January 21, 2014

CalWORKs Program Guide Letter No. 307

Subject  INCOME REPORTING THRESHOLD (IRT) – UPDATES FOR FEDERAL FISCAL YEAR (FFY) 2013-14

Reference  All County Letters (ACLs) 12-25; 13-80; and 13-109

Effective Date  October 1, 2013 – February 28, 2014

NOTE:  There will be another IRT update effective March 1, 2014 due to the upcoming 5% increase in Maximum Aid Payment (MAP) levels.

Purpose  To issue the FFY 2013-14 CalWORKs IRT chart and provide clarification regarding the Annual Reporting/Child Only (AR/CO) IRT

Background  Each year the California Department of Social Services (CDSS) issues an updated IRT chart for the upcoming Federal Fiscal Year (FFY).

A new three-tiered IRT system was implemented October 1, 2012 for CalWORKs AR/CO Assistance Units (AUs). Under this system, recipients may remain eligible to CalWORKs even when their income exceeds the IRT.

With the implementation of Semi-Annual Reporting (SAR), the same three-tiered IRT system is now used for all CalWORKs AUs.

Policy Change  The IRT values issued in this Letter are effective October 1, 2013. The IRT level previously sent to the AU will be used for mandatory reporting purposes and as a basis for establishing overpayments (OPs) until the AU is notified of their new IRT.

IRT rules for AR/CO and SAR are identical. CalWORKs AUs are only required to report within 10 days when they receive earned income and their total household monthly gross income (earned and unearned) exceeds the IRT for their AU size.

AUs with only unearned income are not required to report mid-year (AR/CO) or mid-period (SAR) when that income, by itself, exceeds their IRT. CalWORKs may not be decreased or discontinued mid-year (or mid-period) due to a voluntary report of unearned income over IRT.
The following sections have been updated in the online CalWORKs Program Guide (CPG):

<table>
<thead>
<tr>
<th>CPG Section</th>
<th>Updates</th>
</tr>
</thead>
<tbody>
<tr>
<td>44-260.D</td>
<td>Updated existing AR/CO information to include references to SAR and clarify that the IRT rules for AR/CO and SAR are identical.</td>
</tr>
<tr>
<td>44-260.E</td>
<td></td>
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<tr>
<td>45-200</td>
<td>Updated the Assistance Standards Chart to reflect IRT values for FFY 2013-14. Added a new CalWORKs IRT Chart desk aid for FFY 2013-14 to replace the IRT chart for FFY 2012-13 that was issued during initial SAR Training.</td>
</tr>
</tbody>
</table>

Changes to the CPG are noted with highlighted text.

Reference tables for the CalWORKs IRT were updated in CalWIN Production on December 7, 2013.

The CalWORKs Scratch Budget has been updated to reflect the FFY 2013-14 IRT values.

**CALFRESH PROGRAM**

For Public Assistance CalFresh (PACF) households, the HSS will also recalculate the CalFresh benefit amount mid-period when CalWORKs eligibility is reevaluated due to income exceeding the CalWORKs IRT.

For Non-Assistance CalFresh (NACF) households, the IRT for CalFresh is 130% of the Federal Poverty Level (FPL), per CalFresh Program Guide Letter (CFPG) #587 Addendum A.

**OTHER PROGRAMS**

There is no impact to other programs.

County Policy requires any manually-generated notice to be submitted for document capture. This Policy applies when the following IRT notices are generated outside of CalWIN:

- Reporting Changes for CalWORKs and CalFresh (AR 2 or AR 2 SAR); or
- Reporting Changes for Cash Aid and CalFresh (SAR 2)
<table>
<thead>
<tr>
<th>Quality Control (QC) Impact</th>
<th>QC will cite the appropriate error when instructions in this material are not followed or are followed incorrectly.</th>
</tr>
</thead>
</table>
| Director Approval           | RICK WANNE, MA MFT  
Director  
Eligibility Operations |
| Manager Contact             | CalWORKs Program |
| MG                          |