

Home and Lot/Household and Personal Goods/Life Insurance

If the other structure is a building that is not a traditional house, it will be considered as an excluded resource - i.e., tool-sheds, corncribs, woodsheds, barns, etc. If these structures produce income (i.e. rental payments), this income is not excluded, and is treated in accordance with FSC 5715.

The residence and surrounding property remain excluded when temporarily unoccupied for the following reasons:

- Employment
- Training for future employment
- Illness of a household member
- Inhabitability caused by casualty or natural disaster, if the household plans to return to the residence

A household that does not currently own a home receives an exclusion if: a) the household owns or is purchasing a lot on which they intend to build or are building a home, and b) they plan to reside in the home. The exclusion applies to the value of the lot and home if partially completed. There is no limit to the partial completion of the home. There is no limit to the size of the lot if the lot is not separated by intervening property owned by others, nor are there any limits to the period of time in the future when the household plans to build the home.

Verification of the value of the home and lot must be obtained if the information given by the household about the home and lot affects eligibility and is questionable. All circumstances surrounding this decision must be documented.

4420 Household and Personal Goods/Life Insurance**10-01-08**

The following items will be excluded when determining countable resources:

1. Household goods such as, but not limited to, appliances, microwaves, lawn mowers, garden tractors, furniture and TV satellite dishes.
2. Personal effects such as, but not limited to, tools, jewelry and clothing.
3. The cash value of life insurance policies.
4. Prepaid burial policies and plans to the extent the funds in such a plan are inaccessible.

NOTE: Any amount that can be withdrawn (less a \$1,500 per person disregard) from prepaid burial plans without a contractual obligation to repay will be counted as a resource for FOOD STAMP PROGRAM purposes. See FSC 4602.

5. Livestock.

4421 Pension or Retirement Funds

10-01-08

Tax-preferred retirement accounts (e.g., IRAs) and employer sponsored retirement accounts are excluded as countable resources in determining FOOD STAMP PROGRAM eligibility. This includes any funds in a plan, contract, or account, described in sections 401(a), 403(a), 403(b), 408, 408A, 457(b), and 501(c)(18) of the Internal Revenue Code of 1986 and the value of funds in a Federal Thrift Savings Plan account as provided for in 5 U.S.C. 8439. It also provides for the exclusion of any successor retirement accounts that are exempt from Federal taxes.

The chart on the following page provides guidance on pension or retirement accounts based on the Internal Revenue Code of 1986.

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RESOURCE EXCLUDED RETIREMENT ACCOUNTS/PLANS		
Retirement Plan of Account Type	What is it?	Authorized Under
401(k) plan	Defined-contribution plan that allows employees to contribute to their accounts from their salary or wages on a pre-tax basis (with earnings tax-exempt until withdrawn). Employee may or may not contribute.	Section 401(a) of the Internal Revenue Code
403(b) plan	Tax-sheltered annuity of custodial account plan offered by certain tax.	Section 403(b) of the Internal Revenue Code
457 plan	401(k)-type plan offered by state and local governments and non-profit organizations.	Section 457 of the Internal Revenue Code
501(c)(18)	401(k)-type plan offered mostly by unions. Had to be set up prior to June 1959; now largely obsolete.	Section 501(c) (18) of the Internal Revenue Code
Cash Balance Plan	Employer-based hybrid plan that combines features of defined-benefit and defined-contribution plans.	Section 401(a) of the Internal Revenue Code
Federal Employee Thrift Savings Plan	401(k)-type plan offered by the federal government to its employees.	Section 8439 of Title 5 of the US Code
Individual Retirement Account (IRA)	Vehicle for tax-deferred retirement saving controlled by individuals rather than employers. Many IRAs were previously employer-based accounts that individuals converted into an IRA treatment.	Section 408 of the Internal Revenue Code
Keogh Plan	Informal term for retirement plan available to self-employed people.	Section 401(a) of the Internal Revenue Code
Pension or traditional defined-benefit plan	Employer-based retirement plan that promises a certain benefit upon retirement, regardless of investment performance.	Section 401(a) of the Internal Revenue Code
Profit Sharing Plan	Employer-based defined-contribution plan under which employer contributions may (but need not) be linked to profits. May provide 401(k) accounts.	Section 401(a) of the Internal Revenue Code
Roth IRA	Similar to an IRA but with different income limits and tax treatment.	Section 408(A) of the Internal Revenue Code
SIMPLE 401(k)	401(k)-type plan available only to small businesses.	Section 401(a) of the Internal Revenue Code
SIMPLE IRA	Employer-based IRA available only to small business.	Section 408 of the Internal Revenue Code
Simplified Employer Plan	Employer-sponsored plan available only to small businesses; allows employers to contribute to employee accounts that essentially function as IRAs.	Section 408 of the Internal Revenue Code

Household and Personal Goods/Property Related to use of Excluded Vehicles

4430 Property Related To the Use of Excluded Vehicles**07-01-01**

Real or personal property that is directly related to the maintenance or use of a vehicle will be excluded as a resource if that vehicle is excluded as a resource because it is:

1. Annually producing income consistent with its fair market value; or
2. Used primarily (over 50 percent of the time that the vehicle is used) for income producing purposes such as, but not limited to taxis, trucks, or fishing boats; or
1. Used to transport a physically disabled household member.

Only that portion of real property actually involved in the maintenance or use of an excludable vehicle is to be excluded under these provisions.

Example 1 A household owns a one-acre field but only uses 1/4 of that acre to park and maintain equipment for a self-employment enterprise. Only the 1/4-acre actually in use will be excluded. If the one-acre tract is worth \$1,000, 1/4 of the value is \$250. \$250 would be excluded as a resource. \$750 would be counted as a resource.

This method of determining the amount of resource exclusion is not affected by state or local zoning laws or by the household's ability to convert the property to a cash resource.

Example 2 The household in example 1 above declares that the one-acre tract they own is in an incorporated industrial area. They state that local laws prevent them from selling anything less than the full one-acre tract. In spite of this, only the \$250 amount for the 1/4-acre actually used will be excluded as a resource. \$750 will be counted as a resource.

FSC - RESOURCES
Resource Eligibility Standards/Other Excluded Resources

4460 to 4460

4451	Moved to FSC 4300	01-01-03
4460	<u>Other Excluded Resources</u>	10-01-08

Burial Lots

One burial lot per household member will be excluded as a resource.

Cash and Counseling Demonstration

Money received from the Cash and Counseling Demonstration for Medicaid recipients is excluded as a resource. This program provides cash to certain Medicaid recipients so that they can purchase personal care services.

Earmarked Resources

Earmarked resources are governmental payments such as those made by the Department of Housing and Urban Development through the Individual and Family Grant Program or disaster loans or grants made by the Small Business Administration. Earmarked resources must be designated for the restoration of a home damaged in a disaster, and the household must be subject to a legal sanction if the funds are not used as intended.

Educational Income

Educational income will be excluded as a resource in its entirety when received by eligible students. This exclusion includes all federal, state and privately funded educational assistance including VA educational assistance paid under the Montgomery GI Bill.

Educational Savings

Educational savings/account plans that receive tax-preferred status under the federal tax code are excluded as a resource to the household.

- Section 529 qualified tuition program, which allows owners to prepay a student's education expenses or to contribute to an account to pay those expenses.
- Coverdell education savings account, an IRA type of account designed to pay a student's education expenses.

Indian Lands

Lands held jointly with the tribe, or lands that can be sold only with the approval of the Bureau of Indian Affairs are considered Indian Lands. Indian Lands are excluded as a resource.

Individual Development Accounts

Funds, including interest accruing, in an individual development account under the TANF block grant program will be excluded during any period the individual maintains or makes contributions into such an account (P.L. 104-193).

Under the Family Savings Initiative Act of 1999 (Arkansas Act 1217) households with low income and few assets may accumulate assets by opening an individual development account (IDA). An IDA Program participant must be a resident of the State of Arkansas and a member of a TEA recipient family or a member of a family with income below 185% of the federal poverty level. The family must have a net worth of \$10,000 or less disregarding their primary dwelling and one motor vehicle. Account contributions are matched at a rate of \$3.00 for each \$1.00 contributed by the account holder. Matching dollars may not exceed \$2,000 per account holder or \$4,000 per household.

A Family Savings IDA may be used for any of the following reasons:

- Home purchase (limited to qualified first-time home buyers)*
- Business capitalization*
- Post secondary educational expenses*
- Individual retirement account
- Vehicle purchase or repair (if not the sole purpose of the IDA)

(* If Federal TANF funds are used as a match, only purposes 1, 2 and 3 are allowable.)

The value of the IDA is not a countable resource. Matching funds deposited into the account will not be counted as income. (See FSC 5413.1.)

Funds in Department of Housing and Urban Development's (HUD) Family Self-Sufficiency Program escrow accounts are excluded as resources when determining eligibility for food stamps. When a Family Self-sufficiency program participant has an increase in earnings, the public housing authority increases his or her rent, but deposits the increase in an interest bearing account. When the participant successfully completes the program and can verify that no household member is receiving welfare assistance, he or she receives the funds in the account. Funds may be withdrawn from the escrow account before completing the program, with permission from the housing authority, but only for purposes related to the goal of the FSS contract, e.g. - completion of higher education, job training, or start up costs of a small business. Since the funds in the escrow accounts, as well as any funds withdrawn from them prior to completion of the program are not available to buy food, the funds are inaccessible - thus excluded as resources.

The Good Faith Fund is operating a demonstration program called the Savings for Education, Entrepreneurship, and Down Payment (SEED) Program. The Program helps 3 and 4 year old child and their families save and plan for college. A savings account is opened and initially deposited with \$500, which will be matched by \$500 deposited by the Good Faith Fund. Any deposits made by the household will be matched dollar for dollar by the Good Faith Fund. Withdrawal from a SEED account requires two signatures – the

account holder and a designated employee of the Good Faith Fund. The Good Faith Fund will not permit withdrawal unless there is a documented emergency – e.g., so the child will not be without shelter or medical care. The SEED account will be excluded as a resource and any deposits made by the Good Faith Fund into the child's savings account will be excluded as income per FSC 5413.1.

Prorated Income

Monies that have been prorated and considered as income are excluded as a resource. For example, annualized or prorated self-employment income is excluded as a resource during the period it is being counted as household income. Refer to FSC 5630 for the procedures for handling self-employment income.

If the other structure is a building that is not a traditional house, it will be considered as an excluded resource - i.e., tool-sheds, corncribs, woodsheds, barns, etc. If these structures produce income (i.e. rental payments), this income is not excluded, and is treated in accordance with FSC 5715.

The residence and surrounding property remain excluded when temporarily unoccupied for the following reasons:

- 8.● Employment
- 9.● Training for future employment
- 10.● Illness of a household member
- 11.● Inhabitability caused by casualty or natural disaster, if the household plans to return to the residence

A household that does not currently own a home receives an exclusion if: a) the household owns or is purchasing a lot on which they intend to build or are building a home, and b) they plan to reside in the home. The exclusion applies to the value of the lot and home if partially completed. There is no limit to the partial completion of the home. There is no limit to the size of the lot if the lot is not separated by intervening property owned by others, nor are there any limits to the period of timeperiod in the future when the household plans to build the home.

Verification of the value of the home and lot must be obtained if the information given by the household about the home and lot affects eligibility and is questionable. All circumstances surrounding this decision must be documented.

4420 Household and Personal Goods/Life Insurance/Pension Funds ~~07-01-0210-01-08~~

The following items will be excluded when determining countable resources:

1. Household goods such as, but not limited to, appliances, microwaves, lawn mowers, garden tractors, furniture and TV satellite dishes.
2. Personal effects such as, but not limited to, tools, jewelry and clothing.
- 12.3. The cash value of life insurance policies.
- 13.4. Prepaid burial policies and plans to the extent the funds in such a plan are inaccessible.

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NOTE: Any amount that can be withdrawn (less a \$1,500 per person disregard) from prepaid burial plans without a contractual obligation to repay will be counted as a resource for ~~food stamp~~ **Food Stamp (SNAP) (SNAP)** purposes. See FSC 4602.

5. Livestock.

~~14. Livestock:~~

FSC – RESOURCES

4421 to 4421

Pension or Retirement Funds

4421 Pension or Retirement Funds

10-01-08

Tax-preferred retirement accounts (e.g., IRAs) and employer sponsored retirement accounts are excluded as countable resources in determining FOOD STAMP PROGRAM eligibility. This includes any funds in a plan, contract, or account, described in sections 401(a), 403(a), 403(b), 408, 408A, 457(b), and 501(c)(18) of the Internal Revenue Code of 1986 and the value of funds in a Federal Thrift Savings Plan account as provided for in 5 U.S.C. 8439. It also provides for the exclusion of any successor retirement accounts that are exempt from Federal taxes.

The chart on the following page provides guidance on pension or retirement accounts based on the Internal Revenue Code of 1986.

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RESOURCE EXCLUDED RETIREMENT ACCOUNTS/PLANS

<u>Retirement Plan of Account Type</u>	<u>What is it?</u>	<u>Authorized Under</u>
<u>401(k) plan</u>	<u>Defined-contribution plan that allows employees to contribute to their accounts from their salary or wages on a pre-tax basis (with earnings tax-exempt until withdrawn). Employee may or may not contribute.</u>	<u>Section 401(a) of the Internal Revenue Code</u>
<u>403(b) plan</u>	<u>Tax-sheltered annuity of custodial account plan offered by certain tax.</u>	<u>Section 403(b) of the Internal Revenue Code</u>
<u>457 plan</u>	<u>401(k)-type plan offered by state and local governments and non-profit organizations.</u>	<u>Section 457 of the Internal Revenue Code</u>
<u>501(c)(18)</u>	<u>401(k)-type plan offered mostly by unions. Had to be set up prior to June 1959; now largely obsolete.</u>	<u>Section 501(c) (18) of the Internal Revenue Code</u>
<u>Cash Balance Plan</u>	<u>Employer-based hybrid plan that combines features of defined-benefit and defined-contribution plans.</u>	<u>Section 401(a) of the Internal Revenue Code</u>
<u>Federal Employee Thrift Savings Plan</u>	<u>401(k)-type plan offered by the federal government to its employees.</u>	<u>Section 8439 of Title 5 of the US Code</u>
<u>Individual Retirement Account (IRA)</u>	<u>Vehicle for tax-deferred retirement saving controlled by individuals rather than employers. Many IRAs were previously employer-based accounts that individuals converted into an IRA treatment.</u>	<u>Section 408 of the Internal Revenue Code</u>
<u>Keogh Plan</u>	<u>Informal term for retirement plan available to self-employed people.</u>	<u>Section 401(a) of the Internal Revenue Code</u>
<u>Pension or traditional defined-benefit plan</u>	<u>Employer-based retirement plan that promises a certain benefit upon retirement, regardless of investment performance.</u>	<u>Section 401(a) of the Internal Revenue Code</u>
<u>Profit Sharing Plan</u>	<u>Employer-based defined-contribution plan under which employer contributions may (but need not) be linked to profits. May provide 401(k) accounts.</u>	<u>Section 401(a) of the Internal Revenue Code</u>
<u>Roth IRA</u>	<u>Similar to an IRA but with different income limits and tax treatment.</u>	<u>Section 408(A) of the Internal Revenue Code</u>
<u>SIMPLE 401(k)</u>	<u>401(k)-type plan available only to small businesses.</u>	<u>Section 401(a) of the Internal Revenue Code</u>
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Property Related To the Use of Excluded Vehicles

Household and Personal Goods/Property Related to use of Excluded Vehicles

~~15. The cash value of pension plans. Under a salary reduction retirement plan, employees have their employer withhold payment of a specified portion of current salary for investment in a retirement savings plan. The employer often contributes to the plan as well. The plans that may be excluded as a resource and are authorized by Federal law are:~~

- ~~◆ 401(k) Plans including cash or deferred payment arrangements;~~
- ~~◆ The Federal Employees' Retirement Thrift Savings Plan;~~
- ~~◆ 403(b) Plans and other tax-sheltered annuities provided for employees of tax-exempt organizations and State and local educational organizations;~~
- ~~◆ 501(c)(18) Plans that are trusts created before June 1959;~~
- ~~◆ 457 Plans for state, local governments, other tax-exempt organizations; and~~
- ~~◆ Keogh plans that involve a contractual obligation with someone who is not a household member.~~

~~Note: Individual Retirement Accounts and other Keogh Plans are counted as resources. See FSC 4630-4640.~~

4430 Property Related To the Use of Excluded Vehicles —07-01-01

Real or personal property that is directly related to the maintenance or use of a vehicle will be excluded as a resource if that vehicle is excluded as a resource because it is:

1. Annually producing income consistent with its fair market value; or
2. Used primarily (over 50 percent of the time that the vehicle is used) for income producing purposes such as, but not limited to taxis, trucks, or fishing boats; or
1. Used to transport a physically disabled household member.

Only that portion of real property actually involved in the maintenance or use of an excludable vehicle is to be excluded under these provisions.

Example 1 A household owns a one-acre field but only uses 1/4 of that acre to park and maintain equipment for a self-employment enterprise. Only the 1/4-acre actually in use will be excluded. If the one-acre tract is worth \$1,000, 1/4 of the value is \$250. \$250 would be excluded as a resource. \$750 would be counted as a resource.

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This method of determining the amount of resource exclusion is not affected by state or local zoning laws or by the household's ability to convert the property to a cash resource.

Example 2 The household in example 1 above declares that the one-acre tract they own is in an incorporated industrial area. They state that local laws prevent them from selling anything less than the full one-acre tract. In spite of this, only the \$250 amount for the 1/4-acre actually used will be excluded as a resource. \$750 will be counted as a resource.

FSC - RESOURCES
Income Producing Property/Fair Market Value

4440 to 4441

4440 **Income Producing Property**
90

04-01-

Income producing property is one of the following.

1. Property that annually produces income consistent with its fair market value, even if only used on a seasonal basis. (For example, farmland that is rented only during the crop season would be excluded for the entire year.) See FSC 4441 for instructions on determining fair market value.
2. Property that is essential to the employment or self-employment of a household member. (For example, farmland that is used by a household member to produce a crop of tomatoes that is sold to a cannery would be excluded as essential to self-employment.)
3. Rental homes used by households for vacation purposes at some time during the year so long as the property annually produces income consistent with its fair market value.
4. Work related equipment such as, but not limited to, the tools of a tradesman or the machinery of a farmer, which is essential to the employment or self-employment of a household member.

NOTE: Tools are excluded either as personal property or income producing property.

Property essential to the self-employment of a household member engaged in a farm operation may be excluded as a resource for one year from the date the farm operation is terminated. The exclusion extends to vehicles used in the farming operation (FSC 4430) as well as land and machinery used in the operation.

5. Installment contracts payable to the household. See FSC 4570 for instructions on excluding installment contracts when the purchaser has defaulted on the agreement.

4441 **Determining if Income is Consistent with Fair Market Value** **—07-01-01**

When a county office worker must determine if property is producing income consistent with its fair market value, the property's fair market value will be based on the prevailing rate of return in the area where the property is located or used.

Example A house rented for \$200 a month is considered to be producing income consistent with fair market value if similar houses in the same area rent for about the same amount.

When the worker cannot determine whether property is producing income at the prevailing rate of return based upon information furnished by the household, a knowledgeable source may be contacted. A knowledgeable source, by virtue of his or her professional experience, should be able to determine if the property is producing income consistent with fair market value. *(For real property located in Arkansas, the assessed value times 5 will be used as the fair market value. See FSC 4712 for additional information.)* Local realtors, local FHA or Small Business Administration Offices or the tax assessor should be knowledgeable of the value of real property located outside Arkansas. Local car dealers should know the value of vehicles.

FSC - RESOURCES

4441 to 4450

Determining if Income is Consistent with Fair Market Value

The knowledgeable source will be provided with the appropriate information and asked to determine if the property is producing income at the prevailing rate of return. Households that disagree with the assigned fair market value or prevailing rate of return may provide verification of these items.

NOTE Property excluded, as a resource because it is essential to employment does not have to produce income consistent with fair market value. For example, land used by a farmer does not have to produce any countable income to be excluded.

4450 Resources Excluded by Law

10-01-04

The current list of resources excluded by Federal statute includes the following items.

1. As authorized by the Low-Income Home Energy Assistance Act (P.L. 99-425), the amount of home energy assistance payments or allowances provided directly to or on behalf of a household.
2. Benefits received from the Special Supplemental Food Program for Women, Infants and Children (WIC) under P.L. 92-443, Sec. 9 and P.L. 100-435, which amended Section 77(m)(7) of the Child Nutrition Act of 1966.
3. Reimbursement from the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646, Sec. 216).
4. Payments to Indian tribes as specified below:
 - Payments received by the Confederated Tribes and Bands of the Yakima Indian Nation and the Apache Tribe of the Mescalero Reservation from Indian Claims Commission as designated under P.L. 95-433, Sec. 2
 - Payments to the Passamaquoddy Tribe and the Penobscot Nation or any of their members received pursuant to the Maine Indian Claims Settlement Act of 1980 (P.L. 96-420, Sec. 5)
 - Payments received from the disposition of funds to the Grand River Band of Ottawa Indians (P.L. 94-540)
 - Payments received under the Alaska Native Claims Settlement Act (P.L. 92-203, Sec. 21(a) and Section 15 of P.L. 100-241, Alaska Native Claims Settlement Act Amendments of 1987 or the Sac and Fox Indian Claims Agreement (P.L. 94-189)

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- Payments received by certain Indian tribal members under P.L. 94-114, Sec. 6, regarding submarginal land held in trust by the United States
- Payments of relocation assistance to members of the Navajo and Hopi Tribes under P.L. 93-531
- Payments to the Turtle Mountain Band of Chippewas, Arizona (P.L. 97-403)
- Payments to the Blackfeet, Grosventre, and Assiniboine tribes (Montana) and the Papago (Arizona) (P.L. 97-408)
- Per capita and interest payments made to the Assiniboine Tribe of the Fort Belknap Indian Community and the Assiniboine Tribe of the Fort Beck Indian Reservation (Montana) (P.L. 98-124, Section 5)
- Per capita and interest payments made to the Red Lake Band of Chippewas (P.L. 98-123, Section 3, 10/13/83)
- Payments to the Saginaw Chippewa Indian Tribe of Michigan (P.L. 99-346, Section 6(b) (2))
- Per capita payments to the Chippewas of Mississippi (P.L. 99-377, Section 4(b), 8/8/86)
- Payments to heirs of deceased Indians under the Old Age Assistance Claims Settlement Act except for per capita shares in excess of \$2,000 (P.L. 98-500, Section 8, 10/17/84)
- Payments to the Puyallup Tribe of the State of Washington (P.L. 101-41, 6-21-89)
- Payments under the White Earth Reservation Land Settlement Act of 1985 to the White Earth Band of Chippewa Indians in Minnesota (P.L. 99-264)
- Payments under the Seneca Nation Settlement Act of 1990 to members of the Seneca Nation (P.L. 101-503)
- Funds appropriated in satisfaction of judgements awarded to the Seminole Indians in dockets 73, 151, and 73-A of the Indian Claims Commission (P.L. 101-277)
- Funds distributed or held in trust for members of the Chippewas of Lake Superior (P.L. 99-146)
- Assistance paid under P.L. 95-608, the Indian Child Welfare Act of 1978
- Payments to the Confederated Tribes of the Colville Reservation under the Grand Coulee Dam Settlement Act (P.L. 103-436)

- Funds appropriated in satisfaction of judgements awarded to the Seminole Indians by the Indian Claims Commission (P.L. 101-277)
 - Distributions under the Michigan Indian Claims Settlement Act, Section 111, to the Ottawa and Chippewa Indians of Michigan (P.L. 105-143)
5. Per capita payments of \$2,000 and less made under Public Law 98-64 to Native Americans from judgment awards and funds held in trust by the Secretary of the Interior and purchases made with certain per capita payments to specific tribes or bands of Indians.

This exclusion applies on a per person and not a per household basis. It applies individually to each payment regardless of how frequently the payments are made and regardless of the number of months for which the payment is made. When such payments are deposited in a bank or financial institution, the funds remain excluded. The length of the exclusion period will be determined by the type of funds in the account. See FSC 4960.

The purchase exclusion extends only to purchases of property with funds distributed to Native Americans after December 31, 1981, but before January 12, 1983, under a plan approved by Congress. The exclusion applies to initial purchase only and not to subsequent purchases. Property remains excluded only as long as the person who originally received the exclusion holds the property. Since more than one per capita payment may have been received during the period from December 31, 1981 to January 12, 1983, the total exclusion allowed for the property may exceed \$2,000.

6. Certain payments made to Vietnam veterans and/or children of Vietnam veterans. This includes:
- Payments authorized under P.L. 101-239, the Omnibus Reconciliation Act of 1989, Section 10405, the Agent Orange Settlement fund or any other fund established pursuant to the settlement in the Agent Orange product liability litigation, M.D.L. No 381 (E.D.N.Y.)
 - Any monetary allowances paid under P.L. 104-102, Section 1805(d), to a child of a Vietnam Veteran for any disability resulting from spina bifida suffered by such child.
- ~~14.~~ • Any monetary allowances paid under P.L. 106-419, Section 1815 (a), to any individual with one or more covered birth defects if he or she is a child of a female Vietnam veteran.
7. Payments to U.S. citizens of Japanese ancestry and permanent resident Japanese aliens or their survivors under the Civil Liberties Act of 1988 (P.L. 100-383)
- ~~12.8.~~ Payments received from the Federal Emergency Management Assistance (FEMA) under P.L. 93-288, Sec. 312 (d) as amended by P.O. 100-707, Sec. 105 (i) the Disaster Relief and Emergency Assistance Amendments of 1988. Funds distributed by FEMA

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under a disaster or emergency would be excluded as a resource. Not all payments from FEMA are for disaster or emergency assistance. For payments to be excluded, the disaster or emergency would have to be declared by the President. Refer to FSC 5405 for income exclusions. This exclusion applies to Federal assistance provided to persons directly affected and to comparable disaster assistance provided by states, local governments and disaster assistance organizations.

| 43.9. Payments received through the Radiation Exposure Compensation Act, P.L. 101-426, Sec. 6 (h) (2), 10/15/90. This law establishes a program to compensate individuals for injuries or deaths resulting from exposure to radiation from nuclear testing and uranium mining in Arizona, Nevada and Utah.

| 44.10. Income amounts necessary for the fulfillment of a PASS (Plans for Achieving Self-Support) under Title XVI of the Social Security Act. See FSC 4460 for additional IDA exclusions.

| 45.11. The value of assistance to children under P.L. 89-642, Section 11(b) of the Child Nutrition Act of 1966 and P.L. 79-396, the National School Lunch Act. Under P.L. 100-435 which amended section (17)(m)(7) of this act, coupons that may be exchanged for food at a farmer's market may also be excluded.

| 46.12. Under P.L. 107-171, the ~~Food Stamp (SNAP) (SNAP)~~ Reauthorization Act of 2002, all student financial assistance. See FSC 1622.3.

13. Payments made to individuals because of their status as victims of Nazi persecution under P.L. 103-286.

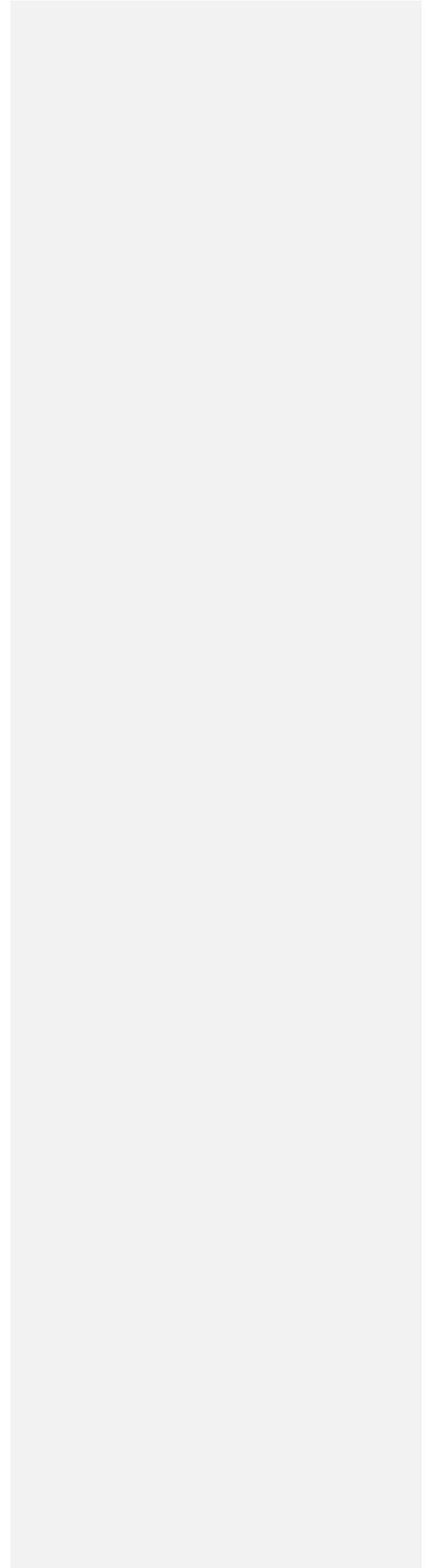
| 45.14. Earned Income Credits payments received as a lump sum or as payments under Section 3507 of the Internal Revenue Code by any household member.) A Federal earned income tax credit received either as a lump sum or as payments under section 3507 of the Internal Revenue Code is excluded for the month of receipt and the following month for the individual and that individual's spouse. Any Federal, State or local earned income tax credit received by any household member is excluded for 12 months, if the household was participating in the ~~Food Stamp~~Food Stamp (SNAP) Program at the time of receipt of the tax credit and if the household participates continuously during that 12-month period. Breaks in participation of one month or less due to administrative reasons, such as but not limited to, delayed recertification or missing or late reports is not considered as nonparticipation in determining the 12-month exclusion

16. Under P.L. 103-22, compensation made to crime victims as authorized by the Crime Act of 1984.

17. Under P.L. 99-576, Veteran's Benefits and Health Care Authorization Act of 1996, any amount by which the basic pay of an individual is reduced to comply with this law.

18. Funds, including interest accruing, in an individual development account (IDA) under the TANF block grant program will be excluded during any period the individual maintains or makes contributions into such an account (P.L. 104-193). See FSC 4460 for additional IDA exclusions.

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~~FSC – RESOURCES~~ ~~4460 to 4460~~
~~Resource Eligibility Standards/Other Excluded Resources~~

4451 Moved to FSC 4300 —01-01-03

4460 Other Excluded Resources 10-01-08

Burial Lots

One burial lot per household member will be excluded as a resource.

Cash and Counseling Demonstration

Money received from the Cash and Counseling Demonstration for Medicaid recipients is excluded as a resource. This program provides cash to certain Medicaid recipients so that they can purchase personal care services.

Earmarked Resources

Earmarked resources are governmental payments such as those made by the Department of Housing and Urban Development through the Individual and Family Grant Program or disaster loans or grants made by the Small Business Administration. Earmarked resources must be designated for the restoration of a home damaged in a disaster, and the household must be subject to a legal sanction if the funds are not used as intended.

Educational Income

Educational income will be excluded as a resource in its entirety when received by eligible students. This exclusion includes all federal, state and privately funded educational assistance including VA educational assistance paid under the Montgomery GI Bill.

*Educational Savings

Educational savings/account plans that receive tax-preferred status under the federal tax code are excluded as a resource to the household.

- Section 529 qualified tuition program, which allows owners to prepay a student's education expenses or to contribute to an account to pay those expenses.
- Coverdell education savings account, an IRA type of account designed to pay a student's education expenses.

Indian Lands

Lands held jointly with the tribe, or lands that can be sold only with the approval of the Bureau of Indian Affairs are considered Indian Lands. Indian Lands are excluded as a resource.

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Individual Development Accounts

Funds, including interest accruing, in an individual development account under the TANF block grant program will be excluded during any period the individual maintains or makes contributions into such an account (P.L. 104-193).

Under the Family Savings Initiative Act of 1999 (Arkansas Act 1217) households with low income and few assets may accumulate assets by opening an individual development account (IDA). An IDA Program participant must be a resident of the State of Arkansas and a member of a TEA recipient family or a member of a family with income below 185% of the federal poverty level. The family must have a net worth of \$10,000 or less disregarding their primary dwelling and one motor vehicle. Account contributions are matched at a rate of \$3.00 for each \$1.00 contributed by the account holder. Matching dollars may not exceed \$2,000 per account holder or \$4,000 per household.

A Family Savings IDA may be used for any of the following reasons:

- Home purchase (limited to qualified first-time home buyers)*
- Business capitalization*
- Post secondary educational expenses*
- Individual retirement account
- Vehicle purchase or repair (if not the sole purpose of the IDA)

(* If Federal TANF funds are used as a match, only purposes 1, 2 and 3 are allowable.)

The value of the IDA is not a countable resource. Matching funds deposited into the account will not be counted as income. (See FSC 5413.1.)

Funds in Department of Housing and Urban Development's (HUD) Family Self-Sufficiency Program escrow accounts are excluded as resources when determining eligibility for food stamps. When a Family Self-sufficiency program participant has an increase in earnings, the public housing authority increases his or her rent, but deposits the increase in an interest bearing account. When the participant successfully completes the program and can verify that no household member is receiving welfare assistance, he or she receives the funds in the account. Funds may be withdrawn from the escrow account before completing the program with permission from the housing authority, but only for purposes related to the goal of the FSS contract, e.g. - completion of higher education, job training, or start up costs of a small business. Since the funds in the escrow accounts, as well as any funds withdrawn from them prior to completion of the program are not available to buy food, the funds are inaccessible - thus excluded as resources.

The Good Faith Fund is operating a demonstration program called the Savings for Education, Entrepreneurship, and Down Payment (SEED) Program. The Program helps 3 and 4 year old child and their families save and plan for college. A savings account is opened and initially deposited with \$500, which will be matched by \$500 deposited by the Good Faith Fund. Any deposits made by the household will be matched dollar for dollar by

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the Good Faith Fund. Withdrawal from a SEED account requires two signatures – the account holder and a designated employee of the Good Faith Fund. The Good Faith Fund will not permit withdrawal unless there is a documented emergency – e.g., so the child will not be without shelter or medical care. The SEED account will be excluded as a resource and any deposits made by the Good Faith Fund into the child’s savings account will be excluded as income per FSC 5413.1.

Prorated Income

Monies that have been prorated and considered as income are excluded as a resource. For example, annualized or prorated self-employment income is excluded as a resource during the period it is being counted as household income. Refer to FSC 5630 for the procedures for handling self-employment income.

~~4460 — Other Excluded Resources — 10-01-04~~

Earmarked Resources

Earmarked resources are governmental payments such as those made by the Department of Housing and Urban Development through the Individual and Family Grant Program or disaster loans or grants made by the Small Business Administration. Earmarked resources must be designated for the restoration of a home damaged in a disaster, and the household must be subject to a legal sanction if the funds are not used as intended.

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One burial lot per household member will be excluded as a resource.

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Educational income will be excluded as a resource in its entirety when received by eligible students. This exclusion covers all federal, state and privately funded educational assistance including VA educational assistance paid under the Montgomery GI Bill.

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- ◆ Post secondary educational expenses*
- ◆ Individual retirement account
- ◆ Vehicle purchase or repair (if not the sole purpose of the IDA)

(* If Federal TANF funds are used as a match, only purposes 1, 2 and 3 are allowable.)

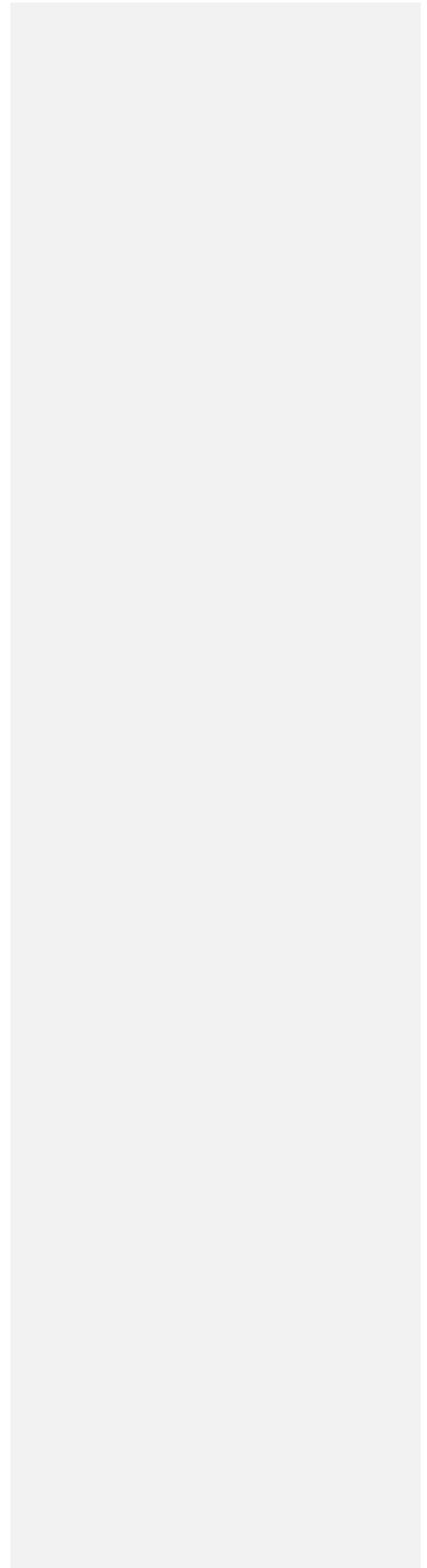
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The Good Faith Fund is operating a demonstration program called the Savings for Education, Entrepreneurship, and Down Payment (SEED) Program. The Program helps 3 and 4 year old child and their families save and plan for college. A savings account is opened and initially deposited with \$500 which will be matched by \$500 deposited by the Good Faith Fund. Any deposits made by the household will be matched dollar for dollar by the Good Faith Fund. Withdrawal from a SEED account requires two signatures—the account holder and a designated employee of the Good Faith Fund. The Good Faith Fund will not permit withdrawal unless there is a documented emergency—e.g., so the child will

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~~not be without shelter or medical care. The SEED account will be excluded as a resource and any deposits made by the Good Faith Fund into the child's savings account will be excluded as income per FSC 5413.1.~~



FSC - RESOURCES

4470 to 4510

Verification of Excluded Resources/Inaccessible Resources/Irrevocable Trust Funds

4470 **Verification of Excluded Resources** **08-01-**
98

Excluded resources will be verified when questionable. Acceptable verification includes documentation or collateral contacts that establish that the resource is excludable.

4480 **Documentation of Excluded Resources** **08-01-**
98

The county office worker must document:

- 1. The type of resource
- 2. The status of the resource as excluded
- 3. The reason for the exclusion

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4500 **Inaccessible Resources** **07-01-**
01

Inaccessible resources are resources with a cash value not accessible to the household. Inaccessible resources include the following:

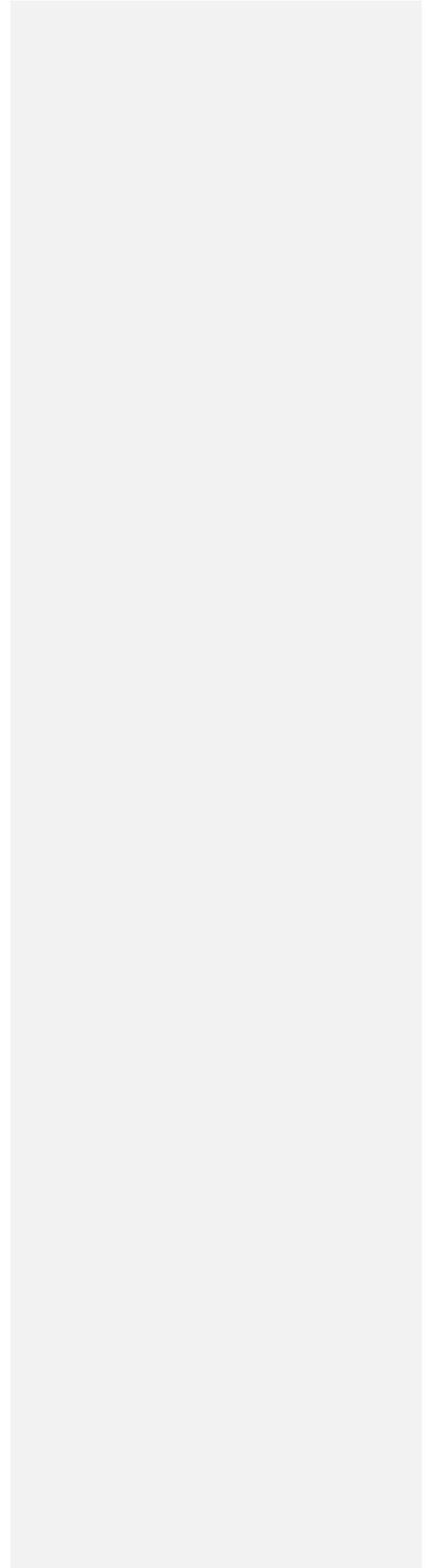
1. Irrevocable trust funds (FSC 4510)
2. Property in probate (FSC 4520)
3. Real property for sale (FSC 4530)
4. Resources of residents of shelter for battered women (FSC 4540)
5. Security deposits (FSC 4550)
6. Non-liquid resources against which a lien was placed to obtain a business loan (FSC 4560)
7. Installment contracts that are not producing any income (FSC 4570)
8. Resources unlikely to produce any significant amount of funds if sold (FSC 4580)

4510 **Irrevocable Trust Funds** **09-01-**
92

Any funds in or transferred to a trust and the income produced by that trust are considered inaccessible if all of the following conditions exist.

- 4.1 The funds held in irrevocable trust are **either** established from the household's own funds and used by the trustee solely to make investments on behalf of the trust or to pay the educational or medical expenses of the beneficiary **or** established from non-household funds by a non-household member, and totally unavailable to the household.

NOTE If the household can petition the court to obtain money from a trust for reasons such as purchasing personal items or paying living expenses, the fund is not considered an irrevocable trust.



2. The trust arrangement will not likely cease during the certification period, and no household member has the power to revoke the trust arrangement or to change the name of the beneficiary.
3. The trustee administering the funds is a court, institution, corporation, or organization not under the direction or ownership of any household member **or** an individual appointed by the court that has court imposed limitations placed upon the use of the funds.
4. The trust investments made on behalf of the trust do not directly involve or assist any business or corporation under the control, direction or influence of a household member.

The status of the trust account must be verified if questionable. Acceptable verification of inaccessible trust accounts include statements from the financial institution managing the trust describing the terms of the trust; or court orders or letters from the court describing the terms of the trust.

The county office worker must document:

- The amount of the trust fund
- The name of the person for whom the account is held in trust
- The name of the trustee, and the name of the financial institution handling the trust
- The reasons for the decision to consider the trust accessible or inaccessible

4520 **Property in Probate**
86

10-01-

Property that household members expect to inherit following a decision of the court is considered an inaccessible resource.

Property that is in probate must be verified if questionable. Acceptable verification includes:

- A statement from an attorney; or
- A legal document, such as a court order.

The county office worker must document:

- A description of the property the household expects to inherit;
- When the household expects to receive the property; and
- If verification is required, why the inaccessible resources were considered questionable, and the verification obtained.

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FSC - RESOURCES
to 4540

4530

Real Property for Sale/Resources of Residents of Shelters

4530 Real Property for Sale
86

10-01-

Real property that the household is making a good faith effort to sell at a reasonable price is considered an inaccessible resource.

Verification of real property for sale must be supplied if the status of the property is questionable. The worker will accept as proof of a good faith effort to sell real property at a reasonable price any of the following:

- Collateral statements,
- Listings from real estate brokers, or
- Advertisements in local newspapers.

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The worker must document:

- Information about the property for sale - i.e. number of acres of land, location of house, etc.; and
- The information used to establish a good faith effort to sell the property at a reasonable price.

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4540 Resources of Residents of Shelters for
Battered Women and Children
86

10-01-

Resources are considered inaccessible to residents of shelters for battered women and children **if** the resources are jointly owned by the residents and any members of their former household **and** the resident's access to the value of the resources is dependent upon the agreement of a joint owner who still resides in the former household.

The county office worker must verify that resources of shelter residents are inaccessible only when questionable. In no instance will the worker request verification if such verification will jeopardize the safety of the resident.

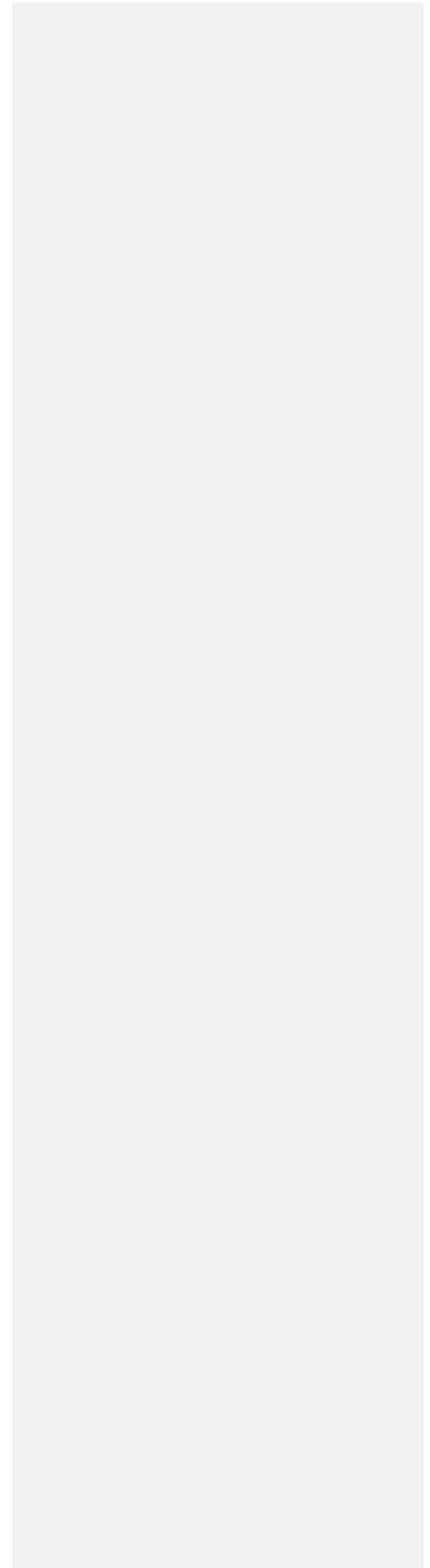
Acceptable verification includes:

- Bank statements, pass books or correspondence indicating that an account is jointly owned;
- Car payment books or loan agreements indicating that vehicles are jointly owned; or
- Payment books, loan agreements or correspondence indicating that property is jointly owned.

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Collateral contacts may be used as verification only if the resident has designated the collateral; and contact with the collateral will not jeopardize the safety of the resident.

The worker must document why the resources of the resident are inaccessible. If inaccessibility is questionable, documentation must include why the inaccessibility is questionable and how the questionable information was resolved. Due to the resident's special circumstances, questionable resources will be resolved through available sources. The co-owner of the resources must not be contacted.



FSC - RESOURCES
Security Deposits/Non-Liquid Resources (Lien)/Installment Contracts

4550 to 4570

4550 **Security Deposits** **10-01-87**

Deposits paid by the household to secure rental property or utilities are considered inaccessible resources.

NOTE: Security deposits become accessible resources when they are refunded to the household.

If questionable, the county office worker must accept as verification of security deposits receipts or statements from the holder of the deposit.

The county office worker will document:

- The nature of the questionable information;
- How the questionable circumstances were resolved; and
- The method/document used to verify the deposits.

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4560 **Non-Liquid Resources Against Which a Lien is Placed** **10-01-87**

Non-liquid resources such as land, crops, buildings, timber, farm equipment or machinery will be considered an inaccessible resource if all the following conditions are met:

6. A lien has been placed against the property.
7. The lien results from a member of the household having obtained a business loan.
8. The owner of the business has agreed not to sell the property until the note is paid.
(This insures that the creditor's collateral interest is protected.)

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This exclusion will not apply if the property owner could sell the mortgaged property and use the proceeds to pay off the loan. It applies only when the household is prohibited by the agreement from selling the mortgaged property.

4570 **Installment Contracts as Inaccessible Resources** **10-01-87**

Installment contracts are agreements under which an individual receives a monthly payment on property that has been sold. See FSC 5710 for instructions on determining the amount of income received under an installment contract that is to be counted as income in the ~~food~~ Food Stamp (SNAP) (SNAP) budgeting process.

When installment contracts are not producing any income because the purchaser is defaulting on the payments, the contract is considered an inaccessible resource. This is true until the property legally reverts back to the seller.

FSC - RESOURCES

4580 to

~~46004580~~

**Resources Unlikely to Produce Significant Return \ Determining and Verifying
Countable Resources**

4580 Resources Unlikely to Produce Significant Return —07-01-01

A resource is considered inaccessible if, as a practical matter, the household is unable to sell the resource for any significant return. A significant return is any return estimated to be more than \$1,500 after estimated costs of sale or disposition and taking into account the ownership interest of the household.

Example A household member owns a lot jointly with three siblings who are not household members. The lot is valued at \$4,000. Costs of selling the lot are estimated at \$500. $\$4,000 - \$500 = \$3,500 \div 4 = \875 . \$875 is less than \$1,501.

This policy does not apply to stocks or bonds or to other negotiable financial instruments. It does apply to vehicles. See FSC \$4,860.

Verification of the value of a resource to be excluded will be required only if the information provided by the household is questionable.

FSC – RESOURCES **4600 to 4600**
Determining and Verifying Countable Resources

4600 **Determining and Verifying Countable Resources** **–07-01-**
03

To determine a household's total countable resources, the county office worker must consider the resources available to all eligible household members and the resources available to any household member disqualified for one of the following reasons:

- Intentional Program Violation
- Failure to comply with the SSN requirement
- Failure to comply with the ~~Food Stamp~~ **Food Stamp (SNAP) (SNAP)** E&T Program or Workfare.

The countable resources of ineligible aliens are also considered if the alien would otherwise be considered a household member.

Listed below are examples of liquid resources:

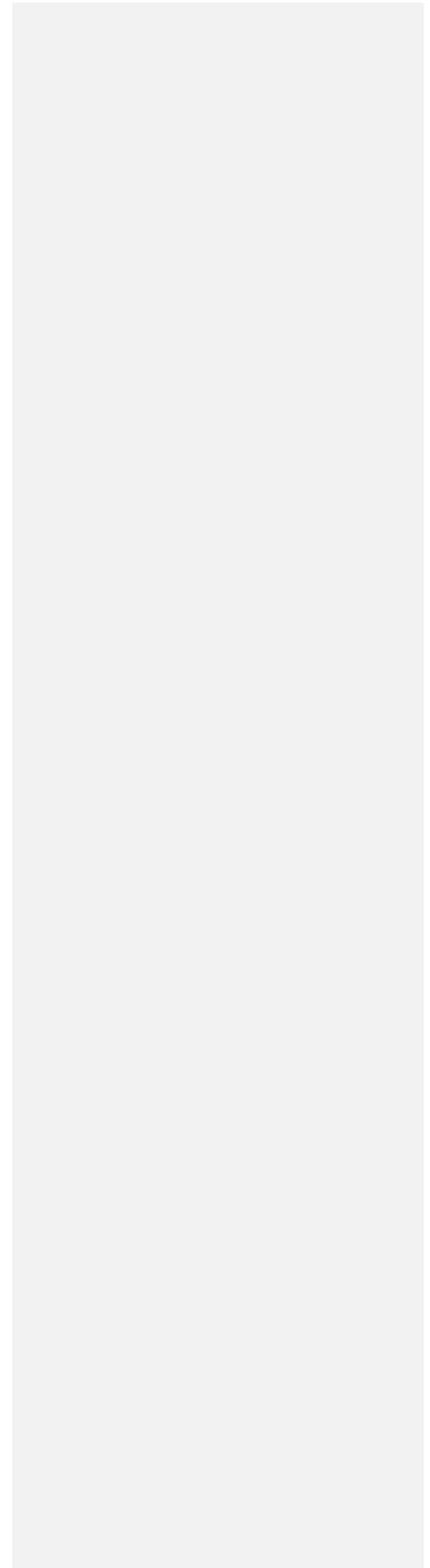
1. Bonds
2. Cash on hand
3. Funds held in individual retirement accounts (IRA's)
5. Funds held in Keogh Plans (when held solely by the household members)

FSC - RESOURCES **4600 to 4601**
Determining and Verifying Countable Resources

6. Money in checking or savings accounts including Christmas clubs and children's accounts (*See FSC 4601 for information about ownership of bank accounts.*)
7. Mutual Funds
8. Savings certificates (*See FSC 4601 for information about ownership.*)
9. Stocks
10. Funds that may be withdrawn (less a \$1,500 per-person disregard) from prepaid burial plans without a contractual obligation to repay (*See FSC 4602.*)

Liquid resources must be verified at initial application and thereafter when a new liquid resource is reported or when information about previously reported resources is incomplete, inaccurate, inconsistent or outdated. See the Glossary, definition of "Verification" for additional information. A full description of each type of resource, acceptable verification, and documentation is contained in FSC 4601 - 4670.

|



FSC – RESOURCES **4601 to 4601**
Ownership of Liquid Bank Accounts

4601 **Ownership of Liquid Bank Accounts** **—01-01-**
99

When a ~~food stamp~~ **Food Stamp (SNAP) (SNAP)** household member holds a joint bank account or certificate of deposit with a member of another household and this ownership will make the household ineligible to receive ~~food stamp~~ **Food Stamp (SNAP) (SNAP)** benefits, the county office worker must determine how much, if any, of the funds will be counted a resource to the household. This determination will generally be based upon ownership of the funds.

Ownership is defined as to have or to hold as property or to possess. Normally, a person is considered as the owner of funds in a bank account if that person earned, received, or was given the funds that were deposited into the account. For example, a ~~food stamp~~ **Food Stamp (SNAP) (SNAP)** household is not considered to be the owner of the funds in an account when no household member earned, received or was given any of the funds in the account.

The owner of the bank account is usually the one who deposits the money into the account or for whom deposits are made.

Example An elderly client deposits her social security checks into a checking account each month. Her daughter's name has been added to the account. None of the daughter's funds have been deposited into the account. The client is the sole owner of the account.

There are exceptions.

FSC - RESOURCES **4601 to 4602**
Determining and Verifying Countable Resources

Example A legally married husband and wife are considered joint owners of the funds in a bank account as long as both names appear on the account. This is true regardless of which spouse deposits money to the account.

Ownership of funds in jointly owned bank accounts will be established through written statements from each of the joint owners. In the event that at least one of the joint owners cannot be located or refuses to cooperate, the worker will attempt to establish ownership of the funds in the account through collateral contact. Suggested sources of collateral contact include bank officers, attorneys, accountants or friends or relatives familiar with the arrangements of the co-owners of the bank account.

If no collateral contact familiar with the arrangement can be located or will cooperate, the household may be certified based only upon the written statements of any co-owner who is a household member. However, all efforts to obtain verification must be fully documented in the case record. Such documentation must contain a statement of why any collateral contact received could not be used.

If none of the money is owned by the ~~food-stamp~~Food Stamp (SNAP) (SNAP) household but the owner states the household is permitted to use some or all of the money in the account, then the amount that the household has been given permission to use will be counted as a resource. In this situation, ownership is transferred to the ~~food-stamp~~Food Stamp (SNAP) (SNAP) household.

FSC—RESOURCES 4602 to 4610
Prepaid Burial Plans/Bonds

4602 **Prepaid Burial Plans** _____ **—01-01-**
99

NOTE This policy does not apply to burial insurance. Insurance policies, including burial insurance, are totally excluded as a resource. See FSC 4420.

Prepaid burial plans purchased from funeral homes, insurance companies, etc. are totally excluded to the extent the money in the prepaid account is inaccessible to the household. A prepaid burial fund is inaccessible when the household is not allowed to withdraw money from the account or is only allowed to withdraw funds with a written agreement to repay the missing funds. Even if funds are never withdrawn from a prepaid burial plan, the ability to make withdrawals is sufficient to qualify the funds in these plans as a resource.

Funds which may be withdrawn from prepaid burial plans without a written agreement to repay the funds are considered to be an accessible resource; however, a disregard of \$1,500 per individual applies to accessible prepaid burial plans.

FSC - RESOURCES _____ **4602 to 4620**
Prepaid Burial Plans/Bonds

Example A household consists of a man age 75 and his wife age 75. Both the man and his wife have prepaid burial plans in the amount of \$2,500. The funds in both accounts are accessible. To calculate the amount of countable resources, the worker will subtract \$1,500 from each account. [$\$2,500 - \$1,500 = \$1,000$. $\$1,000 \times 2 = \$2,000$.] The amount of countable resources in the prepaid burial plans is \$2,000.

4610 **Bonds** _____ **—07-01-**
01

The total current surrender value of all bonds held by the household will be considered a countable resource. Cash surrender value of bonds is determined by use of a schedule. Schedules may be obtained from the household or from a bank, savings and loan, or broker. Information about the redemption value of U. S. Savings Bonds may be obtained from most

banks or through the inter-net at www.publicdebt.treas.gov/sav/savcalc.htm. Information is also available from:

Federal Reserve Bank
325 W. Capitol
Little Rock, AR 72201

Acceptable forms of verification include:

- The bonds and verification of redemption value; or
- Collateral contact with the broker, attorney or bank handling the bonds. The collateral must specify the number of bonds held by the household and the current redemption value.

Documentation must include:

- The type of bond
- The number of bonds held by the household
- The current cash surrender value of each bond
- The figures used to determine the total value of the bonds
- The verification obtained.

~~FSC – RESOURCES~~ ~~4620 to 460~~
~~Cash on Hand/Individual Retirement Accounts~~

~~4620~~ ~~Cash on Hand~~ ~~02-01-95~~

The current amount of cash on hand (less any current income) will be considered a countable resource.

The household's statement will be accepted as verification of cash on hand.

Documentation must include:

- The total amount of cash on hand available
- The amount of cash on hand which is current income

~~FSC – RESOURCES~~ ~~4620 to 4640~~
~~Cash on Hand/Individual Retirement Accounts~~

- The figures used to determine cash on hand less current income

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~~4630~~ ~~Individual Retirement Accounts (IRAs)~~ ~~02-01-95~~

~~An IRA is a tax-deferred retirement account. IRAs are authorized for all employed persons and their spouses. IRAs are not true salary reduction plans since they are available to workers without any involvement of the employer and they do not directly reduce the salary received by the worker. Simplified Employee Pension Plans (SEPs), which are considered by IRAs by banks and the IRS, will be counted as a resource and handled in the same manner as any other IRA.~~

~~The current value of the IRA less the amount of any penalty for early withdrawal will be considered a countable resource.~~

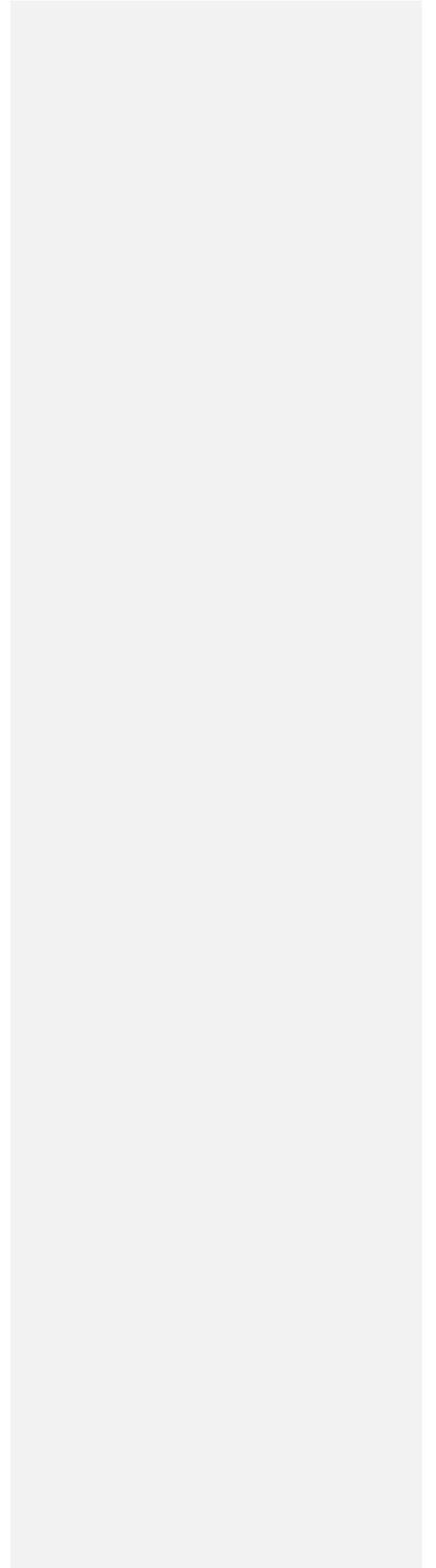
~~NOTE: Interest paid on IRA's will be considered income and handled as specified in FSC 5711.~~

~~Acceptable verification includes a current statement (usually received quarterly); or a collateral contact with the financial institution specifying the current amount in the account, the date and amount of the most recent interest payment, and the penalty for early withdrawal.~~

~~Documentation must include:~~

- ~~•The current amount in the IRA account~~
- ~~•The penalty for early withdrawal~~
- ~~•The figures used to calculate the countable resource amount~~

•The verification obtained



RESOURCES **4640 to 4650**
Keogh Plans/Money in Checking and Savings Accounts

4640 **Keogh Plans** **07-01-01**

A Keogh Plan is a tax-deferred retirement account. Keogh Plans are not income-reducing retirement accounts. They are limited to self-employed persons.

Keogh Plans that involve only household members are considered a countable resource. Those Keogh Plans that involve a household member in a contractual agreement with individuals who are not household members are considered to be an inaccessible resource.

The current amount of non-excluded Keogh Plans (less any penalty that would be extracted for early withdrawal) will be considered as a countable resource. Interest on non-excluded Keogh Plans will be considered income and handled as specified in FSC 5711.

Acceptable verification includes a current account statement or a collateral contact with the financial institution describing the terms of the account, the current amount in the account, the date and amount of the most recent interest payment and the penalty for early withdrawal.

To establish that a Keogh Plan is inaccessible due to a contractual agreement with non-household members, the household may provide:

- A copy of the contract; or
- Collateral contact with the attorney or financial institution that established the agreement. The collateral contact must specify the terms of the contract.

4630 **Individual Retirement Accounts (IRA)** **Deleted 10-01-08**

4640 **Keogh Plans** **Deleted 10-01-08**

Document must include:

- Whether the Keogh Plan is accessible to the household;
- The penalty for early withdrawal;
- The figures used to calculate the countable resource amount; and
- The verification obtained.

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