

9. Semi-Annual Report (SAR 7) and Reporting Responsibilities

9.1 Eligibility/Status Report - Semi-Annual SAR 7 (EAS 40.181.22)

Eligibility and benefits for a six-month period are based on information provided on the “Eligibility/Status Report - Semi-Annual” (SAR 7) and will be determined using prospective budgeting and income-averaging rules.

CalWORKs AUs are required to report all changes affecting eligibility and grant amount in the Semi-Annual Reporting (SAR) Period and any anticipated changes in the upcoming SAR Payment Period on their SAR 7. If the recipient fails to provide the report requested by the deadline, then the AU’s grant will be terminated.

The EW must use the SAR 7 to determine continued eligibility and ensure that all information reported during the Payment Period is included on the SAR 7. The EW must compare the information on the SAR 7 to information on mid-period reports and in the case comments.

If the information reported on the SAR 7 is inconsistent with the information provided in any mid-period reports, the EW must contact the client to resolve the discrepancy. If the EW is unable to contact the client or resolve the discrepancy from such contact, the SAR 7 must be considered incomplete.



Note:

The SAR 7 may also be used to request CalWORKs for an optional person. [\[Refer to “Mandatory Members of the AU,” page 4-5\]](#) for requesting CalWORKs for mandatory persons.]

9.1.1 SAR 7 Requirement

All CalWORKs Assistance Units (AUs), including Zero Basic Grant cases, must submit a SAR 7 once per year; six months after their Beginning Date of Aid (BDA) or annual Redetermination (RD). The SAR 7 is mailed to the client on the last working day of the Data Month (the fifth month of the six-month period) and is due to the county between the 1st and the 5th of the Submit Month (the sixth month of the six-month period). SAR 7s that are not received by the 11th of the SAR Submit Month are considered late.

9.1.2 Extended Filing Date

In Annual and Semi-Annual reporting, this is the first working day of the payment period.

It is the final date by which an AU must submit a complete SAR 7, including all required verification, without a break in aid.

For more information [Refer to “If the FET is NOT passed, discontinue the case. [Refer to “Review Process,” page 9-9].,” page 9-9].]

**Note:**

The AU must submit the original SAR 7, not a copy.

9.1.3 Continuing Cases

All CalWORKs AUs which are ACTIVE in CalWIN will automatically receive a SAR 7 and a postage paid business return envelope which will be mailed on the last working day of the Data Month.

9.1.4 New Applications and Restorations Activated After Mid-Month Cutoff

All new applicant AUs (including restorations) granted CalWORKs after the SAR 7 transmittal run dates MUST BE MANUALLY ISSUED A SAR 7. A manual SAR 7 needs to be generated from the **Print a Form/Other Correspondence Manually** window and mailed with a postage paid return envelope. The computerized process does not include cases activated after the above dates. Insure that the EW number, recipient's name and address, case number or SSN and REPORT MONTH are shown on any manually issued SAR 7.

Explain the SAR 7 reporting procedures to all applicants including:

- The SAR 7 reporting responsibilities,
- The requirement to return the SAR 7 between the 1st and 5th of the submit month (if the 5th falls on a weekend or holiday, it is due the first business day following the 5th), and
- How to properly complete the SAR 7.

**Note:**

The “How to Fill Out Your SAR 7” (SAR 7A) is used when discussing SAR 7 procedures. This must be provided to all applicants at Intake, and may also be used at any other time, such as at redetermination (RD) or when the client has a problem completing the SAR 7.

9.1.5 SAR 7 Translations

The CalWIN system provides the SAR 7 in English, Spanish, Vietnamese, Chinese, and Russian (if the language is marked correctly in CalWIN).

9.1.6 DocuSign SAR 7

The Semi-Annual Report (SAR 7) is available in DocuSign format for clients to complete and sign. Before sending the document to the client, all required fields must be completed by the Eligibility Worker (EW). The case number, case name, client address etc. must all be entered on the form prior to sending it to the client via DocuSign. Once the SAR 7 is completed and returned by the client EWs will update the SAR 7 status in CalWIN then print the SAR 7 and place it in the designated IDM area for clerical staff to image.



Note:

The requirements for completing the SAR 7 via DocuSign are the same as a paper SAR 7 and workers are still responsible for obtaining the required signatures on the SAR 7.

9.1.7 Reasonably Anticipated Income at SAR 7

Income is “reasonably anticipated” when the recipient and the EW determines it is reasonably certain that the recipient will receive a specific amount of monthly income in the SAR Payment Period. If the amount of income that will be received or when it will be received is uncertain, the portion of the AU’s household income that is uncertain must not be counted.

Under SAR, recipients will no longer be required to report an exact amount of anticipated monthly income for each month of the SAR period. Instead, recipients will be required to provide information for the Data Month and any anticipated changes in the six months following the Submit Month. The income received in the Data Month is considered reasonably anticipated and will be used in the budget calculations, unless the recipient reports that they anticipate a change in the upcoming SAR Period.

If an AU anticipates new income from a new source in the upcoming SAR Payment Period, such as a new job or UI benefits, this income must be considered reasonably anticipated if it is determined that:

The AU verifies that the income has been or will be approved or authorized within the upcoming SAR period, or the household is otherwise reasonably certain that the income will be received within the SAR period,

The anticipated amount of the income is known and verified, or the AU is otherwise reasonably certain of the amount of the income; and

The start date of the income is known and verified, or the AU is otherwise reasonably certain of the start date of the income.

**Example:**

A father finds employment as a day laborer and doesn't know in advance which days he will be working or how much he will be earning. This income can't be reasonably anticipated for the upcoming SAR Period and should not be prospectively budgeted.

If an AU anticipates new income, but does not have reasonable certainty of the dates and amounts expected to be received, this income cannot be considered reasonably anticipated and therefore cannot be used in determining the benefits for the upcoming SAR Payment Period. If the new income exceeds the IRT mid-period, then the recipient would have to report it and benefits will be recalculated as necessary.

If the AU's monthly income fluctuates or they expect the income received in the Data Month to change in the upcoming SAR Payment Period, the EW must attempt to find out the amount of income the AU reasonably expects to receive, in order to determine what income if any, can be reasonably anticipated and used in the next SAR Payment Period's benefit calculation. Only that portion of income that the AU reasonably anticipates it will receive can be used in the benefit calculation. If, for example, a recipient has fluctuating income, but agrees that she usually makes at least a minimum of \$200 a month, the minimum anticipated income can be anticipated. If however, a recipient can't anticipate an amount or if she will get paid in the upcoming semi-annual period, then no income can be reasonably anticipated.

New income cannot be anticipated unless the AU is reasonably certain of the amount of income and the start date. If an AU reports that they expect their income to change or stop but are uncertain of when or by how much, the EW cannot reasonably anticipate this change. If the recipient states that the Data Month income is NOT typical, explains why and lists an estimate of future income, the recipient's estimate of future income must be used as long as there is no conflicting information. Additionally, if the recipient states that their income fluctuates so much that they can't anticipate any income, no income will be counted. If the EW disagrees that the income is too unpredictable to anticipate, it must explore with the applicant or recipient what amount, if any, can be reasonably anticipated and document the basis for the amount used in the CalWIN **Maintain Case Comments** window.

The EW must also explain to the AU that if their actual income is less than the anticipated income, the recipient should make a mid-period, voluntary report of decreased income and provide verification so that the EW may increase their benefit amount mid-period.

**Example:**

#1 - A client reports that he believes he qualifies for \$400 in Unemployment Insurance Benefits (UIB). There is no finding of eligibility and no statement of when the benefits will start. This income can't be reasonably anticipated. If however, the recipient provided a copy of the UIB check or a statement that benefits would begin on a certain date, the income could be reasonably anticipated.

**Example:**

#2 - A client reports being told at an interview that she got the job. She is aware of a salary range, but has no further information. This income cannot be treated as anticipated. If however, the recipient knows her start date, anticipated wage amount and expected hours, then the EW should consider this income to be reasonably anticipated as of the date the income will begin and use this income in the benefit calculation for the next SAR Payment Period. The EW shall document the recipient's statement of start date, expected hours, and wages in the case file to substantiate the recipient's estimate.

**Example:**

#3 - A client is a waitress and doesn't earn the same amount each month because of extra shift opportunities, shift cut-backs and variances of tips received, but she states on the SAR 7 that the reported Data Month's income is "typical." The EW must count that income as reasonably anticipated for the next semi-annual period. If, however, the recipient never has any regular shifts or hours, and the employer or prior income history substantiates that there is no minimum amount of income expected, or the recipient explains changes that have occurred or why the historical minimum income can't be reasonably anticipated, then this income can't be reasonably anticipated and will not be used to determine the benefit amount for the upcoming semi-annual period.

**Example:**

#4 - A client's income varies between \$200 and \$400 a month and the employer can't confirm the earnings or schedule, but the recipient states that earnings are usually at least \$200. The EW must list \$200 as reasonably anticipated income. If the recipient's income varies dramatically (for example someone who is waiting for an on-call substitute position, who doesn't know whether there will be any work or any minimum hours) there is no income that can be reasonably anticipated and no income will be budgeted.

**Example:**

#5- A client was paid bi-weekly, but reports that she was laid off. She has applied for UIB, but has not heard from EDD. No income will be budgeted as she does not know how much she will receive from EDD or when her payments will start. Her prior pay history can't be used because the job has ended and she can't reasonably anticipate any income.

The following chart should be used to determine income that is reasonably anticipated by the AU:

If the AU...	Then...
Reports income they anticipate to receive in the next six-month payment period,	<ul style="list-style-type: none"> • Determine if the anticipated income is fluctuating or stable • Adjust the budget for the next payment period accordingly, and • Send a timely NOA.
Is unable to provide an estimate of the anticipated income,	<ul style="list-style-type: none"> • Contact the client for additional information and determine what can be reasonably anticipated, or • With the client’s authorization, contact the employer or other source of income when necessary • Adjust the budget for the next payment period accordingly, and • Send a timely NOA.
AND the EW are unable to determine an estimated income amount and are unable to contact the source,	Do NOT anticipate this income in the upcoming payment period.



Note:

EWs should use any historical budget information that may be considered to determine reasonably anticipated income for future payment periods.

9.1.8 Income Reporting Threshold (IRT)

CalWORKs recipients subject to SAR must report verbally or in writing within 10 days when their income exceeds the IRT for their AU size, even if the income is received mid-year. The income over the IRT level continues to be a mandatory mid-period report requirement. The IRT level of income is lower and grants may be decreased as well as discontinued mid-period based on a report of income over IRT.

There are two tiers of the CalWORKs IRT. If any member of the AU or any member of the Family MAP (including certain excluded persons) has earned income, the CalWORKs AU is required to report when the total combined gross monthly income, earned and unearned, of all persons included in the Family MAP exceeds the **lesser of the following two amounts**:

Tier 1- \$978 -55% of the Federal Poverty Limit (FPL) **plus** the amount of income last used to calculate the AUs monthly benefits or;

Tier 2- 130% of the FPL.

Income that must be reported for IRT purposes includes income that is required to be reported for penalized, excluded and timed-out individuals, as well as the income of persons not in the AU who were included in the determination of income eligibility and grant amounts.

Because each family will have different amounts of earned and unearned income, the exact amount of income that will make each family ineligible for CalWORKs varies.

If the AU has...	Then they are required to report within 10 days when...
Earned income only or a combination of earned and unearned income,	The AU's <u>total</u> income exceeds the IRT. Note: AU's total income includes income from AU and non-AU members.
No income or unearned income only,	They receive gross earnings that, once combined with other household income, exceeds IRT.
Unearned income only (including disability-based unearned income),	They receive earned income that, once combined with unearned income, exceeds IRT. Note: AUs with unearned income only, are NOT required to report when that income by itself exceeds the IRT mid-period.



Note:

Recipients may report nonrecurring lump sum income when it exceeds the IRT by itself or in combination with other AU income; however, recipients are not required to report nonrecurring lump sum income mid-period, as nonrecurring lump sum income is to be treated as property in the month received and any subsequent months.

9.1.9 Informing Recipients of Their IRT

The informing notice that provides the IRT limits must be individualized for each AU. Each AU must be informed of their IRT at least once per SAR payment period or whenever the AUs IRT changes. Additionally, the AU must be informed of the new IRT levels at any time the IRT chart is updated. The IRT level in which the AU was last notified must be used for reporting purposes until the AU has been notified, in writing, of any applicable IRT change.

The IRT must be provided to the CalWORKs AU using the “Reporting Changes for Cash Aid and CalFresh” (SAR 2, AR 2 SAR, or AR 2 CR) form as appropriate upon approval of application and at any time the AUs IRT changes during the payment period.

9.1.10 IRT Reporting Requirements

If any member of the AU or any person included in the Family MAP has earned income or begins receiving earned income, the AU is required report when:

- The family’s **combined** gross monthly income, earned and unearned, exceeds the IRT at any time during the six-month payment period.

- An AU that has earned income only or a combination of earned and unearned income must report when the family’s combined gross monthly income exceeds the AU’s IRT.
- An AU that has no income or has unearned income only must report if they begin to receive **earned income** that, once combined with other family income, exceeds the AU’s IRT.



Note:

An AU with unearned income only (including disability-based unearned income) is not required to report when that income by itself exceeds the IRT in payment period.

When income reported exceeds the IRT and the AU is no longer eligible, the EW must determine if the income will continue at that level.

If...	Then the EW...
<ul style="list-style-type: none"> • The income will continue at the same level, <p>AND</p> <ul style="list-style-type: none"> • The recipient is determined to be financially ineligible, 	<ul style="list-style-type: none"> • Will discontinue the recipient at the end of the month in which a timely and adequate NOA can be provided. <p>Note:</p> <p>If the AU reports that the income will no longer exceed the IRT prior to the effective date of the discontinuance, and the EW determines that this is reasonably anticipated, the discontinuance must be rescinded.</p>
<ul style="list-style-type: none"> • The income is only expected to exceed IRT for one month, 	<ul style="list-style-type: none"> • Will not discontinue the case. <p>NOTE: If the income reported indicates a decrease in the income previously anticipated for the six-month payment period, this should be treated as a mid-period report and a supplement must be issued for the remaining month(s).</p>

9.1.11 Recipient Financial Eligibility Test (FET)

To determine financial eligibility when processing the SAR 7, determine whether the income is recurring or nonrecurring:

- If the income reported is **nonrecurring** it will be treated as property in the month received and NOT used to determine the grant amount. [\[Refer to “Property - General,” page 14-1\]](#)
- If the income reported is **recurring**:
 - Complete the Financial Eligibility Test (FET) for the future six-month payment period, using the income that you anticipate the family will receive in the future six-month payment period.
 - If the FET is passed based on the reasonably anticipated income, compute the grant for the future payment period.

- If the FET is passed but the Non-Exempt Net Income is over MAP but under the Tier 2 IRT level, the family is eligible for a Zero Basic Grant.
- If the FET is NOT passed, discontinue the case. [Refer to “Review Process,” page 9-9.]

9.2 Processing a SAR 7

9.2.1 Rule

Process a SAR 7 for each active CalWORKs case according to their individual SAR Cycle. Processing includes a complete review and comparison of the information provided on the SAR 7 with that in the case record. This is true whether there is income or not, as there may be other information which requires action.

The important factors are to:

- Review the IRT level and eligibility of each continuing CalWORKs case, and
- Make necessary changes early enough to give the recipient an adequate, timely notice.

9.2.2 On-Line Caseload Listing

While processing the SAR 7, review the on-line caseload listing, “Recently Closed, Open, and Pending Cases by Caseload” (CDS 608) from Business Objects-InfoView, to determine if there is other information that must be acted upon. This includes, reassessing the parent/caretaker relative work registration requirement.

9.2.3 Review Process

When a SAR 7 is received, clerical scans the SAR 7 into CalWIN and captures it in IDM with any attachments. The SAR 7 is then discarded and the attached original verifications are returned to the

client. The CalWIN system sends an alert to the EW of record that a SAR 7 for the case has been received. The SAR 7 must be processed by reviewing the following information:

STEP	ACTION
1.	<p>Review the report for completeness by comparing the current SAR 7 to the information in the case record and resolve any discrepancies:</p> <ul style="list-style-type: none"> a. Clarify any change when the income stops or changes from the amount previously anticipated. If the change can be verified, (e.g. Unemployment Insurance Benefits [UIB], State Disability Insurance [SDI], Workmen's Compensation, etc.), the appropriate notice indicating the changed must be viewed. If the change cannot be verified, (i.e. child support), the recipient's statement documented on the Maintain Case Comments window is sufficient. b. Review the social security number listed on the pay stub against the social security number listed in the case. c. Verify with the employer the ending date of employment and the final check issued using the "Request for Information from Employer" (SCD 549) or a complete employer's statement, when employment ceases. d. Review for possible UIB, SDI, Social Security payments, or other potential income when earnings cease. e. Request any additional information required from the recipient (e.g. birth certificate for the newborn, social security number, adding person to the AU, etc.). Send a request, and provide a date (10 days from the date being requested) for the information or verification to be returned. Do not send the "Y" NOA. If the requested information is not provided by the 10-day timeframe, then take appropriate action to discontinue the case.

STEP	ACTION
2.	<p><u>Report is incomplete:</u></p> <ol style="list-style-type: none"> a. Attempt to make personal contact with client: <ul style="list-style-type: none"> • If contact is made attempt to complete SAR7 and assist to gather all necessary verifications to complete the report. • If unable to contact client a case comment must be entered indicating, how contact was made, (phone or text), the outcome and indicate the SCD 2251 is on file. b. Record “Incomplete-Not OK” in the Maintain Periodic Reports Program Details window under the Program Status field of all appropriate programs as well as the “Incomplete Reasons.” c. Record “Returned” in the Maintain Periodic Reports Details window under the “Status” and the date returned. d. Reprint the SAR 7 and mark that it is a reprint for future processing purposes. e. Send the reprint of the SAR 7 to the client with the “SAR 7 Incomplete-Discontinuance Reminder” notice (NA 960 Y SAR). f. Let the discontinuance stand if a SAR 7 is received that is still incomplete. Notify the recipient, using a SAR 90 “Reminder Letter”, that the SAR 7 received was incomplete and what missing verifications are needed or which questions must still be completed. The discontinuance cannot be released until a correct and complete SAR 7 is on file. <p> Important: Personal contact is a phone call or a text message. If a text is used a signed (SCD 2251) consent form must be on file and case comments must clearly state that the consent was received.</p>
3.	<p><u>Report is complete:</u> Record “Completed” in the Maintain Periodic Reports Program Details window under the Program Status of all appropriate programs as well as the types of changes.</p> <ol style="list-style-type: none"> a. Determine financial eligibility (FET) for the future payment period based on anticipated gross income if a change of income is reported. b. Enter the new gross income in the Collect Income Received Detail window for earned income or Collect Unearned Income Detail window for unearned income in the Data Collection subsystem. Refer to Online Users Manual (OLUM) for step-by-step instructions on how to enter income in CalWIN. c. Follow up on any changes reported on the SAR 7 such as: <ul style="list-style-type: none"> • New address - Enter on the Collect Individual Demographic Detail window and review if the new address requires an intercounty transfer. • Determine the new rent and utilities and the effective date. • Send a “Would You Like to Register To Vote?” form SCD 508 when the new address remains in Santa Clara County.
4.	Enter the necessary documentation as required in the Maintain Case Summary window.
5.	Run EDBC and Initiate Wrap-Up
6	Review the result displayed on the Display Eligibility Summary window and authorize benefits.

9.2.4 Documentation

Document on the **Maintain Case Comments** window that the SAR 7 was processed and any reported changes in the AU's situation. When there is a change of address (within Santa Clara County), send an SCD 508 and document the date it was sent in the **Maintain Case Comments** window.

9.2.5 Determining When the SAR 7 Is Complete

The recipient must report on the SAR 7 all changes which have occurred since the last SAR 7 through the current data month, even if they have already been reported in other ways such as during an office visit or by a telephone call.

Criteria for Completeness of the SAR 7

1. The form is dated (any date).
2. The SAR 7 must be signed by each natural or adoptive parent or aided spouse of a parent or other caretaker relative living in the home, unless an individual specified is temporarily absent from the home.
3. All income including earned, unearned, exempt, and non-exempt income received during the SAR Data Month and income reasonably anticipated to be received during the next SAR Payment Period must be reported.
4. Proof of income submitted with the SAR 7 includes but is not limited to: pay stubs, letters of award or benefits (such as unemployment, disability, or Social Security), statements showing interest income, dividend income, tax return showing the amount of EIC received, etc.
5. The response to all questions pertaining to CalWORKs eligibility and grant amount must be provided on the SAR 7. The information provided on the SAR 7 together with the submitted proof must be sufficient for the EW to determine ongoing eligibility and grant amounts.
6. If the "yes" or "no" box is not checked but the recipient has written or provided clear and complete information in answer to the question, the question is considered answered. In the following situations the question must be considered COMPLETE:
 - The "no" box is checked. No further information is given.
 - The "yes" box is NOT checked but the information is provided on the SAR 7 and the required proof is attached.
 - The "yes" box is checked, the information is NOT provided anywhere on the report but the required proof (including when received) is attached showing ALL of the information necessary to determine eligibility and benefit amounts.

- The “yes” box is NOT checked, the information is NOT provided on the report but the required proof (including when received) is attached showing ALL of the information necessary to determine eligibility and benefit amounts.

When the information on the SAR 7 is consistent and meets the completeness criteria above, it will be considered complete. **However, if contradictory information is received from another source, such as from Employment Services or another EW, the case must be placed in suspense (“Y”) hold until the contradiction is cleared up.**

**Note:**

Since they are also signed under penalty of perjury, faxed or scanned SAR 7s are acceptable. If questionable, follow-up by requesting that the original also be sent in. Additionally, the SAR 7 may be completed in ink or pencil.

9.2.6 SAR 7 Not Received by the 11th of the Submit Month

The SAR 7 is due between the 1st and 5th of the submit month. If the recipient fails to return a correctly completed SAR 7 within this period, the EW is required to contact the client by the 15th of the month to determine the AU’s current eligibility.

On the first working day after the 11th calendar day of the submit month, or on the first working day following the 11th, if the 11th falls on a weekend or holiday, an “X” NOA will be generated through the AUTO-X Hold process in CalWIN and a system generated alert is sent to the EW.

There are two mandatory ways to contact a client for CalWORKs, RCA, TCVAP:

- Personal Contact per Assembly Bill (AB) 79, and
- Balderas Reminder personal contact and notification.

Assembly Bill (AB) 79

Assembly Bill (AB) 79 mandates that the EW must attempt to make a personal contact to the household after the “X” discontinuance NOA has been sent in order to attempt to complete the SAR 7. This personal contact must be made before the monthly “Immediate NOA Cutoff” date.

Per AB 79 personal contact is a phone call or a text message. If a text is used a signed (SCD 2251) consent form must be on file and case comments must clearly state that the consent was received.

1. Text/Email Message: When sending a text using “Message Media,” the message must include the EW’s direct telephone number for the client to call for assistance.
2. Telephone Contact: If the EW successfully reaches the household, the EW must:

- Explore any missing or unclear information with the household and complete the report over the phone if the household agrees.
- Attempt to collect the information needed to complete the report, except for signing the report, on behalf of the client. TS must be used to capture the client's signature.

**Note:**

For guidance for the script and process, refer to DEBS Common Business Processes (DCBP) Chapter 28.

Balderas Reminder Personal Contact and Notification

The EW must attempt to contact the recipient by telephone to **remind** him/her of his/her reporting responsibilities. If unable to make telephone contact, Balderas Reminder Notice (M40-181C-SAR) is mailed to the recipient and the attempted contact must be documented on the **Maintain Case Comments** window.

CalWIN will generate automated calls to clients as another reminder when their SAR 7 has not been received by the county. These calls are made after the 11th of the month but **do not replace the need for the EWs to make an attempt to contact the client by telephone.**

9.2.7 SAR 7 Received Incomplete

If an incomplete SAR 7 is received, per AB 79, a personal contact must be made to the recipient to attempt to complete the SAR7 and the EW's action documented on the **Maintain Case Comments** window. If the EW is unable to reach the recipient, the reasons for this must also be documented on the **Maintain Case Summary** window (i.e., "not home", "wrong number") and that the Balderas Reminder Notice (M40-181C-SAR) was mailed to the recipient.

The status of the incomplete report and the reason must be entered on the **Maintain Periodic Reports Program Details** window for CalWIN to generate a "SAR 7-Incomplete-Discontinuance Reminder NOA (NA 960 Y SAR)." The telephone call or the Balderas Reminder Notice meets the requirement for a face-to-face appointment with the recipient.

**Reminder:**

If the SAR 7 was received timely (by the 11th of the Submit Month) but was not processed or was processed incorrectly by the county, then an Administrative Overpayment must be established if the assistance unit received more benefits than to which it was entitled for the six-month payment period.

9.2.8 Incomplete SAR 7 Received After "X" NOA Mailed

When an incomplete SAR 7 is received **after** the "X" NOA has been sent, the EW must:

- Attempt to contact the client by phone, and
- Send an SAR 90 “Reminder Letter” to obtain missing information or documents.

The NA 960 Y SAR (Y NOA) must **NOT** be sent to the client when an incomplete SAR 7 is received after NOA Cutoff.



Note:

A “Y” NOA sent with less than a 10 day notice is invalid and will invalidate the previous “X” NOA that was sent out in a timely manner. The “X” NOA is still valid as it requires the client to submit a COMPLETE SAR 7 to stop the discontinuance action.

[Refer to “Completion of SAR 7 by Telephone” pg. 9-25 for additional options]

SAR 90 “Reminder Letter”

The SAR 90 form is not a NOA and will not reset the 10-day notice requirements or the case discontinuance date. The questions in need of answering or verifications needed for the SAR 7 to be complete must be specified on the SAR 90. Workers must also identify the programs affected. If the form is complete for one program, but not the other, only check the box for the program still needing additional information.

9.2.9 Complete SAR 7 Received Late (After the 11th of the month)

Issuance Deadline

Benefits must be issued as soon as possible to an eligible assistance unit that files a complete SAR 7 in the last 10 days of the submit month or on the extended filing date. The EW must ensure that benefits are issued within 10 days after the normal issuance date.

Before Month-End Cutoff

An Other Overpayment **MUST** be established when a recipient submits a late SAR 7 (after the 11th of the SAR submit month) which results in the assistance unit receiving more benefits than to which it is entitled because of the county’s inability to decrease benefits due to the 10-day notice requirement.

Process the SAR 7 as if it had been received before NOA cutoff. Follow the chart below when determining the amount of benefits.

IF BENEFITS WILL...	THEN...
Increase or remain the same,	<ul style="list-style-type: none"> • Revise the budget. • Issue benefits in a timely manner. • Send an automated NOA, if applicable.
Decrease,	<ul style="list-style-type: none"> • Issue benefits for at least the same amount as was indicated on the last valid NOA sent. • Make a mid-period change for the remaining months of the payment period to decrease benefits. • Obtain a signed 10-day NOA waiver from the client or establish an “Other” overpayment for the 1st month of the SAR payment period which occurred due to the inability to decrease benefits with a 10 day notice.

After Month-End Cutoff

After Month-End cutoff, restore the case as an erroneous discontinuance then follow the directions above for “Before Month-End Cutoff”.

9.2.10 When to Place the Case in a “Y” Hold Status

ALL OF THE FOLLOWING REQUIREMENTS MUST BE MET; if not, THE CASE MUST BE PLACED IN “Y” HOLD STATUS. If the recipient does not complete the SAR 7 or provide the required verification, the case must be discontinued at the end of the month.

1. The address along with information provided on the SAR 7 must be sufficient for county administrative purposes including the ability to locate the recipient.
2. Questions must be answered “yes” or “no.”
3. If any question is left blank but the response in the comments section or attached proofs give clear and complete information sufficient to answer the question, the question is considered complete.
 - If any question is answered “yes,” then sufficient information must be provided in the comments section to make any required eligibility determination. If information is insufficient or additional verification is needed to clear eligibility, it may be necessary to place the case in a “Y” hold status.

4. The SAR 7 must be SIGNED by each natural or adoptive parent of the child(ren) in the AU, each caretaker relative and the aided spouse of the parent or caretaker relative living in the home, unless an individual so specified is temporarily absent from the home. If the signature of any required person is missing, “Y” the case. These persons include:
 - The minor mother living with her aided senior parent(s).
 - The aided stepparent. Unaided stepparents do not need to sign the SAR 7.
 - All parent(s) of the aided children living in the home, whether the parents are aided or not, when another relative is the caretaker relative.
 - A parent who meets the temporary absence rule may be excused from signing if there is another parent or caretaker relative in the home that may sign the SAR 7. [[Refer to “Determination of Temporary Absence \[EAS 82-812\],” page 25-15.](#)]
5. ALL INCOME received in the DATA MONTH including gross earnings, unearned-disability-based, exempt and nonexempt of the AU member(s) and certain Non-AU member(s) in the home must be reported.
 - EARNED INCOME — verification from the employer of the gross earnings (before deductions) as well as the date received is necessary. The “Income/Profit and Loss Statement” (CSF 32) is not required if the client chooses to use 40% of self-employed income as the self-employed business expense deduction. The gross self-employment income must then be reported on the SAR 7.
 - UNEARNED INCOME and DISABILITY BASED INCOME— verification of amount is necessary:
 - At beginning eligibility determination,
 - At initial receipt of payment, or
 - Any change in the amount of payment.
 - At annual redetermination (RD).
6. ALL ANTICIPATED INCOME for the next payment period including earnings, unearned-disability-based, exempt and nonexempt of the AU member(s) and certain Non-AU member(s) in the home must be reported.
7. A COMPLETED “Sponsors Semi-Annual Income and Resources Report” (SAR 72) must be submitted with the SAR 7 when the recipient is a sponsored non-citizen.
8. A COMPLETED “Supplemental Semi-Annual Income Report” (SAR 73) must be submitted with the SAR 7 when the recipient is a minor parent living in the home of an unaided senior parent.

- 9. All information on the SAR 7 must be consistent with other information which the EW has verified as accurate. If there is an inconsistency which brings eligibility or the grant amount into question, place the case in “Y” hold status.
- 10. When the recipient reports any change or circumstance by telephone or on a voluntary mid-period report and the information is not reported on the SAR 7, the SAR 7 must be considered incomplete.

9.2.11 SAR 7 Processing Time Frame [40-181.2]

The following chart shows the time frames used in the SAR 7 process.

Stage	Who	When	Action
1.	Recipient	Between the 1st and the 5th of the Submit Month.	Fails to submit the SAR 7.
2.	CalWIN	Auto X Hold Process Cutoff (between the 11th and 13th)	Generates the “X” NOA through the Auto-X process and mails to the client if a SAR 7 is not logged in as received.
3.	EW	After CalWIN generates the X NOA.	<p>AB 79 Personal Contact:</p> <ul style="list-style-type: none"> • AB 79: A phone call or text must be made to contact client. If contact is made attempt to collect all information to complete SAR 7. • Document on the Maintain Case Comments window that an attempt was made, method and outcome. (If text message was sent, document SCD 2551 has been received). <p>Balderas Personal Contact Reminder:</p> <ul style="list-style-type: none"> • EW must attempt to make Balderas personal contact (face-to-face or telephone) with the recipient. • Document on the Maintain Case Comments window that an attempt was made and the method.

Stage	Who	When	Action
4.	EW	SAR 7 received after X NOA sent, but is incomplete .	<ul style="list-style-type: none"> Record “Incomplete-Not OK” in the Maintain Periodic Reports Program Details window under the Program Status field of all appropriate programs as well as the “Incomplete Reasons.” Record “Returned” in the Maintain Periodic Reports Details window under the “Status” and the date returned. Reprint the SAR 7 and mark that it is a “reprint” for future processing purposes. Send the reprint of the SAR 7 to the client with the “SAR 90 “Reminder Letter” indicating: <ul style="list-style-type: none"> •Which programs are affected, •Which questions still need to be answered, and •What verification(s) is still missing.
5.	CalWIN	A complete SAR 7 is not received 5 days prior to the end of the month.	Sends the Balderas Reminder Notice (M40-181C SAR) to clients and generates an automated outbound call informing clients that their SAR 7 has not been received.
6.	EW	By the close of the 1st work day of the Payment Period.	Rescinds the discontinuance if the recipient turns in a complete SAR 7.
7.	EW	Within the month following the discontinuance for an incomplete SAR 7 or for non-submission of a SAR 7,	Restore benefits without requiring a new application or intake interview, if all other eligibility criteria are met. Benefits are determined based on the information provided on the completed SAR 7 and prorated from the date the complete SAR 7 is received.

9.2.12 Mandatory Mid-Period Reports for Semi-Annual Reporting [EAS 44-316.32]

The AU must report verbally or in writing, specific changes during the SAR Payment Period. These mandatory reports must be made within 10 days of when the change becomes known to the AU. The following occurrences are considered mandatory reporting and must be reported by the AU mid-period:

- Fleeing felon status
- Violation of conditions of probation or parole
- Address changes
- Income exceeding the Income Reporting Threshold (IRT).

9.2.13 Report of Fleeing Felon Status, Parole/Probation Violations

Individuals reported for Fleeing felon status and violation of conditions of probation or parole are ineligible for CalWORKs benefits and must be discontinued. The EW must take mid-period action to reduce or discontinue benefits, at the end of the month after a 10-day notice can be provided.

9.2.14 Change in Address

Out of County

When the AU reports moving to another county, cash aid will be discontinued mid-period at the end of the ICT transfer period.

When an address change within the county is reported, send a “Would You Like to Register to Vote?” form SCD 508 to the new address. Document in the **Maintain Case Comments** window the date the SCD 508 was sent to the client.

Out of State

If the AU reports moving out of state, the EW will terminate benefits in mid-period at the end of the month after a 10-day notice can be provided.

9.2.15 Report of Income Exceeding the Income Reporting Threshold (IRT) for Semi-Annual Reporting [EAS 44.316.324]

When anyone in the AU or anyone who is included in the Family MAP has earned income or begins receiving earned income, the AU must report within 10 days when their combined gross earned and unearned income exceeds their IRT.



Note:

An AU with unearned income only is not required to report when that income by itself exceeds the IRT in mid period.



Reminder:

It is not mandatory for an AU to report mid-period when a new member (who has not been added to the AU) has income in excess of the IRT if that person was not included in the current AU or Family MAP for the current SAR Payment Period.

When an AU reports receipt of income that exceeds the IRT, the EW must determine the AU's financial eligibility for the SAR Payment Period as follows:

If...	Then the EW...
<ul style="list-style-type: none"> The income will continue at the same level, <p>AND</p> <ul style="list-style-type: none"> The recipient is determined to be financially ineligible, 	<ul style="list-style-type: none"> Will discontinue the AU at the end of the month in which a timely and adequate NOA can be provided <p>Note:</p> <p>If the AU reports that the income will no longer exceed the IRT prior to the effective date of the discontinuance, and the EW determines that this is reasonably anticipated, the discontinuance must be rescinded.</p>
<p>The income is only expected to exceed IRT for one month,</p>	<p>Will not discontinue the case.</p> <p>Note:</p> <p>If the income reported indicates a decrease in the income previously anticipated for the six-month payment period, this should be treated as a mid-period report and a supplement must be issued for the remaining month(s).</p>



Example:

An AU's Payment Period is July, August, September, October, November and December. In June, the AU reports timely that their earned income exceeded the IRT for April due to overtime. When determining the reasonably anticipated income for the upcoming Payment Period for the AU due to the IRT report, it is discovered that the AU's income for the upcoming Payment Period will be less than IRT since she will no longer have any overtime pay. Since the income over the IRT will not continue, the AU is not discontinued. The EW must treat this information as a mid-period report and take no action to discontinue benefits. Benefits for the current Payment Period are not adjusted because the change does not result in ineligibility or increased benefits. If the recalculation results in an increase of cash aid, the grant increases for the upcoming Payment Period.

9.2.16 Refer to the following chart for procedures to follow on mandatory mid-period reports:

IF THE CLIENT REPORTS...	THEN THE EW WILL...
An Address Change - Out of State,	Discontinue the case mid-period- at the end of the month with a 10-day NOA.
An Address Change - Out of County,	Initiate an Inter-County Transfer (ICT) and discontinue cash aid mid-period (at the end of the ICT period.)
The AU/Family's total combined income exceeds the IRT,	Discontinue the case at the end of the month with a 10-day NOA IF the reported income will continue to exceed the IRT.
Fleeing felon status, or Violation of conditions of probation or parole,	<ul style="list-style-type: none"> • Take mid-period action to discontinue the individual with a 10-day NOA, • Reduce or discontinue benefits, as appropriate, at the end of the month after a 10-day NOA can be provided, and • Change Aid code if appropriate. <p>Note: Overpayments must be established for grants that were released at a higher level than the AU was entitled to receive when a timely 10-day NOA could not be provided.</p>

9.2.17 Voluntary Mid-Period Recipient Reporting for Semi-Annual Reporting

Recipients may voluntarily report changes in income and circumstances that may increase their grant at any time during the six-month Payment Period. **The EW will only take mid-period action on those voluntary reports that result in an increase to benefits.** Examples of changes that, when reported, might increase benefits include, but are not limited to the following:

- When the AU’s income decreases,
- Someone moves into the home,
- An AU member becomes pregnant, or
- A teen becomes pregnant or gives birth and meets Cal-Learn requirements.

When a recipient voluntarily reports a change mid-period (payment month and submit month), the EW will NOT take action during the current period IF it would decrease the grant or make the AU ineligible. The EW will send a NOA informing the AU that the voluntarily reported information did not change their benefits and remind the recipient to report this change on their next SAR 7.

**Note:**

If the EW becomes aware that an eligible child in the AU is deceased, benefits shall be decreased in the month following the month after the report month (2 months later). If the death of an aided child occurs on June 15th, the soonest the grant can be decreased is August 1st.

When a client voluntarily reports new employment or the EW discovers the client's new employment through other verified sources, the EW must follow up by obtaining a completed SCD 549A or employer's statement or pay stub. A faxed SCD 549, employment statement, or pay stub is acceptable. The EW must enter the new employment information into the **Collect Employment History Detail**, **Collect Earned Income Detail**, and the **Collect Employment Received Detail** windows of CalWIN and ensure CalWIN determines the correct Use Effective Month (UEM) according to the SAR regulations.

**Note:**

The EW must NOT take action to reduce or discontinue cash aid mid-period based on the SCD 549A, employer's statement, or pay stub unless the client's income exceeds the Income Reporting Threshold (IRT) levels.

**Reminder:**

The EW must notify the Employment Counselor (EC) of the client's new employment via e-mail or phone.

9.2.18 County Initiated Mid-Period Actions for Semi-Annual Reporting

In addition to making mid-period adjustments to benefits as a result of mandatory and voluntary recipient reports, the EW must also act on certain changes in eligibility status at the end of the month in which a timely and/or adequate notice can be provided. EWs must take action mid-period on the following changes:

- An adult reaches the CW 48-month lifetime limit;
- A sanction or financial penalty is imposed or removed on individual members of the AU;
- A Cal Learn participant earns a Cal Learn bonus or sanction;
- A child reaches the CalWORKs age limit;
- A child is placed in Foster Care;
- A non-minor dependent is transferred into his or her own AU;
- Aid has been approved for a child or other individual who is currently aided in another AU;
- A State hearing decision results in mandatory changes mid-period;
- An AU becomes a Family Reunification case;
- A Refugee Cash Assistance (RCA) recipient reaches the 8 month RCA time limit;
- An Au member is no longer a resident of California;
- Information from a redetermination (RD);
- When it becomes known to the county that an AU member is deceased;

- An AU is transferred to a Tribal TANF program;
- Cost of living adjustments;
- When the county becomes aware that an individual is confined in a correctional facility on the first of a month and is expected to remain for a full calendar month or more,
- A late SAR 7 or RD/RC forms result in benefits needing to be reduced for the next SAR Payment Period (see “Reminder” below);
- An individual is terminated from TCVAP or is transferred to the federally-funded program.

**Reminder:**

If the county cannot decrease benefits due to an inability to provide a 10-day notice, benefits for the first month of the SAR Payment Period must be released at the prior level and an OP/OI assessed for that month. The county must take action to reduce benefits effective the first day of the next month in the SAR Payment Period when 10-day notice of decrease in benefits can be provided.

Reductions to Correct Erroneous Payments

When it is discovered that an AU/household is receiving an erroneous payment, the county must correct the error mid-period, even if it results in a decrease to the grant and allotment amount. However, recouping an OP/OI is not a county-initiated mid-period action, so the county may only initiate benefit adjustment/reduction in order to begin recoupment of an OP or OI at the beginning of a semi-annual period, unless it will not result in a decrease to benefits.

**Example:**

If recoupment of one OP/OI is completed mid-period, the county may begin recoupment on a second OP/OI in the following month, as long as the amount of the second recoupment is equal to or less than the first, so there is not a reduction to the benefit amount mid-period.

9.2.19 Effective Dates of Increased Grants

Action to increase the grant shall be based on when the change was reported, NOT when the change actually occurred. The effective date of the increase in cash aid is determined differently for increases due to decreased income than for increases due to adding AU members and are as follows:

- Increases due to decreased income are effective the first of the month in which the change is reported.
- Increases due to the addition of new AU members are effective the first of the month following the report of the change.

9.2.20 Mid-Period Status Report (SAR 3)

The Mid-Period Report Form (SAR 3) must be made available for clients who wish to report a mid-period change in writing. If a client chooses not to report a mid-period change in writing at the time of the change, the EW will document the following information the **Maintain Case Comments** window in CalWIN.:

- The date the change is reported.
- The date the change occurred.
- If the change(s) reported are Mandatory, indicate which change is being reported and any action required.
- If the change(s) reported are Voluntary, indicate which change is being reported and whether verification must be provided with 10 days.

9.2.21 Case Discontinued for Late SAR 7

When the recipient contacts the EW who closed the case **AND** returns the completed SAR 7 on the first workday of the SAR payment period, the EW must rescind the discontinuance and process the SAR 7.

When the recipient contacts the EW after the first workday of the SAR payment period, but before the end of the month from the discontinuance date, the EW must make a determination of good cause. If good cause exists, the EW must rescind the discontinuance and process the SAR 7. The good cause determination and the decision must be documented on the **Maintain Case Comment** window.



Example:

A recipient contacts the EW on July 7th. The EW discovers that the case was discontinued June 30th for not returning their SAR 7 in their submit month of June. When the EW asks the recipient why the SAR 7 was not returned, the recipient explains that she was in the hospital from June 18th until July 3rd and hands the EW the SAR 7. The SAR 7 indicates that the recipient had earnings in May (the data month). The EW determines that the recipient had good cause for not getting the SAR 7 in by the extended filing date as she was in the hospital on that day. The discontinuance is rescinded. The EW must take action on any overpayment that occurs.



Note:

If less than one month break in aid has passed, the case will be restored in continuing. If one month or more have passed since the discontinuance, the client must reapply for aid as a new applicant at intake. [Refer to [“More than One Month Break-in-Aid,” page 2-29](#).]

9.2.22 Completion of SAR 7 by Telephone

Eligibility Workers (EWs) shall complete the SAR 7 for clients and obtain their telephonic signature (TS) when the clients contact us in the following situations:

- their SAR 7 was submitted timely, but it is incomplete,
- they sent in their SAR 7, but we have no record of it or are unable to locate it,
- they receive an 'X' NOA and call their EW,
- their case is discontinued for failure to turn their SAR 7 in during the submit month and they contact us in the month following discontinuance.

Process

In any of the situations above, a SAR 7 may be completed by the Eligibility Worker (EW) with the client(s) on the telephone. When all the questions are answered, the EW will obtain and record the client's verbal consent and a recorded TS.

- Ask the client(s) each question as they are listed on the SAR 7.
- Include the Report Month, client's case number, name and address on the front of the SAR 7 report.
- Read or play recording of the "By signing this form" and "Certification - Fraud Warning" sections exactly as written on the SAR 7 to the client(s).
- If verifications are needed, inform the client that they must submit the missing verification within 10 days and send them a CW 2200 with a return envelope. Inform them that the case will not be restored until the verification that is needed (not available in the case) is received.

9.2.23

The Semi-Annual Report (SAR 7) is available in DocuSign format for clients to complete and sign. Before sending the document to the client, all required fields must be completed by the Eligibility Worker (EW). The case number, case name, client address etc. must all be entered on the form prior to sending it to the client via DocuSign. Once the SAR 7 is completed and returned by the client EWs will update the SAR 7 status in CalWIN then print the SAR 7 and place it in the designated IDM area for clerical staff to image.

The requirements for completing the SAR 7 via DocuSign are the same as a paper SAR 7 and workers are still responsible for obtaining the required signatures on the SAR 7.

9.2.24 Criteria for Determining Good Cause [EAS 40-181.23]

Use the following criteria to determine if good cause for a late SAR 7 exists:

- The recipient is suffering from a physical or mental condition which prevents timely and complete reporting.
- The recipient's failure to submit a timely and complete report is directly attributable to a county error.
- There are other extenuating circumstances.

If restoration of CalWORKs is requested after a month has passed, a good cause exemption is only to be reviewed at the client's request. The burden of proof is on the client to prove he or she has good cause for not submitting a complete and timely SAR 7; however, the EW has the discretion to decide if each specific situation meets the above criteria for "Good Cause."

9.2.25 Restoration of Aid

Under AB 959 policy, when a recipient submits a complete SAR 7 within the month following the discontinuance for an incomplete SAR 7 or for non-submission of a SAR 7, benefits must be restored to the AU without requiring a new application or intake interview, if all other eligibility criteria are met.

Benefits are to be determined based on the information provided on the completed SAR 7 and prorated from the date the complete SAR 7 is received.

Because these restored AUs are considered recipients, they are not subject to applicant eligibility criteria, such as the applicant disregard of \$90 or the 100-hour rule for two-parent cases. The client's current SAR Cycle and certification period is retained as if the case was never discontinued.



Note:

Restoring benefits at a decreased amount is correct since the case is going from a discontinued status (zero benefits) to an active status, after a break in aid. This is not considered a mid-period decrease.



Example:

An AU of 4 fails to submit a complete SAR 7 by October 11. A discontinuance notice, effective October 31 is sent to the client. When a SAR 7 is not submitted by November 1 (the extended filing date), the discontinuance takes effect.

1st Month	2nd Month	3rd Month	4th Month	SAR Data Month	SAR Submit Month	1st Month of New Payment Period
May	June	July	August	September	October	November

The client submits a complete SAR 7 on November 28. On the complete SAR 7 the client reports no earnings (same as the previous period) and no other changes. The EW restores aid effective 11/28 and establishes the same SAR Cycle 2. For November, the Monthly Grant Amount is prorated from November 28, the date aid is restored.



Example:

An AU of 3 fails to submit a complete SAR 7 by December 11. A discontinuance notice, effective December 31, is sent to the client. When a SAR 7 is not submitted by January 1 (the extended filing date), the discontinuance takes effect.

Data Month	Submit Month	1st Month of New Payment Period
November	December	January



Important:

Current Income Disregard and MAP values must be used in calculations. Income Disregard and MAP values in the examples below may **not** reflect current values.

The client submits a complete SAR 7 on January 15. On the SAR 7 the client reports she started a new job and anticipates receiving \$1000 in monthly gross income. The EW restores aid effective 01/15, establishes the same SAR Cycle 1 and uses the new gross earnings reported to determine eligibility and benefit amount for the month of January and the remaining months of the Payment Period.

\$1000	Gross Earned Income
-500	Less \$500 Earned Income Disregard
\$500	Subtotal

\$500	
-250	Less 50% Earned Income Disregard
\$250	Total Net Nonexempt Income (NNI)
\$878	MAP for AU of 3
-250	Less NNI
\$628	Monthly Grant Amount
\$344	Prorated Monthly Grant Amount*

*For January, the Monthly Grant Amount is prorated from January 15, the date aid is restored. [Refer to “CalWORKs Partial Month Non-Entitlement for 31-Months” chart in the CalWORKs and RCA/ECA Charts.]



Example:

The same AU as in the previous example with the same initial circumstances; however, when the client submits her SAR 7 on January 15, she reports she started a new job and anticipated monthly gross earnings of \$4,500. After applying the recipient disregards, the NNI is less than the Tier 2 IRT for an AU of three, therefore, this family would continue to be eligible for a Zero Basic Grant.



Example:

The same AU as in the previous example with the same initial circumstances; however, when the client submits her SAR 7 on January 15, she reports she started a new job and anticipated monthly gross earnings of \$5,500. Because the income would render the AU of three financially ineligible, even after applying the recipient disregards, aid cannot be restored for this AU. An adequate denial notice due to excess income must be provided to the AU.



Reminder:

Good Cause rules for failure to submit a complete and timely SAR 7 continue to apply. If the client is determined to have Good Cause for not submitting their SAR 7, the discontinuance must be rescinded and aid restored in full to the beginning of the month. [Refer to “Criteria for Determining Good Cause [EAS 40-181.23],” page 9-27].]

9.3 Annual Reporting/Child Only (AR/CO) Cases

Senate Bill 1041 requires the implementation of Annual Reporting provisions for certain CalWORKs Child Only cases. The case is an AR/CO case when all adults in the CalWORKs AU are not eligible for or receiving CalWORKs for themselves due to any of the following reasons:

- Timed out (i.e. Safety Net cases)
- Excluded from the AU because of fleeing felon status or has been found by a court to be in violation of probation or parole
- Immigrations status
- Receiving Supplemental Security Income (SSI)
- Non-Needy Relative (NNR)
- Sanctioned due to refusal to assign child/spousal support rights
- Convicted of an Intentional Program Violation (IPV) prior to July 1988
- Has not met the Social Security Number (SSN) requirements, or
- Is a striker and ineligible for CalWORKs for him/herself.



Exception:

In general, when there is no aided adult in the AU, the case is an AR/CO case, **with the exception of an adult who has been sanctioned due to non-compliance with Welfare-to-Work (WTW) requirements**. The WTW exception from AR/CO rules is meant to allow counties to continue helping clients achieve self-sufficiency by maintaining more frequent contact with the client, rather than reducing contact to once per year.

9.3.1 Prospective Budgeting

Under AR/CO, counties are required to use prospective budgeting rules for determining continuing benefits. These rules have been simplified from the SAR budgeting rules (that require averaging income to determine a monthly grant amount over a three month period). Prospective budgeting requires counties to use current income information obtained at application or redetermination as well as any changes in income that the applicant or recipient anticipates with reasonable certainty in the upcoming annual period. The income reported on the SAWS 2 Plus will be considered reasonably anticipated and will be used in the budget calculation unless the recipient reports that they anticipate a change in the upcoming AR/CO period.



Reminder:

It is critical that staff thoroughly document the **Maintain Case Comments** window of CalWIN, indicating how income was projected in determining benefit calculations.

9.3.2 Reasonably Anticipated Income

Recipients are not required to report an exact amount of anticipated monthly income for each month of the AR/CO period. Instead, recipients are required to provide information about current income and any anticipated changes in the upcoming twelve months. The income reported on the SAWS 2 Plus will be considered reasonably anticipated and will be used in the budget calculation unless the recipient reports that they anticipate a change in the upcoming AR/CO period. If an AU/HH anticipates receipt of new income from a new source in the upcoming AR/CO period, such as a new job or unemployment insurance (UI) benefits, this income shall only be considered reasonably anticipated if the county determines that:

- The income has been or will be approved within the upcoming AR/CO period, or the AU/HH is otherwise reasonably certain that the income will be received within the AR/CO period;
- The anticipated amount of income is known and verified or the AU/HH is otherwise reasonably certain of the amount of the income; and
- The start date of the income is known and verified, or the AU/HH is otherwise reasonably certain of the start date of the income.

If an AU/HH anticipates receipt of new income in the upcoming AR/CO period, but is not certain of the dates and amounts expected to be received, this income cannot be considered reasonably anticipated and must not be used in determining the benefits for the upcoming AR/CO period. If the new income exceeds the IRT mid-year, then the recipient would have to report it and benefits will be recalculated as necessary.

If an AU's monthly income fluctuates or they expect the income reported on the SAWS 2 Plus to change in the upcoming AR/CO period, the worker must attempt to find out the amount of income the AU/HH reasonably expects to receive, in order to determine what income, if any, can be reasonably anticipated and used in the next AR/CO period's benefit calculation. Only that portion of income that the AU/HH reasonably anticipates it will receive can be used in the benefit calculation.



Example:

If a recipient has fluctuating income, but agrees that she usually makes at least a minimum of \$200 a month, the minimum anticipated income should be anticipated. If however, a recipient can't anticipate an amount or if they will get paid in the upcoming AR/CO period, then no income can be reasonably anticipated.

New income cannot be anticipated unless the AU/HH is certain of the amount of income and the start date. If an AU/HH reports that they expect their income to change or stop, but are uncertain of when or by how much, the worker cannot reasonably anticipate this change. However, when a recipient states that the income reported on the SAWS 2 Plus is not typical, explains why, and lists an estimate of future income, the recipient's estimate of future income should be used. Additionally, if the client states that their income fluctuates so much that they can't anticipate any income, no income will be counted. If the worker disagrees that the income is too unpredictable to anticipate, they must explore with the client

what amount, if any, can be reasonably anticipated and document the basis for the amount used in the **Maintain Case Comments** window of CalWIN.

**Example:**

A continuing CalWORKs/CalFresh AR/CO case completes the SAWS 2 Plus application and all other paperwork for their RD/RC. The client reports and verifies current income of \$300 per month. The income fluctuates from month to month. The client reports she may receive \$350 one month and \$275 another month, and there is no way to predict how much she will receive in any one month. In this instance, the worker will budget \$300 per month, based on current income, for the AR/CO period, since changes cannot be reasonably anticipated. The client may voluntarily report a decrease in income in the future months, and the worker would issue a supplement, if appropriate, based on the voluntary report.

9.3.3 Income Beginning or Ending

Income that the client anticipates will begin or end in one of the months of the upcoming AR/CO period will only be counted in the months that the income is reasonably anticipated to be received. This is a change from SAR and will allow an AU to receive the maximum benefit amount in the months in which this income is not received. Income ending in the month of application will only be used to determine eligibility and benefit for the month of application.

**Example:**

A continuing CalWORKs/CalFresh AR/CO case completes the SAWS 2 Plus and all other paperwork for their RD/RC. The client reports no current income but anticipates and provides verification that she will earn \$500 per month starting in month three, and the income will continue. The income is not averaged. Instead, a full grant is provided in months one and two, and the \$500 income is budgeted for months three through twelve. When the grant is decreased based on the increased income, a 10-day NOA must be sent to the client.

**Example:**

A continuing CalWORKs/CalFresh AR/CO case completes the SAWS 2 Plus and all other paperwork for their RD/RC. The client reports and verifies current income over the IRT. The client reports she expects the income to continue until month four, when she anticipates she will be laid off. In this instance, the CalWORKs and CalFresh cases are discontinued and Transitional CalFresh benefits would be established.

**Example:**

A continuing CalWORKs/CalFresh AR/CO case completes the SAWS 2 Plus and all other paperwork for their RD/RC. The client reports current income of \$300 per month, which she expects to continue in months one through five. The client anticipates and provides verification

that she will receive \$400 in months six through eight and \$500 in months nine through twelve. The income is not averaged to get one monthly income amount for the twelve month AR/CO period. Instead, the actual amount reasonably anticipated, resulting in one grant amount for months one through five, one grant amount for six through eight, and one grant amount for months nine through twelve.

9.3.4 Conversion Factors

Whenever a full month's income is anticipated but is received on a weekly or bi-weekly basis, the income must be converted to a monthly amount as follows:



Example:

Income received weekly must be converted to a monthly amount by adding the four (or five) weekly paychecks together, dividing by four (or five) and multiplying the weekly averaged income by 4.33.



Example:

Income received bi-weekly must be converted to a monthly amount by adding the two (or three) bi-weekly paychecks together, dividing by two (or three) and multiplying the bi-weekly averaged income by 2.167.

The AU/HH must anticipate that their monthly income will continue, in order to convert the income into a monthly average.



Example:

A continuing CalWORKs/CalFresh AR/CO case completes the SAWS 2 Plus and all other paperwork for their RD/RC. They report receiving four checks in the RD/RC month and explain that one of the checks was higher or lower than usual, but the other three are representative of their weekly income and they expect that amount to continue, the worker can use the conversion factor to convert the three representative weekly paychecks into a monthly average. The conversion factor will be applied to the reasonably anticipated income, rather than the RD/RC month income because the income received in the RD/RC month is not expected to remain the same.

Fluctuating Income

When the AU/HH receives weekly or bi-weekly paychecks, but their income fluctuates month to month and they cannot reasonably anticipate that the income received in the RD/RC month will continue at the same amount, the conversion multipliers will not be used to convert the income received in the RD/RC month into a monthly average. The worker should accept the AU/HH's estimate of reasonably

anticipated income or when that estimate is questionable, contact the client to determine what monthly income if any, can be reasonably anticipated.

**Example:**

A recipient reports receiving \$200 every week and reasonably anticipates that this income will continue at the same amount for the upcoming AR/CO period. The \$200 weekly income is multiplied by the weekly multiplier of 4.33 to determine the monthly average income amount of \$866.

**Example:**

A recipient reports that she will work the first three weeks of each month, and be paid \$200 per week worked. In this case, since the recipient does not expect to be paid every week, the conversion multiplier would NOT be used. Instead, the monthly income of \$600 is used to determine the benefit amount for the upcoming AR/CO period.

**Example:**

A continuing CalWORKs/CalFresh AR/CO case completes the SAWS 2 Plus and all other paperwork for their RD/RC. On the SAWS 2 Plus she reports that she received four weekly paychecks in the following amounts: \$200, \$450, \$190, and \$225. She explains that she received extra hours in the second week of the month because a coworker was sick, but the other three weekly paychecks are typical and she expects this income to continue. The worker should disregard the \$450 check and convert the remaining three weekly paychecks into a monthly amount by adding them together, dividing by three, and multiplying the weekly average by 4.33 ($\$200 + \$190 + \$225 = \$615/3 = \$205 \times 4.33 = \887). The reason for disregarding the \$450 check must be documented in the **Maintain Case Comments** window of CalWIN.

9.3.5 Mandatory Reporting

When a CalWORKs AR/CO case experiences any mandatory mid-year reporting changes, the recipient must report the change(s), verbally or in writing, within 10 days of the change(s). Mandatory reports for CalWORKs AR/CO cases are:

- Income exceeding the IRT;
- Household (H/H) composition changes;
- Address changes;
- Fleeing felon status; or
- Probation or parole violations.



Example:

An AR/CO case, in the January - December cycle period, reports on February 26th that the child in the AU has died. This mandatory report is required to be made within 10 days. A county initiated mid-period action must be taken to remove the deceased AU member effective April 1st. However, if the AU fails to report this change in time for the county to decrease benefits with timely notice, an overpayment must be assessed for any benefits issued that the AU was not entitled to receive.

Comparison Table of Reporting Methods

The table below provides a comparison of reporting requirements for Semi-Annual Reporting (SAR) and Annual Reporting/Child Only (AR/CO).

CalWORKs SAR	CalWORKs AR/CO
Income exceeding the IRT (one IRT)	Income exceeding the IRT (one IRT)
Address changes	Address changes
Fleeing felon status	Fleeing felon status
Violations of probation or parole	Violations of probation or parole
	Changes in household composition

The EW must take action on all mandatory changes reported. If the change is not required to be reported for CalWORKs, EW's must not decrease or discontinue the CalWORKs grant mid-year. The EW will send a No Change NOA to the CalWORKs AU. Documentation must be made in the **Maintain Case Comments** window of CalWIN.

Ineligibility

If a recipient is determined to be financially ineligible based on an increase in income or a change in household composition, the EW must discontinue the case with a timely 10-day NOA effective the end of the month in which the change occurred.

Grant Decrease

If a recipient's benefits would decrease based on an increase in income or a change in household composition, the EW must decrease the benefits with a timely 10-day NOA effective the first of the month following the month in which the change occurred.

Grant Increase

If the recipient reports an increase in income or a change in household composition at the time of their annual redetermination, the EW must verify this report and consider this change during the RD for the following 12-month period. If the report results in an increase to benefits, the EW must issue a supplement.

9.3.6 Tiered Income Reporting Threshold (IRT)

CalWORKs recipients subject to AR/CO must report verbally or in writing within 10 days when their income exceeds the IRT for their AU size, even if the income is received mid-year.

A CalWORKs case with income exceeding the IRT in AR/CO may be discontinued or the grant may be decreased depending on how much income is reported.

There are two tiers for the CalWORKs IRT under AR/CO rules (the same as SAR). If any member of the AU or any member of the family MAP has earned income, the CalWORKs AU is required to report when the total combined gross monthly income, earned and unearned, of all persons included in the family MAP exceeds the lesser of the following two amounts:

- **Tier 1** - \$978 (55% of the Federal Poverty Level (FPL) for a family of three) **plus** the amount of income that was last used to calculate the recipient’s benefits, or
- **Tier 2** - 130% of the Federal Poverty Level

Because each family will have different amounts of earned and unearned income, the exact amount of income that will make each family ineligible for CalWORKs varies.

If the AU has...	Then they are required to report within 10 days when...
No income or unearned income only,	They receive earnings that, once combined with other household income, exceeds IRT.
Earnings only or a combination of earned and unearned income,	The household’s total income exceeds the IRT.
Unearned income only (including disability-based unearned income),	They receive gross earnings that, once combined with unearned income, exceeds IRT. Note: AU’s with unearned income only, are NOT required to report when that income by itself exceeds the IRT mid-period.

**Note:**

The EW is required to determine the appropriate IRT amount for each AU and provide each AU with their reportable IRT in writing, using the “Reporting Changes for CalWORKs and CalFresh” form (AR 2). The IRT amount for each AU will be the lesser of Tier 1 and Tier 2.

[Refer to “Income Reporting Threshold (IRT) Tiers 1 & 2 Exempt and Non-Exempt Effective 06/01/20 through 05/31/20” of the Chart Book]

Informing AR/CO Recipients of Their IRT

The informing notice that provides the IRT limits must be individualized for each AU. Each AU must be informed of their IRT at least once per SAR payment period or whenever the AUs IRT changes. Additionally, the AU must be informed of the new IRT levels at any time the IRT chart is updated. The IRT level in which the AU was last notified must be used for reporting purposes until the AU has been notified, in writing, of any applicable IRT change.

The IRT must be provided to the CalWORKs AU using the “Reporting Changes for Cash Aid and CalFresh” (SAR 2, AR 2 SAR, or AR 2 CR) form as appropriate upon approval of application and at any time the AUs IRT changes during the payment period.

IRT Reporting

When income in excess of the IRT is reported, the worker must determine if the AU remains financially eligible for benefits and if so, recalculate the grant amount for the remainder of the AR/CO period using the new amount of reasonably anticipated income. A decrease to the grant can only be made after timely and adequate notice is provided. Additionally, the AU’s new IRT amount must be calculated and provided on the required “Reporting Changes for Cash Aid and CalFresh” (AR 2) form. The calculation used by the EW to determine the IRT level for each AU must be clearly documented in the **Maintain Case Comments** window of CalWIN.

If a recipient reports income that exceeds the IRT, a determination is required whether the income will continue at that level. If it is determined that the income will not continue at that level, no action can be taken to discontinue or decrease benefits.

If the AU reports an increase in income mid-period report that is not over the IRT, the change will be treated as voluntary and will not result in any decrease in benefits. A “No Change” NOA must be sent.

Example 1

An AR/CO non-exempt AU of 2, with no income. Their current IRT is \$978 (55% of the current FPL for a family of three). Mom reports mid-period she got a new part-time job and expects to receive \$500/month.

Step 1

Determine if the reported income (\$500) is over her current IRT amount (\$978). Benefits are not reduced since the monthly anticipated income is lower than IRT amount.



Important:

Current Income Disregard and MAP values must be used in calculations. Income Disregard and MAP values in the examples below may **not** reflect current values.

Step 2

Calculate the new IRT amount as follows:

\$500 (income)
+978 (55% of the FPL for a family of three)
 \$1478 (Tier 1)

The Tier 1 amount must be compared to the Tier 2 amount to determine the lesser.

The AU's new IRT is \$1478, the lesser of Tier 1 and Tier 2. An AR 2 with the new IRT amount must be sent to the AU.

Example 2

Same scenario as above except income is \$1000/month.

Step 1

Determine if the reported income (\$1000) is over the current IRT amount (\$978). Because the income is over the IRT, benefits would be recalculated.

Step 2

Redetermine benefits for the remaining months in the AR/CO period.

\$1000 (income)
-500 (earned income disregard)

 \$500
- 250 (50% of \$500)
\$250 (total net non-exempt income)

\$696 (MAP for AU of 2)
- 250 (NNI)
\$446 (CalWORKs grant amount)

Although recipient was over the IRT she remains eligible for CalWORKs benefits.

Step 3

Calculate the new IRT amount as follows:

\$1000 (income)
+978 (55% of the FPL for a family of three)
\$1978 (Tier 1 amount)

The Tier 1 amount (\$1978) must be compared to the Tier 2 amount (Tier 2 for an AU of two is \$1832) to determine the lesser of the two. An AR 2 with the new IRT amount must be sent to the AU.

The AU's new IRT is \$1832, which is the lower of the two Tiers.

9.3.7 Voluntary Reports for AR/CO

AR/CO cases may voluntarily report changes in income and circumstances that may increase benefits any time during the AU's twelve-month reporting period. The EW will only take mid-year action on those voluntary reports that result in an increase to benefits. Voluntarily reported changes may result in an increase in benefits for one program, while decreasing benefits for the other program. For instance, an increase in CalWORKs could result in a decrease in CalFresh benefits.

Action to increase the grant and/or allotment based on voluntary reports are based on when the change is reported, not when the change actually occurred. The effective date of the increase in benefits is determined differently for increases due to decreased income than for increases due to adding household members and are as follows:

- Increases due to decreased income are effective the first of the month in which the change occurs or is reported, whichever is later.
- Increases due to the addition of new household members are effective the first of the month following the report of the changes.

The recipient must provide verification of the change within the 10-day period listed on the request for verification. If verification is not received within 10 days, the EW must send a "No-Change" NOA that states no action to increase benefits was taken because verification was not received. If verification is provided after 10 days, the date the verification is provided is considered the date of the voluntary report.



Example:

An AR/CO case has an RD/RC due in April 2013. The recipient reports a decrease in income on December 28, 2012, and provides verification of the decrease. The EW will redetermine the benefit amount for the current month (December) and the remaining months in the 12-month period. Because there is not enough time to issue the higher benefit amount on January 1, the county will issue a supplemental payment for December and January and issue the correct, higher benefit beginning in February.

**Example:**

An AR/CO case has an RD/RC due in August. On August 3, the recipient reports a decrease in income and provides verification of the decrease. The EW would use this information to redetermine the benefit for August and issue a supplement for August, if appropriate. The EW would also take this decreased income into account when determining the benefit amount for the upcoming 12-month period. The recipient would not have to reverify the change of income as part of the RD/RC.

**Example:**

A CalWORKs AR/CO case has an RD/RC due in November 2013. In April 2013, the recipient voluntarily reports a \$110 increase in earned income, which is not over the CalWORKs IRT. The EW may not take any action based on this voluntary report and must issue a “No-Change” NOA. For CalFresh, because the increased income is more than \$100, which is above the recipient reporting requirement for CR, a timely and adequate notice must be sent, informing the recipient of the decrease in CalFresh benefits effective the following month.

9.3.8 County Initiated Mid-Year Changes for AR/CO

In addition to voluntary and mandatory mid-year reports, action must be taken on changes considered as county-initiated. County-initiated mid-year actions include, but are not limited to, the following:

- A child is no longer eligible due to age;
- A sanction or penalty is imposed;
- The child is placed in Foster Care (timely 10-day notice is not required in this case);
- The entire AU moves out of state;
- An overpayment (O/P) or overissuance (O/I) occurs;
- A non-minor dependent is transferred into his/her own AU;
- Aid is approved for a child or other individual, currently aided in another AU; A state hearing decision results in a mandatory change mid-year;
- An AU becomes a family reunification case;
- Acting on information provided at redetermination;
- When adjustments to correct erroneous payments are made;
- When the county becomes aware that an AU member is deceased;

- An Au is transferred to Tribal TANF;
- Cost-of-living adjustments (COLA);
- When the county becomes aware that an individual is in a correctional facility and is expected to remain for a full calendar month or more;
- Any other county-initiated actions that may arise
- An individual is terminated from TCVAP or is transferred to the federally-funded program.

9.3.9 AR/CO Annual Redeterminations

CalWORKs AR/CO cases are only subject to an annual RD, without the requirement of a mid-year periodic report. The RD will occur in month twelve, the final month in the AR/CO benefit period, and continue to be handled in the same manner as RD's under Semi-Annual Reporting. Workers must schedule AR/CO annual RD appointments early enough in month twelve of the AR/CO benefit period to meet 10-day noticing requirements, in the event that the worker will need to decrease benefits the first of the month following the RD or discontinue benefits if the AR/CO family fails to comply with RD requirements.

When clients attend their RD appointment, the worker will use the information on the SAWS 2 Plus form and any additional information provided by the AU to determine continuing eligibility and future benefit amounts based on all conditions of eligibility. During the RD interview, workers must ask the client about any known changes to the income reported on the SAWS 2 Plus form to ensure that the correct income is used to prospectively budget the grant amounts for the annual benefit period. Workers will document in the **Maintain Case Comments** window of CalWIN, all factors used in determining current income along with any reasonably anticipated changes.



Example:

An AR/CO case has a RD due in January 2013. The RD should be scheduled early in January 2013, month twelve of the AR/CO benefit period. During the RD, the client reports earned income on the SAWS 2 Plus and does not anticipate any changes to the income. The worker would use this income information to determine the grant allotment amount for the following annual AR/CO benefit period, which begins February 1, 2013. The new AR/CO benefit period will be February 2013 through January 2014.



Example:

An AR/CO case has a RD due in March 2013. The case consists of a Non-Needy Relative (NNR) with earned income and a child. The worker should schedule the RD in early March 2013, month twelve of the AR/CO benefit period. The AU will get a full grant because the caretaker relative is non-needy and the NNR's income is not used to calculate the child's grant. The AR/CO benefit period is April 2013 through March 2014.

9.3.10 Cases Moving Between AR and SAR

Under some circumstances, a case will transition between AR/CO and SAR or SAR to AR/CO. A notice must be provided when a case transitions from AR/CO to SAR or vice-versa. (The notice will be provided, as soon as it is available, in a separate update).

- When a case transitions from SAR to AR/CO or vice versa, the case retains the same cycle and RD/RC due dates. The manner in which the cycle is determined depends on the reporting system the case was in when aid was initially granted. Cases that originate in SAR will have their cycle based on the date of application. Cases that originate in AR/CO will have their cycles based on the beginning date of aid. While the lack of consistency in how to determine cycles is not ideal, upon implementation of Semi-Annual Reporting (SAR) (August 10, 2013), all newly granted cases (whether SAR or AR/CO) will be assigned to a cycle based on the beginning date of aid.
- In cases where an adult is added back to the AU and the case goes from AR/CO to SAR, the SAR 7 cannot be due in the same month in which the adult is added.
- In cases where the adult has a SAR 7 due in one month, but transitions to AR/CO the following month, the case will not be discontinued if the recipient fails to submit the SAR 7. In such cases, the grant will remain the same until the RD/RC.
- When a case goes from SAR to AR/CO, the case becomes AR/CO the first of the month following when the adult is removed from the AU.



Example:

The AU in an AR/CO case consists of a non-needy relative (NNR) and two children. On June 2, 2013, the NNR reports she was laid off from her job and provides verification. She applies to include herself in the children's AU. The EW determines she is eligible, effective July 1, 2013. The EW provides a NOA to the recipient (The notice will be provided, as soon as it is available, in a separate update) indicating the case is now subject to SAR rules. The SAR cycle and RD/RC month will be based on the beginning date of aid or if a CalFresh case is already active, CalWORKs will follow the CF SAR cycle.



Example:

Effective June 1, a timed-out mother in a continuing CalWORKs AR/CO case is added back to the AU due to child support recoupment. The case would retain the same SAR cycle the case had prior to becoming an AR/CO case.

9.3.11 Overpayments and Overissuances in Annual Reporting

As with SAR, CalWORKs Overpayments (O/Ps) will be based on a client's failure to report any information they are mandatorily required to report, county error, recipient late reporting, and the EW

not being able to issue the correct grant amount due to insufficient time to issue a 10-day NOA. CalFresh Overissuances (O/I's) will be established based on recipient failure to report and county error.



Example:

An AR/CO case has a benefit period June 2012 - May 2013. On September 2012, the mother obtains employment and begins to earn income in excess of the CalWORKs IRT but the increased income is not enough to discontinue the case. However, the mother fails to report the increase in income until November 5, 2012. The EW would reduce the CalWORKs grant effective December 1, 2012, and establish an O/P for October and November. The EW would also begin recoupment of the O/P mid-year, beginning in December 2012.

9.3.12 AR/CO Related Forms

The following forms are new with the implementation of AR/CO and are available on line.

TEMP SCD 4

The “New Reporting Requirements for CalWORKs and CalFresh” (TEMP SCD 4) is an informing notice for CalWORKs and CalFresh cases that will begin reporting annually rather than semi-annually. The TEMP SCD 4 was mailed to clients that were identified as AR/CO cases in October 2012.

- This form must be provided to any client transitioning from SAR to AR.

AR 2

The “Reporting Changes for CalWORKs and CalFresh” (AR 2) is used to inform AR/CO clients of their current IRT and remind them of the AR reporting requirements.

- EW's must inform recipients of their IRT no less than at each RD/RC or whenever their IRT changes.
- The calculation used by the EW to determine the IRT level for each AU must be clearly documented in the **Maintain Case Comments** window of CalWIN.

Filing: A copy of the AR 2 that is being mailed to the client must be saved in the case file IDM in the “Benefits” section, under “Income/Reporting”.

AR 3

The “Mid-Year Status Report for Cash Aid and CalFresh” (AR 3) provides recipients a way to report changes in writing at any time during the year (except at their RD/RC).

- AR/CO cases may report mid-year changes either verbally or in writing.

Filing: A copy of the AR 3 must be saved in the case file IDM in the “Benefits” section, under “Income/Reporting”.

NA 1239 AR

The “Notice of Action Continued (with budget)” (NA 1239 AR) is used when calculating the recipient’s monthly cash aid amount for an AR/CO case for the annual period or an attachment to the “No Change NOA”, showing that the grant will not change after a mid-year voluntary report.