



Memorandum

#15-075

TO: WIC Regional Directors
WIC Local Agency Directors

FROM: Amanda Hovis, Director
Nutrition Education/Clinic Services Unit
Nutrition Services Section

DATE: June 22, 2015

SUBJECT: Policy Memo –Revised Policies: *Texas WIC Policy CS: 07.0 Income Screening as a Certification Requirement, Texas WIC Policy CS: 09.0 Definition of Income*

This memo announces revisions to the subject policies as follows. The policies are effective August 1, 2015. At that time they will be posted and you may update your *Policy and Procedures Manual* by accessing the *WIC Website* at:

http://www.dshs.state.tx.us/wichd/policy/table_of_contents.shtm

Summary of Revisions

Texas WIC Policy CS: 07.0 – Income Screening as a Certification Requirement

- Added definitions of true income, current income, prospective income and new money to the Definitions section.
- II. D. WIC 19b – Clarified that LA staff should only clarify information that is provided on the form by the employer and not add information that is missing. Added “if the employer refuses to complete the WIC-19b the self-declaration form shall be used, refer to Procedure IV. C. in this policy”.
- II. F. Bank statement – added that an applicant can provide checking or savings statement if they declare they are living off savings or checking account. The checking or savings account statement must be reflective of current gross income within the previous 30 days.
- II. G. Tax Records (IRS 1040) – added that adjusted net income shall be used for Self-Employed applicants and adjusted gross income shall be used for individuals who are not self-employed.
- II. K. Other – added 5. Student Financial aid.
- IV. C. Self Declaration – changed “may be a victim” to “who is” a victim.
- IV. D. Annual income – clarified the example scenarios when annual income may be more appropriate.
- IX. Added “unless they are adjunctively eligible, refer to Policy CS: 08.0” to the last sentence.
- As of August 1, 2015 the new WIC 19b/Employment Verification and Self Declaration Forms will be available online.

Texas WIC Policy CS: 09.0 – Definition of Income

- I. M. added “student financial assistance, such as grants and scholarships, except those grants and scholarships excluded as income as listed in Section II. (C) (12) of this policy”.
- II. C. 12. Clarified the exclusion of certain types of student financial assistance expressly excluded by WIC regulations. Added “grant or loan funds for room and board and for dependent care expenses must be counted as income in the WIC eligibility determination”.

If you have questions or require additional information regarding *Texas WIC Policy CS: 07.0 Income Screening as a Certification Requirement*, or *Texas WIC Policy CS 09.0 Definition of Income* please contact Marissa Acosta at marissa.acosta@dshs.state.tx.us or (512) 341-4649.

Attachments

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Effective August 1, 2015

Policy No. CS:07.0

Income Screening as a Certification Requirement

Purpose

To provide documentation that an applicant's income eligibility was determined accurately.

Authority

7 CFR Part 246.7; 25 TAC §31.22

Policy

When determining program eligibility, the local agency (LA) shall determine and document the applicant's total household gross income and household size at each certification.

Applicants shall provide all income received by the household during the month (30 days) prior to the date of application to the WIC Program. If true income is not reflected, then income from the previous 12 months shall be considered. If the income assessment is being done prospectively, e.g. the sole support of the family was laid off and was authorized to receive unemployment benefits for the next six months, "current" refers to income that will be available to the family in the next 30 days. If the applicant is currently a recipient of Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance to Needy Families (TANF), or Medicaid, refer to **Policy CS:08.0**.

Instream migrants with an expired Verification of Certification (VOC) shall be considered income eligible, provided their income is redetermined once every 12 months.

LAs are required to verify all information that is questionable or when verification is specifically required by this policy. In addition, an LA may

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require verification of any information to ensure income eligibility is determined accurately.

Definitions

Household: all persons, related or unrelated, living together in the same dwelling, with the exception of the following special situations: pregnant woman, foster child, individuals who qualify as a separate economic unit, and residents of a homeless facility or other residential institution.

Income: Gross income earned by all members of a household, including any amount received or withdrawn from any source, including savings, unless excluded from the definition of income by federal regulations as described in **Policy CS:09.0**. Exception: for farmers and self-employed individuals, use net income - the income after the deduction of business expenses.

In-kind benefit: Benefits received by the household, which are provided in the form of goods and/or services. Example: woman resides with another family and provides childcare in exchange for food and shelter. This in-kind value is excluded from the income determination.

Instream migrants: Migrant farm workers who follow a route or agricultural work from state to state and who are currently not at their home base.

Verification of income: A process whereby the information presented by an applicant as documentation of income is validated through an external source of information other than the applicant.

True income: an accurate reflection of household income within the previous 30 days prior to the date the application for WIC benefits is made.

Current income: all household income that was available in the previous 30 days prior to the date the application for WIC benefits is made.

Prospective income: all household income that will be available in the next 30 days.

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New Money: Money received within the previous 30 days and not received on a regular basis.

Procedures

- I. At each certification, WIC applicants or parent/guardians applying on behalf of a child shall declare the number of persons that comprise the applicant's household size and provide acceptable documentation of the amount of ALL gross income received by each member of the household, unless the applicant is adjunctively income eligible, in which case income eligibility is determined under the provisions of **Policy CS:08.0**.
 - A. The WIC Income Questionnaire (WIC Form 35-3) shall be completed at each certification by the applicant or parent/guardian. The form shall be completed prior to income determination and filed in the applicant's record with the Family Certification Form/WIC Program Income Screening Form (WIC-35). (See **Policy CS:14.0**)
 1. If income has been documented for one family member within the last 30 calendar days, it may be used for other family members being certified within that 30 day period. Staff shall verbally verify income has not changed.
 2. The applicant or parent/guardian shall sign and date the WIC-35-3 near the original signatures and dates from the previous income determination.
 - B. Use the WIC-35 to document total household size and income. The staff person who completes this information shall sign and date the WIC-35 using their official signature. Refer to **Policy CS:14.0** for instructions on completing the WIC-35. One WIC-35 may be used to document income and household size for two or more members of a household. This form shall be easily accessible for audit/review.
 1. Income shall be documented each time a family member is certified (except for instream migrants). If income has been documented for one family member within the last 30 calendar

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days, it may be used for other family members being certified within that 30 day period. Staff shall verbally verify income has not changed and both staff and applicant or parent/guardian or authorized adult shall sign and date the WIC-35 near the original signatures and dates from the previous income determination.

2. The 30-day period does not apply to applicants who were adjunctively income eligible. (Refer to **Policy CS:08.0**)

C. A copy of the income document(s) shall be kept in the applicant's file containing the WIC-35.

II. WIC applicants shall provide acceptable **written** documentation of the amount(s) of **all** income received by **each** member of the household. Amounts should reflect all usual gross income. Documentation shall be dated within the previous 30 days from the date of the eligibility determination. The applicant or parent/guardian may present a copy or facsimile (fax) of the original document. Exceptions are identified in this policy where written documentation is not required. All documents within the previous 30 days shall be requested from each source of income (e.g. weekly pay requires the previous four paycheck stubs). Acceptable documents for proof of income include:

A. **Paycheck stubs-** with the current amount of gross earnings

1. The paycheck stub(s) must indicate the pay period or pay date and employee's name.
 - a. Weekly pay- previous four paycheck stubs are required.
 - b. Bi-weekly/every 2 weeks- previous two paycheck stubs are required.
 - c. Twice Monthly- Previous two paycheck stubs are required.
 - d. Monthly- most recent paycheck stub.
2. Do not accept a paycheck stub that has a different name than the applicant's or household member's name. Allow applicant to complete a WIC-32, Applicant's Statement of Farm/Self-Employment Form. (See II. E. in this policy)
3. The employer may be contacted, with the applicant's or parent/guardian's permission, to clarify information on the

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paycheck stubs. Information from the employer shall be used to determine income and documented on the WIC-35 form.

- B. **Signed statement from employer-** (business letterhead is not required). The statement shall reflect current gross income, the pay period, and/or the pay date within the previous 30 days.
- C. **WIC-19a-** Assistance Documentation Form.
1. Section I shall be completed when:
 - a. money or financial support is received from a source outside the household such as parents, relatives, or friends. If money is received occasionally, refer to Procedure II. J. of this policy.
 - b. there is more than one provider of assistance, each provider shall complete a separate WIC-19a.
 - c. the applicant receives financial support in addition to their wages from someone who does not reside with them.
 2. Section II shall be completed by a third party when no one in the household has a source of income and the household does not receive outside assistance.
 - a. Examples of a third party include but are not limited to: staff of a church or school, social service agency, legal-aid, lawyer, public health nurse, doctor, and elected public officials.
 - b. The third-party cannot be an employee of the WIC Program, an individual related to the applicant/parent/guardian, or a member of the applicant's household. The staff shall confirm this information verbally with the applicant.
- D. **WIC-19b-** Employment Verification Form is acceptable, if the applicant and/or members of the applicant's household do not have acceptable documentation of wages. LA staff should only clarify information that is provided on the form by the employer and not add information that is missing. An applicant who has physically started a new job but has not received his/her first paycheck shall have a WIC-19b completed or have a written statement from their employer. If the employer refuses to complete the WIC-19b the

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self-declaration form shall be used, refer to Procedure IV. C. in this policy.

E. **WIC-32-** Applicant's Statement of Farm/Self-Employment Form, shall be completed if an applicant or a member of the household is self-employed and does not have the most recent IRS tax return (See section II. G. in this policy). This form may also be used if an applicant is paid in cash and the employer will not provide documentation, or the applicant cannot provide a paycheck stub(s) in his/her name.

F. **Bank statement-** Applicant can provide checking or savings statement if they declare they are living off savings or checking account. The checking or savings account statement must be reflective of current gross income within the previous 30 days. Example: An applicant is living off their savings. The amount withdrawn monthly to pay for their expenses plus a month's worth of interest shall be considered as their monthly household income. The total dollar amount in savings is not to be considered. A bank statement can be used as documentation as long as the date on the statement is from the previous 30 days.

Total amount of savings:	\$30,000
Amount withdrawn to cover monthly expenses for one month:	\$ 1,150
One month of interest	\$ 25
Total monthly income: $\$1150 + \$25 =$	\$ 1,175

G. **Tax records (IRS 1040)** - Most recent filed IRS tax form. If the applicant or household member has not filed for the most recent tax year, then the most recently filed tax form is required. Staff shall use the adjusted gross income figure indicated on the completed Federal tax return for individuals that are not self-employed. If applicant indicates that they are Self-Employed the adjusted net income figure indicated on the completed Federal tax return should be used. Staff shall ask applicant/parent/guardian to

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verbally confirm the tax record reflects current income and retain a copy of the section of the documents used to determine income.

- H. **Foster child placement letter-** All foster children must be screened for income eligibility, see **Policy CS: 11.0** Certification of Foster Children. A verbal declaration of the amount paid to the family for the care of the foster child shall be obtained if the amount is not indicated on the placement letter. If a foster child receives income, whether from a job or outside financial resource, it must be counted in the income determination and documented on the WIC-35. Income screening shall be done at every certification for foster children, even if they have not changed foster homes. Mark "other" on the WIC-35 and record "placement letter" in the space provided.
- I. **Child Support and/or Alimony-** Documentation shall be obtained **in the following order** (i.e., staff shall obtain the highest level of documentation, if it exists, with #1 constituting the highest level and so forth):
1. Court order, divorce decree or information from Office of Attorney General (800-252-8014);
 2. Receipts or copies of checks;
 3. Signed and dated statement from the person providing support; or
 4. Signed and dated statement from person receiving support.
- Mark "other" on the WIC-35 and record "child support or alimony" in the space provided.
- J. **Lump Sum/New Money-** New money is money received within the previous 30 days and not received on a regular basis. Examples include, but are not limited to: gifts, inheritance, bonuses, and lottery winnings. The lump sum/new money received within the previous 30 days shall be documented under the Different pay frequency/Annual column on the WIC-35. Mark

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“other” on the WIC-35 and record the type of new money received in the space provided.

- K. **Other-** The following are acceptable as income and should be marked “other” on the type of Non-Gateway Income Method used on the WIC-35. Examples include, but are not limited to:
1. Workers Compensation letters, or Unemployment Insurance Benefits;
 2. Severance, pension payments, or retirement benefits;
 3. 401K or other investments; and
 4. Social security and Supplemental Security Income (SSI) award letter.
 5. Student Financial aid
- III. An applicant's current rate of income shall be utilized to calculate income eligibility. For exceptions, refer to Procedure IV.
- A. Applicants shall provide all income received by all household members within the previous 30 days from date of income screening. When income varies, (see IV.B) calculate the average gross income of all paycheck stub(s).
- B. Documentation of income that changes only once per year, e.g., Social Security and scholarship/grant award letters. These documents may be used during the entire year the letter covers if reflective of current income within the previous 30 days.
- C. Households with one frequency of income, e.g. weekly, every 2 weeks, twice monthly, monthly.
1. Add the incomes of all household members together.
 2. The calculations should be exact without any rounding.
 3. Compare the **total** of all the income to the appropriate household size and pay frequency in the WIC income guidelines.
 4. When the applicant’s household meets the WIC Income Guidelines, get monthly dollar amounts to enter in TWIN with the following calculations:

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- a. If pay is weekly, multiply by 52, divide by 12, drop the change, and enter in TWIN.
 - b. If pay is every 2weeks, multiply by 26, divide by 12, drop the change, enter in TWIN.
 - c. If pay is twice a month, multiply by 24, divide by 12, drop the change, and enter in TWIN.
 - d. If pay is monthly, drop the change, enter in TWIN.
 - e. If pay is yearly, divide by 12, drop the change, and enter in TWIN.
5. If the applicant does not meet the WIC Income Guidelines refer to **CS:23.0**, Notification of Ineligibility, Termination or Expiration of Eligibility.
- D. Households with more than one pay frequency e.g. weekly, every 2 weeks, twice monthly, monthly
1. Convert all the income amounts to annual income using the following calculations:
 - a. when paid by the week – multiply by 52
 - b. when paid every 2 weeks – multiply by 26
 - c. when paid twice a month – multiply by 24
 - d. when paid monthly – multiply by 12
 2. Add the incomes together.
 3. The calculations should be exact without any rounding.
 4. Compare the annual total to the appropriate household size and annual amount in the WIC income guidelines.
 5. When the applicant's household meets the WIC Income Guidelines, convert the annual amount to a monthly total by dividing by 12. Drop any change and enter this amount in TWIN.
 6. If the applicant does not meet the WIC Income Guidelines refer to **CS:23.0**, Notification of Ineligibility, Termination or Expiration of Eligibility.

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IV. Exceptions include the following:

A. Overtime: If the overtime pay was a one-time occurrence, within the last 30 days, use the normal wages paid to calculate income and do not include the overtime.

B. Income Varies: The income average is a better reflection of the applicant's true income.

1. First calculate the average of all paycheck stubs within the last 30 days.
2. When there is only one pay frequency, compare the average income to the appropriate frequency in the WIC Income Guidelines.
3. When there is more than one pay frequency, use income average to convert to an annual amount. Convert all other household members to an annual amount. Compare to the annual WIC Income Guidelines.

Example: Ann is paid weekly and her pay varies. Her husband is paid \$2035.18 a month. Ann's last 4 checks were \$234.03, \$152.25, \$235.25, \$150.25. Household of three.

$\$234.03 + \$152.25 + \$235.25 + \$150.25 = \$771.78/4 =$
 $\$192.95$ is Ann's average weekly amount.

$\$192.95 \times 52 = \$10,033.40$ is Ann's annual amount.

$\$2035.18 \times 12 = \$24,422.16$ is husband's annual income.

$\$10,033.40 + \$24,422.16 = \$34,455.56$. This annual amount is compared to the 2015 WIC Income Guidelines. If the annual guideline for this household size is \$36,612, the family is *under* the income limit and is WIC income-eligible.

C. Self Declaration: An applicant or a parent/guardian applying on behalf of a child, who is a victim of theft, loss, or disaster and does not have a source of income shall complete a Self-Declaration form. This form shall be used as the lowest level of documentation for prospective income see Section II.D. in this policy. This form shall be filed in the client's record.

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- D. Annual income may be more appropriate when income within the last 30 days does not reflect true household income:
 - 1. A family member who is on maternity leave; individuals (e.g., teachers) who are paid on a 9 -10 month basis and are temporarily on leave for the summer; college students who work only during the summer months and/or school breaks; and individuals who receive frequent and consistent overtime pay. Documentation shall be obtained in the following order (i.e., staff shall obtain the highest level of documentation, if it exists, with #1 constituting the highest level and so forth):
 - a. Tax return IRS 1040 (see Section II. G. in this policy).
 - b. Income documentation within 30 days.
 - c. Checking/Savings or WIC forms if applicable.
 - d. Self declaration form if applicable.

- E. Applicants reporting zero income- should be prompted to describe in detail their living circumstances and how they obtain basic living necessities such as food, shelter, medical care and clothing. Examples include but are not limited to: unpaid leave status, person on strike.
 - 1. Documentation shall be obtained in the following order (i.e., staff shall obtain the highest level of documentation, if it exists, with 'a' constituting the highest level and so forth):
 - a. Income within the last 30 days (i.e., bank statements and child support).
 - b. WIC forms if applicable.
 - c. Self declaration form if applicable.

- V. Income eligibility of migrants:
 - A. Certain instream migrant families with an expired Verification of Certification (VOC) shall be considered income eligible if income eligibility was determined within the previous 12 months. The date the migrant family's income was last determined shall be documented on the Family Certification Form (WIC-35).

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- B. The income eligibility of migrant families who are not instream, defined as migrant farmworkers at their home base, shall be determined and documented on form WIC-35 at each certification.
- VI. To assess the income eligibility of an unemployed person (whether the person quit, was fired, or experienced a lay-off) all amounts of financial support received from any of the sources listed in this policy shall be determined and appropriate documentation obtained. If the income assessment is being done prospectively (e.g. the sole support of the family was laid off and was authorized to receive unemployment benefits for the next six month) "current" refers to income that will be available to the family in the next 30 days. If the person is living off their savings refer to II. F. of this policy.
- VII. Income eligibility of pregnant women: Refer to **Policy CS: 10.0**, Economic Unit for Income.
- VIII. The LA has no responsibility to monitor the continued income eligibility of the participant during the current WIC certification period.
- IX. Participants are not required to report income changes within certification periods nor are LAs required to inquire about such changes. However, during a certification period, if the local agency receives information from any party regarding a change in income eligibility, a reassessment of program eligibility shall be conducted during the certification period unless the information concerns possible program fraud or abuse. When fraud or abuse is suspected, refer to **Policy GA: 12** for instructions on reporting to the state agency. Reassessments are not required when there are 90 days or less before the expiration of the certification period. If the individual is determined ineligible, the LA shall disqualify the individual and any other family members participating in WIC at the time of the reassessment unless they are adjunctively eligible, refer to **Policy CS:08.0**.
- A. Some examples of situations which trigger a mandatory reassessment by the LA include:

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1. family member certified and income or adjunctive income eligibility has changed;
 2. an increase in income reported by a participant;
 3. a change in custody and/or household size and/or
 4. A complaint alleging ineligibility.
- B. WIC staff should contact the individual to bring documentation of their continued income or gateway eligibility to their next appointment.
1. If the individual fails to bring the proof of income or participation in the gateway program, the individual and other family members participating in WIC at the time of the reassessment shall be disqualified from the Program. Refer to **Policy CS:23.0** Notification of Ineligibility, Termination or Expiration of Eligibility.
- C. If the individual is income eligible through adjunctive eligibility, refer to **Policy CS:08.0**.
- D. Refer to **Policy GA:12.0** for instructions on handling citizen complaints about a participant's eligibility.
- E. Refer to **Policy CR:03.0** for guidance on a participant's right to appeal any decision which results in the denial, disqualification, or termination of their participation in the Program.
- F. LA staff shall provide written notification of termination to participant(s) found ineligible. Refer to **Policy CS:23.0** for instructions.
- X. Special Circumstances for income eligibility of a military family when parent(s) is deployed during times of crisis or on temporary assignment.
- A. Military personnel absent (e.g., deployed overseas) shall be counted as members of the household.

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- B. Whenever possible, a recent (within the past 120 days) Leave and Earnings Statement (LES) shall be obtained as documentation of the soldier's contribution to the household's gross income. If the funds are direct deposited into a bank account in lieu of having an LES statement, request a bank statement from the applicant. The applicant shall document the amount of gross income. The statement shall be signed by the applicant/parent/guardian and include a statement explaining why he/she cannot provide documentation of income.

- C. Income exclusions when parent(s) is deployed:
 - 1. Basic Allowance for Housing (BAH), Family Separation Housing (FSH), and Overseas Housing Allowance (OHA).
 - 2. Cost of Living Allowance (COLA) only if the military person resides outside the contiguous continental United States.
 - 3. Family Subsistence Supplemental Allowance (FSSA) payments to members of the Armed Services provided by the Department of Defense under the provisions of Public Law 109-163, the National Defense Authorization Act for Fiscal Year 2006.

- D. Other types of Entitlement pay, including, but not limited to Combat Pay and Hostile Fire Pay, can be excluded from income. The pay:
 - 1. Must have been received in addition to basic pay
 - 2. Must have been received as a result of deployment to or service in an area that is designated a combat zone
 - 3. Must not have been received prior to deployment

- E. The Local Agency needs to explore the circumstances under which military service personnel is receiving each additional allowance in order to decide if they should include or exclude the payment. The requirements above, X.D., need to be met.
 - 1. Additional temporary compensation including, but not limited to Front Line Pay received shall be averaged. Determine the average by dividing the total pay by 12 months.

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Example: Front Line Pay is \$200/month, received for past 5 months. \$1000 (\$200 X 5 months) is divided by 12 = \$83.33 month. Add \$83.33 to monthly income.

2. New money that is received once per year, including but not limited to Clothing Allowance and Enlistment Bonus shall be averaged. Divide the total amount by 12 for an average.

Example: Clothing allowance is \$2000. Divide by 12 = \$166.67. Add \$166.67 to monthly income.

- F. When children are in temporary care of friends or relatives due to military parents being deployed or on temporary assignment:
 1. Financial support is being provided by the military parents:
 - a. When the LESs are available, parents and children are a separate economic unit (SEU) within the household of the temporary caretaker. Income is assessed for the SEU.
 - b. When LESs are unavailable, the source of financial support for the children determines the documentation necessary.
 - i. If financial support is being provided by the military parents, the children will be considered an SEU with income in the amount provided for their care. Written documentation from the caretaker should designate the amount received from the military parents, either in a letter or written note or in LES statements when available.
 - ii. If the caretaker holds a credit card for necessary expenses or has access to direct deposited funds, have the caretaker declare the amount being used to care for the child(ren). The child(ren) will be considered a separate economic unit with income in the amount declared.

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Definition of Income

Purpose

To provide a statewide definition of income that is identical for all local agencies (LAs).

Authority

7 CFR Part 246.7; 25 TAC §31.22

Policy

Income is defined as gross income before deductions.

Procedures

- I. Income includes the following:
 - A. wages, salary, commissions or fees;
 - B. net income from farm and non-farm self-employment;
 - C. Social Security benefits;
 - D. dividends or interest on savings or bonds, to include interest on Certificates of Deposit (CD) and Individual Retirement Accounts (IRA); income from estates or trusts, or net rental income;
 - E. public assistance or welfare payments;
 - F. unemployment compensation;
 - G. government civilian employee or military retirement or pensions, or veterans' payments;
 - H. private pensions or annuities;
 - I. alimony or child support payments;
 - J. regular contributions from persons not living in the household;
 - K. net royalties;
 - L. lump sum payments which are considered as "new money" received in the last 30 days would include gifts, inheritances, lottery

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- winnings, worker's compensation for lost income, and severance pay;
- M. student financial assistance, such as grants and scholarships, except those grants and scholarships excluded as income as listed in Section II. (C) (12) of this policy;
 - N. capital gains and interest earned on the sale amount; If there was a loss on the sale, the amount of interest earned on the sale amount is counted as income. This applies only to capital gains and losses within the past twelve months. Any sale prior to last twelve months, refer to guideline on savings account interest (Item I. (D) above).
 - O. other cash income, which includes, but is not limited to, cash amounts received or withdrawn from any source including savings, investments, trust accounts and other resources which are readily available to the family.
- II. Exclusions from income include, but are not limited to, the following:
- A. Military allowances:
 - 1. any basic allowance for quarters received by military services personnel residing on/off military installations; and
 - 2. cost of living allowance received by military services personnel residing outside the United States.
 - 3. Family Subsistence Supplemental Allowance (FSSA) payments to members of the Armed Services provided by the Department of Defense under the provisions of Public Law 109-163, the National Defense Authorization Act for Fiscal Year 2006.
 - 4. Other types of Entitlement pay, including, but not limited to Combat Pay and Hostile Fire Pay, can be excluded from income. The pay:
 - a) Must have been received in addition to basic pay
 - b) Must have been received as a result of deployment to or service in an area that is designated a combat zone
 - c) Must not have been received prior to deployment

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- B. value of in-kind housing and other in-kind benefits; (Examples: employer paid or union paid portion of health insurance or other employee fringe benefits, food or housing received in lieu of wages)

- C. payments or benefits provided under certain Federal programs or acts. The payments or benefits which shall be excluded by legislative prohibition include, but are not limited to the following:
 - 1. reimbursements from the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970;
 - 2. any payment to volunteers under Title I (VISTA and others) and Title II (RSVP, foster grandparents, and others) of the Domestic Volunteer Service Act of 1973, to the extent excluded by that Act;
 - 3. payment to volunteers under section 8(b)(1)(B) of the Small Business Act (SCORE and ACE);
 - 4. income derived from certain submarginal land of the U.S. which is held in trust for certain Indian tribes;
 - 5. payments received under the Job Training Partnership Act;
 - 6. income derived from the disposition of funds to the Grand River Band of Ottawa Indians;
 - 7. payments received under the Alaska Native Claims Settlement Act;
 - 8. the value of assistance to children or their families under the National School Lunch Act, as amended; the Child Nutrition Act of 1966; and the Food Stamp Act of 1977;
 - 9. payments by the Indian Claims Commission to the Confederated Tribes and Bands of the Yakima Indian Nation or the Apache Tribe of the Mescalero Reservation;
 - 10. payments to the Passamaquoddy Tribe and Penobscot Nation or any of their members received pursuant to the Maine Indian Claims Settlement Act of 1980;
 - 11. payments under the Low-Income Home Energy Assistance Act, as amended;
 - 12. Certain types of student financial assistance expressly excluded by WIC regulations - Student financial assistance received from any program funded in whole or part under Title IV of the

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Higher Education Act of 1965, including: the Pell Grant, Supplemental Educational Opportunity Grant, State Student Incentive Grants, National Direct Student Loan, PLUS, College Work Study, and Byrd Honor Scholarship programs; Excluded from income is any assistance received from these programs which is used for tuition and fees and including the costs for rental or purchase of any equipment, materials, or supplies required of all students in the same course of study and an allowance for books, supplies, transportation, and miscellaneous personal expenses for a student attending a higher education institution on at least a half-time basis, as determined by the institution. Grant or loan funds for room and board and for dependent care expenses must be counted as income in the WIC eligibility determination.

13. mandatory salary deduction for college under the Veterans Education Assistance;
14. payments under the Disaster Relief Act of 1974, as amended;
15. payments received under the Carl D. Perkins Vocational Education Act, as amended;
16. payments pursuant to the Agent Orange Compensation Exclusion Act;
17. payments received for Wartime Relocation of Civilians under the Civil Liberties Act of 1988;
18. value of any child care payments made under section 402(g)(1)(E) of the Social Security Act, as amended by the Family Support Act (see Guidelines Section);
19. value of any "at-risk" block grant child care payments made under section 5081 of Public Law 101-508;
20. value of any child care provided or paid for under the Child Care and Development Block Grant Act, as amended;
21. mandatory salary reduction amount for military service personnel which is used to fund the Veteran's Educational Assistance Act of 1984 (GI Bill) as amended;
22. payments received under the Old Age Assistance Claims Settlement Act, except for per capita shares in excess of \$2000;

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23. payments received under the Cranston-Gonzales National Affordable Housing Act, unless the income of the family equals or exceeds 80 percent of the median income of the area;
 24. payments received under the Housing and Community Development Act of 1987, unless the income of the family increases at any time to not less than 50 percent of the median income of the area;
 25. payments received under the Sac and Fox Indian claims agreement;
 26. payments received under the Judgment Award Authorization Act, as amended;
 27. payments for the relocation assistance of members of Navajo and Hopi Tribes;
 28. payments to the Turtle Mountain Band of Chippewas (Arizona);
 29. payments to the Blackfeet, Grosventre, and Assiniboine tribes (Montana) and the Papage (Arizona);
 30. payments to the Assiniboine Tribe of the Fort Belknap Indian community and the Assiniboine Tribe of the Fort Peck Indian Reservation (Montana);
 31. payments to the Red Lake Band of Chippewas;
 32. payments received under the Saginaw Chippewa Indian Tribe of Michigan Distribution of Judgement Funds Act; and
 33. payments to the Chippewas of Mississippi.
 34. payments received by property owners under the National Flood Insurance Program (Public Law 109-64).
- D. lump sum payments classified as "reimbursement" which are defined as monies received from insurance companies for loss or damage of real or personal property, such as a home or auto, and payments that are intended for a third party to pay for a specific expense such as payment of medical bills resulting from accident or injury;
- E. operating expenses for those individuals who are self-employed; For farm income, operating expenses include, but are not limited to, cost of feed, fertilizer, seed and other farming supplies; cash wages

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paid to farmhands; depreciation; cash rent; interest on farm mortgages; farm building repairs; and farm taxes (but not State and Federal income taxes). For nonfarm self-employed persons, operating expenses include, but are not limited to, the cost of goods purchased, rent, heat, utilities, depreciation, wages and salaries paid, and business taxes (but not personal income taxes). Applicant shall complete Form WIC 32 or provide written business records.

- F. loans, such as bank loans, which are temporarily available and shall be repaid.

Guidelines

- I. LAs may need to contact the state agency (SA) for further guidance in evaluation of particular income exclusion, particularly for those with exceptions where a median income for the local area shall be determined. For example: items C. (22) and C. (23).
- II. Child Care and Development Block Grant Program income exclusion: (Item II.(C) (19) above) These benefits shall be referred to as the TANF Child Care Program, the Title IV A Child Care Program, or the Choices Child Care Program. However, names of these programs vary from state to state:
 - A. In Texas, the child care programs which provide payments that are excluded from income are the Choices Child Care Program, the Transitional Child Care Program and the At-Risk Child Care Program which are administered by the Texas Health and Human Services Commission (HHSC).
 - B. HHSC allows parents participating in these programs to make their own arrangements for child care. The hired caretakers may be grandparents, aunts or uncles; however, the payments to these relatives shall be counted as income by these relatives if they apply for WIC Program benefits.

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- III. Basic allowance for quarters for military personnel residing on-base or off-base is usually indicated on the military Leave Earnings Statement (LES) as:
 - A. Variable Housing Allowance (VHA);
 - B. Basic Allowance for Housing (BAH).

- IV. Regarding II. B in Procedures Section, Value of inkind housing and other inkind benefits: If an employee does not receive as part of his/her wages/salary the dollar amount contributed to health insurance, for example, but the employer includes this employer contribution as part of the employee's gross income, the LA shall deduct the employer contribution amount from the applicant/participant's gross income. (Some employers process salary payments this way for a tax advantage to the employer.)