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**FOOD AND NUTRITION SERVICES CERTIFICATION**  
**ELIGIBILITY REQUIREMENTS**  
**Whose Income Is Counted?**

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**FNS 260 Whose Income Is Counted?**  
**Change #3-2012**  
**June 1, 2012**

**260.01            WHOSE INCOME IS COUNTED?**

Determine if the Food and Nutrition Services unit (FNS Unit) members' income is countable. Households containing an elderly or disabled member (as defined in Section 210.05) must meet only the net income eligibility standards. Categorically eligible households do not have to meet either the gross or net income standards. All others must meet the gross and net income standards. Count **all** non-excluded gross income in a FNS Unit whether earned or unearned, unless special circumstances exist as indicated below.

**A.            Disqualified Individuals**

Include all countable gross income if a FNS Unit member is disqualified due to:

1.            Intentional Program Violation (IPV);
2.            Failing to comply with Employment and Training (E&T) requirements or Workfare;
3.            Voluntary quit;
4.            Drug felony; **or**
5.            Transfer of resources (Include all this member's countable gross income.).

**B.            Ineligible Individuals**

Include prorated countable gross income if the individual is ineligible due to failing to meet the:

1.            Enumeration requirement, **or**
2.            Ineligible ABAWDs
  - a.            To prorate, divide the ineligible individual's gross countable income evenly for all potential FNS Unit members.
  - b.            Multiply the prorata share by the number of persons included in the FNS Unit.
  - c.            Enter the countable portion of the ineligible member's income in Field 80F or 80J of the DSS-8590 on the same line with the ineligible member.

**EXAMPLE:** A FNS Unit consists of seven persons. The head of household, who has not met the enumeration requirements, is employed and earns \$700 per month.

\$700    Divided by 7 = 100 Prorata Share  
\$100    Multiplied by 6 (eligible FNS Unit members) = \$600  
\$600 = Income of ineligible member to be counted for  
          the remaining FNS Unit members

**C.            Qualified Ineligible Alien**

Include this member's prorated countable gross income

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D. Non-Qualified Ineligible Alien

Count all income of non-qualified ineligible aliens when applying the gross income test for eligibility purposes; do not include non-qualified ineligible aliens in the household size. If the household's income does not exceed the gross income level or the household is not subject to the gross income test, count prorated income of non-qualified ineligible aliens to apply the net income test and to determine the benefit level.

**NOTE:** Do not apply the gross income test to households containing an elderly or disabled member (as defined in Section 210.05) or categorically eligible households.

E. Student in Higher Education

A student is anyone who is enrolled in an institution of higher education as defined in Section 230, Students. According to the instructions in Section 230, determine if the student is eligible or ineligible.

1. **Eligible:** Include this person's countable income.
2. **Ineligible:** Do not include this person's income. This person is not eligible to be included in the FNS Unit.

F. High School Student

1. For a child age 17 or younger, exclude his entire gross earned income only if the child is:
  - a. A student attending any elementary or secondary school recognized, operated, or supervised by the state or local school district (including home-school) or attending classes at least half-time to obtain a GED, **and**
  - b. Not the head of the FNS Unit.
  - c. Count all of the student's non-excluded unearned income.
2. Once the student turns 18:

Test prospectively for the month after the student turns 18, including the student's gross earned income. Follow policy in Sections 400, 450, 500, and 550 to determine if this is a reportable change.

  - a. If the FNS Unit becomes ineligible, send the Notice Of Adverse Action to terminate.
  - b. If the FNS Unit remains eligible prospectively, budget converted income for the month after the student turns 18 or at next recertification.

G. Fleeing Felons, Probation/Parole Violators

**Count** the full income of these individuals.

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H. Sponsored Alien

A sponsored alien is an alien admitted lawfully for permanent residence who is sponsored financially by an individual. Count the income of any individual (and their spouse, if living together) who executed an Affidavit of Support on behalf of the alien as indicated below. Refugees and Asylees are not sponsored.

If the Affidavit of Support was signed or re-signed on or after December 19, 1997, **count the full amount** of countable income of the sponsor and his spouse (if living together) as unearned income until:

- a. The alien becomes a citizen; **or**
- b. Has earned or can be credited with 40 qualifying quarters; **or**
- c. The sponsor dies, whichever is earlier.

**NOTE:** Beginning January 1, 1997, a quarter in which a wage earner received federal means-tested assistance (Work First, Food and Nutrition Services, Medicaid, NC Health Choice, or SSI) does not count as a qualifying quarter.

I. Foster Children

Under Title IV-E of the Social Security Act, foster care payments are made to persons who take care of children while the social services agency maintains legal responsibility for the child. Determine if the FNS Unit wishes to include the foster child(ren) in the FNS Unit.

1. If yes, include the foster child's countable income, including the foster care payment.
2. If no, exclude the foster child's income including the foster care payment.

J. Guardianship Payments

Treat guardianship payments authorized under the Demonstration Projects Section of Title IV-E the same as foster care payments. Guardianship payments are made to a person who becomes a child's (under age 18) legal guardian. Further, the guardian can petition the court to have guardianship terminated at any time. The FNS Unit has a choice of:

1. Including the child as a member of the FNS Unit, therefore, counting the guardianship payment as unearned income; **or**
2. Treating the child as a boarder and excluding the child and the guardianship payment.

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K. Absent Wage Earner

An absent wage earner is defined as one who is absent from the FNS Unit because of work-related travel or who resides away from the FNS Unit because of the distance to work.

1. An absent wage earner is **included** in the FNS Unit. However, if the FNS Unit disagrees, the wage earner and the FNS Unit are responsible for establishing that the wage earner is not a member of the FNS Unit. If the absent wage earner maintains a separate residence, consider whether the individual is separate from the FNS Unit.
2. Evaluate each case on its own merit using the best available information.
3. If the absent wage earner is in the military, determine the length of absence.
  - a. If absent less than 30 days, continue to include the member in the FNS Unit and count his income.
  - b. If absent 30 days or more, do not include the individual or his income in the FNS Unit. This applies to both temporary duty (TDY) and permanent change of station (PCS). Count any cash contributions made to the FNS Unit as unearned income. Also consider any deposits made to a joint account as unearned income to the FNS Unit.
4. If the absent wage earner has a joint checking or savings account with a household member, count any deposits made to that account as unearned income, unless a resulting trust exists. Refer to Section 250, Resources.