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Office of Family Stability Letter # 58A
February 22, 2007

TO: Directors, County Departments of Job and Family Services

FROM: Jeanne Carroll, Deputy Director
Office of Family Stability

SUBJECT: TANF Educational Awards Program

This Office of Family Stability Letter clarifies how TANF Educational Awards Program (TEAP) payments (see Office of Family Stability Letter #58) are to be treated for purposes of public assistance programs.

Food Stamps

This letter is not intended to change, replace, or obsolete any portion of applicable federal law, Ohio Revised Code (ORC) section, Ohio Administrative Code (OAC) rule, Food Stamp Certification Handbook (FSCH) regulation, or departmental rule. For a complete explanation of the policies, please reference the ORC, OAC, FSCH, and/or other applicable federal regulations.

Payments

Pursuant to specific guidance received from the U.S.D.A. Food and Nutrition Service (FNS), the following analysis must be conducted to determine how TEAP payments are to be treated for the food stamp program. TEAP payments cannot be excluded as student financial assistance as outlined in OAC rule 5101: 4-4-13 (D)(1)(r) since the award payments can be used in a variety of ways and are not earmarked for educational expenses. The TEAP award payments will be considered as countable unearned income or in some instances as a non-recurring lump sum, depending on how the school distributes the payments.

If the individual reports or the county agency becomes aware that a TEAP award payment has been received and the county can with reasonable certainty anticipate subsequent payments, the unearned income shall be averaged over the appropriate school term(s). Reference OAC rule 5101:4-4-31. For example, if the individual is in a degree program and has information regarding when payments will be issued, there is a reasonable certainty the individual will receive the payments, and the unearned income should be averaged over the school terms.

In many instances the county agency may not be able to anticipate or determine with reasonable certainty when or whether additional TEAP award payments may be received during the certification period. Reference OAC rule 5101:4-4-31. In these situations, the case record should be documented accordingly and the individual informed of their reporting responsibilities in accordance with OAC rule 5101: 4-7-01 (A) or (B), whichever is applicable. For example, in February, if the individual reports or the county agency becomes aware that an award payment has been received in February but the county agency cannot with reasonable certainty anticipate the next payment, the county must document the case file to indicate that the unearned income received in February has no affect on the assistance group's ongoing eligibility or allotment.

An individual may be found eligible toward the end of the school year and thus receive the total award in one lump sum payment, without the ability to receive any possible subsequent payments because the program has ended. In this situation, for food stamps, this a non-recurring lump sum payment which would be counted as a resource starting in the month received and not counted as unearned income. Reference rule 5101:4-4-31.

Reporting

Assistance groups subject to semi-annual reporting (with countable earned income) that are assigned six month certification periods in accordance with OAC rule 5101:4-5-03 (C)(1) are required to report changes in the amount of gross monthly income that result in their gross monthly income exceeding one hundred thirty per cent of the monthly poverty income guideline for their assistance group size. Reference OAC rule 5101:4-7-01 (B).

Assistance groups (with no countable earned income) are required to report changes of income, the change must be reported within ten days of the date that the assistance group receives the first payment attributable to the change. Reference OAC rule 5101:4-7-01(A).

CRIS-E Changes

A new code, "OT TA", was added to CRIS-E table TVIN to denote that TEAP payments are countable only in the calculation of food stamp program benefits. A view flash bulletin has been issued to inform the CDJFS that the new code is available.

OWF/DFA

As indicated in a recently issued Action Change Transmittal Letter #244, TEAP payments are to be excluded as countable income in the OWF program. Rule 5101:1-23-20 will be amended to include the exclusion of TEAP payments. As set forth in rule 5101:1-5-40, income excluded under the OWF program is also excluded in the DFA program.

If you have any questions regarding TEAP payments and food stamps or cash assistance, please contact the TANF_FSTA mailbox.

Child Care

This letter is not intended to change, replace, or obsolete any portion of applicable federal law, Ohio Revised Code (ORC) section, Ohio Administrative Code (OAC) rule, or departmental rule. For a complete explanation of the policies, please reference the ORC, OAC, and/or other applicable federal regulations.

For purposes of publicly-funded child care assistance, TEAP payments are to be treated as unearned income pursuant to 5101:2-16-34 (E). For further assistance contact the Office of Children and Families help desk at 1-866-886-3537, option 4.

cc: Helen E. Jones-Kelley, Director Loretta Adams, OJFSDA
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