

## ATTACHMENT II

### PROCEDURES FOR COMPUTING ANNUAL FAMILY INCOME FOR SCSEP

1. Annual Family Income. Annual family income for current family members refers to the sum of the amounts received from the income inclusions delineated in Attachment I.
2. Computation. The 2006 SCSEP amendments specify that low income status is to be computed by counting the includable income received by the individual during the 12-month period ending on the date of SCSEP application or by counting the annualized income for the 6-month period ending on that date. As described above, we have determined that it is in the best interest of the SCSEP program to apply the 2006 SCSEP amendments computation procedures to the current program year. For PY 2006, grantees are required to determine whether to use the 6-month or the 12-month income look-back on a case-by-case basis, based upon which is more favorable to the applicant in determining eligibility. Determining whether the 6-month or the 12-month computation is best on a case-by-case basis may take slightly more time but it will insure the broadest possible inclusion of eligible applicants.
3. Standard Definition of Family.
  - A family is defined as:
    - A husband, wife and dependent children; or
    - A parent or guardian and dependent children; or
    - A husband and wife.
  - A person with a disability may be treated as a “family of one” for income eligibility determination purposes as currently provided at 20 CFR 641.500 of the SCSEP regulations.
4. Exception to Standard Definition of Family.
  - When the applicant is claimed as a dependent on the federal income tax return of another family member with whom he or she resides, the Current Population Survey (CPS) definition of family must apply.
  - The family is defined by the CPS as:
    - A family is a group of two or more people related by birth, marriage, or adoption and residing together; all such people (including related subfamily members) are considered as members of one family.
    - As in the standard definition above, a person with a disability may be treated as a “family of one” for income eligibility determination purposes.
5. CPS Definition of Subfamily.
  - **Subfamily.** A subfamily is a married couple with or without children, or a single parent with one or more of their own never-married children under 18 years old. A subfamily does not maintain its own household, but lives in the home of someone else.

- ***Related subfamily.*** A related subfamily is a married couple with or without children, or one parent with one or more of their never-married children under 18 years old, living in a household and related to, but not including, the person or couple who maintains the household. One example of a related subfamily is a young married couple sharing the home of the husband's or wife's parents.
  - ***Unrelated subfamily.*** An unrelated subfamily (formerly called a secondary family) is a married couple with or without children, or a single parent with one or more of their own never-married children, or a single parent with one or more of their own never-married children under 18 years old living in a household. Unrelated subfamily members are not related to the householder. An unrelated subfamily may include people such as guests, partners, roommates, or resident employees and their spouse and/or children. An unrelated subfamily is NOT included in the determination of income eligibility for SCSEP.
6. **Documentation.** Grantees must ask applicants and enrolled participants for written documentation of age, income sources and family size when conducting income eligibility or recertification procedures—e.g., driver's licenses, Social Security or Medicare cards, pay stubs, income tax returns, and like "official" documentation. Further, the record of such documents must be jointly signed by both the individual applicant or participant and the grantee interviewer. Tax return documentation is particularly critical in instances in which the applicant indicates that he is claimed as a dependent on the income tax return of another family member with whom he or she resides. Grantees are required to maintain copies of the source information.

In situations in which such proof may not be readily copied, grantees must create documentation that the source document reviewed with applicants and enrolled participants relating to the verification of income eligibility. Such documentation must include the name of the reviewer, the date the information was reviewed, the name of the source documentation, the date of the source documentation and other pertinent information, including the signature of the reviewer and the applicant/participant. To be able to be considered a family of one under the disability provision, appropriate medical documentation must be provided and filed, even in remote locations. Self-certifications are not permitted.

7. **Recertification.** Grantees must recertify participant eligibility at least once every 12 months. They are strongly urged to do so in February and March since the Federal Income Guidelines are published in February.