

# FAMILY SIZE AND INCOME GUIDELINES

## FAMILY

Two or more persons related by blood, marriage, or decree of court, who are living in a single residence and are included in one or more of the following categories:

1. A married couple and dependent children,
2. A parent or guardian and dependent children, or
3. A married couple

***The exception to Standard Definition of Family (only for SCSEP)*** – When the Senior Community Service Employment Program (SCSEP) 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 the family must apply. The family is defined by Current Population Surveys:

- A family is a group of two or more people related by birth, marriage, adoption, and/or
- 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.

### ***Dependent child***

As referenced in the definition of family, Dependent child includes children living in a single residence with parent(s) or guardian(s) and who DO NOT meet the definition of independent child based on the Free Application for Federal Student Aid (FAFSA) guidelines at <https://studentaid.gov/apply-for-aid/fafsa/filling-out/dependency>.

### ***SCSEP Adult Child Living with the applicant; dependent child; grandchild***

For SCSEP purposes, if the child is a dependent, then the child’s income is includable as part of the family income. The Internal Revenue System (IRS) defines a dependent child as someone 1) under the age of 19, or 2) under the age of 24 if a full-time student, or 3) permanently and totally disabled. See the [SCSEP section](#) of this policy for more details on dependent child for SCSEP participants.

### ***Independent child***

Those children living in a single resident with parent(s) or guardian(s) and who fall into one (or more) of the following categories:

1. Is 24 years of age or older by December 31 of the current year;
2. Is an orphan or ward of the court or was a ward of the court until the individual reached the age of 18;
3. Is a graduate or professional student (in college, beyond a bachelor’s degree);
4. Is a veteran of the Armed Forces of the United States;
5. Is a married individual;
6. Has legal dependents other than a spouse;
7. Is a student for whom a financial aid administrator makes a documented determination of independence by reason of other unusual circumstances; or
8. Is currently living with parents(s) or guardian(s) but provides more than 50% of his/her own support.
9. For **SCSEP** purposes, if the child is not a minor and does not qualify as a dependent under the IRS rule, then the child is not part of the applicant’s family, and the child’s income is not includable.

### ***Family size***

The composition of the family is determined at the date of the application. Members in the household who do not meet one of the categories identified in the definition of family are not included in family size.

### ***Disability Family of One***

When determining family income for eligibility purposes, an individual with a disability’s income is based on the individual’s income rather than his or her family’s income. The individual’s income must meet the low-income definition.

To be able to be considered a family of one under the disability provision **for SCSEP**, appropriate medical documentation must be provided (not a self-attestation) with a written statement from a physician, school records, a letter from Vocational Rehabilitation Services, or the Social Security Administration's benefits letter for SSDI.

## FAMILY INCOME

All income received by all members included in the family size (determined at time of application) during the six-month period prior to application/registration, annualized by multiplying the six-month income by two (six-month income x 2). Unless specifically identified as being excluded from family income, income must be included. For SCSEP, the SCSEP Labor Program Specialist will determine whether to use the 6-month or the 12-month income look-back on a case-by-case basis and based on the more favorable to the applicant.

Income of prior family members who may have comprised part of the family during the past six months, but are no longer members of the household at time of application (i.e., divorced, separated or deceased spouse, or other family member) would not be counted for income determination purposes. Only the income of members of the current family should be counted and applied against the current family size.

## INCOME GUIDELINES

Income only needs to be verified if it is required for eligibility purposes. See [SCSEP Income Section](#) for SCSEP.

<i><b>Include in family income</b></i>	<i><b>Exclude from family income</b></i>
<ol style="list-style-type: none"> <li>1. Money wages and salaries before any deductions; <ol style="list-style-type: none"> <li>a. Net receipts from non-farm self-employment (receipts from a person's own unincorporated business, professional enterprise, or partnership after deductions for business expense);</li> <li>b. Net receipts from farm self-employment (receipts from a farm which one operates as an owner, renter, or sharecropper, after deductions for farm operating expenses);</li> </ol> </li> <li>2. Regular payments from railroad retirement, strike benefits from union funds, worker's compensation, and training stipends;</li> <li>3. Alimony;</li> <li>4. Military: Pension payments such as those received by military retirees and pension benefits.</li> <li>5. Pensions whether private, or government employee ;</li> <li>6. Regular insurance or annuity payments <b>other than</b> Supplemental Security Income disability (SSI)<sup>1</sup> or veterans' disability;</li> <li>7. College or university grants (excluding Pell grant), scholarships (not needs-based), and assistantships;</li> <li>8. Net gambling or lottery winnings;</li> <li>9. Social Security Disability Insurance payments (SSDI)<sup>2</sup></li> <li>10. WIOA One Stop partner programs where income is not subsidized (e.g. On-the-Job Training wages)</li> <li>11. Reemployment Assistance (RA) benefits;</li> <li>12. Child support payments</li> <li>13. Old age survivor's insurance benefits received under section 202 of the Social Security Act (42 USC 402). Old age survivor's insurance benefits include: <ol style="list-style-type: none"> <li>a. Social Security Survivor Benefits: paid to people up to age 18 who have had a parent die and the parent paid wages into the system; and</li> <li>b. Social Security Retirement Benefits: paid to people who reached their social security age and have wages paid in the system.</li> </ol> </li> </ol>	<ol style="list-style-type: none"> <li>1. Public Assistance cash payments (including Temporary Assistance to Needy Families (TANF), SSI, Refugee Case Assistance (RCA), and General Assistance (GA));</li> <li>2. Foster care child payments;</li> <li>3. Title IV of the Higher Education Act (i.e., Pell Grants, Federal Supplemental Educational Opportunity Grants (FSEOG), and Federal Work-Study (FWS);</li> <li>4. Needs-Based scholarship assistance;</li> <li>5. Income earned while [the veteran was] on active military duty and certain veteran's benefits (i.e., compensation for service-connected disability, compensation for service-connected death, vocational rehabilitation, and education assistance);</li> <li>6. Capital gains;</li> <li>7. Any assets drawn down as withdrawals from a bank, the sale of property, a house or a car;</li> <li>8. Tax refunds, gifts, loans, lump-sum inheritances, one-time insurance payments, or compensation for injury;</li> <li>9. Non-cash benefits such as employer paid fringe benefits, food or housing received in lieu of wages, Medicare, Medicaid, school meals, and housing assistance;</li> <li>10. Tribal Government Payments (i.e., Per Capita Payments, Lease Payments, Individual Indian Money (IIM)</li> <li>11. One Stop partners programs where income is subsidized.(e.g. work experiences, support services)</li> <li>12. Any amounts received as military pay or allowance by any person who served on active duty and certain other specified benefits must be disregarded as income.</li> </ol>

<sup>1</sup> SSI is a program that pays benefits to disabled adults and children who have limited income and resources. It is also paid to people 65 and older without disabilities who meet the financial limits. SSI is considered cash assistance and individuals receiving SSI are automatically income eligible the same as individuals receiving TANF or SNAP

<sup>2</sup> SSDI pays benefits to individuals that have worked in the past, paid Social Security taxes, and are currently unable to work for a year or more because of a disability. SSDI is considered income replacement and must be included in family income

## INCOME LEVEL

### ***Lower Living Standard Income Level***

Income level (adjusted for regional, metropolitan, urban, and rural differences and family size) determined annually by the Secretary of Labor based on the most recent lower living family budget issued by the Secretary. The [Title I Eligibility Desk Guide](#) (WIOA Resource 2) is updated each year as this information is made available.

Income level for Family Focus funding for Title I Adults is found in the [Family Focus](#) Policy 4.2 and the 200% poverty level section of the [Title I Eligibility Desk Guide](#) (WIOA Resource 2).

### ***Low Income***

WIOA Section 3 (36) defines a Low-Income individual as an individual who:

- (a) *receives, or in the past six (6) months has received, or is a member of a family that is receiving or in the past six (6) months has received, assistance through SNAP, cash payments under a Federal, State, or local income-based public assistance program such as TANF (Temporary Assistance for Needy Families), SSI (Supplemental Security Income), General Assistance (GA) or Refugee Cash Assistance (RCA);*
- (b) *received an income, or is a member of a family that received a total family income, for the 6-month period prior to application for the program involved*
  - (I) *the poverty line, for an equivalent period; or*
  - (II) *70 percent of the lower living standard income level, for an equivalent period (see **Low Income Guideline Chart for the appropriate time period.**)*
- (c) *Applicant receives or is eligible to receive a free or reduced-price lunch under the Richard B. Russell National School Lunch Act;*

When a school does not use individual eligibility criteria to determine who is eligible for free or reduced-price lunch, whole school recipients of free or reduced priced lunches cannot be utilized to determine low income. Low income must be based on the individual student's eligibility to receive free or reduced-price lunches.

The free or reduced-price lunch category primarily applies to ISY, with one exception. If an Out-of-School Title I Youth is a parent living in the same household with their child who receives or is eligible to receive free or reduced price lunch based on their income level, then such an Out-of-School Title I Youth would meet the low-income criteria based on their child's qualification.

- (d) *Qualifies as a homeless individual as defined under section 725(2) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a(2))the Steward B. McKinney Homeless Assistance Act;*
- (e) *is an individual with a disability whose own income meets the requirements of a program described in subparagraph (a) or (b), but who is a member of a family whose income does not meet such requirements;*
- (f) *is a youth in foster care on behalf of whom State or local government payments are made;*
- (g) *is a youth living in a high poverty area*

## SCSEP INCOME GUIDELINES

For more information on the Senior Community Service Employment Program (SCSEP) eligibility and priority of service, refer to [SCSEP Eligibility and Priority of Service](#) Policy 4.12 and the 125% poverty level section of the [Title I Eligibility Desk Guide](#) (WIOA Resource 2).

### ***Income for Eligibility for SCSEP***

The SCSEP Labor Program Specialist will determine income eligibility. Employment Specialists will be responsible for obtaining all needed documentation for both the 12 months and annualized income and 6 six months before the date of application. Use the SCSEP Eligibility Determination ([Form 83](#)) as documentation of determination. The Labor Program Specialist will sign Form 83 as approval of participation and upload it into SDWORKS. Once uploaded, the Program Specialist will notify the Employment Specialist that the applicant has been approved or denied for SCSEP.

<b><i>Included Income for SCSEP</i></b>	<b><i>Excluded Income for SCSEP</i></b>
<ol style="list-style-type: none"> <li>1. Net Income and earnings</li> <li>2. Benefits received under Title II of the Social Security Act (of which 75% will be counted as includable income)</li> <li>3. Survivor benefits and alimony</li> <li>4. Pension or retirement income</li> <li>5. Interest income and dividends</li> <li>6. Rents, royalties, and estates and trusts</li> <li>7. Educational assistance</li> <li>8. Financial assistance from outside of the household</li> </ol>	<ol style="list-style-type: none"> <li>1. Social Security Disability Insurance</li> <li>2. Twenty-five percent of a benefit received under title II of the Social Security Act</li> <li>3. Payment made to or on behalf of veterans or former members of the Armed Forces under laws administered by the Secretary of Veterans Affairs</li> <li>4. Supplemental Security Income for the Aged, Blind, and Disabled</li> <li>5. Public assistance, workers' compensation, unemployment insurance, and income from other employment and training programs</li> <li>6. Disability benefits, including Federal Old-Age, Survivors and Disability Insurance</li> <li>7. All forms of child support</li> <li>8. The first \$2,000 of certain per capita fund distributions made to Indians according to the Indian Claims Act, P.L. 93-134 and P.L. 97-458.</li> <li>9. Any other income exception required by applicable Federal law-- e.g., stipends from programs funded by the Senior Corps of the Corporation for National and Community Service the Department will also exclude, for purposes of SCSEP applicant eligibility, the same income sources-the CPS does not count in its official definition of income.</li> <li>10. Payment made to or on behalf of veterans or former members of the Armed Forces under the laws administered by the Secretary of Veterans Affairs</li> <li>11. Capital gains people received (or losses they incur) from the sale of property, including stocks, bonds, a house, or a car (unless the person engaged in the business of selling such property, in which case the CPS counts the net proceeds as income from self-employment)</li> <li>12. Withdrawals of bank deposits</li> <li>13. Tax refunds</li> <li>14. Gifts, money borrowed, lump-sum inheritances, insurance payments, gambling, and lottery earnings.</li> </ol>

***WIOA Law §3(36), §129(a)(2)***  
***20 CFR §681.280, §683.230, §675.300***  
***TEGL 19-16, 21-16, 10-9, 12-06***  
***20 CFR 641.500***  
***§641.641.510***  
***IRS Publication 501 Table 5***