

**Extended Support Services**  
**5130**  
**Employment Bonus**

**TEA**

---

—

**5130**      *Deleted*

**5140**      *Deleted*

**5145**      *Deleted*

**Arkansas Department of Human Services  
Division of County Operations  
Notice of TEA Time Limit Determination**

TO: \_\_\_\_\_ DATE: \_\_\_\_\_  
\_\_\_\_\_ FROM: \_\_\_\_\_  
\_\_\_\_\_

---

**Section I. TEA 24-MONTH TIME LIMIT EXTENSION NOTICE**

Your TEA cash assistance will be extended for \_\_\_\_\_ months, beginning the month of \_\_\_\_\_ through the month of \_\_\_\_\_.

- You must come in for an Employment Plan Update to discuss your current situation. Your appointment for the Employment Plan Update is scheduled for:

\_\_\_\_\_ at \_\_\_\_\_  
(Date) (Time)

Please contact me at the telephone number below if you cannot keep this appointment.

Our policy supporting this action is **Transitional Employment Assistance (TEA) Policy 4141 & 4141.1**

---

**Section II. NOTICE OF TEA CASH ASSISTANCE CASE CLOSURE**

- Your TEA cash assistance case will not be extended. Your case will be closed effective \_\_\_\_\_. The last month in which a TEA cash benefit will be added to your EBT account will be \_\_\_\_\_.
- Your extension period has been shortened for the reason shown below. Your cash assistance case will close due to the time limit effective \_\_\_\_\_. The last month in which a TEA cash benefit will be added to your EBT account will be \_\_\_\_\_.

**Reason:**

Our policy supporting this action is **Transitional Employment Assistance (TEA) Policy 4141 & 4141.1**. If you appeal this action by \_\_\_\_\_ your assistance may be continued at its present level until a hearing decision is issued. However, if the county office action is upheld you will be liable for repayment of monies paid to you to which you were not entitled.

**Please see the enclosed information (PUB-393) on services that may continue to be available to you after your case closes.**

---

**PLEASE READ THE BACK OF THIS NOTICE FOR INFORMATION ABOUT WHAT TO DO IF YOU DISAGREE WITH THIS ACTION.**

\_\_\_\_\_  
Signature of County Administrator

\_\_\_\_\_  
Phone Number

### **SECTION III. YOUR RIGHT TO A HEARING**

If you disagree with the closure of your TEA cash assistance case, you may request and receive a Hearing.

If you request a Hearing by the date shown in the box  on the front page, your assistance may be continued at its present level pending a decision on your appeal. If assistance is continued at its present level you will be required to repay the additional benefits if the hearing decision is not in your favor. The latest date you may file an appeal is 30 days from the date of this notice.

If you wish to discuss this action with your case manager, you may contact him/her at your local county office.

### **SECTION IV. HOW TO FILE FOR A HEARING**

If you are not satisfied with the decision on your case, you may request a Hearing by writing or talking to an employee of the local Human Services Office or by writing the Appeals and Hearings Section, P. O. Box 1437, Little Rock, AR 72203-1437.

### **SECTION V. YOUR RIGHT TO REPRESENTATION**

If you request a Hearing, you have the right to appear in person and to be represented by a lawyer or other person you select. If you wish to have a lawyer, you may ask your local Human Services Office to help you arrange for one. If free legal services are available where you live, you may ask your Human Services Office for their address and phone number.

Prior to the hearing, you and/or your representative have the right to review your record and other evidence that will be presented at the hearing. You have the right to present evidence in your own behalf, to bring witnesses, and to question any person who is presented as a witness against you.

## INSTRUCTIONS for DCO-177

### Purpose

The DCO-177 is used to notify a TEA recipient subject to the 24-month time limit of the decision to extend TEA benefits, or close the case. This form will be sent to the recipient after the 22-month case staffing and at any time during an extension period that it is deemed appropriate.

Section I is used to notify the recipient that an extension has been granted. This section is also used to notify the recipient of an Employment Plan Update appointment, if such appointment is determined appropriate.

Section II is used as an advance notice to notify the TEA recipient that his/her TEA cash assistance case has reached the 24-month time limit and the date the case will be closed.

### Completion

**Section I - Completion** is self-explanatory. Please note that the County Administrator must sign the form.

**Section II** - Because the DCO-177 serves as the required "timely" and "adequate" notice of case closure due to the time limit, it is important that this section be completed in the same manner as the DCO-1. The effective date of closure will be the first day of the month following the last month of cash assistance. The last month of cash assistance will be entered in the appropriate space. The date shown in the box is the date by which the recipient must file an appeal to have benefits continued pending the hearing. This date must be 10 days from the date of the notice. The date of the notice is the date the County Administrator signs the form.

**Example:**     **Date of closure notice: April 10, 2000**  
                  **30-day appeal must be made no later than May 10, 2000.**  
                  **Appeal date for benefits to continue must be made by April 20, 2000.**  
                  **Effective Date of Closure: July 1, 2000**

If the individual is eligible for the Transportation Assistance and/or the Employment Bonus, check the box in this section.

### Routing/Retention

The original DCO-177 will be sent to the recipient with a copy filed in the Eligibility section of the TEA case record. The copy will be retained until the case record is destroyed.

**6.5 (con't.)**

at no cost with an additional two years of child care assistance based on a sliding fee scale.

**6.5.1 Deleted****6.5.2 Deleted****6.5.3 Extended Support Services - Job Retention**

For those families who become ineligible for continued TEA cash assistance benefits due to employment, cash payments for the purpose of enabling the adult to retain his or her job may be made during the twelve-month period following the closure due to employment.

The Extended Support Job Retention payments will not count toward the adult's maximum twenty-four month limit.

**3415            *Vehicle Down Payment Assistance***

The purpose of this section is to provide policy and procedures for assisting an employed TEA recipient and former recipient with the down payment on a vehicle.

The availability of transportation plays a significant role in an employed individual's ability to retain employment. While an individual may be able to arrange for transportation in order to participate in Assisted Job Search, he or she may not be able to secure long-term transportation needed in order to retain employment.

There are also situations in which an individual;

- may have previously had transportation, but the transportation is no longer available;
- may own a vehicle that needs repair and the cost to repair it will exceed the value of the vehicle; or
- may have been riding with someone who changed jobs or work shifts.

In these and other situations, the county may determine that the only feasible solution to a client's transportation needs is for the client to have his or her own reliable transportation.

When the county has determined that transportation is not available to meet an employed individual's needs, assistance with the down payment on a vehicle may be authorized for clients who meet the requirements listed in the following sections.

**3415.1            *Vehicle Down Payment Assistance General Requirements***

The client is expected to assume some responsibility towards the purchase of a vehicle. TEA funds will not be used to fully purchase a vehicle. Therefore, the county will use the following requirement when approving vehicle down payment assistance.

Assistance with the down payment on a vehicle will not exceed 75% of the purchase price, up to a lifetime maximum of \$2500.

---

**3415.2 Client Requirements**

Prior to providing assistance with the down payment of a vehicle, the county will determine that an individual meets all of the following requirements.

The client:

- must be a current TEA recipient with employment or employed former TEA recipient within the first 12 months of case closure due to employment;
- must provide proof of a valid driver's license;
- must be currently employed for 60 days at the same job. (Limited exceptions to this requirement may be made following the Employed 60 Day Exception procedures below.)
- has not met the lifetime maximum of \$2500 for vehicle down payment assistance;
- must be insurable;
- must be able to pay at least \$100 of the down payment prior to purchase of the car;
- must participate in approved vehicle maintenance and financing training activities.
- must sign form DCO-1410, Client Vehicle Assistance Agreement.

Prior to approving the down payment assistance, the Case Manager will determine if a client can afford the vehicle by calculating a household budget with the client using form DCO-1409, TEA Household Income and Expense Work Sheet.

The client's monthly payment on the vehicle cannot exceed \$200 per month and the length of the loan agreement cannot exceed 30 months.

In addition, the Case Manager should determine if the vehicle is a good value. The Case Manager can deny the request for assistance with the down payment if it is determined the vehicle is not a good value. Some factors to consider when determining if a vehicle is a good value are gas mileage and amount of mileage on the odometer. Also, vehicles that are fully loaded with optional equipment may not be a good value due to the extra cost optional equipment tends to add to the purchase price. The decision on the practicality of the vehicle must be made on a case by case basis.

**Example:** The Case Manager has determined that Ms. Brown is eligible for vehicle down payment assistance. Ms. Brown is requesting assistance to purchase a 1999 Trans Am that has 135,000 miles on the odometer. While the purchase price of the car is in the range that policy allows, other factors must be considered when determining if the car is a good value.

Factors to consider for this car are the high mileage, high cost of insuring a sports or luxury car, low gas mileage and Ms. Brown's family size. Ms. Brown has four children. Therefore, the Trans Am is not a good value for the client.

**Employed 60 Day Exception**

To request approval for an exception to the employment requirement, the county must submit a request for approval along with justification for the request to the Area Director. Prior to submitting the request, the Case Manager will complete the TEA Household Income and Expense Work Sheet with the client to determine if the client can afford monthly payments on a vehicle. This should be done prior to client choosing a specific vehicle. The Area Director's approval must be made in writing. It is expected that no more than 20% of the vehicle down payment assistance approved in an Area will be for exception situations.

**3415.3 Vendor Requirements**

The client will be allowed to choose from whom he or she wishes to purchase a vehicle. However, the vendor chosen must comply with the requirements listed below.

The vendor must sign and return the Vehicle Vendor Agreement, which is a binding agreement that stipulates that the terms and conditions of the sale will meet or exceed the following requirement:

- the sale price of the vehicle does not exceed the value of the vehicle as listed on the approved websites the county currently uses for vehicle value determination.

In addition, whether or not the vendor finances the vehicle purchase, the terms of the loan must meet or exceed the following:

- the maximum monthly payment does not exceed \$200 per month;
- the length of loan period does not exceed 30 months;
- will not permit client to take possession of the vehicle until the individual has provided vendor with proof of insurance;
- a grace period of at least 10 days must be provided before late fees are imposed;
- the vehicle will not be repossessed until at least 10 days after the second monthly payment is missed.

In addition, the vendor must:

- provide vehicle maintenance information as required in the Vehicle Vendor Agreement to the client prior to purchase of a vehicle; and
- agree to DHS/DCO billing procedures.

**NOTE:** Assistance with vehicle sales tax, license and insurance may be provided if appropriate. These are considered work activity related expenses and are separate and apart from any down payment assistance provided. (See TEA 3420)

### **3416**      ***Vehicle Repair Assistance***

When a TEA recipient or former recipient has a vehicle that needs repair, the county may determine the best solution to the individual's transportation problem is to repair the vehicle.

Prior to approving assistance for the repair of a vehicle, it must be determined that the vehicle is worth repairing. To ensure this, the county will:

- require an estimate of the cost of the repair;
- determine the value of the vehicle; and
- determine that the repair costs does not exceed the vehicle's value by 50% or a total of \$1000 maximum. **Exception:** If the estimated cost of repairs exceed the vehicle's value by 50% or \$1000, the client may receive assistance with the repair cost up to the maximum amounts if the client pays for the difference and provides a receipt to the Case Manager verifying the additional cost has been paid by the client prior to approval of the assistance.

In addition, the client and the provider must meet the requirements in the following sections.

#### **3416.1**      **Client Requirements**

Assistance for the repair of a TEA recipient's or former recipient's vehicle may be approved provided all of the following requirements are met.

The individual must:

- be a current TEA recipient who is a mandatory work participant who is unable to begin or continue to participate in a specific work activity due to transportation problems; or
- an employed former recipient whose TEA cash assistance case was closed due to employment within the past 12 months;
- provide proof of a valid Arkansas driver license;
- provide proof of liability insurance; and
- pay the first \$25 of the repair cost.

### **3416.2 Vendor Requirements**

The client should be allowed to choose where he or she wishes to have the vehicle repaired. However, the provider selected must be willing to meet the following requirements.

The vendor must:

- warrant the repairs in writing for 30 days;
- provide a written quote in advance of authorization;
- not begin repair work on the vehicle until written authorization is provided by the Case Manager; and
- agree to DHS/DCO billing procedures.

**3420            *Activity Related Expenses***

Payment or reimbursement, up to a cumulative amount of \$200 may be made for expenses related to an individual's participation in TEA work activities. The \$200 cumulative limit may be exceeded on a case by case basis as determined at the county office level.

Examples of items for which payment/reimbursement may be made are listed below. The worker may approve an item for reimbursement at his or her discretion. Even though an item is listed, this should not be the sole reason for approving the reimbursement.

Some activity related expenses include but are not limited to: uniforms, stockings, shoes, telephone expenses, copies, postage, newspaper, fees, criminal background checks, finger printing, drug testing, driver's license fees, tags, and tires. Eyeglasses, physical examinations, and immunizations not covered by Medicaid.

The worker will document in the case record the amount and reason for the payment or reimbursement along with any other pertinent information.

The customer must provide proof (e.g. invoice, bill, etc.) to verify the cost of the needed items. Once the required information is provided, the worker will authorize the payment by keying in all appropriate information to the RSRP screen. See On Line Wise Help for instructions.

**TEA Household Income and Expense Work Sheet**

<b>I</b>	<b>Income</b>	<b>Weekly</b>	<b>Monthly</b>	<b>Total per Month</b>
	Wages & Salary (net - take home)			
	Child Support			
	Other			

A. Total Net Monthly Income      \$ \_\_\_\_\_      {Total Gross Income \$ \_\_\_\_\_ }

<b>II</b>	<b>Shelter Expenses</b>	<b>Weekly</b>	<b>Monthly</b>	<b>Total per Month</b>
	Rent/House Payment			
	Real estate taxes			
	Homeowner's insurance			
	Electric bill			
	Gas (heating) bill			
	Water/sewer bill			
	Phone bill			

B. Total Monthly Shelter Expenses      \$ \_\_\_\_\_      \* {20% of Gross Income \$ \_\_\_\_\_ }

C. Total Remaining income      \$ \_\_\_\_\_      (A-B (or 20% amt.) = C)

\*If the total of shelter expenses in B is less than 20% of the client's gross income, use the 20% amount to determine the remaining income.

<b>III</b>	<b>Other Expenses</b>	<b>Weekly</b>	<b>Monthly</b>	<b>Total per Month</b>
	Cable TV			
	Food (not purchased with Food Stamps)			
	Household Supplies			
	Clothing			
	School Supplies			
	Installment payments			
	Credit Card payments			
	Other			

D. Total Monthly Other Expenses      \$ \_\_\_\_\_

    Total from C      \$ \_\_\_\_\_

    Less Total from D (C - D)      \$ \_\_\_\_\_

E. Remaining Income      \$ \_\_\_\_\_

Expected expenses of owning and maintaining a vehicle

<b>IV</b>	<b>Expense</b>	<b>Weekly</b>	<b>Monthly</b>	<b>Total per Month</b>
	Car/truck payment			
	Insurance			
	Gas and oil			
	Maintenance			

F. Total Expected expenses      \$ \_\_\_\_\_

    Does your income exceed your expenses?    Yes \_\_\_\_\_ No \_\_\_\_\_

## **Instructions**

### **TEA Household Income and Expense Work Sheet**

#### **Purpose**

The TEA Household Income and Expense Work Sheet is used to determine if a TEA client can afford to make monthly payments on a vehicle prior to the county authorizing vehicle down payment assistance.

#### **Completion**

The worker will assist the client in calculating the client's gross and net monthly income. The worker will enter the income and expenses in the spaces provided using information the client has provided.

The worker will calculate the total of the shelter expenses. If the total of the shelter expenses is less than 20% of the client's gross monthly income, this amount will be used in place of the client's current actual expense for shelter costs. The total of shelter costs (either actual or 20% of gross income) and the total of other expenses will be subtracted from the total net income to determine the client's discretionary income.

If the client's income exceeds his or her expenses, table IV will be completed to illustrate to the client the potential cost of owning a vehicle, and help determine if the client can afford to purchase a vehicle.

#### **Routing and Retention**

A copy of the Work Sheet will be give to the client and a copy retained in the TEA Case Record until the record is destroyed.

**Arkansas Department of Human Services  
Division of County Operations**

**TEA Client Vehicle Down Payment Assistance Agreement**

\_\_\_\_\_  
Client's Name

\_\_\_\_\_  
SSN

I understand that if I am approved for assistance with the down payment on a vehicle I will:

- ✓ be required to pay at least \$100 of the down payment on the vehicle;
- ✓ be responsible for making the loan arrangements and signing the agreement;
- ✓ be responsible for making the loan payments as stated in my loan agreement; and
- ✓ will not take possession of the vehicle from seller until I can provide seller with proof that I have insurance on the vehicle.
- ✓ may receive down payment assistance not to exceed \$2500 over my lifetime.

I understand that I may only receive down payment assistance for the specific vehicle for which I have been approved. I understand that I must provide to my Case Manager the make, model and VIN number of the vehicle that I am requesting assistance in purchasing prior to final approval. In the event the dealer has sold the approved vehicle or the vehicle is otherwise unavailable at the time I am ready to take possession, I understand that I must complete the entire process again in order to receive down payment assistance for a different vehicle.

In addition, I understand that I will be responsible for the regular maintenance of the vehicle. I will make sure my vehicle is kept in good operating condition by:

- ✓ making sure the oil is checked regularly;
- ✓ making sure the oil and oil filter is changed every 3000 to 4000 miles or as recommended in the owner's manual;
- ✓ making sure the air filter is changed according to owner's manual recommendations;
- ✓ making sure there is enough water in the radiator;
- ✓ making sure the proper amount of antifreeze is in the radiator.

\_\_\_\_\_  
Client's Signature

\_\_\_\_\_  
Date

## **Instructions**

### **DCO-1410, TEA Client Vehicle Down Payment Assistance Agreement**

The TEA Client Vehicle Down Payment Assistance Agreement is used to provide the county with a signed statement by the client acknowledging that he or she understands his or her responsibility in receiving assistance with the down payment on a vehicle. The Agreement is used to provide the client with a copy of the stipulations he or she has agreed to when receiving the down payment assistance.

## **Completion**

The completion of the form is self-explanatory.

## **Routing and Retention**

The original will be kept in the TEA case record until the record is destroyed. A copy of the agreement will be give to the client.

**VEHICLE VENDOR AGREEMENT**  
**Between**  
**STATE OF ARKANSAS**  
**Division of County Operations**  
**Transitional Employment Assistance (TEA) Program**  
**Down Payment Assistance**

\_\_\_\_\_ **DHS County Office**

**And** \_\_\_\_\_

**Name of Vehicle Vendor**

---

**Purpose of Agreement:**

This is a binding agreement between the vendor named above and the Department of Human Services (hereafter referred to as the Department), Division of County Operations (DCO) for the purpose of paying to the vendor any down payment assistance for which DCO may find a person eligible when such person purchases a vehicle from the vendor.

**Vendor Assurances:**

- (a) Vendor will supply appropriate DHS worker with proof of EIN or Social Security number and a signed W-9 form.
- (b) Vendor will accept the Department's DHS-187, Billing & Routing Form and provide a completed invoice or bill of sale.
- (c) Vendor will document that the sale price of the vehicle does not exceed the value of the vehicle as listed on one of the websites approved by the Department by attaching a copy of the signed loan agreement to the DHS-187.
- (d) Vendor and the client are responsible for securing financing for the remainder of the amount of the purchase price and the Department is not responsible for any part of the loan.
- (e) Vendor will provide the client with an owner's manual, if available, maintenance information and a pre-purchase demonstration of the following items:
  - How to check oil, how often to change oil, where to add oil.
  - How to check and add these fluids - windshield cleaner, transmission, brake, water, and antifreeze.
  - How to check tire pressure and how to add air.
  - Where the jack is located and how to use it.
- (f) Vendor will hold the Department harmless if the client is allowed to take possession of the vehicle prior to the vendor receiving the down payment amount from the Department.
- (g) The following additional assurances must be provided regardless of whether the vendor or another lender finances the remainder of the purchase price:
  - The client's maximum monthly payment will not exceed \$200.
  - The length of the loan will not exceed 30 months.
  - The financing contract allows a grace period of at least five (5) days before late fees can be imposed.
  - The financing contract must prohibit repossession of the vehicle until at least ten (10) days after the second monthly payment is missed. If the loan agreement provides for weekly payments, the financing contract must specify that repossession of the vehicle will not occur until at least 10 days after the eighth weekly payment is missed.
- (h) A copy of the signed loan agreement must be attached to the DHS-187, Billing & Routing form.
- (i) Vendor is not allowed to renegotiate with the client for any other vehicle not approved by the Department.
- (j) Vendor will not allow client to take possession of the vehicle until client has provided proof of insurance on vehicle.

**Departmental Responsibilities**

- (a) The Department will determine the eligibility of the individual for vehicle down payment assistance.
- (b) The Department will determine the amount of the down payment, and reserves the right to cancel said down payment at any time prior to the vendor receiving the down payment.
- (c) The Department is not responsible for determining the individual's credit worthiness.
- (d) The Department will notify the vendor when a decision has been made to cancel the down payment.

**SIGNATURES**

By signature, the Vendor agrees that failure to adhere to the assurances established in this agreement shall be grounds for the Department's immediate cancellation of this agreement. If the Department cancels this agreement, a vendor may be barred from participating in the down payment program for up to 12 months. Subsequent cancellations may result in a vendor being permanently barred from participation in the program.

The signatures below indicate agreement to the provisions stated in this agreement and certification that parties are authorized to enter such an agreement on behalf of the agency, company or individual represented.

\_\_\_\_\_  
Vendor Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Vendor Tax Identification Number (EIN or SSN)

\_\_\_\_\_  
Phone Number

Vendor Address \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Department of Human Services Authorized Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Title

\_\_\_\_\_  
County Office

Address \_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Phone Number

## **Instructions**

### **Vehicle Vendor Agreement Down Payment Assistance**

#### **Purpose**

The purpose of the Vehicle Vendor Agreement is to provide a binding agreement for paying down payment assistance for individuals who have been determined eligible. The agreement provides the vendor with a written list of the Department's and the vendor's responsibilities.

#### **Completion**

The worker will enter the county's name, Vendor's name on the agreement. The county will ensure that the agreement is reviewed with the vendor. The Vendor and the Department Designee will complete the appropriate information on page 2. All vehicle vendors must sign the agreement.

#### **Routing and Retention**

The original Vehicle Vendor Agreement will be filed in a central location in the county office. Once a valid agreement is on file, the vendor does not have to sign another form unless there is a change. A copy of the Vehicle Vendor Agreement will be given to the vendor.

The copy of the client's signed loan agreement that the vendor returns with the DHS-187 will be filed in the TEA case record. Do not send a copy of the loan agreement to Finance with the invoice and DHS-187.

The Vehicle Vendor Agreement will be valid for two years (based on State Fiscal Year). The vendor will be required to sign a new agreement at the end of the second fiscal year.