

90-500.3. BUDGET COMPUTATIONS

A. General

This section provides instructions on computing the GR budget.

B. Policy

Net earned income received or reasonably anticipated to be received in the month of application shall be deducted from the Basic Need Rate except income anticipated from first payday. Net income also includes income in-kind for basic need items, when that item is provided in full. The Basic Need Rates shall be reduced per the Income-In-Kind table when appropriate. In addition, overpayments from prior months, initial aid payments, and vendor payments shall be considered Adjustments which must also be subtracted from the Basic Need Rates.

Note: When determining the GR grant amount, carry dollars and cents to the end of the computation, then drop the cents for the actual grant amount (for example, for a grant determination of \$145.86, cents are dropped and \$145 is issued to the recipient). Do not round up or down.

C. Excess Income

If the applicant's total net income is more than the Basic Need Rate in the month of application, the applicant is ineligible to GR for that month.

D. Initial Grant with Income Received

If the applicant's total net income already received in the month of application is less than the Basic Need Rate, the income is to be prorated at the appropriate daily rate (determined by the number of days in the month) to determine the initial grant amount.

Example: Single applicant has received \$75.50 income and is found eligible on April 16.

Step	Action
1	$\$303^* - \40 (medical in-kind) = \$263 (Basic Need Rate)
2	$\$263 - \$75.50 = \$187.50$ (Basic Need Rate less income)
3	$\$187.50 \times .5 = \93.75 (drop cents) = \$93 (prorated amount)

*Example is based on grant values as of February 1, 2014.

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E. Initial Grant with Anticipated Income If the applicant reasonably anticipates the receipt of income, the net income is to be subtracted from the Maximum Basic Need Rate.

F. Conversion Factor Table The conversion factor table, located in [Appendix D](#), is used to prorate grants. The basic need rate is multiplied by the conversion factor to determine the prorated grant.

G. Prorate Charts The prorate charts, located in [Appendix E](#), may be used to determine prorated grants for single applicants and married couples who receive the maximum grant, and for persons in Board and Care. These charts have the conversion process detailed in [E](#), above, already completed.

If the applicant has income in the initial month, the grant shall be the basic need rate minus income received and then prorate.

H. Ongoing Grant The net income that can be reasonably anticipated in the future month (prospective budgeting) based on the recipient's Monthly/Quarterly Eligibility Report for (CW 7/QR 7) shall be subtracted from the Maximum Basic Need Rate and the balance shall be the amount of aid authorized for the entire month.

If ...	Then the ...
unemployability is to expire (recipient becomes employed),	grant amount shall be determined by prorating the Basic Need Rate through the date unemployability expires, and subtracting any anticipated income from the prorated amount.
the balance is zero or a negative amount,	recipient would not be eligible for aid in that month and therefore would be discontinued at the end of the prior month.

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