Enter and identify under income:

1. all income available to the client.

- a. However, when any element which is included within the pre-added schedule of total allowances for personal and household needs is available to a client at a lesser cost than the appropriate monetary allowance, proceed as follows:

Subtract the cost of the element so available from the amount of the appropriate authorized monetary allowance. The difference is the amount to be entered as income to the client.

Enter under requirements the appropriate allowances for:

1. a. personal needs (see Schedule VII);
b. household needs and shelter. If shelter and household needs are supplied without cost, enter the letter "S" in the appropriate columns. (In accordance with Shelter Section 3.3-a.--(4), the appropriate authorized allowance for shelter and household needs shall be included in the client's budget to the extent that the amount of such costs, together with other income available to such relatives or stepparents or parent-persons does not exceed the exemption allowance);
c. the essential special circumstance items.
2. The sum of the items in 1. above is the client's or family budget unit's total needs.

707.4 METHODS FOR BUDGETING (continued)METHOD E

(Client lives in a room and board arrangement)

- | | |
|---|---|
| <u>Enter and identify under income:</u> | <u>Enter under requirements the appropriate allowances for:</u> |
| 1. all income available to the client. | 1. a. room and board (see Appendix Part II, Section 4. and 5.);
b. clothing and personal incidentals
c. the essential special circumstance items.
2. The sum of the items in 1. above is the client's total needs. |

METHOD F

(Client eats one or more meals in a restaurant)

- | | |
|---|---|
| <u>Enter and identify under income:</u> | <u>Enter under requirements the appropriate allowances for:</u> |
| Same as Method A. | 1. a. restaurant meals (see Schedule II), the appropriate total allowance for clothing, personal incidentals and household supplies (laundry) (see Schedule X) and according to his shelter arrangement, the appropriate allowance for household needs items (Appendix Pages 10-16);
b. the client's shelter cost;
c. the essential special circumstance items.
2. The sum of the items in 1. above is the client's total needs. |

METHOD G

(Client lives in an institution)

- | | |
|---|--|
| <u>Enter and identify under income:</u> | <u>Enter under requirements the appropriate allowances for:</u> |
| 1. all income available to the client | 1. a. the rate which shall include room and board, laundry of personal clothes and care;
b. the allowance for clothing and the appropriate personal incidentals allowance;
c. the allowance(s) for the special circumstance items.
2. The sum of the items in 1. above is the client's total needs. |

707.5 DETERMINATION OF INITIAL GRANT

- a. The initial grant is the first full or partial payment of assistance to or on behalf of an individual or individuals.

1. Determination of initial grant.

Enter on the requirement side:

- (a) the total monthly allowance for personal and household needs (see Schedule XI);
 - (b) monthly allowance(s) for regular recurring special circumstance items.
2. The sum of (a) and (b) equals the sub-total.
3. Determine the per diem cost of the sub-total in 2. above by dividing by 30.
4. Multiply the per diem cost by the number of days to be included in the initial grant.
5. Add to the amount determined in 4. above, the allowance for:
- (a) shelter owing for the current month;
 - (b) non-recurring special circumstance items.

This total represents the client's or family budget unit's needs.

6. From the total needs, subtract all income. Income is the sum of:
- (a) all cash on hand at the time of issuance of the initial grant;
 - (b) all income that will become available to the client or family budget unit during the period covered by the initial grant;
 - (c) the monetary value of all income in kind and income equivalents (including any basic requirements provided for in whole or in part without cost to the client; any element supplied to the client with another element or any element or requirement which already has been paid for in whole or part for the current month only). However, when shelter is provided without cost to the client, merely enter the letter "S" in the allowance side of the budget.

(continued)

707.5-a. (continued)

7. The difference between total needs and income is the budgetary deficit. The amount of the initial grant shall be the amount of the budgetary deficit adjusted to the nearest dollar.

708. BUDGETARY STATEMENT SECTION - RECOMMENDATION AND DECISION

- 708.1 Recommendation - enter the recommendation of the agency with signature of the supervisor.
- 708.2 Decision - this space is to be completed by the Director of Welfare.
- 708.3 Date of Administrative Action - refers to the date on which the Director of Welfare or his authorized agent approves the initial payment prior to Welfare Board action and the date on which such action becomes effective.
- 708.4 Ratification by Welfare Board - refers to the date on which the Welfare Board approves the administrative action of the Director.
- 708.5 Welfare Board Action - refers to the date on which the Welfare Board acts on any case on which there has not been prior administrative action. Date Effective - refers to the date on which the grant or the change in status becomes effective.

709. IDENTIFICATION OF INDIVIDUALS IN FAMILY BUDGET UNIT

- 709.1 The full name, sex and age of each person in the family budget unit shall be entered in the appropriate space.
- 709.2 Place a check (✓) in the appropriate column after the names of the persons who are "in grant" and who are eligible for Federal matching. Recipient count for persons "in grant" and for persons eligible for Federal matching are identified in the schedule below:

(continued)

709.2 (continued)

PROGRAM	PERSON	RECIPIENT COUNT	
		IN GRANT	FEDERAL MATCHING
OAA, DA, AB	(1) client	X	X
	(2) spouse of client not separately eligible for categorical assistance	X	
ADC (See MAA 2330.1 - 2330.2)	(1) children under 18, who are otherwise eligible	X	X
	(2) <u>one</u> natural or adoptive parent or needy parent-person and where applicable anyone of the following additional persons living in the home	X	X
	a. incapacitated natural or adoptive parent	X	X
	b. stepparent when eligibility is based on incapacity of the natural or adoptive parent	X	X
	c. incapacitated stepparent, who is the spouse of the natural and adoptive parent	X	
	d. incapacitated needy spouse of the needy parent-person	X	

710. BUDGETARY STATEMENT SECTION - DETERMINATION OF MONTHLY SHELTER COST

- 710.1 This section is to be used to determine client's or family budget unit's per capita share of monthly shelter cost.
- 710.2 Enter the monthly cost of shelter. This will be the actual amount of rent per month or the monthly cost of home ownership.
- 710.3 Enter the number of persons in the shelter unit.
- 710.4 Divide the cost by the number in the shelter unit to obtain the client's monthly per capita cost.

711. BUDGETARY STATEMENT SECTION - MONTHLY BUDGET FOR OTHERS

- 711.1 This section will need to be used only in the following instances:
(See Section 606.).
- a. In OAA, DA and AB, for the spouse of the client when the client is living with spouse and spouse has dependents other than the client.

(continued)

STANDARDS AND ALLOWANCES FOR BASIC REQUIREMENTSI. PERSONAL AND HOUSEHOLD NEEDSA. PERSONAL NEEDS

Policy and schedules of authorized allowances for food, clothing, personal incidentals, and household supplies.

1. FOOD

- 1.1 The 1964 low cost diet plan of the United States Department of Agriculture is the standard for determining the monthly monetary food allowances. The diet plan meets the recommended dietary requirements of the Food and Nutrition Board of the National Research Council.
- 1.2 Differential standards and monetary allowances are established in relation to age of children, adults, and according to family size. The per capita monthly food allowances appear in Schedule I.
- 1.3 Monthly monetary allowances for 1, 2 and 3 meals per day for food necessarily purchased in restaurants have been established. The policy and the schedule of allowances for restaurant meals appear on Appendix Page 2 and 3.
- 1.4 Monthly monetary allowances for certain therapeutic diets have been established. The policy and schedule of allowances for therapeutic diets appear on Appendix Page 3.

SCHEDULE I - MONTHLY ALLOWANCES FOR FOOD (BLS Food Pricing - 9/66)						
AGE	FAMILY SIZE					
	1	2	3	4	5	6
Child: Birth - 5 years		\$20.20	\$19.30	\$18.40	\$17.50	\$16.60
Child: 6 - 12 years		28.80	27.50	26.20	24.90	23.60
Child: 13 - 21 years		38.50	36.80	35.00	33.30	31.50
Adult	\$36.40	33.30	31.80	30.30	28.80	27.30
Adult: Blind 1/	45.50	41.70	39.80	37.90	36.00	34.10

Definitions: Family Size - Total number of people for whom marketing and food preparation is done in common. This number will, in some instances, not be identical with shelter unit.

Age - Age of child for purposes of budgeting only, means the numerical difference between the year of birth (regardless of date within such year) and the calendar year in which the determination is being made (regardless of the date the determination is made).

I. A. (continued)

EXAMPLES:

- | | | |
|--|--|--|
| 1. Child born 8/4/53;
for purposes of
budgeting, as of
1/1/66, the child
is 13 years of age. | 2. Child born 1/2/53;
for purposes of
budgeting, as of
1/1/66, the child
is 13 years of age. | 3. Child born 12/30/53;
for purposes of
budgeting, as of
1/1/66, the child
is 13 years of age. |
|--|--|--|

Changes in Grant Due to Change of Age of Eldest Child

Changes in grant due to change of age of eldest child may be made as of January 1 each year, but no later than the month following the first periodic review in each calendar year.

- 1/ SPECIAL ADJUSTMENT FOR BLINDNESS - Appropriate food allowances are increased by 25% for those blind persons responsible for marketing and food preparation.

1.5 Allowances for Restaurant Meals

- 1.51 An allowance for one or more restaurant meals per day shall be included in the client's budget if:
- a. the client, because of a physical, mental or other limitation, is unable to prepare food; or
 - b. the client's shelter or living arrangement is such that there are no available facilities for food preparation or food service; and
 - c. the client in fact purchases one or more meals in a restaurant.
- 1.52 In evaluating the circumstances to determine whether a client requires an allowance to eat all or a portion of his meals in a restaurant, the following questions should be considered:
- a. Does the client have cooking facilities available to him? If so, are the facilities adequate for preparation of all meals or are they make-shift facilities with which he can prepare only a light meal or snack?
 - b. Is ability to prepare all meals limited by inadequate facilities for storage of food?
 - c. Is the client physically able to prepare his meals? If not, is there a spouse or other person in the household able and willing to prepare the meals for him?
 - d. Does the client know how to buy and cook food or is his skill limited to the preparation of a very limited diet?
- 1.53 However, if a client requires a restaurant allowance in accordance with the conditions outlined in Section 1.51 above, and it can be demonstrated by the agency that a satisfactory living arrangement which includes equal or better shelter and equal or better eating arrangements, is actually available to the client at a more reasonable cost, then the lesser amount shall be the maximum allowance to be included in the client's budget.
- 1.54 The schedule of monthly allowances for restaurant meals gives the total food allowance for the client who purchases all his meals in a restaurant and also the total food allowances for the client

I. A. 1.54 (continued)

whose living arrangement is such that he purchases some meals in a restaurant and prepares some meals in his home. Select the appropriate allowance according to the number of meals client purchases in the restaurant and eats at home. The total food allowance to be included in the client's budget shall include an amount for 3 meals per day.

SCHEDULE II - MONTHLY ALLOWANCES FOR RESTAURANT MEALS (Pricing - 7/66)	
MEALS	TOTAL FOOD ALLOWANCE
(a) client eats all meals in a restaurant	\$70.00
(b) client eats only dinner in a restaurant	54.00
(c) client eats breakfast and lunch in a restaurant	50.50
(d) client eats breakfast and dinner in a restaurant	60.50
(e) client eats lunch and dinner in a restaurant	63.50
(f) client eats only lunch in a restaurant	44.00
(g) client eats only breakfast in a restaurant	41.00

1.6 Allowances for Therapeutic Diets

- 1.61 Therapeutic Diet - a diet necessary for a diagnosed physical condition. Diet must be prescribed and certified by a physician.
- 1.62 Current concept is that the therapeutic diet should adhere as closely as possible to a normal diet. Cases receiving therapeutic diets shall be medically reviewed every six (6) months except in those instances where the physician has previously stated how long the diet should be continued. It is the responsibility of the physician to determine the beneficial effect of the therapeutic diet.
- 1.63 When a physician prescribes for hypoallergenic, milk substitutes, formula modifiers and similar special foods, or when a physician prescribes two diets for a client, or prescribes for a client who must eat in a restaurant, the local office shall consult the State agency for advice on the necessary monthly monetary allowance.

SCHEDULE III - MONTHLY ALLOWANCES FOR THERAPEUTIC DIETS (Based on 9/66 Food Pricing)	
TYPE OF DIET	ADDITIONAL ALLOWANCES
Bland Low Residue (All Ulcer Diets)	\$ 8.50
Diabetic	7.50
High Vitamin, High Caloric, High Protein (Malnutrition, Tuberculosis, Anemia)	10.30
Low Fat, High Protein	9.20
Low Salt	5.50
Nursing Mother	11.00

I. A. (continued)

2. CLOTHING STANDARDS

- 2.1 The low cost clothing standard is adjusted to meet current clothing needs in New Jersey. The standard provides for clothing sufficient in kind and quantity to protect health, to provide for cleanliness, to allow for growth in children and is adequate in quality and style to insure the comfort and self-respect of the individual. The standard describes the suggested minimum clothing needs of individuals according to age, sex, occupation and the probable years of wear of the articles of clothing.
- 2.2 The clothing allowance is calculated as an amount adequate to provide for normal replacement of a wardrobe and the recognized expenses of cleaning and maintenance.
- 2.3 The monetary allowances for clothing are determined by State-wide pricing of the clothing standards. The yearly totals are divided by 12 to arrive at monthly allowances. For articles of clothing with a durability of more than one year, only that portion of the cost as based on the probable years of wear is included in the allowance.
- 2.4 Clothing allowances are differentiated in relation to age of children, and adults. The per capita monthly allowances for clothing appear in Schedule IV.
- 2.5 In the situation where a client who, because of a physical or mental incapacity, is unable to do his own shopping for clothing and does not have a relative or interested person in whom he has confidence who could do this shopping for him, the regular recurring monthly clothing allowance shall not be included in the client's budget. However, in all such cases, the clothing requirement shall be granted as a special circumstance requirement as stated in Section 312.

SCHEDULE IV - MONTHLY ALLOWANCES FOR CLOTHING (Clothing Pricing - 7/66)	
AGE	ALLOWANCE
Child: Birth - 5 years	\$ 6.10
Child: 6 - 12 years	9.50
Child: 13 - 21 years	11.70
Adult	8.30
Adult: Blind	12.30

I. A. (continued)

3. PERSONAL INCIDENTALS

- 3.1 The standards for personal incidentals are based on current standards for personal grooming and sanitation. The standard includes the items required for personal cleanliness and grooming, first-aid supplies, proprietary medicines, ointments, antiseptics, aspirin and laxatives, plus an additional allowance for transportation and such miscellaneous necessary expenditures as newspapers and other reading material, writing material, stamps, church and other group activities.
- 3.2 Differential standards and monetary allowances are established in relation to age of children, adults, blindness, and for persons living in a medical institution.

SCHEDULE V - MONTHLY ALLOWANCES FOR PERSONAL INCIDENTALS (Pricing - 9/66)	
A G E	ALLOWANCES
Child: Birth - 5 years	\$ 2.70
Child: 6 - 12 years	3.50
Child: 13 - 21 years	6.40
Adult	9.00
Adult: Blind	11.00
Adult: Any client (including blind) living in a medical institution	6.40

4. HOUSEHOLD SUPPLIES

- 4.1 This allowance includes the supplies for laundry, household cleaning and other housekeeping items such as light bulbs, moth preventatives, etc., which are needed regularly for the maintenance of a home. The standard does not include any items of household furnishings such as dishes, linens, etc.
- 4.2 For the purpose of budgeting the household supply allowance, a person living alone also includes one who is living as a roomer and individuals renting rooms and eating some or all meals in a restaurant. When a client is living as a roomer or rents a room and eats some or all meals in a restaurant household supply allowance shall be interpreted as the laundry allowance.

SCHEDULE VI - MONTHLY ALLOWANCES FOR HOUSEHOLD SUPPLIES (6/66 Pricing)	
FAMILY SIZE	ALLOWANCE
Person living alone	\$2.30
2 person families	\$1.40 per person
3 or more person families	1.20 per person

I. A. (continued)

5. PRE-ADDED SCHEDULE OF ALLOWANCES FOR PERSONAL NEEDS

A pre-added schedule of the monthly allowances for food, clothing, personal incidentals and household supplies according to age of children, adults, and family size.

SCHEDULE VII - TOTAL MONTHLY ALLOWANCES FOR PERSONAL NEEDS (7/66 Clothing Pricing, 7/66 Personal Incidental Pricing, 7/66 Household Supplies Pricing, 9/66 BLS Food Pricing)							
FAMILY SIZE*							
AGE	1	2	3	4	5	6 or more	Blind Children
Child: Birth - 5 years		\$30.40	\$29.30	\$28.40	\$27.50	\$26.60	Add \$6 to Total
Child: 6 - 12 years		43.20	41.70	40.40	39.10	37.80	Add \$6 to Total
Child: 13 - 21 years		58.00	56.10	54.30	52.60	50.80	Add \$6 to Total
Adult	\$56.00	52.00	50.30	48.80	47.30	45.80	
Adult: Blind 1/ Not responsible for food marketing and preparation	62.00	58.00	56.30	54.80	53.30	51.80	
Adult: Blind 1/ Responsible for food marketing and preparation	71.10	66.40	64.30	62.40	60.50	58.60	

* Family Size - Total number of people for whom marketing and food preparation are done. This number is not always identical with shelter unit.

1/Special Adjustments for Blindness

1. Appropriate food allowances have been increased by 25% for those blind persons responsible for marketing and food preparation.
2. The additional clothing allowance of \$4.00 has been included for blind persons to cover added maintenance and repair costs.
3. The additional personal incidental allowance of \$2.00 has been included for a blind person.

B. HOUSEHOLD NEEDS1. POLICY AND SCHEDULE OF AUTHORIZED ALLOWANCES FOR FUEL FOR HEATING AND UTILITIES

- 1.1 Where the client is not the sole occupant of the premises, or a distinct portion of the premises in which he lives, all rules and limitations, for apportioning or excluding costs which are specified with respect to shelter, shall apply also with respect to the items of household needs.

B. HOUSEHOLD NEEDS

1. POLICY AND SCHEDULE OF AUTHORIZED ALLOWANCES FOR FUEL FOR HEATING AND UTILITIES

1.1 Where the client is not the sole occupant of the premises, or a distinct portion of the premises in which he lives, all rules and limitations, for apportioning or excluding costs which are specified with respect to shelter, shall apply also with respect to the items of household needs.

2. FUEL FOR HEATING

2.1 The monthly monetary allowances for fuel for heating purposes apply to all types of fuel. The standard for fuel for heating provides for 8 month's heating. The monthly allowance is one-twelfth of the annual costs.

2.2 The fuel for heating allowance shall be determined on the basis of the number of persons as specified in Schedule VIII.

2.3 When the client shares occupancy of premises jointly with one or more other persons, the authorized allowance for fuel shall be an amount equal to the client's pro-rata share (determined on a per capita basis) of the monthly fuel allowance.

3. UTILITIES

3.1 Utilities for the purpose of this Manual includes fuel for cooking, fuel for water heating, lighting and electrical appliances and refrigeration.

3.2 Differential standards and monetary allowances for utilities are established in relation to number of persons or family size actually using the utilities.

3.3 When the client shares utilities with one or more other persons, the authorized allowance for utilities shall be an amount equal to the client's pro-rata share (determined on a per capita basis) of the monthly allowance for utilities as specified in Schedule VIII.

3.4 Fuel for Cooking

The allowance for cooking provides for cooking with any type of fuel.

3.5 Fuel for Water Heating

The allowance for fuel for water heating provides for water heating with any of the following: gas, bottled gas, fuel oil, coal, wood or electricity.

3.6 Lighting

The allowance for lighting also includes the cost of operating all electrical appliances. This allowance does not include the cost of refrigeration.

3.7 Refrigeration

The allowance for refrigeration provides for either electric, gas or ice refrigeration.

I. B. (continued)

SCHEDULE VIII - MONTHLY PER CAPITA ALLOWANCES FOR HOUSEHOLD NEEDS ITEMS (Based on 11/65 Fuel Pricing; 10/66 Utility Pricing) A schedule of per capita allowances for heating fuel, cooking, water heating, lighting and electrical appliances, and refrigeration.							
HOUSEHOLD NEEDS	F A M I L Y S I Z E						
	1	2	3	4	5	6	7
Cooking	\$ 2.50	\$ 1.40	\$ 1.00	\$.80	\$.70	\$.65	\$.60
Water Heating	3.00	1.80	1.50	1.15	.90	.80	.80
Lighting & Elec. Appliances	3.50	1.75	1.30	1.00	.90	.75	.70
Refrigeration	1.50	.75	.50	.35	.30	.25	.20
Fuel for Heat	8.00	5.60	4.00	3.20	2.60	2.35	2.10
PER CAPITA TOTALS	\$18.50	\$11.30	\$ 8.30	\$ 6.50	\$ 5.40	\$ 4.80	\$ 4.40

SCHEDULE IX - TOTAL MONTHLY ALLOWANCES ACCORDING TO FAMILY SIZE FOR HOUSEHOLD NEEDS ITEMS (Based on 11/65 Fuel Pricing; 10/66 Utility Pricing) A schedule of total allowances according to family size for heating fuel, cooking, water heating, lighting and electrical appliances, and refrigeration.							
HOUSEHOLD NEEDS	F A M I L Y S I Z E						
	1	2	3	4	5	6	7
Cooking	\$ 2.50	\$ 2.80	\$ 3.00	\$ 3.20	\$ 3.50	\$ 3.80	\$ 3.90
Water Heating	3.00	3.60	4.50	4.50	4.50	5.00	5.00
Lighting & Elec. Appliances	3.50	3.50	4.00	4.00	4.50	4.50	4.60
Refrigeration	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Fuel for Heat	8.00	11.20	12.00	12.80	13.00	14.00	15.00
FAMILY TOTALS	\$18.50	\$22.60	\$25.00	\$26.00	\$27.00	\$28.80	\$30.00

SCHEDULE X - PRE-ADDED SCHEDULE FOR ADULTS WHICH INCLUDES THE ELEMENTS OF CLOTHING, PERSONAL INCIDENTALS.	
Adult	\$17.30

I. C. (continued)

SCHEDULE XI - TOTAL MONTHLY ALLOWANCES FOR PERSONAL AND HOUSEHOLD NEEDS							
AGE	FAMILY SIZE						Blind Children
	1	2	3	4	5	6 or more	
Child: Birth - 5 yrs.		\$41.70	\$37.60	\$34.90	\$32.90	\$31.40	Add \$6 to Total
Child: 6 - 12 yrs.		54.50	50.00	46.90	44.50	42.60	Add \$6 to Total
Child: 13 - 21 yrs.		69.30	64.40	60.80	58.00	55.60	Add \$6 to Total
Adult	\$74.50	63.30	58.60	55.30	52.70	50.60	
Adult: Blind NOT RESPONSIBLE for food marketing and preparation	80.50	69.30	64.60	61.30	58.70	56.60	
Adult: Blind RESPONSIBLE for food marketing and preparation	89.60	77.70	72.60	68.90	65.90	63.40	

I. D. DETERMINATION OF PERSONAL AND HOUSEHOLD NEEDS TOTALS FOR FAMILY SIZES AND FAMILY BUDGET UNITS OF 7 OR MORE PERSONS

1. OAA, AB, DA

When an OAA, BA, or DA, Family Budget Unit is living in a family size of 7 or more, use the applicable total for adults as identified in the column titled Family Size of 6 or more.

2. ADC

- a. From Schedule XII, select the appropriate total for a family of 6 or more including all adults and by eldest child.
- b. For each additional child, add the following appropriate monthly amounts:

Personal needs	\$25.70
Household needs	<u>4.30</u>
Personal and Household needs	\$30.00

- c. The sum of a. and b. equals the family's personal needs, household needs or personal and household needs total, whichever is applicable.

I. D. (continued)

3. Example 1.

OAA client lives as a family member in a family size of 8:

Personal Needs total is \$45.80

Household Needs total is 4.80

Personal and Household Needs
total is 50.60

Example 2.

ADC family budget unit of 8 is living in a family size of 10.

Family Budget Unit consists of 2 adults and 6 children; oldest child is age 15:

Family's Personal Needs total is $\$268.80 + (2 \times \$25.70) = \$51.40 = \320.20

Family's Household Needs total is $28.80 + (2 \times \$4.30) = \$8.60 = \$37.40$

Family's Personal and Household
Needs total is $297.60 + (2 \times \$30.) = \$60.00 = \$357.60$

SCHEDULE X - PRE-ADDED SCHEDULE WHICH INCLUDES THE ELEMENTS OF
CLOTHING, PERSONAL INCIDENTALS AND HOUSEHOLD SUPPLIES

=====	
FAMILY SIZE	1
=====	
<u>Activity</u>	
Minimal	\$13.00
Moderate	15.80
Strenuous	17.40

II. SHELTER

1. It is recognized that practical, economic and social factors influence and determine the adequacy of a dwelling unit. The fact that existing housing may fail to provide the essential for the promotion and protection of the health of a client, is not a reason for the lack of recognition of the inadequacy, if any, of the client's housing.
2. Standards for housing as established in the Standards and Sources Section have been adopted from those recommended by the Committee on the Hygiene of Housing of the American Public Health Association. The housing standards are essentially those factors which relate to health. The standards are intended to serve as a guide for evaluating the adequacy of a client's housing. When, in the judgement of the local agency, a client's housing fails to provide for the promotion and protection of the health of the client, it is recommended that the situation be referred to the appropriate local authority.
3. RULES FOR DETERMINING AUTHORIZED SHELTER ALLOWANCE UNDER SPECIFIED SHELTER ARRANGEMENTS
 - 3.1 Premises Rented By Client or Family Budget Unit
 - a. Owner is not a legally responsible relative
 - (1) When the client or family budget unit is sole occupant of the premises, the authorized allowance for shelter shall be an amount equal to the actual rent paid, as verified.
 - (2) When the client or family budget unit shares occupancy jointly with one or more persons, the authorized allowance for shelter shall be an amount equal to the client's or family budget unit's per capita share of the actual rent paid, as verified. (See Chapter 700 for budgeting a client who has roomer(s) or roomer-boarder(s) living in the home with him.)

(continued)

II.-3.1-a.(continued)

- (3) Client or family budget unit lives in a Public Housing Authority Unit. In situations where non-public assistance recipients are living in the same household unit with public assistance recipients, the per capita shelter allowance for the public assistance recipients shall not be greater than if the public assistance recipients were the only occupants of the unit.

b. Owner is a legally responsible relative.

- (1) When the client and the owner are members of the same household, any alleged obligation of the client to pay rent will not be recognized as warranting an assistance allowance for rent as such, in view of the legal obligation of the LRR to provide for the support of the client, but proper allowances for shelter cost may be made in accordance with Shelter Section 3.3-c. and when applicable Section 3.5.
- (2) When the owner who is not living in the same premises with the client or family budget unit, is an LRR of the client or one or more persons of the family budget unit, the obligation of the client to pay rent shall be recognized to the same extent as for any other owner. The owner's net profit from such rentals shall specially be taken into account as part of the LRR's income for determining capacity to support.

3.2 Premises Owned, In Whole Or In Part, and Occupied By Client Or Family Budget Unit

- a. Method of determining shelter cost. Where premises are owned, shelter cost is recognized as including and limited to the following elements:
- (1) Taxes and assessments. Current taxes and assessments. This shall be interpreted to include personal property taxes. (Back taxes and assessments shall be considered as "indebtedness". See Section 308 of Manual.)
- (2) Insurance. Current cost of fire insurance only. "Fire insurance" is interpreted to include also tornado, flood, etc.
- (3) Interest. Current interest on mortgages. (Back interest shall be considered as "indebtedness". See Section 308 of Manual.)
- (4) Amortization. Monthly payments on mortgage principal, only where such payments are required by the terms of the mortgage contract or are otherwise required to avert foreclosure.

(continued)

II.-3.2 (continued)

- b. Method of determining shelter allowance. The shelter allowance is based on actual shelter cost, as defined above, as verified, subject to the following limitations:

- (1) Where client or family budget unit is sole occupant, allow full shelter cost.
- (2) Where the client or family budget unit shares occupancy with others, allow the client or family budget unit the per capita share of the full shelter cost (as verified).

3.3 Shelter Available to Client As A Member Of A Household.

- a. When an ADC client is a member of a household the head of which is one of the following:

parent of the eligible child(ren);
incapacitated spouse of the ADC parent or parent-person;
step-parent of the eligible child(ren);
person with whom the parent is living in a
non-marital relationship;
parent-person who is receiving ADC;

or when an OAA, DA or AB client is a member of a household the head of which is the spouse of the client, need is determined on the basis of the family budget unit, the monthly allowances for shelter and household needs are a per capita share as determined by the income and needs of the family budget unit.

- b. When a client is a member of a household the head of which is a relative, there shall be an initial assumption that shelter and/or household needs are available to the client without cost unless the relative presents facts to the contrary.
- c. Where shelter is available to the client who is a member of a household, (and 3.3-a. or b. is not applicable), the client's monthly monetary allowance for shelter (and household needs) is determined by the relationship of the head of the household to the client. The appropriate method as described in Shelter Schedule (Section 3.4) shall be used for determining client's shelter (and household needs) allowance.
- d. Shelter allowance when client is a member of a "self-supporting" or "marginal" household.
- (1) Where the client is a member of a "self-supporting" household, the head of which is a relative legally responsible for the support of the client, or in ADC is a parent-person who is not himself applying for or receiving assistance and Section 3.3-a. or b. is not applicable, shelter and household needs shall be recognized as available to the client without separate cost. (See also Section 3.4).

(continued)

SCHEDULE XII

Appendix Sec. I
Page 11
1/1/67

TOTAL PERSONAL AND HOUSEHOLD NEEDS BY FAMILY COMPOSITION AND SIZE

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Family Size	1	2	2	2	2	2	2	2	2	3	3	3
Family Budget Unit	1	1	2	1	1	1	2	2	2	1	2	1
Number of Adults	1	1	2				1	1	1	1	2	
Number of Children				1	1	1	1	1	1			1
Child: Oldest age 5 or under				*			*					*
Child: Oldest age 6-12					*			*				
Child: Oldest age 13-21						*			*			
Total Personal Needs	\$ 56.00	\$ 52.00	\$112.00	\$ 30.40	\$ 43.20	\$ 58.00	\$ 82.40	\$ 95.20	\$110.00	\$ 50.30	\$100.60	\$ 29.30
Total Household Needs	18.50	11.30	22.60	11.30	11.30	11.30	22.60	22.60	22.60	8.30	16.60	8.30
Total Personal and Household Needs	\$ 74.50	\$ 63.30	\$134.60	\$ 41.70	\$ 54.50	\$ 69.30	\$105.00	\$117.80	\$132.60	\$ 58.60	\$117.20	\$ 37.60

	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
Family Size	3	3	3	3	3	3	3	3	3	3	3	3
Family Budget Unit	1	1	2	2	2	2	2	2	3	3	3	3
Number of Adults						1	1	1	1	1	1	2
Number of Children	1	1	2	2	2	1	1	1	2	2	2	1
Child: Oldest Age 5 or under			*			*			*			*
Child: Oldest Age 6-12	*			*			*			*		
Child: Oldest Age 13-21		*			*			*			*	
Total Personal Needs	\$ 41.70	\$ 56.10	\$ 58.60	\$ 83.40	\$112.20	\$ 79.60	\$ 92.00	\$106.40	\$108.90	\$133.70	\$162.50	\$129.90
Total Household Needs	8.30	8.30	16.60	16.60	16.60	16.60	16.60	16.60	24.90	24.90	24.90	24.90
Total Personal and Household Needs	\$ 50.00	\$ 64.40	\$ 75.20	\$100.00	\$128.80	\$ 96.20	\$108.60	\$123.00	\$133.80	\$158.60	\$187.40	\$154.80

SCHEDULE XII (continued)

Appendix Sec. I
Page 12
1/1/67

TOTAL PERSONAL AND HOUSEHOLD NEEDS BY FAMILY COMPOSITION AND SIZE

	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)	(33)	(34)	(35)	(36)
Family Size	3	3	4	4	4	4	4	4	4	4	4	4
Family Budget Unit	3	3	1	2	1	1	1	2	2	2	2	2
Number of Adults	2	2	1	2							1	1
Number of Children	1	1			1	1	1	2	2	2	1	1
Child: Oldest Age 5 or under					*			*			*	
Child: Oldest Age 6-12	*					*			*			*
Child: Oldest Age 13-21		*					*			*		
Total Personal Needs	\$142.30	\$156.70	\$ 48.80	\$ 97.60	\$ 28.40	\$ 40.40	\$ 54.30	\$56.80	\$80.80	\$108.60	\$ 77.20	\$ 89.20
Total Household Needs	24.90	24.90	6.50	13.00	6.50	6.50	6.50	13.00	13.00	13.00	13.00	13.00
Total Personal and Household Needs	\$167.20	\$181.60	\$ 55.30	\$110.60	\$ 34.90	\$ 46.90	\$ 60.80	\$69.80	\$93.80	\$121.60	\$ 90.20	\$102.20

	(37)	(38)	(39)	(40)	(41)	(42)	(43)	(44)	(45)	(46)	(47)	(48)
Family Size	4	4	4	4	4	4	4	4	4	4	4	4
Family Budget Unit	2	3	3	3	3	3	3	3	3	3	4	4
Number of Adults	1				1	1	1	2	2	2	1	1
Number of Children	1	3	3	3	2	2	2	1	1	1	3	3
Child: Oldest Age 5 or under		*			*			*			*	
Child: Oldest Age 6-12			*			*			*			*
Child: Oldest Age 13-21	*			*			*			*		
Total Personal Needs	\$103.10	\$ 85.20	\$109.20	\$149.00	\$105.60	\$129.60	\$157.40	\$126.00	\$138.00	\$151.90	\$134.00	\$158.00
Total Household Needs	13.00	19.50	19.50	19.50	19.50	19.50	19.50	19.50	19.50	19.50	26.00	26.00
Total Personal and Household Needs	\$116.10	\$104.70	\$128.70	\$168.50	\$125.10	\$149.10	\$176.90	\$145.50	\$157.50	\$171.40	\$160.00	\$184.00

II.-3.3-d. (continued)

- (2) Where the client is a member of a "marginal" household, the head of which is an LRR of the client, or in ADC is a parent-person who is not himself applying for or receiving assistance, and Section 3.3-a. or b. is not applicable, the appropriate authorized allowances for shelter and household needs shall be included in the client's budget to the extent that the amount of such costs together with other income available to such relative does not exceed his exemption allowance. However, when the head of the household has agreed to provide all or part of these items (shelter and household needs) without cost to the client or at a lesser cost than the appropriate monthly monetary allowances, the difference shall be recognized as an income equivalent in the client's budget.
- (3) A "self-supporting" household is one in which the income equals or exceeds the amount for the appropriate family unit in the Schedule of Exemptions (see Section 607.3).
- (4) A "marginal" household is one in which the income is less than the amount for the appropriate family unit in the Schedule of Exemptions (see Section 607.3).
- e. Shelter available to client as a member of household of persons where the head of the household is not an LRR.

Where the client is a member of a household, the head of which is not legally responsible for the support of the client and Section 3.3-a. or b. is not applicable, the allowance for shelter (and the applicable household needs) shall be included in the client's budget. However, when the head of the household has agreed to provide all or part of these items (shelter and household needs) without cost to the client or at a lesser cost than the appropriate monthly monetary allowances, the difference shall be recognized as income in kind in the client's budget.

SCHEDULE XII (continued)

Appendix Sec. I
Page 13
1/1/67

TOTAL PERSONAL AND HOUSEHOLD NEEDS BY FAMILY COMPOSITION AND SIZE

	(49)	(50)	(51)	(52)	(53)	(54)	(55)	(56)	(57)	(58)	(59)	(60)
Family Size	4	4	4	4	5	5	5	5	5	5	5	5
Family Budget Unit	4	4	4	4	1	2	1	1	1	2	2	2
Number of Adults	1	2	2	2	1	2						
Number of Children	3	2	2	2			1	1	1	2	2	2
Child: Oldest Age 5 or under		*					*			*		
Child: Oldest Age 6-12			*					*			*	
Child: Oldest Age 13-21	*			*					*			*
Total Personal Needs	\$183.90	\$154.40	\$178.40	\$206.30	\$ 47.30	\$ 94.60	\$ 27.50	\$ 39.10	\$ 52.60	\$ 55.00	\$ 78.20	\$105.20
Total Household Needs	26.00	26.00	26.00	26.00	5.40	10.80	5.40	5.40	5.40	10.80	10.80	10.80
Total Personal and Household Needs	\$209.90	\$180.40	\$204.40	\$232.30	\$ 52.70	\$105.40	\$ 32.90	\$ 44.50	\$ 58.00	\$ 65.80	\$ 89.00	\$116.00

	(61)	(62)	(63)	(64)	(65)	(66)	(67)	(68)	(69)	(70)	(71)	(72)
Family Size	5	5	5	5	5	5	5	5	5	5	5	5
Family Budget Unit	2	2	2	3	3	3	3	3	3	3	3	3
Number of Adults	1	1	1				1	1	1	2	2	2
Number of Children	1	1	1	3	3	3	2	2	2	1	1	1
Child: Oldest Age 5 or under	*			*			*			*		
Child: Oldest Age 6-12		*			*			*			*	
Child: Oldest Age 13-21			*			*			*			*
Total Personal Needs	\$ 74.80	\$ 86.40	\$ 99.90	\$ 82.50	\$105.70	\$144.30	\$102.30	\$125.30	\$152.50	\$122.10	\$133.70	\$147.20
Total Household Needs	10.80	10.80	10.80	16.20	16.20	16.20	16.20	16.20	16.20	16.20	16.20	16.20
Total Personal and Household Needs	\$ 85.60	\$ 97.20	\$110.70	\$ 98.70	\$121.90	\$160.50	\$118.50	\$141.70	\$168.70	\$138.30	\$149.90	\$163.40

SCHEDULE XII (continued)

TOTAL PERSONAL AND HOUSEHOLD NEEDS BY FAMILY COMPOSITION AND SIZE

	(73)	(74)	(75)	(76)	(77)	(78)	(79)	(80)	(81)	(82)	(83)	(84)
Family Size	5	5	5	5	5	5	5	5	5	5	5	5
Family Budget Unit	4	4	4	4	4	4	4	4	4	5	5	5
Number of Adults				1	1	1	2	2	2	1	1	1
Number of Children	4	4	4	3	3	3	2	2	2	4	4	4
Child: Oldest Age 5 or under	*			*			*			*		
Child: Oldest Age 6-12		*			*			*			*	
Child: Oldest Age 13-21			*			*			*			*
Total Personal Needs	\$110.00	\$144.80	\$171.80	\$129.80	\$153.00	\$173.10	\$149.60	\$172.80	\$199.80	\$157.30	\$192.10	\$230.70
Total Household Needs	21.60	21.60	21.60	21.60	21.60	21.60	21.60	21.60	21.60	27.00	27.00	27.00
Total Personal and Household Needs	\$131.60	\$166.40	\$193.40	\$151.40	\$174.60	\$199.70	\$171.20	\$194.40	\$221.40	\$184.30	\$219.10	\$257.70

	(85)	(86)	(87)	(88)	(89)	(90)	(91)	(92)	(93)	(94)	(95)	(96)
Family Size	5	5	5	6	6	6	6	6	6	6	6	6
Family Budget Unit	5	5	5	1	2	1	1	1	2	2	2	2
Number of Adults	2	2	2	1	2							1
Number of Children	3	3	3			1	1	1	2	2	2	1
Child: Oldest Age 5 or under	*					*			*			*
Child: Oldest Age 6-12		*					*			*		
Child: Oldest Age 13-21			*					*			*	
Total Personal Needs	\$177.10	\$200.30	\$225.40	\$ 45.80	\$ 91.60	\$ 26.60	\$ 37.80	\$ 50.80	\$ 53.20	\$ 75.60	\$101.60	\$ 72.40
Total Household Needs	27.00	27.00	27.00	4.80	9.60	4.80	4.80	4.80	9.60	9.60	9.60	9.60
Total Personal and Household Needs	\$204.10	\$227.30	\$252.40	\$ 50.60	\$101.20	\$ 31.40	\$ 42.60	\$ 55.60	\$ 62.80	\$ 85.20	\$111.20	\$ 82.00

3.4 SHELTER SCHEDULE A, DETERMINATION OF SHELTER ALLOWANCE WHERE SHELTER IS AVAILABLE TO CLIENT AS A MEMBER OF A HOUSEHOLD OF PERSONS. THE CLIENT IS NOT THE HEAD OF THE HOUSEHOLD.

SHELTER SCHEDULE A										
	O A A, D A, A B				A D C					
HEAD OF HOUSEHOLD	(1) SPOUSE OF CLIENT	(2) LRR. IN OAA & DA, PARENT OR CHILD. IN AB, GRANDPARENT, PARENT OR CHILD. "SELF-SUPPORTING" HOUSEHOLD.	(3) LRR. "MARGINAL" HOUSEHOLD	(4) PERSONS OTHER THAN LRR.	(5) SPOUSE OF CLIENT, NATURAL OR ADOPTIVE PARENT OF ELIGIBLE CHILDREN.	(6) SPOUSE OF NATURAL OR ADOPTIVE PARENT & STEP-FATHER OF ELIGIBLE CHILDREN.	(7) PERSON WITH WHOM NATURAL OR ADOPTIVE PARENT IS LIVING IN A NON-MARITAL RELATIONSHIP.	(8) LRR (GRANDPARENT, GRANDCHILD OR CHILD). "SELF-SUPPORTING" HOUSEHOLD.	(9) LRR (GRANDPARENT, GRANDCHILD OR CHILD). "MARGINAL" HOUSEHOLD.	(10) PERSON OTHER THAN THOSE IDENTIFIED
PER CAPITA SHARE, AMT. DETERMINED BY INCOME & NEEDS OF FAMILY BUDGET UNIT [SEE APPENDIX SECTION 11.-3.3-A.]	X				X	X	X			
AVAILABLE TO CLIENT WITHOUT COST [SEE APPENDIX SECTION 11.-3.3-D-(1)]		X						X		
PER CAPITA SHARE LIMITED BY DEFICIT OF LRR'S INCOME TO THE AMT. OF EXEMPTION SCHEDULE [SEE APPENDIX SECTION 11.-3.3-D-(2)]			X						X	
PER CAPITA SHARE OR ACTUAL COST [SEE APPENDIX SECTION 11.-3.3-E.]				X						X

SCHEDULE XII (continued)

Appendix Sec. I
Page 15
1/1/67

TOTAL PERSONAL AND HOUSEHOLD NEEDS BY FAMILY COMPOSITION AND SIZE

	(97)	(98)	(99)	(100)	(101)	(102)	(103)	(104)	(105)	(106)	(107)	(108)
Family Size	6	6	6	6	6	6	6	6	6	6	6	6
Family Budget Unit	2	2	3	3	3	3	3	3	3	3	3	4
Number of Adults	1	1				1	1	1	2	2	2	
Number of Children	1	1	3	3	3	2	2	2	1	1	1	4
Child: Oldest Age 5 or under			*			*			*			*
Child: Oldest Age 6-12	*			*			*			*		
Child: Oldest Age 13-21		*			*			*			*	
Total Personal Needs	\$ 83.60	\$ 96.60	\$ 79.80	\$102.20	\$139.40	\$ 99.00	\$121.40	\$147.40	\$118.20	\$129.40	\$142.40	\$106.40
Total Household Needs	9.60	9.60	14.40	14.40	14.40	14.40	14.40	14.40	14.40	14.40	14.40	19.20
Total Personal and Household Needs	\$ 93.30	\$106.20	\$ 94.20	\$116.60	\$153.80	\$113.40	\$135.80	\$161.80	\$132.60	\$143.80	\$156.80	\$125.60

	(109)	(110)	(111)	(112)	(113)	(114)	(115)	(116)	(117)	(118)	(119)	(120)
Family Size	6	6	6	6	6	6	6	6	6	6	6	6
Family Budget Unit	4	4	4	4	4	4	4	4	5	5	5	5
Number of Adults			1	1	1	2	2	2				1
Number of Children	4	4	3	3	3	2	2	2	5	5	5	4
Child: Oldest Age 5 or under			*			*			*			*
Child: Oldest Age 6-12	*			*			*			*		
Child: Oldest Age 13-21		*			*			*			*	
Total Personal Needs	\$140.00	\$166.00	\$125.60	\$148.00	\$172.20	\$144.80	\$167.20	\$193.20	\$133.00	\$166.60	\$203.80	\$152.20
Total Household Needs	19.20	19.20	19.20	19.20	19.20	19.20	19.20	19.20	24.00	24.00	24.00	24.00
Total Personal and Household Needs	\$159.20	\$185.20	\$144.80	\$167.20	\$191.40	\$164.00	\$186.40	\$212.40	\$157.00	\$190.60	\$227.80	\$176.20

SCHEDULE XII (continued)

TOTAL PERSONAL AND HOUSEHOLD NEEDS BY FAMILY COMPOSITION AND SIZE

	(121)	(122)	(123)	(124)	(125)	(126)	(127)	(128)	(129)	(130)	(131)
Family Size	6	6	6	6	6	6	6	6	6	6	6
Family Budget Unit	5	5	5	5	5	5	5	5	5	5	5
Number of Adults	1	1	2	2	2	1	1	1	2	2	2
Number of Children	4	4	3	3	3	5	5	5	4	4	4
Child: Oldest Age 5 or under			*			*			*		
Child: Oldest Age 6-12	*			*			*			*	
Child: Oldest Age 13-21		*			*			*			*
Total Personal Needs	\$185.80	\$211.80	\$171.40	\$193.80	\$218.00	\$178.80	\$212.40	\$249.60	\$198.00	\$231.60	\$268.80
Total Household Needs	24.00	24.00	24.00	24.00	24.00	28.80	28.80	28.80	28.80	28.80	28.80
Total Personal and Household Needs	\$209.80	\$235.80	\$195.40	\$217.80	\$242.00	\$207.60	\$241.20	\$278.40	\$226.80	\$260.40	\$297.60

II. (continued)

3.5 Shelter and Household Needs Allowances in the Situation When a Multi-Person ADC Family Lives With an Otherwise "Self-Supporting" Household

In ADC, it is recognized that there are situations where the addition of a multi-person (more than 2) ADC family to an otherwise "self-supporting" household will cause hardship and inequities. When a grandparent, grandchild, child or parent-person, who is not an LRR, is otherwise "self-supporting" needs to finance larger or additional shelter and/or household needs facilities (beyond the normal requirements for housing his own family) in order to accommodate a multi-person ADC family, an allowance for shelter and household needs may be recognized in the client's budget. The allowance to be included in the client's budget shall be whichever of the following is the least.

- a. Actual additional monthly cost incurred if it can be determined.
- b. The appropriate monthly amount as identified in Schedule B below:

SCHEDULE B						
Maximum allowances for shelter and household needs for situations where multi-person ADC family lives with " <u>self-supporting</u> " grandparent or child or " <u>self-supporting</u> " parent-person(s) [who is not an LRR] and when Appendix Shelter Section 3.5 is applicable.						
GRANDPARENT'S, CHILD'S OR PARENT-PERSON'S FAMILY SIZE	1	2	3	4	5	6 OR MORE
Client's Family Size						
3	\$48.30	\$44.70	\$43.50	\$42.00	\$40.80	\$40.20
4	59.60	58.00	56.00	54.40	53.60	52.80
5	62.50	60.00	58.00	57.00	56.00	52.80
6	64.00	61.60	60.40	59.20	56.00	52.80
7	65.20	63.80	62.40	59.20	56.00	52.80
8	67.20	65.60	62.40	59.20	56.00	52.80
9	68.80	65.60	62.40	59.20	56.00	52.80
10 or more	68.80	65.60	62.40	59.20	56.00	52.80

II. (continued)

3.6 Shelter Available to Client As A Boarder Or Patient

- a. Where the client has shelter available as an incident of room and board purchased under authorized circumstances or as an incident of an allowance for nursing home care, shelter will be recognized as included in the boarding home or nursing home allowance and no separate allowance shall be made.

3.7 Shelter Available To Client Under Special Circumstances

In a few cases, shelter will be found to be available to the client under special circumstances which do not fall within any of the previously described classifications. For example, full shelter including heat and utilities, or shelter except for heat and utilities, or some other combination of these elements, may be available to the client as compensation or partial compensation for services rendered by the client in the capacity of housekeeper, companion, domestic servant, caretaker, janitor, tenant, farmer, etc. In all such situations the shelter allowance, if any, to be included in the client's budget, shall be limited to the cash expenditure for shelter and related household facilities which the client must actually assume under a fair and reasonable interpretation of the employment arrangement.

In the Aid to the Blind program, the first \$85 of earned income plus one-half (1/2) of earned income in excess of such \$85 is exempt. * In such situations, proceed as follows:

- a. determine the cash value of shelter and household needs items which are being provided as compensation.
- b. If the sum of the cash value of shelter and household needs items and all other earned income of this client is \$85 or less per month, enter the cash value of items being provided as compensation, as exempt earned income and include the appropriate authorized allowances for shelter and household needs items in the client's budget.
- c. If the sum of the cash value of shelter and household needs items and all other earned income of this client is more than \$85 per month, submit the appropriate data to the Commission for the Blind for review and recommendations.

3.8 Shelter Available To Client During Temporary Absence

Where client is temporarily absent from his customary place of living (for reasons of hospitalization, visits, etc.) shelter will be recognized as supplied unless, in order to maintain continuity and availability of shelter upon return, it is necessary for the client to continue to pay rent as a bonafide tenant or to pay property charges as the owner of premises. In all such events, the appropriate shelter allowance may be continued for not more than three (3) months.

* See A.B. Director's Letter #34

II. (continued)

4. POLICY AND SCHEDULE OF MONTHLY ALLOWANCES FOR ROOM AND BOARD FOR ADULTS

- 4.1 The allowance for room and board with or without personal services shall be understood to be a flat rate to include food, shelter, fuel, utilities, bed and bathroom linens and the incidental services that are necessary for providing these items.
- 4.2 An allowance for room and board (as defined in Paragraph 4.4 of this Section) or for room and board with personal services (as defined in Paragraph 4.5 of this Section) may be included in the client's budget only when the client lives in a home where neither the head of the household nor the spouse of the head of the household is the spouse of the client nor an LRR of the client or his spouse and acceptance and presence there is based upon an agreement to pay a flat rate for room and board.
- 4.3 When a client is living in an arrangement in which he is paying his pro-rata share of the expenses of the household and may or may not be doing part of the work as a normal member of the family group or when the client is living in the home of a parent, spouse or child he does not have a room and board arrangement. In all such situations, the client's budget shall be itemized in accordance with the standard authorized allowances.
- 4.4 When a client is paying or arranging to pay a flat rate for room and board without additional personal service, the monthly allowance shall be the contract amount agreed upon between the client and the proprietor but shall not exceed \$70 per month.
- 4.5 When it is necessary for a client who has a handicap or major infirmity (for example, certain blind persons, certain persons discharged from mental institutions, and other handicapped persons who require careful understanding, supervision and attention) to purchase in addition to room and board, extensive personal services on a regular and continuous basis, the monthly allowance for room and board plus such personal services as verified shall not exceed \$85.
- 4.6 Whenever a client is purchasing a room and board living arrangement, with or without personal services, the budgetary allowances for clothing, personal incidentals, household supplies and the necessary special circumstance items shall be recognized in the client's budget. Under such arrangements, the allowable added cost, if any, of a prescribed therapeutic diet is recognizable as a special circumstance item.
5. ROOM AND BOARD IN ADC PROGRAM
- 5.1 A room and board allowance in ADC shall be recognized only for unusual or emergency situations and as stated in 5.5 and 5.6.

(continued)

II.-5, (continued)

- 5.2 In the event such a need occurs, an allowance for room and board shall be recognized in the budget only when the child(ren) lives in a home where the head of the household or spouse of the head of the household is neither an LRA nor a parent-person nor a spouse of a parent-person.
- 5.3 It shall be recognized that the allowance for room and board shall include food, shelter, fuel, utilities, bed and bathroom linens, laundry of personal clothing, essential supervision and other personal care services to the child(ren).
- 5.4 The allowance for room and board for children shall be the contract amount agreed upon between the parent or parent-person and the proprietor, or the agency and the proprietor, but shall not exceed \$70.00 per person per month.
- 5.5 In accordance with Manual of Administration policy 2285, an allowance for room and board may be recognized in the budget for a period not exceeding two months following the month in which the emergency occurs.
- 5.6 For a limited period, and subject to review at three month intervals, a room and board allowance for parents and/or children may be recognized in situations where:
 - a. A room and board arrangement is necessary, in accordance with Manual of Administration policy 2284.
 - b. The parent works and the parent has not been able to provide a home.
 - c. The parent has a plan for getting work and is looking for a job.
- 5.7 Whenever a client is purchasing a room and board arrangement the budget shall include the allowance for room and board, the appropriate allowances for clothing, personal incidentals and the necessary special circumstance items.

Categorical Assistance Budget Manual

II. (continued)

3.5 Shelter and Household Needs Allowances in the Situation When a Multi-Person ADC Family Lives With an Otherwise "Self-Supporting" Household

In ADC, it is recognized that there are situations where the addition of a multi-person (more than 2) ADC family to an otherwise "self-supporting" household will cause hardship and inequities. When a grandparent, grandchild, child or parent-person, who is not an LRR, is otherwise "self-supporting" needs to finance larger or additional shelter and/or household needs facilities (beyond the normal requirements for housing his own family) in order to accommodate a multi-person ADC family, an allowance for shelter and household needs may be recognized in the client's budget. The allowance to be included in the client's budget shall be whichever of the following is the least.

- a. Actual additional monthly cost incurred if it can be determined.
- b. The appropriate monthly amount as identified in Schedule B below:

SCHEDULE B				
Maximum allowances for shelter and household needs for situations where multi-person ADC family lives with " <u>self-supporting</u> " grandparent or child or " <u>self-supporting</u> " parent-person(s) [who is not an LRR] and when Appendix Shelter Section 3.5 is applicable.				
GRANDPARENT'S, CHILD'S OR PARENT-PERSON'S FAMILY SIZE IS:	1	2	3	4 OR MORE
<u>Client's Family Size</u>				
3	\$50.00	\$46.00	\$45.00	\$43.00
4	62.00	60.00	57.00	57.00
5	64.00	62.00	62.00	62.00
6	66.00	66.00	66.00	66.00
7	70.00	70.00	70.00	70.00
8	74.00	74.00	75.00	75.00
9	80.00	80.00	80.00	80.00
10 or more	83.00	83.00	83.00	83.00

II. (continued)

4. REGULATIONS AND SCHEDULE OF MONTHLY ALLOWANCES FOR ROOM AND BOARD FOR ADULTS

- 4.1 The allowance for room and board with or without personal services shall be understood to be a flat rate to include room and board, therapeutic diet as prescribed by client's physician, bed and bath-room linens, laundry, cleaning and care of personal clothing and the incidental services that are necessary for providing these items.
- 4.2 An allowance for room and board (as defined in Paragraph 4.4, 4.5, 4.6 or 4.7 of this Section) may be included in the client's budget only when the client lives in a home where neither the head of the household nor the spouse of the head of the household is the spouse of the client nor an LPR of the client or his spouse and acceptance and presence there is based upon an agreement to pay a flat rate for room and board.
- 4.3 When a client is living in an arrangement in which he is paying his pro-rata share of the expenses of the household and may or may not be doing part of the work as a normal member of the family group or when the client is living in the home of a parent, spouse or child he does not have a room and board arrangement. In all such situations, the client's budget shall be itemized in accordance with the standard authorized allowances.
- 4.4 When a client is purchasing a room and board living arrangement in any Approved Boarding Home For Sheltered Care, the monthly allowance shall be \$125.00, unless limited by the provisions of 4.7 below.
- 4.5 When a client, who is in need of extensive personal services on a regular and continuous basis, is purchasing a room and board living arrangement, with personal service, in a private family home in which he is the only guest, the monthly allowance may be an amount up to \$125.00.
- 4.6 When a client is purchasing a room and board living arrangement in a boarding home or a home other than described in 4.4 or 4.5 above, the monthly allowance shall not exceed \$105.00, and shall further be governed by the provisions of 4.7 below.
- 4.7 In no event shall the public assistance allowance to the client for purchase of a room and board living arrangement, with or without extensive personal services, exceed the minimum amount which the establishment customarily charges to or for other guests, not dependent on public assistance, for the same accommodations and/or services.
- 4.8 Whenever a client is purchasing a room and board living arrangement, with or without personal services, the budgetary allowances for clothing, personal incidentals, and the necessary special circumstance items shall be recognized in the client's budget.

5. ROOM AND BOARD IN ADC PROGRAM

- 5.1 A room and board allowance in ADC shall be recognized only for unusual or emergency situations and as stated in 5.5 and 5.6.
- 5.2 In the event such a need occurs, an allowance for room and board shall be recognized in the budget only when the child(ren) live in a home where the head of the household or spouse of the head of the household is neither an LRR nor a parent-person nor a spouse of a parent-person.
- 5.3 It shall be recognized that the allowance for room and board shall include food, shelter, fuel, utilities, bed and bathroom linens, laundry of personal clothing, essential supervision and other personal care services to the child(ren).
- 5.4 The allowance for room and board for children shall be the contract amount agreed upon between the parent or parent-person and the proprietor, or the agency and the proprietor, but shall not exceed \$77.00 per person per month.
- 5.5 In accordance with Manual of Administration policy 2285, an allowance for room and board may be recognized in the budget for a period not exceeding two months following the month in which the emergency occurs.
- 5.6 For a limited period, and subject to review at three month intervals, a room and board allowance for parents and/or children may be recognized in situations where:
 - a. A room and board arrangement is necessary, in accordance with Manual of Administration policy 2284.
 - b. The parent or parent-person either works, has a plan for getting work or is looking for work and has not been able to provide a home.
 - c. The parent or parent-person, because of an emergency, crisis, or illness, is unable to provide a home or care and/or supervision for the children.
- 5.7 Whenever a client is purchasing a room and board arrangement the budget shall include the allowance for room and board, the appropriate allowances for clothing, personal incidentals, and the necessary special circumstance items.

State of New Jersey
Department of Institutions and Agencies
Division of Public Welfare

INCREASE IN MONTHLY ALLOWANCE FOR NURSING HOME CARE
RELATED TO MINIMUM WAGE PAYMENT

I General Policy

The State Board of Control of Institutions and Agencies has approved and authorized implementation of the following policy:

"Effective Sept. 1, 1965, the monthly allowance authorized to be paid on behalf of Public Assistance clients who are receiving nursing home care will be increased in all nursing homes certified to the Division of Public Welfare by the Department of Labor and Industry as paying a minimum wage in excess of \$1.00 per hour, in the amount of \$4.50 per month per welfare patient for each 5¢ by which the minimum wage in such establishment exceeds \$1.00 up to a maximum increment of \$45.00 per month per welfare patient."

Subject to the specific policies and procedures set forth herein, it is the intention that this increase in monthly allowance per welfare patient shall apply to all authorized classes of eligible medical institutions, public or private, providing nursing home care to recipients of public assistance. It is further intended that such increase be added to the existing maximum allowance per welfare patient otherwise authorized.

2 Certification Authorities

Certification of the amount and effective date of a "minimum wage" will be the responsibility of the Wage and Hour Bureau, New Jersey State Department of Labor and Industry. Certification of eligibility for the authorized increased allowance for nursing home care will be the responsibility of the Division of Public Welfare, New Jersey Department of Institutions and Agencies.

3 Application of Term "Minimum Wage"

For the purposes of the policies and procedures set forth herein the term "minimum wage" shall mean the lowest gross cash compensation paid to any full-time or part-time employee of the eligible medical institution computed on an hourly rate. The hourly rate will be computed on the basis of such compensation paid to an employee on a weekly basis divided by the number of hours worked during the week by the employee. The value of an income equivalent (such as meals, lodging, transportation, etc.), shall not be considered a part of gross cash compensation. Any amount required to be repaid by the employee to the employer for the value of any such in-

come equivalent shall be deducted from the gross cash compensation before the hourly rate is computed.

In determining the authorized increased allowance per welfare patient the amount of \$4.50 per month will be applied to each 5¢ interval of the certified minimum wage from \$1.05 per hour to \$1.50 per hour. In any case where the computation of the hourly rate results in an amount which is less than a 5¢ interval, the factor of \$4.50 will be applied to the next lower 5¢ interval.

Procedure for Certification

1. Any eligible medical institution providing nursing home care to one or more recipients of public assistance may direct a request for certification in duplicate to the Division of Public Welfare, Department of Institutions and Agencies, stating:
 - a. the minimum wage, determined as indicated above, being paid by the institution;
 - b. the date on or after July 1, 1964 for a minimum wage up to \$1.25 when such minimum wage was being paid or the date on or after September 1, 1965 for a minimum wage of \$1.30 up to \$1.50 when such minimum was being paid; and
 - c. that records of compensation paid and hours worked on a weekly basis are available and will be open to inspection at the institution by an identified representative of the Wage and Hour Bureau, Department of Labor and Industry.
 2. The Division of Public Welfare, upon determining that the request is in proper order, will refer a copy thereof to the Wage and Hour Bureau for certification of the amount and effective date of the minimum wage. A copy of the referral will be sent to the institution concerned.
 3. The Wage and Hour Bureau will arrange with the institution for a mutually agreeable time when a representative of that Bureau will review the relevant records at the institution as necessary to certify the amount and effective date of the minimum wage. Action will be expedited if a staff member of the institution is available for any required interpretation of the data presented for review.
 4. The Wage and Hour Bureau will certify to the Division of Public Welfare in terms of an hourly rate the amount and effective date of the minimum wage paid by the institution. The Wage and Hour Bureau will send a copy of such certification to the institution concerned.
 5. The Division of Public Welfare will forward to the county welfare boards concerned, with copy to the institution, a communication authorizing in accordance with the stated policy an increased monthly allowance per welfare patient to be paid as of July 1, 1964, for a minimum wage up to \$1.25 and as of September 1, 1965 for a minimum wage from \$1.30 up to \$1.50 or as of the first of any subsequent month which is or next follows the certified effective date of the minimum wage.
- All communications contemplated by this paragraph will be stated in terms of a single institution and not by listing of two or more institutions.

4. Procedure for Certification

- A. Any eligible medical institution providing nursing home care to one or more recipients of public assistance may direct a request for certification in duplicate to the Division of Public Welfare, Department of Institutions and Agencies, stating:
- a. the minimum wage, determined as indicated above, being paid by the institution;
 - b. the date on or after July 1, 1968 for a minimum wage up to \$2.20 when such minimum wage was being paid.
 - c. that records of compensation paid and hours worked on a weekly basis are available and will be open to inspection at the institution by an identified representative of the Wage and Hour Bureau, Department of Labor and Industry.
- B. The Division of Public Welfare, upon determining that the request is in proper order, will refer a copy thereof to the Wage and Hour Bureau for certification of the amount and effective date of the minimum wage. A copy of the referral will be sent to the institution concerned.
- C. The Wage and Hour Bureau will arrange with the institution for a mutually agreeable time when a representative of that Bureau will review the relevant records at the institution as necessary to certify the amount and effective date of the minimum wage. Action will be expedited if a staff member of the institution is available for any required interpretation of the data presented for review.
- D. The Wage and Hour Bureau will certify to the Division of Public Welfare in terms of an hourly rate the amount and effective date of the minimum wage paid by the institution. The Wage and Hour Bureau will send a copy of such certification to the institution concerned.
- E. The Division of Public Welfare will forward to the county welfare boards concerned, with copy to the institution, a communication authorizing in accordance with the stated policy an increased monthly allowance per welfare patient to be paid as of July 1, 1968 for a minimum wage up to \$2.20 or as of the first of any subsequent month which is or next follows the certified effective date of the minimum wage.
- All communications contemplated by this paragraph will be stated in terms of a single institution and not by listing of two or more institutions.
- F. Any institution which has been certified as paying a minimum wage of less than \$2.20 per hour, and which subsequently effects an increase in the minimum wage, may request a new certification in accordance with the procedure provided herein.

Categorical Assistance Budget Manual

5. Payment of Authorized Increased Allowances

Payment of increased allowances for nursing home care authorized pursuant hereto, in addition to the existing monthly allowance otherwise authorized, will be paid by the county welfare boards monthly upon vouchers submitted by the eligible medical institutions providing nursing home care to recipients of public assistance. When such increased allowances have been authorized retroactively, the county welfare boards, pursuant to vouchers previously submitted, will make payment of the adjusted amount per welfare patient following receipt of authorization from the Division of Public Welfare. In no case, however, will retroactive payment be authorized for a period earlier than July 1, 1964 for a minimum wage up to \$1.25; September 1, 1965 for a minimum wage from \$1.30 up to \$1.50; July 1, 1966 for a minimum wage from \$1.55 to \$1.60; July 1, 1967 for a minimum wage from \$1.65 to \$1.90; July 1, 1968 for a minimum wage of \$1.95 to \$2.20 or for any period more than three months preceding the month within which certification of the most current minimum wage was requested by an eligible medical institution.

II. MAXIMUM MONTHLY AND PER DIEM ALLOWANCES FOR NURSING HOME CARE
AS RELATED TO MINIMUM WAGE PAYMENT

Maximum "Basic" Allowances:

(1) Certified Minimum Wage Exceeding \$1.00 Per Hour	(2) (e) Maximum Monthly "Basic" Allowances	(3) (e) Maximum Per Diem "Basic" Allowances (5)
None	\$275.00	\$ 9.04 (4)
\$1.05 (a)	279.50	9.19
1.10 (a)	284.00	9.34
1.15 (a)	288.50	9.48
1.20 (a)	293.00	9.63
1.25 (a)	297.50	9.78
1.30 (b)	302.00	9.93
1.35 (b)	306.50	10.08
1.40 (b)	311.00	10.22
1.45 (b)	315.50	10.37
1.50 (b)	320.00	10.52
1.55 (c)	324.50	10.67
1.60 (c)	329.00	10.82
1.65 (d)	333.50	10.96
1.70 (d)	338.00	11.11
1.75 (d)	342.50	11.26
1.80 (d)	347.00	11.41
1.85 (d)	351.50	11.56
1.90 (d)	356.00	11.70
1.95 (f)	360.50	11.85
2.00 (f)	365.00	12.00
2.05 (f)	369.50	12.15
2.10 (f)	374.00	12.30
2.15 (f)	378.50	12.44
2.20 (f)	383.00	12.59

- (a) Not authorized for any period prior to July 1, 1964.
 (b) Not authorized for any period prior to Sept. 1, 1965.
 (c) Not authorized for any period prior to July 1, 1966.
 (d) Not authorized for any period prior to July 1, 1967.
 (e) Amounts in columns 2 and 3 effective 10/1/68.
 (f) Not authorized for any period prior to July 1, 1968.

(4) See Page 7

(5) See Page 7

Maximum "Inclusive" Allowances:

(1) Certified Minimum Wage Exceeding \$1.00 Per Hour	(2) (e) Maximum Monthly "Inclusive" Allowances	(3) (e) Maximum Per Diem "Inclusive" Allowances (5)
None	\$290.00	\$ 9.53 (4)
\$1.05 (a)	294.50	9.60
1.10 (a)	299.00	9.63
1.15 (a)	303.50	9.90
1.20 (a)	308.00	10.13
1.25 (a)	312.50	10.27
1.30 (b)	317.00	10.42
1.35 (b)	321.50	10.57
1.40 (b)	326.00	10.72
1.45 (b)	330.50	10.87
1.50 (b)	335.00	11.01
1.55 (c)	339.50	11.16
1.60 (c)	344.00	11.31
1.65 (d)	348.50	11.46
1.70 (d)	353.00	11.61
1.75 (d)	357.50	11.75
1.80 (d)	362.00	11.90
1.85 (d)	366.50	12.05
1.90 (d)	371.00	12.20
1.95 (f)	375.50	12.35
2.00 (f)	380.00	12.49
2.05 (f)	384.50	12.64
2.10 (f)	389.00	12.79
2.15 (f)	393.50	12.94
2.20 (f)	398.00	13.09

- (a) Not authorized for any period prior to July 1, 1964.
 (b) Not authorized for any period prior to Sept. 1, 1965.
 (c) Not authorized for any period prior to July 1, 1966.
 (d) Not authorized for any period prior to July 1, 1967.
 (e) Amounts in columns 2 and 3 effective 10/1/68.
 (f) Not authorized for any period prior to July 1, 1968.

(4) See Page 7

(5) See Page 7

-
- (4) This amount is to be used for payment to hospitals authorized by Medical Assistance for the Aged, Manual of Administration, Section 2402.
 - (5) For any month of partial service (regardless of whether it is the entrance month or the exit month and regardless of the total number of calendar days in such month), multiply the applicable "per diem rate" by the actual number of days the patient received service in that month (counting both day of admission and day of exit as days of service). The amount so calculated will be the earned amount which the facility is entitled to receive for such month. If such earned amount has already been exceeded in an advance payment to the facility the difference will represent a refund due the agency.

Any such refund for unearned days of service shall be accomplished by payment to the public assistance agency.

SCHEDULE I

LOW COST LEVEL OF LIVING INCOME EXEMPTION SCHEDULE

Schedule I shall be used for certain legally responsible relatives (see Chapter 600 - section 606).

<u>FAMILY SIZE AND COMPOSITION</u>	<u>NET INCOME EXEMPTION</u>	
	<u>Month</u>	<u>Year</u>
<u>Family Size 1</u>		
1 Adult	\$250	\$3000
<u>Family Size 2</u>		
2 Adults	325	3900
1 Adult-1 Child (any age)	310	3720
<u>Family Size 3</u>		
2 Adults and 1 Child (age 5 or under)	330	3960
2 Adults and 1 Child (age 6-12)	345	4140
2 Adults and 1 Child (age 13-21)	350	4200
or		
1 Adult and 2 Children (any age)		
<u>Family Size 4</u>		
2 Adults and 2 Children (oldest 5 or under)	375	4500
2 Adults and 2 Children (oldest age 6-12)	390	4680
2 Adults and 2 Children (oldest age 13-21)	410	4920
1 Adult and 3 Children (any ages)	390	4680

SCHEDULE I

LOW COST LEVEL OF LIVING INCOME EXEMPTION SCHEDULE

FAMILY SIZE AND COMPOSITION

NET INCOME EXEMPTION

Month

Year

Family Size 5

2 Adults and 3 Children (oldest age 5 or under)	\$415	\$4980
2 Adults and 3 Children (oldest age 6-12)	425	5100
2 Adults and 3 Children (oldest age 13-21)	450	5400
1 Adult and 4 Children (any age)	430	5160

Family Size 6

2 Adults and 4 Children (oldest age 5 or under)	435	5220
2 Adults and 4 Children (oldest age 6-12)	455	5460
2 Adults and 4 Children (oldest age 13-21)	485	5820
1 Adult and 5 Children (any age)	460	5520

(For each additional person in a family to size over 6 add \$480 to the annual net income or \$40 to the monthly net income)

SCHEDULE II

DETERMINING CAPACITY OF LEGALLY RESPONSIBLE RELATIVES TO CONTRIBUTE
TO SUPPORT, CARE OR SERVICE

Monthly Capacity to Contribute by Family Size

Gross Monthly Income	Gross Annual Income	1	2	3	4	5	6	7	8 or more
\$340 - 349.99									
350 - 359.99	\$4,200								
360 - 369.99	4,320	\$ 7.00							
370 - 379.99		11.00							
380 - 389.99		15.00							
390 - 399.99		20.00							
400 - 409.99	4,800	26.00							
410 - 419.99		32.00							
420 - 429.99		38.00							
430 - 439.99		45.00							
440 - 449.99		50.00							
450 - 459.99	5,400	55.00							
460 - 469.99		60.00							
470 - 479.99		65.00							
480 - 489.99	5,760	70.00	\$ 6.00						
490 - 499.99		75.00	10.00						
500 - 509.99	6,000	80.00	14.00						
510 - 519.99		85.00	19.00						
520 - 529.99		90.00	24.00						
530 - 539.99		95.00	29.00						
540 - 549.99		100.00	36.00						
550 - 559.99	6,600	110.00	42.00						
560 - 569.99		115.00	47.00						
570 - 579.99		121.00	51.00						
580 - 589.99		126.00	56.00						
590 - 599.99		131.00	61.00						
600 - 609.99	7,200	137.00	66.00						

SCHEDULE II (continued)

DETERMINING CAPACITY OF LEGALLY RESPONSIBLE RELATIVES TO CONTRIBUTE
TO SUPPORT, CARE OR SERVICE

		Monthly Capacity to Contribute by Family Size							
Gross Monthly Income	Gross Annual Income	1	2	3	4	5	6	7	8 or more
\$610 - 619.99	\$7,320	\$142.00	\$ 70.00	\$ 6.00					
620 - 629.99		147.00	75.00	9.00					
630 - 639.99		152.00	80.00	13.00					
640 - 649.99		158.00	84.00	18.00					
650 - 659.99	7,800	171.00	89.00	22.00					
660 - 669.99		176.00	94.00	28.00					
670 - 679.99		182.00	103.00	33.00					
680 - 689.99		187.00	108.00	40.00					
690 - 699.99		193.00	113.00	44.00					
700 - 709.99	8,400	198.00	118.00	48.00	\$ 5.00				
710 - 719.99		204.00	123.00	53.00	8.40				
720 - 729.99		209.00	128.00	57.00	12.00				
730 - 739.99		215.00	133.00	62.00	16.00				
740 - 749.99		225.00	138.00	66.00	20.00				
750 - 759.99	9,000	231.00	143.00	70.00	25.00				
760 - 769.99		237.00	147.00	75.00	30.00				
770 - 779.99		242.00	160.00	79.00	36.00				
780 - 789.99		248.00	165.00	84.00	40.00				
790 - 799.99		253.00	170.00	88.00	44.00				
800 - 809.99	9,600	258.00	175.00	97.00	48.00				
810 - 819.99		264.00	180.00	102.00	52.00				
820 - 829.99		270.00	185.00	106.00	56.00				
830 - 839.99		276.00	190.00	111.00	60.00				
840 - 849.99	10,080	288.00	196.00	116.00	64.00	\$ 5.00			
850 - 859.99	10,200	300.00	201.00	120.00	68.00	8.00			
860 - 869.99		312.00	211.00	125.00	72.00	11.00			
870 - 879.99		325.00	216.00	129.00	76.00	14.00			
880 - 889.99		338.00	221.00	134.00	80.00	18.00			

SCHEDULE II (continued)

DETERMINING CAPACITY OF LEGALLY RESPONSIBLE RELATIVES TO CONTRIBUTE
TO SUPPORT, CARE OR SERVICE

Monthly Capacity to Contribute by Family Size									
Gross Monthly Income	Gross Annual Income	1	2	3	4	5	6	7	8 or more
\$ 890 - 899.99		\$351.00	\$226.00	\$139.00	\$ 88.00	\$ 23.00			
900 - 909.99	\$10,800	364.00	232.00	150.00	92.00	27.00			
910 - 919.99		378.00	237.00	155.00	97.00	32.00			
920 - 929.99	11,040	392.00	242.00	160.00	101.00	36.00	\$ 7.00		
930 - 939.99		406.00	248.00	165.00	105.00	40.00	10.00		
940 - 949.99		435.00	253.00	169.00	109.00	43.00	13.00		
950 - 959.99	11,400	450.00	258.00	174.00	113.00	47.00	16.00		
960 - 969.99		465.00	269.00	179.00	118.00	50.00	20.00		
970 - 979.99	11,640	480.00	280.00	184.00	122.00	54.00	24.00	\$ 6.00	
980 - 989.99		488.00	292.00	189.00	126.00	58.00	29.00	9.00	
990 - 999.99		495.00	304.00	198.00	136.00	61.00	32.00	12.00	
1000 - 1009.99	12,000	502.00	316.00	203.00	141.00	65.00	35.00	15.00	
1010 - 1019.99		510.00	328.00	208.00	145.00	68.00	38.00	19.00	
1020 - 1029.99	12,240	518.00	341.00	213.00	150.00	72.00	42.00	23.00	\$ 6.00
1030 - 1039.99		525.00	353.00	218.00	154.00	79.00	45.00	27.00	8.00
1040 - 1049.99		533.00	366.00	223.00	158.00	83.00	48.00	30.00	11.00
1050 - 1059.99	12,600	540.00	380.00	228.00	163.00	87.00	51.00	33.00	14.00
1060 - 1069.99		548.00	393.00	233.00	167.00	91.00	54.00	36.00	18.00
1070 - 1079.99		555.00	407.00	238.00	172.00	95.00	58.00	39.00	21.00
1080 - 1089.99		563.00	421.00	243.00	180.00	98.00	61.00	42.00	25.00
1090 - 1099.99		570.00	435.00	253.00	185.00	102.00	64.00	45.00	28.00
1100 - 1109.99	13,200	578.00	449.00	264.00	189.00	106.00	71.00	48.00	31.00
1110 - 1119.99		585.00	456.00	275.00	194.00	110.00	74.00	51.00	34.00
1120 - 1129.99		593.00	463.00	286.00	198.00	113.00	77.00	54.00	36.00
1130 - 1139.99	13,560	600.00	470.00	297.00	203.00	123.00	81.00	57.00	39.00
1140 - 1149.99		608.00	478.00	309.00	207.00	127.00	84.00	60.00	42.00
1150 - 1159.99	13,800	615.00	484.00	320.00	212.00	131.00	87.00	66.00	45.00
1160 - 1169.99		623.00	491.00	332.00	216.00	135.00	91.00	69.00	48.00

SCHEDULE II (continued)

DETERMINING CAPACITY OF LEGALLY RESPONSIBLE RELATIVES TO CONTRIBUTE
TO SUPPORT, CARE OR SERVICE

Monthly Capacity to Contribute by Family Size									
Gross Monthly Income	Gross Annual Income	1	2	3	4	5	6	7	8 or more
\$1170 - 1179.99	14,400	\$637.00	\$498.00	\$345.00	\$221.00	\$139.00	\$ 94.00	\$ 72.00	\$ 50.00
1180 - 1189.99		645.00	505.00	357.00	230.00	143.00	97.00	76.00	53.00
1190 - 1199.99		652.00	512.00	370.00	240.00	147.00	101.00	79.00	56.00
1200 - 1209.99		660.00	519.00	382.00	250.00	150.00	109.00	82.00	62.00
1210 - 1219.99	15,000	668.00	527.00	396.00	260.00	154.00	113.00	85.00	65.00
1220 - 1229.99		675.00	534.00	409.00	270.00	162.00	116.00	88.00	68.00
1230 - 1239.99		683.00	541.00	422.00	281.00	166.00	120.00	91.00	71.00
1240 - 1249.99		690.00	548.00	429.00	291.00	170.00	123.00	101.00	74.00
1250 - 1259.99		698.00	555.00	436.00	302.00	174.00	127.00	109.00	76.00
1260 - 1269.99		705.00	562.00	442.00	313.00	178.00	130.00	113.00	79.00
1270 - 1279.99		713.00	569.00	449.00	325.00	182.00	134.00	126.00	82.00
1280 - 1289.99		720.00	576.00	455.00	336.00	186.00	137.00	130.00	85.00
1290 - 1299.99	15,600	728.00	583.00	462.00	348.00	190.00	144.00	133.00	88.00
1300 - 1309.99		735.00	590.00	469.00	360.00	194.00	148.00	137.00	95.00
1310 - 1319.99		743.00	597.00	475.00	372.00	198.00	151.00	144.00	102.00
1320 - 1329.99			604.00	482.00	384.00	207.00	155.00	148.00	105.00
1330 - 1339.99	16,200		611.00	488.00	390.00	216.00	158.00	151.00	108.00
1340 - 1349.99			618.00	495.00	396.00	225.00	162.00	155.00	111.00
1350 - 1359.99			625.00	502.00	402.00	234.00	166.00	158.00	114.00
1360 - 1369.99			632.00	508.00	408.00	243.00	169.00	162.00	117.00
1370 - 1379.99			639.00	515.00	414.00	252.00	173.00	166.00	120.00
1380 - 1389.99			646.00	521.00	420.00	262.00	176.00	169.00	126.00
1390 - 1399.99			653.00	528.00	426.00	272.00	184.00	173.00	129.00
1400 - 1409.99			660.00	535.00	432.00	282.00	192.00	176.00	132.00
1410 - 1419.99	16,800		667.00	541.00	438.00	292.00	200.00	184.00	135.00
1420 - 1429.99			674.00	548.00	444.00	302.00	208.00	192.00	139.00
1430 - 1439.99			681.00	554.00	450.00	313.00	216.00	200.00	142.00

SCHEDULE II (continued)

Appendix V - P. 7
1/1/67

DETERMINING CAPACITY OF LEGALLY RESPONSIBLE RELATIVES TO CONTRIBUTE
TO SUPPORT, CARE OR SERVICE

Monthly Capacity to Contribute by Family Size									
Gross Monthly Income	Gross Annual Income	1	2	3	4	5	6	7	8 or more
\$1440 - 1449.99	\$17,400		\$688.00	\$561.00	\$456.00	\$324.00	\$224.00	\$208.00	\$145.00
1450 - 1459.99			695.00	568.00	462.00	335.00	233.00	216.00	148.00
1460 - 1469.99				574.00	468.00	346.00	242.00	224.00	151.00
1470 - 1479.99				581.00	474.00	351.00	251.00	233.00	154.00
1480 - 1489.99				587.00	480.00	356.00	260.00	242.00	161.00
1490 - 1499.99				594.00	486.00	362.00	269.00	251.00	163.00
1500 - 1509.99	18,000			601.00	492.00	367.00	278.00	260.00	175.00
1510 - 1519.99	18,600			607.00	498.00	373.00	288.00	270.00	182.00
1520 - 1529.99				614.00	504.00	378.00	297.00	279.00	189.00
1530 - 1539.99				620.00	510.00	383.00	307.00	288.00	196.00
1540 - 1549.99				627.00	516.00	389.00	312.00	293.00	204.00
1550 - 1559.99				634.00	522.00	394.00	317.00	297.00	211.00
1560 - 1569.99				640.00	528.00	400.00	322.00	302.00	219.00
1570 - 1579.99	19,200			647.00	534.00	405.00	326.00	306.00	227.00
1580 - 1589.99				655.00	540.00	410.00	331.00	311.00	235.00
1590 - 1599.99					546.00	416.00	336.00	315.00	243.00
1600 - 1609.99					552.00	421.00	341.00	320.00	252.00
1610 - 1619.99					558.00	427.00	346.00	324.00	260.00
1620 - 1629.99					564.00	432.00	350.00	329.00	269.00
1630 - 1639.99	19,800				570.00	437.00	355.00	333.00	273.00
1640 - 1649.99					576.00	443.00	360.00	338.00	277.00
1650 - 1659.99					582.00	448.00	365.00	342.00	281.00
1660 - 1669.99					588.00	454.00	370.00	347.00	286.00
1670 - 1679.99					594.00	459.00	374.00	351.00	290.00
1680 - 1689.99						464.00	379.00	356.00	294.00
1690 - 1699.99	20,400					470.00	384.00	360.00	298.00
1700 - 1709.99						475.00	389.00	365.00	302.00

Department of Institutions and Agencies - Division of Public Welfare

SCHEDULE II (continued)

Appendix V - P. 8
1/1/67

DETERMINING CAPACITY OF LEGALLY RESPONSIBLE RELATIVES TO CONTRIBUTE
TO SUPPORT, CARE OR SERVICE

Monthly Capacity to Contribute by Family Size									
Gross Monthly Income	Gross Annual Income	1	2	3	4	5	6	7	8 or more
\$1710 - 1719.99	\$21,000					\$481.00	\$394.00	\$369.00	\$307.00
1720 - 1729.99						486.00	398.00	374.00	311.00
1730 - 1739.99						491.00	403.00	378.00	315.00
1740 - 1749.99						497.00	408.00	383.00	319.00
1750 - 1759.99						502.00	413.00	387.00	323.00
1760 - 1769.99						506.00	418.00	392.00	328.00
1770 - 1779.99						513.00	422.00	396.00	332.00
1780 - 1789.99						518.00	427.00	401.00	336.00
1790 - 1799.99						524.00	432.00	405.00	340.00
1800 - 1809.99	21,600					529.00	437.00	410.00	344.00
1810 - 1819.99	22,200					535.00	442.00	414.00	349.00
1820 - 1829.99							446.00	419.00	353.00
1830 - 1839.99							451.00	423.00	357.00
1840 - 1849.99							456.00	428.00	361.00
1850 - 1859.99							461.00	432.00	365.00
1860 - 1869.99							466.00	437.00	370.00
1870 - 1879.99							470.00	441.00	374.00
1880 - 1889.99							475.00	446.00	378.00
1890 - 1899.99									382.00
1900 - 1909.99	22,800								386.00
1910 - 1919.99	23,400								391.00
1920 - 1929.99									395.00
1930 - 1939.99									399.00
1940 - 1949.99									403.00

MODERATE INCOME SCHEDULE

Family Unit Size	Annual Gross Income	Monthly Gross Income
1	\$4080	\$340
2	5580	465
3	7140	595
4	8220	685
5	9840	820
6	10680	890
For each additional person in family unit sizes over 6, add \$600 to the annual amount or \$50 to the monthly amount.		