



Commonwealth of Massachusetts
Executive Office of Health and Human Services
Department of Transitional Assistance
600 Washington Street • Boston, MA 02111

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Secretary

JOHN A. WAGNER
Commissioner

Field Operations Memo 2004-9
March 15, 2004

To: Transitional Assistance Office Staff

From: Cescia Derderian, Assistant Commissioner for Field Operations

Re: Food Stamp Farm Bill of 2002: Income and Asset Exclusions

Overview

In our continued effort to decrease access barriers and simplify FS rules, the Department has taken advantage of the Farm Bill option to exclude certain Income and Assets to mirror cash regulations for purposes of determining FS eligibility and benefit amount. The affected regulations are 106 CMR 363.140; 363.220; and 363.230. These changes were issued in State Letter 1275.

Purpose of Memo

This Field Operations Memo will:

- Highlight some of the major additions to the FS income and assets exclusions that simplify regulations and make them parallel to cash;
 - Discuss AU Manager responsibilities for processing FS income and asset information for new and ongoing AUs; and
 - Explain the revisions made to the EDUC-1.
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**Additions to
Earned and
Unearned
Income
Exclusions**

The following is a list of income sources that have been added to the list of Excluded Income in 106 CMR 363.230:

- Certain payments to volunteers;
- Training allowances;
- WorkForce Investment Act (WIA), Americorps, Summer Youth Employment and Training and Youthbuild Program Earnings;
- All educational loans, grants, scholarships and financial assistance not designated for living expenses;

Note: Funds that are designated for living expenses on the EDUC-1 are countable as income.

- Federal work-study income of undergraduate students;

Note: Non-federal work-study is countable as income.

- Cash contributions from a non-legally responsible person; and
- Utility allowances paid under HUD or state and local housing authorities.

In addition, rules regarding Native American payments, Alaska Native claims and Indian Plan funds have been simplified.

**Noncountable
Assets**

The following is a list of asset sources that have been added to the list of Noncountable Assets in 106 CMR 363.140:

- Household belongings;
 - Property to which the Assistance Unit has no ready access;
 - Home produce;
 - All educational loans, grants, scholarships and financial assistance not designated for living expenses;
 - The assets of individuals for whom state and/or federal foster-care maintenance payments are made; and
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**Noncountable
Assets
(continued)**

- Certain reimbursements.

In addition, rules regarding state and federal earned income tax credits have been simplified.

**AU Manager
Responsibilities**

At **application/reapplication** for new and reopened FS AUs with income and assets and at **recertification** for ongoing FS AUs with income and assets, the AU Manager must:

- review the types of income and assets;
- determine if these income and assets are countable or noncountable under the new FS regulations; and
- make the appropriate changes on BEACON. See *A User's Guide*, Chapter XV for assets and XIV for income for more information on entering income and assets on BEACON.

EDUC-1

The EDUC-1 has been revised to capture only the amount of living expenses awarded under Non-Title IV funds. The revisions reflect the change to simplify the food stamp rules and make them parallel to the cash rules. See Attachment A for a copy of this form.

The revised EDUC-1:

- makes it easier for Financial Aid Offices (FAO) to complete and for AU Managers to understand;
 - continues to have the AU Manager fill in the *Return to* section of the form before giving/ mailing it to the student;
 - continues to have the student complete Part A and sign the Student's Authorization for Exchange of Information;
 - continues to have the FAO complete Part B; however, Part B no longer requests information on financial aid awarded under Title IV and only requests information on Non-Title IV financial aid designated for living expenses.
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**EDUC-1
(continued)**

In the **Dept. Use Only** section of the EDUC-1:

- the total amount designated for living expenses listed in Part B, Section 2 is entered for both cash and food stamp AUs. **This total amount is the countable amount of income for both cash and food stamp purposes to be entered on the Other Income Status window.**
- the dependent care and transportation amount listed in Part B, Section 1 is entered for cash only. Dependent care and transportation amounts are identified to prevent the Department from duplicating these costs if monies are available from another source. The cash AU Manager must reduce the dependent care and/or transportation reimbursements by the amount identified in Part B, Section 1, if any.

**Obsolete
Materials**

The following are now obsolete:

- Earlier versions of the EDUC-1 (8/97 or before) are now replaced with the EDUC-1 (Rev. 3/2004);
- The Educational Grants, Loans and Scholarships Desk Guide (EGDG Rev. 8/95); and
- Field Operations Memo 97-44.

Questions

If you have any questions, please have your Hotline designee call the Policy Hotline at 617-348-8478.



Instructions
Educational Income and Expense Form
EDUC-1

These instructions are to be used for completing the EDUC-1 form, which is used to share information about the student financial aid awards that may affect the receipt of Transitional Assistance benefits.

Part A. Completed by the student for submission to the Financial Aid Office. The Financial Aid Office must verify that the information is correct. The student must also sign and date the authorization for the exchange of information. Forms without this information will be returned to the student not completed.

Note: The "Return To" section will be completed by the Department. The worker's name is requested, but it is not necessary for the completion of the EDUC-1 by the FAO.

Part B. Completed by the school, college or university. Be sure to indicate the enrollment status of the student.

1.
 - A. Please list the actual direct expenses for tuition, fees, loan origination fees and health insurance charges, if any. If the student has contracted to live in campus housing, enter the cost as "other (specify)."
 - B. Indicate the other student financial aid budget allowances that apply to the student's enrollment status.
 - C. If the Financial Aid Office knows the actual amount of dependent care expenses and has adjusted the financial aid budget to include those dependent care costs, please enter the appropriate amount; otherwise leave blank.
 - D. Do not enter any allowances for the cost of off-campus living expenses, such as room and board, rent, mortgage, food or personal items.
2.
 - A. Enter the various awards from non-Title IV sources.
 - B. If any of the non-Title IV aid is designated by the grantor to be used for living expenses, please indicate in the appropriate column. If there is no specific use designated, enter the amount of the award only in the Total Amount column.
 - C. The Institution (nonfederal) Work-Study award authorization is defined as having no portion of federal funds.
3. Be sure to sign and date the form. Return the original to the appropriate Department of Transitional Assistance office. If you wish, a copy can be retained for the Financial Aid Office.
4. If the student has additional educational expenses not included on this form, encourage the student to provide documentation of these expenses with the Transitional Assistance worker.

**Department of Transitional Assistance
Educational Income and Expense Form
EDUC-1**

Return to: (Department must complete)

Transitional Assistance Office

Worker Name (Printed, please)

Transitional Assistance Office Address

Telephone

Please Print Throughout

Part A: Student must complete and bring or mail to the appropriate Financial Aid Office.

Information about Student Financial Aid covering the enrollment period indicated below:

Academic Year _____ Fall _____ Other (From _____ To _____)
_____ Spring _____ Summer

To: Financial Aid Officer _____

Date _____

Name of School/College

Name _____

SSN _____

Print Student Name

Address _____

City

State

ZIP Code

Degree Status _____

_____ Undergraduate

_____ Graduate

_____ 1 year Certificate

_____ Other

(specify)

_____ Associate's Program

_____ Bachelor's Program

Student's Authorization for Exchange of Information

I, the undersigned student, hereby authorize the exchange of information between the Department of Transitional Assistance and the Office of Financial Aid of the above-named school, college, or university regarding student financial aid awarded to me, my financial status and/or that of my family for the purpose of determining the combined amount of financial aid I am receiving. I also understand that the Department of Transitional Assistance and the Financial Aid Officer may continue to discuss aspects of my case throughout the year as they pertain to my particular situation, my application for and receipt of student financial aid, and the effect on my receipt of public assistance.

Student's Signature

Date

Student's Name _____ SSN _____

Enrollment Status _____ Full-time _____ 3/4 time _____ 1/2 time _____ less than 1/2 time

Part B: Breakdown of Student Financial Aid Awards and Allowable Educational Expenses

1. Allowable Educational Expenses

Actual:

Tuition \$ _____
 Fees \$ _____
 Loan Origination Fee* \$ _____
 Health Insurance* \$ _____
 Other (specify) \$ _____
 _____ \$ _____
 _____ \$ _____

Allowances/Expenses:

Books/Supplies \$ _____
 Transportation \$ _____
 Other Course Related Expenses \$ _____
 Dependent Care** \$ _____
 Other (specify) \$ _____
 _____ \$ _____
 _____ \$ _____
Total \$ _____

2. Non-Title IV Student Financial Aid

(Please indicate amount of funds that are designated for living expenses)

Source	Total Amount	Amount Designated for living expenses
MA Part-time	\$ _____	\$ _____
MA Cash Grant	\$ _____	\$ _____
Institution Grants	\$ _____	\$ _____
Institution Work-Study***	\$ _____	\$ _____
MASSGrant (Non-SSIG) ****	\$ _____	\$ _____
MA Perf. Bonus	\$ _____	\$ _____
MA No Int. Loan	\$ _____	\$ _____
Gilbert Grant	\$ _____	\$ _____
Other (specify)	\$ _____	\$ _____
_____	\$ _____	\$ _____
_____	\$ _____	\$ _____
Total Designated for living expenses		\$ _____

Notes:

- * list only if the charge will be paid by the student or financial aid.
- ** provide a response only if the amount is known and used as part of the financial aid budget.
- *** Institution Work-Study amount is the authorized amount of earnings for the reporting period, not the actual amount of earnings.
- ****any year there is no SSIG contribution to the MASSGrant Program, all funds should be entered as Non-Title IV aid.

College _____

Date _____ Telephone _____

Financial Aid Office Signature _____

Print Name _____

Dept. Use Only

For Cash & FS Benefits:
 Part 2 Designated for living expenses total \$ _____
This is the total countable amount of income for cash and food stamp benefits.

For Cash Only:
 Dependent Care \$ _____
 Transportation \$ _____