

ARKANSAS REGISTER

Transmittal Sheet



Sharon Priest
Secretary of State
State Capitol Rm. 01
Little Rock, Arkansas 72201-1094

For Office
Use Only: Effective Date 12/12/98 Code Number 016.20.98--034

Name of Agency Department of Human Services

Department Division of County Operations

Contact Person Roy D. Kindle, Jr. Phone 682-8251

Statutory Authority for Promulgating Rules P.L. 104-193 The Personal Responsibility and Work Opportunity Reconciliation Act of 1996

FSC 99-2

Date

Intended Effective Date

Legal Notice Published 10-30-98

☐ Emergency

Final Date for Public Comment 11-28-98

☒ 10 Days After Filing

Filed With Legislative Council 10-30-98

☐ Other

Reviewed by Legislative Council

Adopted by State Agency 1-1-99

CERTIFICATION OF AUTHORIZED OFFICER

I Hereby Certify That The Attached Rules Were Adopted
In Compliance with Act 434 of 1967 As Amended.

[Signature]
Signature

682-8375

Phone Number

Director

Title

10-26-98

Date

1. 21. 1944

2. 22. 1944

3. 23. 1944

4. 24. 1944

**DEPARTMENT OF HUMAN SERVICES
DIVISION OF COUNTY OPERATIONS
AMENDING LEGISLATIVE REGULATION
ARKANSAS LEGISLATIVE COUNCIL**

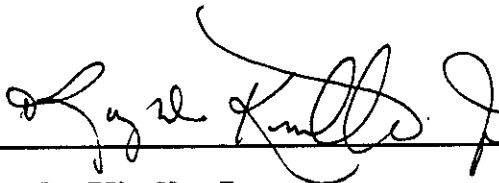
NUMBER AND TITLE: FSC 99-2, Changes to section 3000 of the
Food Stamp Certification (FSC) Manual

PROPOSED EFFECTIVE DATE: January 1, 1999

STATUTORY AUTHORITY: The Food Stamp Act of 1977 as amended by
The Personal Responsibility and Work Opportunity Reconciliation Act of 1996.

NECESSITY AND FUNCTION: The Requirement to Work Policy has been
updated and rewritten for clarity.

PAGES FILED: A total of 45 pages were filed.

A handwritten signature in black ink, appearing to read "Roy D. Kindle, Jr.", is written over a horizontal line.

**Roy D. Kindle, Jr.
Assistant Director
Office of Program Planning and Development**

PROMULGATION DATE: January 1, 1999

CONTACT PERSON: Roy D. Kindle, Jr.
Assistant Director
Office of Program Planning and Development
P.O. Box 1437, Slot 1220
Little Rock, AR 72203-1437

(501) 682-8251

**QUESTIONNAIRE FOR FILING PROPOSED RULES AND REGULATIONS
WITH THE ARKANSAS LEGISLATIVE COUNCIL AND JOINT INTERIM COMMITTEE**

DEPARTMENT/AGENCY HUMAN SERVICES

DIVISION COUNTY OPERATIONS

DIVISION DIRECTOR RUTH WHITNEY

CONTACT PERSON Roy D. Kindle, Jr.

ADDRESS Donaghey Plaza South, P.O. Box 1437, Slot 1220, Little Rock, AR 72203-1437

PHONE NO 682-8251

INSTRUCTIONS

- A. Please make copies of this form for future use.
- B. Please answer each question completely using layman terms. You may use additional sheets if necessary.
- C. If you have a method of indexing your rules, please give the proposed citation after "Short Title of this Rule" below.
- D. Submit two (2) copies of this questionnaire attached to the front of two (2) copies of your proposed rule and mail or deliver to:

Donna K. Davis
Subcommittee on Administrative Rules and Regulations
Arkansas Legislative Council
Bureau of Legislative Research
Room 315, State Capitol
Little Rock, AR 72201

- 1. What is the short title of this rule?
FSC 99-2
- 2. What is the subject of the proposed rule? Food Stamp Certification Manual - Changes FSC 3000, Work Registration
- 3. Is this rule required to comply with federal statute or regulations? XX YES NO
If yes, please provide the federal regulation and/or the statute citation.
The Personal Responsibility and Work Opportunity Reconciliation Act of 1996
- 4. Was this rule filed under the emergency provisions of the Administrative Procedure Act? YES XX - NO
If yes, what is the effective date of the emergency rule?


When does the rule expire?

Will this emergency rule be promulgated under the regular provisions of the Administrative Procedure Act? YES NO

NOTICE OF RULE MAKING

Permanent to the Food Stamp Act of 1977, as amended by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, the Food Stamp Act of 1977 (FSA) Manual has been revised to update the Department's policy.

Copies of the revised policy may be obtained by writing to the Division of County Operations, Attention: Food Stamp Policy Section, P. O. Box 1437, St. Louis, MO 63103-1437. All comments must be submitted within 30 days of the date of publication of this notice. If you need any material in a different format, such as large print, contact our Americans with Disabilities Act Coordinator at 882-8820 (Voice) or 882-8833 (TDD). The Arkansas Department of Human Services is in compliance with Titles IV and VI of the Civil Rights Act and operates, manages and delivers services without regard to political affiliation, religion, ethnicity, age, veteran status, sex, race, color or national origin.


Linda Wilkins
Director
Division of County Operations

MANUAL TRANSMITTAL

Arkansas Department of Human Services

Division of County Operations

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Policy

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Form

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Policy
Directive

Issuance Number FSC 99-2

Food Stamp Certification Manual

Issuance Date 1/1/99

From: Ruth Whitney
Director

Expiration Date Until
Superseded

Subj: FSC 3000

<u>Pages to be Deleted</u>	<u>Dated</u>	<u>Pages to be Added</u>	<u>Dated</u>
FSC 3000, Entire Section	Various Dates	FSC 3000, Entire Section	1/1/99
PD FSC 97-12	10/1/97	None	

SUMMARY OF CHANGES FSC 3000

- The policy has been generally updated and rewritten for clarity.
- All policy about Project Success has been deleted.
- Policy about the AFDC Program has been changed to comply with the TEA Program requirements.
- The terminology "food stamp allotments" has been replaced with the terminology "food stamp benefits."

Specific changes are listed below:

FSC 3100 – Information about the E&T Program has been deleted. Information about the requirement to work (RTW) has been added.

FSC 3110 – This section, *Work Registration Terminology*, has been deleted.

FSC 3120 – This section, *Head of Household*, has been deleted.

FSC 3121 – This section, *Determining Head of Household at Time of Violation*, has been deleted.

FSC 3310.1 – This section now contains general information about work registration at reported change.

FSC 3310.2 – This section now contains specific information about work registration when a reported change is not submitted via a quarterly report.

FSC 3310.3 – This section now contains specific information about work registration due to information reported on a quarterly report.

FSC 3320 – This section has been updated to include the new work registration codes used for individuals subject to the RTW.

Policy sections FSC 3400 to FSC 3650 have been completely rewritten. A description of the contents of these policy sections follows:

FSC 3400 – This section explains compliance with the work registration requirements.

FSC 3401 – This section defines a work registration violation.

FSC 3401.1 – This section explains a voluntary quit.

FSC 3401.2 – This section explains the information the household must supply to verify the status of a possible voluntary quit.

FSC 3410 – This section explains the sanctions to be imposed on an individual who commits a work registration violation.

FSC 3411 – This section explains good cause for failure to comply with the work registration requirements. This includes voluntary quits.

FSC 3412 – This section explains how to apply a work registration sanction.

FSC 3413 – This section explains how to apply a sanction when a voluntary quit occurs.

FSC 3414 – This section explains how to apply a sanction when a household member fails to comply with an ESD requirement.

FSC 3420 – This section explains when to impose a sanction at application and for participating households.

FSC 3430 – This section explains the notices required at the time a sanction is imposed.

FSC 3440 – This section explains how an individual may avoid or end a sanction through compliance.

FSC 3441 – This section explains how a sanction follows the individual even if the individual moves from one household to another.

FSC 3442 – This section explains how an individual may reestablish eligibility at the end of a sanction period.

FSC 3500 – This section explains who is subject to the requirement to work (RTW).

FSC 3510 – This section explains how to establish the 36 month RTW compliance period.

FSC 3520 – This section explains how to disqualify individuals who fail to comply with the RTW.

FSC 3521 – This section provides a checklist that may be used to establish RTW compliance.

FSC 3522 to 3522.1 – These sections explain how to disqualify a member for failure to comply with the RTW at the time of initial application.

FSC 3523 to 3523.1 – These sections explain how to disqualify a member for failure to comply with the RTW at the time of recertification.

FSC 3524 to 3524.1 – These sections explain how to disqualify a member for failure to comply with the RTW at the time a quarterly report is processed.

FSC 3525 – This section explains how to disqualify a member for failure to comply with the RTW when a reported change is processed.

FSC 3526 – This section specifies the information to be included on a notice to be issued when an individual is disqualified for failure to comply with the RTW.

FSC 3530-3532 – These sections explain how an individual may regain eligibility through RTW compliance.

FSC 3540 – This section explains what the county's responsibilities are when a household reappears after an RTW sanction has been imposed.

FSC 3550 – This section explains the RTW waivers granted to counties with high unemployment rates.

FSC 3600 – This section contains a general explanation of the Food Stamp E&T Program.

FSC 3610 – This section explains how to refer cases to the Food Stamp E&T Program.

FSC 3611 – This section explains how household changes reported after E&T referral will be handled in the county office.

FSC 3620 – This section defines E&T Program noncompliance.

FSC 3630 – This section explains how to handle an E&T case when the food stamp case closes.

FSC 3640 –This section explains how to calculate E&T Program savings.

FSC 3650 –This section describes some of the things a county must do to operate an E&T Program.

The policy in FSC 3700 to FSC 3790 now contains the policy for operating an optional Workfare Program. There have been no major changes in these policy sections.

INQUIRIES TO: Betty Helmbeck, Food Stamp Section, (501) 682-8284

FOOD STAMP CERTIFICATION MANUAL 3100 - 3100 DATE: 1-1-99	SECTION: WORK REGISTRATION SUBJECT: SUMMARY
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3100 The Work Registration Requirements - Summary

The Food Stamp Act requires all able bodied participating adults, with specific exceptions, to meet certain work related requirements. These requirements are prerequisites to eligibility and certification which cannot be waived. (See FSC 9443 for procedures on expedited applications.)

Work registrants must:

1. If referred, participate in a work program including the Food Stamp Employment and Training (E&T) Program or a workfare program;
2. Respond to any requests from a county office worker for information regarding employment status or availability for work; and
3. Accept a bona fide offer of suitable employment at a wage not less than the higher of the applicable state or federal minimum wage.

Voluntary Quit

Any individual who is not otherwise exempt from the work registration requirements will be subject to sanction if he or she voluntarily quits a job without good cause or voluntarily reduces his or her work effort to less than 30 hours per week.

Requirement to Work (RTW)

Able bodied individuals between the ages of 18 and 49 who are not pregnant or the parent of a minor dependent child are subject to the RTW. Any individual subject to the RTW will be ineligible to receive food stamp benefits if, during a 36 month period, he or she received food stamp benefits for at least three months while he or she did not work at least 20 hours per week or participate in and comply with a specified work program.

3200 Who is Exempt From Work Registration

Eligible household members are exempt from work registration if the household member is:

1. Under age 16 or age 60 or older.
2. Age 16 or 17 and living with a parent or attending a school or training program on at least a half-time basis.
3. Disabled.
4. Receiving TEA Cash Assistance.
5. Caring for a dependent child under age 6 or an incapacitated person.
6. Receiving unemployment benefits.
7. Currently participating in a treatment program for alcoholism or drug addiction.
8. Employed or self-employed on a full-time basis.
9. A full-time student in a high school or an institution of higher education.

A full explanation of each exemption appears in FSC 3210-3290.

FOOD STAMP CERTIFICATION MANUAL 3210 - 3230 DATE: 1-1-99	SECTION: WORK REGISTRATION SUBJECT: EXEMPTIONS
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3210 Under 16 or 60 or Older (Code A - 60 or Older, Code R - Under 16)

Household members younger than 16 years of age or 60 years of age or older are exempt from the work registration requirements.

NOTE: If a child reaches his 16th birthday within a certification period, he/she will be registered for work at the next scheduled recertification unless he or she qualifies for another exemption.

3220 Certain Household Members Aged 16 or 17 (Code S)

Household members aged sixteen or seventeen who are living with a parent or a person acting as a parent are exempt from the work registration requirements. A household member aged sixteen or seventeen who is not living with a parent is exempt from the work registration requirements if he or she is attending school or enrolled in an employment training program on at least a half-time basis or if he or she meets another exemption - e.g. disabled. The school or employment training program will determine half-time enrollment.

3230 Disabled (Code D)

Household members who are physically or mentally unfit for employment are exempt from the work registration requirements.

See the Glossary, definition of "Aged/Disabled." In addition to the individuals who meet the definition of disabled found in the Glossary, the following individuals may be considered disabled:

- . Individuals receiving services through Arkansas Rehabilitation Services (ARS).
- . Individuals receiving Worker's Compensation or other "sick pay" type benefits.

When a member is not receiving disability benefits, the worker will determine if the member's disability is obvious or if verification is required.

An obvious disability is one where the worker can easily determine that the individual is incapable of gainful employment. Individual with obvious disabilities include, but are not limited to, individuals who are:

1. Recovering from major surgery within the last six weeks; or
2. Housebound or wheelchair bound.

When the disability is not obvious or an obvious disability is questionable, the household will be asked to furnish verification. Acceptable verification includes, but is not limited to:

1. A statement from a physician or licensed, certified psychologist indicating the cause of disability and, if known, how long the disability is expected to last;
2. A decision by the Medical Review Team that the individual is currently disabled; or
3. Collateral evidence (written or oral) that the individual receives services through Arkansas Rehabilitation Services.

Documentation should appear in the case record regarding:

- a. The nature of any disability which results in an exemption;
- b. Why the exemption was allowed based on this disability;
- c. The anticipated length of the disability; and
- d. The type of verification obtained if the exemption was verified.

NOTE: Services for disabled individuals are available through Arkansas Rehabilitation Services (ARS). If appropriate, the worker may refer the disabled member to ARS through normal office procedures.

3240 Household Member Caring for Dependent Child Under 6 or Incapacitated Person (Code P)

A parent or other household member responsible for the care of a dependent child under the age of 6 or an incapacitated person of any age is exempt from the work registration requirements. Exemptions for the care of an incapacitated person should be fully documented. Documentation must include the name of the person providing care and a description of the incapacitating condition.

If a child reaches his 6th birthday within a certification period, the household member responsible for the care of the child will be work registered during the next scheduled recertification unless the member qualifies for another exemption.

3250 Receiving TEA Cash Assistance (Code W)

All able bodied adults (age 18 or older) receiving TEA Cash Assistance are required to work or participate in TEA Program work activities designed to lead to work. These individuals will be exempt from the food stamp work registration requirements due to compliance with TEA work requirements.

FOOD STAMP CERTIFICATION MANUAL 3260 - 3280 DATE: 1-1-99	SECTION: WORK REGISTRATION SUBJECT: EXEMPTIONS
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3260 Receiving Unemployment (Code U)

Household members currently receiving unemployment insurance benefits are exempt from the work registration requirements. A household member who has applied for, but not yet begun to receive, unemployment insurance benefits is also exempt if he or she was required to register for work with ESD as a part of the unemployment insurance application process.

An applicant for unemployment would not be required by ESD to register for work when:

1. He or she is job attached and laid off for less than 8 weeks; or
2. He or she is a member of a trade union that assists members in finding employment.

Verification of whether the individual was registered through ESD may be obtained by viewing the work registration ID card. The date indicated on that card is the date the registration occurred.

NOTE: The worker will not contact ESD to determine if the household members were registered for work through ESD. This determination will be based upon correspondence (letters, forms, etc.) from ESD provided to the household member, the ID card or any information available. In situations where there is no available information, the registrant's statement will be used.

The case record will be documented accordingly.

If an individual exempt from work registration solely due to receipt of unemployment benefits fails or refuses to comply with ESD work requirements, a sanction may be imposed. See FSC 3414.

3270 Addicts and Alcoholics (Code G)

Household members who are currently participating in a drug addiction or alcoholism treatment and rehabilitation program on a resident or nonresident basis are exempt from the work registration requirements.

3280 Employed Persons and Self-Employed Persons (Code E)

Household members who are employed and either working a minimum of 30 hours weekly, or receiving weekly earnings equal to the federal minimum wage (\$5.15 per hour) multiplied by 30 are exempt from the work registration requirements.

This exemption includes any migrant or seasonal farm worker who is under a contract or similar agreement with an employer or crew chief to begin employment within 30 days. A migrant or seasonal farm worker who does not have such an agreement and is not otherwise exempt will be registered for work.

FOOD STAMP CERTIFICATION MANUAL 3280 - 3310 DATE: 1-1-99	SECTION: WORK REGISTRATION SUBJECT: EXEMPTIONS
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The number of hours of employment may be verified from:

1. Wage stubs;
2. Employers; or
3. The current amount of verified income divided by 30.

A household member solely engaged in a hobby, volunteer work or another activity for which little or no payment is received is not considered gainfully employed regardless of the length of time spent in such activities.

A self employed household member who works a minimum of 30 hours per week or who receive weekly earnings equal to the federal minimum wage of \$5.15 per hour, multiplied by 30 hours is exempt from the work registration requirements. This exemption may be established through verification of the amount of earnings if the earnings are at least equal to the \$5.15 x 30 hours per week. If the income is not sufficient to conclude full time employment, the household must cooperate with the worker in establishing either that the gross income reported is at least sufficient to be considered gainful employment or that the volume of work performed by the household member justifies the self employment enterprise as a full-time job. For example, some farmers work more than 40 hours per week yet make no profit.

3290 Students (Code T)

A student age 18 or older who is enrolled at least half-time in a high school is exempt from the work registration requirements. If a student is enrolled in an institution of post secondary education as defined in FSC 1622.1 and the student is eligible to participate as per FSC 1622.3, the student is exempt from the work registration requirements. A student over age 18 who is enrolled at least half-time in a school that is not considered an institution of post secondary education is also exempt from the work registration requirements. The exemption continues to apply through periods of school recess but is lost when the student graduates, drops out, is expelled, or otherwise terminates enrollment.

3300 Individuals to be Registered for Work (Code 1, 3 or 4)

All eligible household members who are not exempt for work registration will be registered for work.

3310 Work Registration

All eligible, nonexempt household members are automatically work registered when the *Food Stamp Application* (DCO-220) is signed. A *Notification of Work Registration* (DCO-260) must be issued to let the household know which members are subject to the work registration requirements.

The county office worker must work register household members for work when:

1. An eligible, nonexempt individual enters a household currently certified to participate in the Food Stamp Program; or
2. An eligible household member in a participating household loses an exemption due to a change that is required to be reported as specified in FSC 11200.

3310.1 Work Registration at Reported Change

At the time of a reported change or quarterly report, work registration must be completed for all nonexempt members who enter the household or for members who lose an exemption as a result of a change which is required to be reported in FSC 11200.

A *Notification of Work Registration* (DCO-260) must be completed when:

- 1) A nonexempt member enters the household; or
- 2) An eligible household member loses an exemption due to a change reported on the quarterly report; or
- 3) A nonexempt member turned 16 since the last quarterly report was processed.

3310.2 Work Registration - Occasional Report

If the worker can determine based solely on information available on the change report or in the case record that the member must be work registered, the *Notification of Work Registration* (DCO-260) will be completed without additional contact with the household. It is permissible to contact the household by telephone to clarify the work registration status of the member and to complete the DCO-260. The information obtained by telephone should be documented in the case record.

If the needed information cannot be obtained by telephone, a *Notice of Action* (DCO-1) will be issued to the household requesting the needed information. The DCO-1 will also act as an advance notice of adverse action to advise the household that if the needed information is not supplied within 10 days, the member will be disqualified as per FSC 3412, and the household's certification period will be shortened as instructed in FSC 11320 to allow a full interview and verification

3310.3 Work Registration at Quarterly Report

If the worker cannot determine if a member should be work registered based on the information on the quarterly report, it is permissible to contact the household by telephone for additional information. If the needed information cannot be obtained by telephone, a *QR Request for Information* (DCO-218) will be issued to the household. The household

must have at least 10 days to respond to the request for information; therefore, the DCO-218 must be returned before the end of the report month or within 10 days, whichever is later. A *Notification of Work Registration* (DCO-260) will be completed and issued to the household at the time work registration occurs.

If the household does not return the DCO-218 within the specified time frames, the member will be disqualified per FSC 3412. An adequate notice will be issued to the household to advise the household of the effects of the disqualification. The household's certification period will be shortened as instructed in FSC 11320 to allow a full interview and verification.

3320 Work Registration Codes

The proper work registration code must always appear on the *Food Stamp Authorization Document* (DCO-233) in the member segment.

When an individual's status changes from exempt to nonexempt or vice versa, the work registration code must be changed. If the reason for the exemption changes, the exemption code must also be changed.

The valid work registration codes are:

- 1 - Mandatory work registrant
- 3 - Mandatory work registrant but exempt from the requirement to work
- 4 - Exempt from work registration

Code 3 must be followed by an alpha code that identifies the RTW exemption. The allowable codes are:

- 3A Pregnant woman or parent of dependent child aged 6 to 17
- 3B Aged 50 to 59
- 3C Employed more than 20 but less than 30 hours per week

Code 4 must be followed by an alpha code which identifies the reason an individual is exempt. The exemption codes are:

- A - 60 years of age or older
- D - Disabled
- E - Employed 30 hours per week or more
- G - Participates in a drug or alcohol rehabilitation program
- P - Cares for a dependent child under age 6 or an incapacitated person
- R - Child under the age of 16
- S - Exempt individual aged 16 or 17
- T - Exempt student aged 18 or older
- U - Applied for or is receiving unemployment compensation
- W - Receives TEA benefits
- X - Disqualified or an ineligible member
- Y - Status unknown

Code Y is computer assigned and must be replaced by the correct code at the next case action. The exemption codes are listed below in order of priority. If more than one exemption will apply to an individual, the exemption that appears first on the list will be used.

1. Age. Use exemption code "A" if the individual is 60 years of age or older. Use exemption code "R" if the individual is under age 16 or age 16 or 17 and living with a parent. Use exemption code "S" if the individual is age 16 or 17 and enrolled in a school or training program.
2. Physically or mentally unfit. Use exemption code "D".
3. Parent or other household member responsible for the care of a dependent child under 6 or an incapacitated person. Use exemption code "P".
4. In receipt of unemployment compensation. Use exemption code "U".
5. A regular participant in a drug addition or alcoholic treatment and rehabilitation program. Use exemption code "G".
6. Employed or self-employed for a minimum of 30 hours weekly or receiving weekly earnings at least equal to the Federal minimum wage multiplied by 30 hours. Use exemption code "E".
7. A student, age 18 or older, enrolled at least half time in any recognized school, training program, or institution of post secondary education. Use exemption code "T".
8. Receiving TEA Cash Assistance. Use exemption code "W".

Examples

1. If a lady is exempt because she cares for a child age 4, the proper work registration code is 4P.
2. If a man is exempt because he is age 75, the proper work registration code is 4A.
3. If a child is exempt because she is age 10, the proper work registration code is 4R.

FOOD STAMP CERTIFICATION MANUAL	SECTION: WORK REGISTRATION
3400 - 3401.1	SUBJECT: WORK REGISTRATION
DATE: 1-1-99	VIOLATION

3400 Compliance With Work Registration

Work registrants must:

1. Participate in the E&T Program or in a workfare program if referred through the Food Stamp Program;
2. Respond to any request from a county office worker for information regarding employment status or availability for work;
3. Accept a bona fide offer of suitable employment at a wage not less than the higher of the applicable state or federal minimum wage.
4. Continue employment at a suitable job.
5. Avoid voluntarily reducing ones work effort to less than 30 hours per week.

An individual who is exempt from work registration solely due to receipt of unemployment benefits (see FSC 3260) and who fails to comply with comparable ESD work registration requirements will be subject to sanction in the Food Stamp Program.

3401 Work Registration Violation

A work registration violation is:

1. Refusal, without good cause, to participate in the Food Stamp Employment and Training (E&T) Program; or
2. Refusal, without good cause, to accept an offer of employment at a site or plant that is not subject to a strike or lockout at the time of the refusal at a wage not less than the applicable federal or state minimum wage; or
3. Refusal, without good cause, to provide sufficient information to allow a determination of employment status or job availability; or
4. Voluntarily and without good cause, reducing ones work effort to less than thirty hours per week; or
5. Voluntarily quitting a job without good cause within 60 days prior to the date of application or at any time while the individual who quit was participating in the Food Stamp Program.

3401.1 Special Instructions for Voluntary Quits

A voluntary quit is defined as the intentional departure of an employee from a suitable job without good cause. The voluntary quit provisions do not apply to changes in employment status resulting from:

- a. Reducing hours of employment while working for the same employer;
- b. Termination of a self-employment enterprise; or
- c. Resigning at the demand of the employer.

FOOD STAMP CERTIFICATION MANUAL 3401.2 - 3401.2 DATE: 1-1-99	SECTION: WORK REGISTRATION SUBJECT: VERIFICATION OF VOLUNTARY QUIT
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3401.2 Verification of Voluntary Quit

The following items must be verified when a loss of earned income is reported:

1. The last date of employment;
2. The reason the employment was terminated; and
3. The last date of pay.

The household has the primary responsibility for providing verification. However, in situations where it is difficult or impossible for the household to obtain the needed verification in a timely manner, the worker will offer assistance to the household. Acceptable sources of verification include the previous employer, employee associations, union representatives, grievance committees, or other organizations which represent employees who are aggrieved.

The worker will substitute collateral contacts as described in the glossary under "Collateral Contacts" when documentary evidence cannot be obtained.

The household will not be denied access to the Program when the requested verification cannot be obtained due to the circumstances surrounding the quit. Examples of such situations are:

1. Resignation from employment as a result of discriminatory practices or sexual harassment;
2. Resignation due to unreasonable demands by an employer; and
3. Being unable to locate the employer.

The case record will be thoroughly documented to reflect all efforts by the household and the county office to obtain the needed verification.

FOOD STAMP CERTIFICATION MANUAL 3410 - 3411 DATE: 1-1-99	SECTION: WORK REGISTRATION SUBJECT: SANCTIONS/ GOOD CAUSE
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3410 Sanctions

The following sanctions will apply to all work registration violations including voluntary quits and intentional work reductions:

First Violation - The individual who failed to comply will be disqualified from receiving food stamp benefits until he or she complies with or becomes exempt from the work registration requirements, whichever occurs first.

Second Violation - The individual who failed to comply will be disqualified for six months or until he or she becomes exempt from the work registration requirements. (There are no "cure" provisions.)

Third Violation - The individual who failed to comply will be disqualified for twelve months or until he or she becomes exempt from the work registration requirements. (There are no "cure" provisions.)

The disqualified member's income and resources will be counted in the household's budget for the duration of the sanction period. See FSC 1623.2. If all members are disqualified or if after sanctions are applied, the household's income exceeds the maximum allowed for the eligible household members, the case will close.

3411 Good Cause

All facts and circumstances, including information submitted by the registrant involved and the employer, will be considered in determining good cause. Good cause includes circumstances beyond the household member's control. Examples of good cause include, but are not limited to a household emergency, the unavailability of transportation, or unsuitable employment.

Under no circumstances will a work registrant be required to accept or be penalized for failure to accept or continue employment that is determined unsuitable. The case record must contain documentation of the reason the employment was determined unsuitable.

Employment will be considered unsuitable if:

1. The wages are less than the highest of:
 - The applicable Federal minimum wage (\$5.15 per hour); or
 - The applicable State minimum wage (\$5.15 per hour); or
 - 80% of the Federal minimum wage if neither the Federal nor State minimum wage is applicable.

FOOD STAMP CERTIFICATION MANUAL 3411 - 3411 DATE: 1-1-99	SECTION: WORK REGISTRATION SUBJECT: GOOD CAUSE
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2. The employment offered is on a piece-rate basis and the hourly yield the employee can reasonably be expected to earn is less than the applicable hourly wages specified above.
3. The registrant, either to be hired or to continue employment, is required to join, resign from, or refrain from joining any legitimate labor organization. This applies to situations where the prospective employer specifically prohibits membership, and also to situations where the registrant will not be able to retain his union membership if a nonunion job is accepted. A union member can be required to accept full-time, nonunion employment if he or she will not be dropped from the union rolls as a result or if he or she voluntarily drops his or her union membership.
4. The employment offer is located at a site subject to a strike or a lockout at the time of the offer. This does not apply when the strike has been enjoined under S208 of the Labor Management Relations Act (29 U.S.C. 78, commonly known as the Taft Hartly Act), or when an injunction has been issued under Section 10 of the Railway Labor Act (45 U.S.C. 160).

Any other employment offered to a particular registrant will be considered suitable unless a registrant can demonstrate or the local office otherwise becomes aware that:

- The degree of risk to health and safety is unreasonable;
- The registrant is physically or mentally unfit (as established by documentary medical evidence or other documented and reliable information) to perform the employment;
- Employment offered within the first 30 days of registration is not in the registrant's major field of employment;
- The working hours or nature of employment interferes with the member's religious observances, convictions, or beliefs - e.g. a Sabbatarian could refuse to work on the Sabbath; or
- The distance between the registrant's residence and the place of employment is unreasonable considering the expected wage and the time and cost of commuting. In any case, employment will not be considered suitable if daily commuting time exceeds two hours per day not including the transportation of a child to and from a child care facility. Employment is also considered unsuitable if the distance from the registrant's residence is not within reasonable walking distance and neither public nor private transportation is available.

When evaluating a voluntary quit, good cause may also be:

- a. Acceptance of any bonafide offer of employment that subsequently fails to materialize;
- b. Resignation of a household member when another household member accepts an offer of employment resulting in a need for the household to relocate;
- c. Enrollment at least halftime in any recognized school, training program, or institution of higher education; or
- d. Any resignation recognized by the employer as retirement.

There will be situations not specifically mentioned where the worker feels that there was good cause for a voluntary quit. In such situations the county office will seek a policy interpretation through the normal chain of command. All such situations will be documented in the case record.

3412 Applying Sanctions

When an eligible household member fails to comply with a work registration requirement while the household was participating in the Food Stamp Program, the county office worker will complete the following steps.

Step 1 - Determine if the household member is still subject to the work registration requirements. Use FSC 3200 - 3300. If no, document this fact in the case record. Document any verification obtained if verification of the exemption is necessary. Take no additional action. No sanction will be applied. If yes, go to Step 2.

Step 2 - Determine if the member had good cause for failure to comply. If yes, document the good cause in the case record. Take no additional action. No sanction will be applied. If yes, disqualify the member. See FSC 1623.2.

3413 Applying Sanctions at Time of Voluntary Quit

Sanctions may be applicable when an individual voluntarily quits a job within 60 days of the date of application or at any time while the individual is participating in the program.

Whenever a loss of earned income is reported at initial application, reapplication, reported change, or on a quarterly report the worker must determine if the voluntary quit sanctions are to be applied.

NOTE: If an individual quits employment of 20 hours or more per week, secures new employment and is then laid off or terminated from the new job, the earlier quit will not be used as the basis of a disqualification. This statement is true for both applicant households and participating households.

Sanctions are also applicable when a voluntary quit occurs but is not reported in a timely fashion. This includes, but is not limited to the following instances:

- . A voluntary quit occurs 60 days or less before the date of application, is not reported at application and is discovered after application approval.
- . A voluntary quit occurs after the date of the application interview and is reported after the approval notice is issued.
- . A voluntary quit occurs while the household is participating but is not reported in a timely fashion.

The following steps must be completed to determine if a voluntary quit has occurred and a sanction should be applied.

Step 1 - Determine if the employment involved 20 hours or more per week or provided weekly earnings equivalent to the Federal minimum wage of \$5.15 multiplied by 20 hours. If yes, go to step 2. If no, the household will not be sanctioned.

Step 2 - Determine if the member who quit is between the ages of 16 and 60. If this member is less than age 16 or age 60 or older, a sanction will not be applied. If this member is between the ages of 16 and 59, go to step 3.

Step 3 - Determine if the member who quit is subject to the work registration requirements. Use FSC 3200 - 3290. If this member was exempt from the requirements at the time the quit occurred (excluding the exemption for employment) or is presently exempt, no sanction will be applied. If the member who quit is subject to work registration, go to step 4.

Step 4 - Determine if the quit was for good cause. Use FSC 3630. If yes, the member will not be sanctioned. If no, the member will be sanctioned. See FSC 3640 for the applicable sanction.

The period of disqualification will apply only to the individual or individuals who failed or refused to comply. Only if all individuals are disqualified will the worker close the household's food stamp case. To disqualify an individual household member, the worker must recalculate the household's budget as instructed in FSC 1623.2.

3414 Applying Sanctions for Failure to Comply with ESD

When a worker becomes aware that entitlement to unemployment checks has been denied or terminated, the following steps will be taken:

- Step 1 - Determine which ESD requirement was not met, e.g. - did an eligible household member refuse a job without good cause? If the requirement is not comparable to one of the food stamp work registration requirements listed in FSC 3100, no action will be taken.
- Step 2 - If the requirement which was not met is comparable to a food stamp requirement, determine if the member was exempt solely due to receipt of unemployment benefits. If the member is otherwise exempt, no action will be taken. For example, a member responsible for the care of a dependent child age 4 fails to comply with an ESD requirement. Since the member is exempt under the dependent care provisions, no sanction will be applied to the food stamp household.
- Step 3 - If the member was exempt solely due to receipt of unemployment benefits, determine if the registrant had good cause for failure to comply. (See FSC 3411 for an explanation of good cause.) If the member had good cause for failure to comply, no action will be taken. If not, go to Step 4.
- Step 4 - If the member did not have good cause for failure to comply, disqualify the member.

3420

When to Impose a Sanction

At application, the sanction will be imposed effective with the month of application regardless of whether the application is approved.

For a participating household, a notice of adverse action must be issued to the household prior to the imposition of a sanction. See FSC 3430. Unless the household is in the last month of certification and has not been recertified, the sanction will be imposed beginning the month following the month in which the notice of adverse action expired.

Example - A household is certified for July through December. On August 16, the county office worker becomes aware of a voluntary quit. On August 23, the worker issues a ten day advance notice of adverse action expiring on September 2. The disqualification period will be October and November.

If a household is subject to quarterly reporting (QR), and is in the third month of the QR cycle, the sanction will be imposed beginning the following month if possible. If the QR form has been received but not processed when the worker learns of the noncompliance, the QR form will not be processed until the ten day period has lapsed. If the QR form has already been processed, an advance notice of adverse action must be issued. The sanction will be imposed beginning the month following the month in which the notice of adverse action expired.

If the household is in the last month of certification and an application for recertification has not been approved, the sanction will be imposed for the first month of the certification period. This is true even when the household has not submitted an application for recertification.

Example - A household is certified for July and August. On August 28, the worker becomes aware of a voluntary quit. On August 31, the worker approves the household's application for recertification but disqualifies the noncompliant member for the months of September, October and November. A manually issued *Notice of Action* (DCO-1) is used so the household may be advised of the disqualification.

3430 Notices

Before disqualification of any participating household or household member for noncompliance with a work registration requirement, a notice must be issued to the household.

Unless the household is in the last month of certification, the notice must be sent at least ten days before the effective date of the imposition of the sanction. If the household is in the last month of certification, the timing of the notice will depend on the case's status.

If the household has submitted an application for recertification that has already been approved, a ten day advance notice of adverse action must be sent. If the household has submitted an application for recertification that has not yet been approved, the sanction will be imposed before action is taken on the application and a *Notice of Action* DCO-1 manually issued to explain the effects of the sanction. Even if no application has been submitted, a DCO-1 must be issued to the household to explain the sanction period and the effects of the sanction.

If the household is composed entirely of noncompliant members, the notice will specify:

1. That the entire household is being disqualified;
2. Why the household is being disqualified;
3. When the disqualification will be imposed;
4. The months to be included in the period of disqualification; and
5. Any action which the household may take to avoid or to end the disqualification. (See FSC 3441.)

If only the individual who failed to comply is to be disqualified, the notice will specify:

1. That only one member is being disqualified;
2. Why this member is being disqualified;
3. How this disqualification will affect the household's food stamp allotment (See FSC 1623.2);
4. When this disqualification will be imposed;
5. The months to be included in the period of disqualification; and
6. Any actions which the member may take to avoid or to end the disqualification.

3440 Avoiding or Ending A Disqualification Through Compliance

A disqualification due to failure to comply with a work registration requirement may be avoided (for any violation) or ended (for the first violation only) if the individual becomes exempt from work registration or complies with the requirement. A list of actions which causes disqualification is shown below. Also shown is the action which the individual may take to avoid or to end the disqualification.

NON-COMPLIANCE	TO END DISQUALIFICATION
1. Failure or refusal to register for E&T Program.	1. Registers for E&T Program.
2. Failure or refusal to respond to a request from a county office worker for supplemental information regarding employment status or availability for work.	2. Provides needed information.
3. Failure or refusal to accept a bona fide offer of suitable employment at a wage not less than the higher of either the applicable state or federal minimum wage.	3. a) Acceptance of the employment offered; or b) Acceptance of any other employment which yields earnings per week equivalent to the refused job, or securing any other job of at least 30 hours per week or less than 30 hours with earnings equivalent to the federal minimum wage of \$5.15 X 30 hours.

FOOD STAMP CERTIFICATION MANUAL 3440 - 3442 DATE: 1-1-99	SECTION: WORK REGISTRATION SUBJECT: ENDING DISQUALIFICATION
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NON-COMPLIANCE	TO END DISQUALIFICATION
4. Voluntarily quit	4. a) Becomes exempt from the work registration requirements b) Secures new employment of at least 30 hours per week or with earnings at least equivalent to the federal minimum wage of \$5.15 per hour X 30 hours
5. Voluntarily reducing one's work effort to less than 30 hours per week.	5. Resumes working at least 30 hours per week at any job.
6. Fails to comply with an E&T Program requirements.	6. Complies with the E&T Program requirement.

3441. Ending a Disqualification When Household Composition Changes

See FSC 3520 for an explanation of the sanctions imposed for a work registration violation.

If a sanctioned member leaves a household, the member's income and/or resources will be dropped from the original household's food stamp budget. However, the sanction does not end. The member who refused or failed to comply continues to be disqualified. If he or she joins another household, he or she will remain disqualified for any months remaining in the original disqualification period. His or her income and resources will be counted in the new household's budget.

3442. Reestablishing Eligibility

After the disqualification has ended, eligibility may be re-established. A disqualified household member may be readded to the household's case effective for the month following the last month of the disqualification period if currently eligible.

At the beginning of the last month of the disqualification period, the worker will issue a DCO-1 to the household. The household will be advised to contact the worker to clarify the disqualified member's current status and/or to be work registered before the member can be readded. If the requested information is not provided by the last day of the last month of the disqualification period, the member will not be readded. The worker will shorten the household's certification period as instructed in FSC 11320.

FOOD STAMP CERTIFICATION MANUAL 3500 - 3500 DATE: 1-1-99	SECTION: WORK REGISTRATION SUBJECT: RTW
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3500 The Food Stamp Program Requirement to Work (RTW)

Unless exempt, individuals are ineligible to receive food stamp benefits if, during a designated 36-month period, they received food stamp benefits for at least three months (consecutive or otherwise) while they did not:

- Work at least 20 hours per week (averaged monthly); or
- Participate in and comply with a Job Training Partnership Act (JTPA) Program for 20 hours or more per week; or
- Participate in and comply with a Trade Adjustment Act (TRA) Program for 20 hours or more per week; or
- Participate in a Food Stamp Employment and Training (E&T) Program other than a job search or job search training program; or
- Participate in and comply with a Workfare Program; or
- Participate at least half-time (as defined by the program) in a recognized refugee training program approved, funded, or operated by the Office of Refugee Resettlement.

An individual who is self-employed and actually works at this enterprise for an average of 20 hours per week or more meets the RTW. There is no requirement that the self-employment enterprise show a profit. The decision about whether an individual is self-employed will be made on a case by case basis. See FSC 5516 for general explanation of what a self-employment enterprise is. When an individual declares that he or she is self-employed but maintains no records of his or her income and expense, the county office worker may ask for some type of collateral verification. For example, if an individual claims to be self-employed collecting and selling cans, the household may be asked to furnish a collateral contact from the company or person who buys the cans.

Working as a volunteer will not satisfy the RTW. Working without compensation will not satisfy the RTW. An individual who is employed by a company or another individual must be compensated although there is no minimum amount. An individual who receives in-kind benefits for work is considered to be compensated.

Example - An individual works 20 hours each week in a coin laundry. In return, the individual is allowed to live in an apartment above the laundry free of charge. This person meets the RTW.

Anyone who is currently employed by a company or an individual and who annually works an average of more than 20 hours per week has complied with the RTW. This includes people whose work is seasonal, those who cannot work due to extended periods of bad weather and school employees who do not work in the summer or other periods of school vacation.

The following individuals are exempt from the RTW.

1. Anyone age 17 or younger
2. Anyone age 50 or older
3. Anyone medically certified as physically or mentally unfit for employment - This includes any individual who:
 - Meets the definition of disabled as provided in the Glossary, definition of Aged/Disabled; or
 - Receives services through Arkansas Rehabilitative Services; or
 - Receives Worker's Compensation or sick pay benefits; or
 - Was found to be disabled through a decision of the Medical Review Team; or
 - Provides a statement from a physician or licensed, certified psychologist indicating the cause of the disability and anticipated duration of the disability. (A statement that does not provide the anticipated duration of disability may be accepted but will be valid no longer than three months.)
4. Any parent of a minor dependent child age 17 or younger so long as the dependent child lives with them - This includes natural, adoptive and step parents. If both parents are in the home, then both parents are exempt under this provision. If a couple (e.g., grandmother and grandfather) both exercise parental control, both individuals are exempt under this provision.
5. Any pregnant woman - This exemption covers all trimesters of pregnancy. If the pregnancy is not obvious, verification may be requested from a medical professional such as a physician, a certified nurse midwife or an employee of the Health Department.
6. Anyone who is otherwise exempt from the work registration requirements - This exempts the following individuals from the RTW:
 - Anyone who is responsible for the care of a dependent child under the age of 6 or an incapacitated person of any age;
 - Anyone who is receiving TEA cash assistance.
 - Anyone who is currently receiving unemployment benefits or anyone who has applied for unemployment benefits but is not yet receiving them;
 - Anyone who is participating in a drug addiction or alcoholism treatment and rehabilitation program on either an inpatient or outpatient basis;

- Anyone who is employed and either working a minimum of 30 hours weekly or receiving weekly earnings equivalent to the federal minimum wage multiplied by 30; and
- Any student age 18 or older who is attending a high school or an institution of post secondary education on at least a half-time basis or attending an institution of higher education on any basis.

3510 Establishing the RTW 36 Month Compliance Period

The 36 month RTW compliance period must be established on an individual basis for each food stamp recipient between the ages of 18 and 49 unless the individual is pregnant, the parent of a dependent child under the age of 18, or disabled as defined in the Glossary, definition of *Aged/Disabled Household*. Once established, a 36 month RTW compliance period runs continuously regardless of whether the individual participants in the Food Stamp Program.

For any individual who was participating in Food Stamp Program on October 1, 1996, the first RTW compliance period began October 1, 1996 and ends October 1, 1999.

For all other individuals, the RTW compliance period begins with the first month of participation after October 1, 1996, other than months in which retroactive or restored benefits are authorized, and ends 36 consecutive calendar months later. This includes months in which a prorated benefit amount was issued. It does not include months in which benefits were not issued because the prorated amount was less than \$10.00.

Example 1 - A household was certified on September 23, 1996, with September as the first month of the certification period. For household members subject to the RTW, the first month of the RTW compliance period is October 1996.

Example 2 - A household was certified on November 3, 1996, with September as the first month of the certification period. Retroactive benefits were authorized for September and October. For household members subject to the RTW, the first month of the RTW compliance period is November.

For individuals who have been living in another state, the RTW compliance period will begin when the individual is certified to receive food stamp benefits in Arkansas. This applies regardless of whether the individual received food stamps in the other state. It also applies if the individual previously lived in Arkansas and had a 36 month period established during the previous residency.

The following chart provides examples of the beginning and ending dates for RTW compliance periods.

PERIOD BEGINS	PERIOD ENDS
October 1998 November 1998 December 1998	September 2001 October 2001 November 2001
January 1999 February 1999 March 1999	December 2001 January 2002 February 2002
April 1999 May 1999 June 1999	March 2002 April 2002 May 2002
July 1999 August 1999 September 1999 October 1999	June 2002 July 2002 August 2002 September 2002

For individuals added to existing food stamp cases, the 36 months RTW compliance period begins the month the individual first participates in the Food Stamp Program. If an individual moves from the one household to another, the original RTW compliance period will continue uninterrupted until its conclusion.

See the chart below for establishing an RTW compliance period for people who lose an RTW exemption.

Individual turns 18.....	The month after the 18th birthday.
Individual's youngest child turns 18 ... or all dependent children leave the home.	The month after the child turns 18 or leaves the home.
Individual no longer disabled.....	The month after it has been established that the disability has ended.
Woman no longer pregnant but there is no dependent child in the home.	The month after the woman becomes able to work.

Any period of participation in the Food Stamp Program while an individual is exempt from the Requirement to Work (RTW) will not count towards the individual's three month participation limit. However, once a 36 month compliance period has been established it runs continuously regardless of whether the individual later becomes exempt from the RTW and then loses that exemption.

Example - A young lady turns 18 in April 1999. Her 36 month period of compliance began May 1999. In July 1999, she reports that she is two months pregnant. In August 1999, she miscarries. She is able to work again in September 1999. Her 36 month period of compliance still began in May. However, her only month of non-compliance is May 1999.

FOOD STAMP CERTIFICATION MANUAL 3520 - 3520 DATE: 1-1-99	SECTION: WORK REGISTRATION SUBJECT: RTW DISQUALIFICATION
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3520 Disqualifying Individuals Who Fail to Comply With the Requirement to Work

At application (except for first time applicants), at recertification, or when processing a quarterly report or reported change, the DCO county worker must evaluate the RTW status of all nonexempt household members. Any nonexempt member who has participated in the Food Stamp Program for three months, consecutive or not, since the beginning of that individual's 36 month RTW compliance period without meeting the RTW will be ineligible to participate in the Food Stamp Program.

Example - A household was participating in the Food Stamp Program on October 1, 1996. On May 5, 1997, the county office worker was processing the household's quarterly report. A nonexempt household member failed to meet the RTW in October 1996, February 1997, and March 1997. This member was disqualified when the May quarterly report was processed.

If the individual who is disqualified due to failure to comply with the Requirement to Work (RTW) is the only household member, the food stamp case will be closed. If other household members remain eligible, the instructions in FSC 1623.2, items 1-3, will be used to determine the household's monthly food stamp benefit amount. The disqualification will continue until the end of the designated 36-month period or until the member regains eligibility. See FSC 3630-3631.

3521 Evaluating Whether to Impose a Penalty

The following checklist may be used to evaluate whether a penalty must be imposed against an individual for failure to comply with the Requirement to Work (RTW).

Step 1 - *(Check all that apply.)* Does this individual meet any RTW exemption listed below?

- ☐ Under age 18
 - ☐ Age 50 or older
 - ☐ Medically certified as disabled to work
 - ☐ Parent of a child age 17 or younger
 - ☐ Pregnant
 - ☐ Exempt from work registration requirements per FSC 3200
 - ☐ Working more than 20 hours per week on an average
- If any exemption is checked, stop. If no exemption is checked, go to Step 2.*

Step 2 - *(Check one.)* Has this individual participated in the Food Stamp Program for at least three months, consecutive or not, since he or she was notified of the RTW?

- ☐ YES ☐ NO
If NO, stop. If YES, go to step 3.

Step 3 - *(Check all that apply.)* During any of those months, did this individual:

- ☐ Work at least 20 hours per week on an average?
 - ☐ Participate in and comply with a JTPA Program at least 20 hours per week?
 - ☐ Participate in and comply with a TRA Program at least 20 hours per week?
 - ☐ Participate in and comply with an E&T Program other than job search at least 20 hours per week?
 - ☐ Participate in and comply with a Workfare Program?
- If any block is checked, go to Step 4. If none of the blocks are checked, the individual will be disqualified.*

Step 4 - *(Check one.)* Has the individual participated for three or more months when the RTW was not met? Include months of participation prior to this case action but after the 36 month period began.

- ☐ YES ☐ NO
If YES, disqualify the individual.
If NO, enter the number of total months (one or two) the individual has already participated without meeting the RTW.
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3522 Disqualification at Initial Application

At initial application, the status of each household member subject to the RTW will be evaluated. If any household member has not met the RTW, that member will be disqualified when the application is processed. If all members are disqualified, the application will be denied.

3522.1 Presumptive Disqualification at Initial Application

If any member has participated in the Food Stamp Program for two full months without complying with the RTW and is not currently exempt or in compliance, the application will be handled in one of two ways.

1. Additional Household Members - When there are household members who are not to be disqualified, a normal certification period will be assigned. A budget will be prepared to remove the disqualified member once they receive their last month's benefits. If this results in a change in the monthly food stamp benefit amount, the change will be handled at application. See FSC 7523.2 for instructions on calculating a variable budget.
2. No Additional Household Members - When all household members were disqualified, the application will be approved for one month. The RTW status of the noncompliant members will be examined if the household reapplies.

3523 Disqualification at Recertification

At recertification, the status of each household member subject to the Requirement to Work (RTW) will be evaluated. If any member has not met the RTW for any three months during the established compliance period (see FSC 3610), that member will be disqualified effective with the first month of the new certification period. If all members are disqualified, the application will be denied.

3523.1 Presumptive Disqualification at Recertification

If any member has not met the Requirement to Work (RTW) for any two previous months and is not currently working or otherwise exempt from the RTW, the member may be disqualified presumptively for the upcoming month. If all members will be disqualified presumptively for the upcoming month, the application will be denied. If not, only the non-compliant member (or members) will be removed from the budget.

3524 Disqualification at Time of Quarterly Report

When the quarterly report is processed, the status of each household member subject to the RTW will be evaluated. If any member has not met the RTW for any three months during the established 36 month period, that member will be disqualified effective with the upcoming month. If all household members are disqualified, the case will be closed. If not, only the noncompliant member (or members) will be disqualified.

3524.1 Presumptive Disqualification at Quarterly Report

If any member has not met the RTW for two months prior to the review month and is not currently working or otherwise exempt when the quarterly report is processed, the member may be presumptively disqualified.

3525 Disqualification at Reported Change

When a reported change is submitted by either an occasional reporting household or a quarterly reporting household, the status of each household member subject to the RTW will be evaluated. If any member has not met the RTW for any three months during the established thirty-six month period, a ten day advance notice of adverse action must be issued. The member will be disqualified; or if all members are disqualified, the case will be closed. The disqualification will be effective the month following the month of expiration of the notice of adverse action. There will be no presumptive disqualification for failure to meet the RTW when a reported change is processed.

3526 Notices

If any member is disqualified for failure to comply with the RTW, the household will be notified:

- Why the member has been disqualified;
- How the member may comply with the RTW;
- That the household must advise the county if this member complies with the RTW;
- Who is exempt from the RTW; and
- That the household must advise the county if this member becomes exempt from the RTW.

If any member is disqualified presumptively, the household will also be notified:

- When the disqualification will be imposed; and
- That the disqualification may be avoided if the household member complies with the RTW or becomes exempt from the RTW before the specified date.

FOOD STAMP CERTIFICATION MANUAL 3530 - 3531 DATE: 1-1-99	SECTION: WORK REGISTRATION SUBJECT: REGAINING ELIGIBILITY
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3530 Regaining Eligibility Due to Exemption

Individuals denied food stamp eligibility for failure to comply with the RTW can regain eligibility at any time if they become exempt from the RTW. See FSC 3900 for a list of individuals who are exempt from the RTW.

3531 Regaining Eligibility Through Compliance

Any individual denied food stamp eligibility for failure to comply with the RTW can regain eligibility for a three consecutive month period if during a 30 day period the individual:

- Works 80 hours or more; or
- Participates in and complies with a JTPA Program for 80 hours or more; or
- Participates in and complies with a Food Stamp E&T Program requirement other than a job search or a job search training program for 80 hours or more; or
- Participates in and complies with a Workfare Program under Section 20 of the Food Stamp Act or a comparable state or local program for any number of hours.

Once the individual has regained eligibility and the three month period has begun, the individual may continue to participate until the end of the three month period regardless of whether he or she continues to meet the RTW. However, other Food Stamp Program requirements will continue to apply.

Example - An individual is being allowed to participate in the Program because he complied with the RTW. He is not currently working. He refuses an offer of employment. He will be disqualified under the work registration requirements at FSC 3100.

Even if an individual is disqualified for other reasons, the three month period continues as established.

Example - An individual is disqualified in January for failure to comply with the RTW. In February, he works a total of 80 hours as a temporary worker. In March, he is added back to the food stamp case for April, May, and June. In April, he refuses the offer of a full-time job. He is disqualified effective May 1, for failure to comply with the work registration requirements. Even though he is disqualified for failure to comply with the work registration requirements, the three month RTW period remains April, May, and June. There is no extension.

Even if an individual becomes ineligible for other reasons, the three month period continues as established.

Example - An individual complies with the RTW. His period of eligibility due to compliance is established as April, May, and June. The household fails to return its QR form in April and the case closes at the end of April. The household reapplies in June. The three month period of eligibility remains April, May and June even though the household did not participate in May.

Once the three consecutive month period has ended, the individual may participate only if he or she becomes exempt from the RTW. (See FSC 3630.) This means the county must contact the household in the third month of the three consecutive month period to determine if the individual is exempt from the RTW. No method of handling this task is mandated. Each county must devise a method of handling this task.

If the individual is not exempt, he or she will once again be disqualified. This individual may participate in the Food Stamp Program again only when the 36 month period ends or he or she becomes exempt from the RTW.

3532 Notifying the County Office

The household must notify the county office when a disqualified individual goes to work or otherwise meets the RTW. The household is the primary source of information about any member meeting the RTW. Should a household report independent of the quarterly report that a member has met the RTW, the county worker has ten days to determine compliance. If yes, the compliant member will be added back to the food stamp case.

If this information is reported via the quarterly report, the normal processing standards will apply.

3540 County Office Actions

If a case has been closed because one or more members failed to meet the RTW, the household may submit a new application at any time. However, if an application is submitted before the end of the 36 month period, the household must provide the information necessary to verify that disqualified members have met the RTW or have become exempt from the RTW.

At the end of the 36 month period, disqualified members will be added back to the food stamp case. If the food stamp case has been closed because the entire household was disqualified for failure to comply with the RTW, the household may reapply. At reapplication, only those household members whose 36 month period has ended will be allowed to participate in the Food Stamp Program. The other household members will continue to be treated as disqualified members.

FOOD STAMP CERTIFICATION MANUAL 3550 - 3610 DATE: 1-1-99	SECTION: WORK REGISTRATION SUBJECT: RTW WAIVERS FOOD STAMP E&T PROGRAM
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3550 Waivers

The Department of Agriculture, Food and Nutrition Service, has granted permission for the State to waive the Food Stamp Program Requirement to Work (RTW) in certain areas where the current unemployment rate is higher than 10 percent. The State has also been granted permission to waive the RTW in areas designated as labor surplus by the Department of Labor, Bureau of Labor Statistics.

These waivers are not permanent. Any county affected by such a waiver will be notified of the terms of the waiver and will be provided with instructions for implementing the waiver.

RTW waivers are applicable to individuals who actually live in an area covered by the waiver. An individual who lives in a labor surplus area but who has elected to receive services in another county will be exempt from the RTW. An individual who lives in an area where there is no RTW waiver is subject to the RTW even if he or she chooses another county as their service county.

For tracking purposes, an individual who may be subject to the RTW does not need to be identified in counties where the RTW has been waived. However, an individual who receives services in a waived county but actually lives in a county where the RTW applies must be tracked.

If an individual physically moves into an area covered by a RTW waiver, the individual becomes exempt from the RTW. Disqualifications for failure to comply with the requirement will no longer apply. If an individual moves from an area covered by an RTW waiver into an area where the waiver does not apply, the requirement will apply again.

3600 Food Stamp E&T Programs

In certain counties, food stamp benefit recipients subject to the work registration requirements are provided services through the Food Stamp Employment and Training (E&T) Program which is operated by the Division of County Operations (DCO).

3610 Referral

The *E&T Program Referral* (DCO-205) will be used to refer nonexempt household members to the E&T Program at application and at recertification. A copy of the DCO-205 will be given to the household to serve as the registrant's notice and to explain to the registrant the rights and responsibilities of each E&T Program participant and the consequences should the registrant fail to comply with an E&T Program requirement.

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3611 Changes After Referral

After a registrant is referred to the E&T Program, changes in the registrant's status may occur. The following changes may affect either or both the E&T case and the food stamp case:

- Changes in employment status;
- Changes in work registration exemption status; and
- Change of address.

If one worker handles both the E&T case and the food stamp case, this worker must insure reported changes are reflected in both cases. Any change reported outside the quarterly reporting process must be acted on within 10 days of the date the change was reported to the county office. Changes reported through the quarterly reporting process must be reflected in the first month of the new report period.

If there are two different workers handling the food stamp case and the E&T case, whichever worker is notified of the change must report the change to the other worker. Additionally, if the food stamp case closes for any reason except the expiration of the certification period, the food stamp worker must report the case closure to the E&T worker. This does include automatic closures such as, but not limited to, closure due to the household's failure to return the quarterly report. All changes must be reported to the E&T worker within 10 days of the date the food stamp worker becomes aware of the change. (All changes reported to the E&T worker must be reported to the food stamp worker within 10 days of the date the E&T worker became aware of the change.)

3620 Noncompliance With E&T Program Requirements

Any E&T participant who fails to keep a scheduled appointment, refuses to accept or perform an E&T assignment, refuses to accept employment without good cause as defined in FSC 3411, or otherwise demonstrates noncooperation with the E&T Program requirements will be subject to sanction as explained in FSC 3410. See FSC 3412 - 3441 for information on imposing sanctions on food stamp benefit recipients who fail to comply with an E&T Program requirement.

3630 Close/Termination

A food stamp benefit recipient will no longer be served in the E&T Program when the food stamp case closes or when the recipient becomes exempt from the work registration requirements as explained in FSC 3200 - 3290. The E&T case closes automatically on the last day of the certification period indicated on the *E&T Program Referral* (DCO-205) unless the certification period and participation in the E&T Program are extended.

If an E&T Program participant becomes exempt from the work registration requirements or goes to work during the certification period, the closure becomes effective the date the E&T worker becomes aware of the change. If two different workers handle the food stamp case and the E&T case, the effective date of the change in E&T status is the date the food stamp worker notifies the E&T worker of the change.

3640 E&T Program Savings

E&T Program savings will be reported when a household's food stamp benefits are reduced because:

- A household member went to work;
- A household member failed to verify earned income and the food stamp case closed as a result; or
- A household member was sanctioned as a result of noncompliance with the E&T Program.

To calculate savings, the worker must complete the following steps:

- Step 1 Determine what the household's monthly food stamp benefit amount would have been if the action had not been taken - i.e., the household member had not gone to work or been sanctioned or the case had not been closed.
- Step 2 Subtract the new monthly food stamp benefit amount from the old food stamp benefit amount as calculated in step 1 above.
- Step 3 Report the difference as monthly savings.

3650 Procedures to be Set by the County Office

Any county office in which the E&T Program is operated must make certain decisions and set procedures to manage the Program.

Decisions include:

- Which unit or workers will work with E&T Program participants.
- How to maintain E&T cases - e.g., as part of the food stamp case or as a separate record.
- Who will send advance notices of adverse action to the household when an individual household member fails to comply with an E&T Program requirement.
- If both an E&T case record and a food stamp case record are maintained, how to insure that copies of applicable documents appear in both records.
- Who will be responsible for calculating and reporting E&T Program savings.

Procedures must be established to insure that:

- Reported changes are reflected in both the E&T Program and the Food Stamp Program.
- All participants comply with all E&T Program requirements.
- Any individual who refuses or fails to comply with an E&T Program requirement is sanctioned in the Food Stamp Program.

FOOD STAMP CERTIFICATION MANUAL 3700 - 3710 DATE: 1-1-99	SECTION: WORK REGISTRATION SUBJECT: OPTIONAL WORKFARE
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3700 Workfare

Workfare requires certain nonexempt work registrants to perform public service activities as a condition for receiving food stamp benefits. The primary goal of Workfare is to improve employability, thereby enabling individuals to move into regular employment. Workfare is operated jointly by a state or political subdivision and the Food and Nutrition Service of USDA. A political subdivision is any local government, including but not limited to, any county, city, town or parish. FNS must approve Workfare plans prior to implementation of the program.

Political subdivisions approved to operate Workfare are called Workfare sponsors.

The Workfare sponsor is responsible for interviewing and assessing eligible recipients, establishing job sites, assigning recipients to appropriate job sites, and making initial determinations of good cause or no good cause for failure to comply with Workfare obligations. Workfare job sites may only be located in public or private, non-profit agencies. Contractual agreements must be established between the Workfare sponsor and the job site.

3710 Conditions of Workfare Employment

1. All persons employed in Workfare must receive job related benefits to the same extent as others who are similarly employed.

NOTE: Worker's Compensation is not a mandated benefit in Arkansas.

2. Any benefit requiring a cash contribution by the participant will be optional to the participant.
3. Workfare participants must be provided the same working conditions as others who are similarly employed.
4. Health and safety conditions must conform with Sec. 2(a) (3) of the Service Contract Act of 1965 (P.L. 89-286).

Workfare participants will not be assigned work that has the effect of replacing or preventing the employment of an individual not participating in Workfare. This means that vacancies due to hiring freezes, terminations, or layoffs will not be filled by a Workfare participant unless such vacancies are a result of funds insufficient to sustain former staff levels.

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Workfare jobs will not be related in any way to political or partisan activities. Although Workfare participants may be assigned to work for an elected official, they may not engage in work that could be construed as political, such as campaign work.

Workfare assignments will take into consideration previous training, experience and skills of participants. This information shall be obtained from the participant during the initial interview with the Workfare administrator.

3720 Who is Subject To Workfare

The DCO county office worker will determine at certification, recertification or submission of a completed quarterly report which household members are required to participate in the Workfare Program.

Recipients of unemployment benefits are not exempt from Workfare requirements. However, the Workfare office will modify the work schedule of a recipient who has a scheduled job interview that conflicts with the Workfare schedule. It is the registrant's responsibility to notify the Workfare office of schedule conflicts. The registrant will have good cause for hours that cannot be worked in a month due to such conflicts.

3730 Determining Workfare Obligation

Normally, a household's Workfare obligation begins when the county worker determines that a certified household contains a member who is subject to the Workfare requirement. This obligation ends when all household members become exempt or when the household moves from the county, or when the food stamp case is closed for any reason. A household is considered to have good cause for not completing any remaining hours of obligation after case closure.

Only one member per household will be required to participate in Workfare at a given time. However, in households having more than one member subject to Workfare, another household member who is Workfare eligible may fulfill the Workfare obligation if the original designee does not. (See FSC 3760.) The Workfare office, which is informed of all Workfare eligible household members via the referral form, should report a change in designees to the local DHS county office. However, it is not necessary that the DHS county office be notified prior to the work obligation being completed by another eligible designee.

The household's obligation of work hours each month will be calculated by dividing the household's authorized monthly food stamp benefit amount (before recoupment) by the current federal minimum wage. Fractions are rounded down.

A food stamp recipient may be required to work no more than 30 hours per week. This maximum may be exceeded only with the recipient's consent. The recipient must be informed in writing that such work is purely voluntary on his/her part, and no monetary compensation or other benefits for such work should be expected. In any case, the total weekly average for the month must not exceed 30 hours per week. Recipients working for compensation either full-time or part-time or recipients participating in the Food Stamp E&T Program may not be required to exceed 30 hours of work each week including E&T Program activities. No participant may be required to work more than 8 hours per day except with his/her consent.

The household's hours of obligation for any given month will not be carried over into another month except when the household wishes to end a disqualification due to noncompliance with Workfare as explained in FSC 3760.

3740

Referral of Workfare Eligibles

The DHS county office determines Workfare eligibles and makes referrals. The worker will determine at certification or recertification which household members are subject to work registration as per FSC 3200-3290. Once these persons are identified, the worker will:

1. Notify the household of the work registration requirements via *Notification of Work Registration* (DCO-260) if necessary. See FSC 3300-3310.2.
2. Determine if a household member is subject to Workfare using the criteria in FSC 3710. If more than one member is subject to Workfare, the household must designate the member who will be responsible for the Workfare obligation. This member, who is the prime designee, does not have to be interviewed in the county office; however, when the household makes a change in designee, the DHS County Office should be notified.
3. Complete the *Referral/Change* (DCO-207) in accordance with instructions on the form. Calculate the hours of obligation in accordance with FSC 3720. This will be done at certification, recertification or submission of a quarterly report when the reported change will affect the food stamp benefit amount and the Workfare obligation. The DCO-207 will be routed to the Workfare Office within five days of date of completion.
4. Establish a job search period of 10 days. The job search period must follow certification and must end before the Workfare assignment is made. Job search periods are only established when an individual is referred to Workfare for the first time or when an individual is referred again following a period of nonparticipation in Workfare. A job search period is established at application but not at recertification or submission of quarterly report.

5. Prepare a *Notification of Workfare Obligation* (DCO-208). Issue a copy to the prime designee as official notification of Workfare obligation.
6. Advise the household of the responsibilities listed below:
 - . The participant is expected to look for a job if a job search period is established.
 - . The participant must report to scheduled appointments and participate in Workfare activities as directed by the Workfare Sponsor.
 - . The participant must advise the Workfare sponsor's office in advance if he or she is unable to keep scheduled appointments due to unavoidable circumstances such as illness, household emergency, etc.

(These responsibilities are explained on the DCO-208.)
7. Inform the household of the affect of any changes on Workfare obligation.
8. Advise the Workfare sponsor within 5 days of the date a change was processed and how this change will affect a household's Workfare obligation. This also includes changes in prime designee, head of household and case closures.
9. Provide the following information to the Workfare sponsor when the sponsor reports a participant has obtained employment:
 - a) The food stamp benefit amount prior to the change; and
 - b) The food stamp benefit amount after the change.

The information will be used by the Workfare Sponsor to calculate the amount of enhanced reimbursement as instructed in FSC 3710.
10. Make final determination on good cause requests as explained in FSC 3753.
11. Act on reports of noncompliance as described in FSC 3750-3756.

3750

Workfare Sponsor Responsibilities

FSC 3700-3710 gives a general explanation of the Workfare sponsor's responsibilities for administering the Workfare Program.

Specific Workfare sponsor responsibilities and the policy section in which they are explained are listed below:

- . Assigning participantsFSC 3751
- . Monitoring the programFSC 3752
- . Making reportsFSC 3752
- . Reporting noncomplianceFSC 3761
- . Determining good causeFSC 3763
- . Reestablishing eligibility after sanctionFSC 3766

3751

Beginning Workfare Participation

The Workfare sponsor will be notified via a *Workfare Transmittal* (DCO-207) of the household's Workfare obligation.

An interview with the prime designee will be scheduled by the Workfare sponsor to obtain information regarding the training, experience and skills of the designee. These factors will be taken into account when the designee is assigned to a job site.

The Workfare sponsor will notify the prime designee of where and when to report to the Workfare site. Additionally, the prime designee must be given:

1. The name of the person to whom the designee is to report;
2. A description of the duties for the worksite; and
3. A statement of the number of hours to be worked each month.

Participants must be reimbursed (not to exceed \$25 per month) for transportation, child care, and other costs that are reasonable, necessary and directly related to Workfare. This includes costs of personal safety items or equipment required for performances of the work if also purchased by regular employees. Reimbursements for transportation may include, but are not limited to, use of participant's private vehicle and public transportation, provided cost per month does not exceed \$25.

Participants who fail to report to scheduled interviews or to assigned job sites or who otherwise fail to comply with proper instructions from the Workfare sponsor will be advised by letter to contact the Workfare sponsor to make arrangements to complete their obligations.

If a participant fails or refuses to comply with the Workfare requirements, the Workfare sponsor will make a tentative assessment of good cause as explained in FSC 3763.

3752

Monitoring and Reporting

The Workfare sponsor will monitor participation and provide supervision as needed to participants placed on each job site.

1. The Workfare sponsor must maintain records of monitoring activity. These records must include:
 - a) The date of each monitoring visit and the name of the job site visited;
 - b) Any discrepancies discovered through monitoring;
 - c) The corrective action prescribed; and
 - d) The results of follow up monitoring to insure corrective action was implemented.

Each job site will be provided with a copy of the monitoring report.

2. The Workfare sponsor must maintain verification of:
 - a) Direct reimbursement to participants; and
 - b) Travel claimed by the Workfare Coordinator/transportation director as a reimbursement for job related costs.
3. The Workfare sponsor must report to the DHS County Office on a monthly basis the following information:
 - a) The number of households referred for Workfare;
 - b) The number of households assigned to job sites;
 - c) The number of individuals assigned to job sites; and
 - d) The total number of hours worked by all participants.

This information is used by the DHS County Office to complete the *Quarterly Report* (DCO-210).

3753

Optional Grievance Procedures

The Workfare sponsor has discretion to establish a grievance procedure system to handle complaints filed by participants regarding working conditions or any other complaint related to Workfare participation - e.g. job duties assigned.

This procedure need not handle complaints that can be pursued through an administrative hearing as explained in FSC 3800. A participant who chooses not to use the optional grievance procedures may request an administrative hearing. A description of any optional grievance system must be included in the Workfare plan, and Workfare participants must be informed of the grievance procedure.

3760

Sanctions For Noncompliance With Workfare

A two consecutive month disqualification will be imposed when the prime designee or any other Workfare eligible in the household fails or refuses, without good cause to comply with Workfare requirements. The two month disqualification will apply to the entire household.

Each two month disqualification applies to a single act of noncompliance. For each month of noncompliance, the total period of disqualification increases by two months. For example, if the Workfare sponsor reports a household's prime designee failed to comply in October and in November, a four month disqualification will be imposed.

The disqualification will begin the first month following the expiration of the notice of adverse action or, if an administrative hearing is requested by the household, the first month following the hearing decision unless ruled in the household's favor.

If the household is in the last month of certification and has submitted an application for recertification, the application will be denied. On the denial notice, the household will be advised of the disqualification. If the household has not submitted an application for recertification, a notice of the disqualification will be sent to the household.

If the noncompliance is reported the month after the end of the certification period, a disqualification will be imposed for the two months immediately following the end of the certification period and a notice issued to the household.

See FSC 3764 for information on notice requirements.

If a household with a noncompliant member splits, the sanction will follow all household members subject to Workfare. No household member subject to Workfare will be allowed to receive food stamp benefits for the length of the disqualification or until the noncompliant member becomes exempt from the Workfare requirement.

EXAMPLE: A household consists of a husband, wife and two children. Both husband and wife are subject to the Workfare requirement. The wife is the prime designee. The household splits with each spouse taking one child. Both the husband and the wife remain disqualified until the end of the period of disqualification.

When an individual currently disqualified for Workfare noncompliance joins another food stamp household, his or her income and resources will be counted in their entirety; however, he or she will not be included as an eligible household member.

A Workfare disqualification will be ended when a disqualified household (or individual) moves into a county where no Workfare Program is operated.

3761 Imposing a Sanction for Workfare Noncompliance

Within five days, the Workfare sponsor must inform the DHS County Office of the noncompliance using the *Workfare Exchange of Information* (DCO-209).

No sanction will be imposed when:

- The prime designee has obtained full-time employment;
- The household has moved out of the county; or
- The case is closed.

Upon receipt of an DCO-209 reporting noncompliance, the county worker will complete the following steps:

- Step 1 - Using the DCO-209 submitted by the Workfare sponsor, determine if the household member had good cause for failure to comply. See FSC 3762.
If yes, document the good cause in the case record and go to Step 3. If no, go to Step 2.
- Step 2 - Issue a notice of adverse action as instructed in FSC 3764. Go to Step 3.
- Step 3 - Notify the Workfare sponsor via the DCO-209 of the action taken on the case.

3762 Good Cause for Workfare Noncompliance

A Workfare participant is considered to have administrative good cause for failing to complete his/her workfare obligation in the following situations:

- . The participant is not yet available for scheduling due to the job search requirement cited in FSC 3740.
- . The referral was received too late to schedule an interview for the current month.
- . The participant never received an interview and/or work notice.
- . The participant was interviewed too late in the month to be scheduled to work in the same month.
- . The requirement is for too few hours to schedule.
- . The household is currently under sanction.
- . An administrative error resulted in the noncompliance.
- . A worksite is not available.

A participant is also considered to have good cause for failure to complete a Workfare obligation when:

- . The participant is ill.

- . The illness or incapacitation of another household member requires the presence of the Workfare participant.
- . A household emergency requires the presence of the participant.
- . The participant has no transportation and transportation is not provided by the Workfare sponsor.
- . The participant lacks adequate child care for children who have reached the age of six but are under the age of 12.
- . The costs of transportation and other costs have exceeded \$25 per month and the excess amounts are not reimbursed by the Workfare sponsor.
- . There is no longer a Workfare eligible in the home.
- . The participant's obligation to the Food Stamp E&T Program has prevented the completion of the Workfare obligation.
- . For UI applicant or recipient, the participant's obligation to ESD has prevented the completion of the Workfare obligation.
- . The Workfare sponsor notifies the county of the noncompliance more than 15 days following the date on which the noncompliance occurred.

Workfare eligibles who are pregnant or who have partial disabilities are referred to Workfare sponsors; however, the Workfare sponsor must be made aware of the pregnancy or partial disability via the DCO-207. The work assignment should be appropriate for the person's condition. If there are no appropriate assignments, this will be considered good cause for not completing the Workfare obligation.

If a participant develops a disabling condition which is obvious (e.g. - broken leg), the sponsor may grant probable good cause and document the reason on the DCO-209. If the disabling condition is not obvious, the determination of good cause will be the responsibility of the DCO county office. A doctor's statement must be obtained as explained in FSC 3230.

3763

Determining Good Cause

Good cause is determined by either the Workfare sponsor or the DCO worker on a monthly basis. The Workfare sponsor may grant administrative good cause to a household without notifying the county via *Workfare Exchange of Information* (DCO-209). See FSC 3762 for a definition of administrative good cause.

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The Workfare sponsor may also tentatively grant good cause to a participant if the participant contacts the Workfare sponsor to report that he or she will not be able to complete his or her obligation. In these instances the Workfare sponsor will report the noncompliance and tentative granting of good cause or no good cause via the DCO-209. The DCO-209 will be reviewed by the DCO worker for a final good cause determination. Good cause will automatically be granted by the DCO worker if the notification of noncompliance is received more than 15 days following the date of noncompliance.

If the DCO worker determines that the participant had good cause for the noncompliance, the DCO-209 will be completed to reflect this decision and will be returned to the Workfare sponsor. No additional action will be required.

If the DCO worker determines that the participant did not have good cause, a notice of adverse action will be sent to the household. See FSC 3754 for instructions.

When the Workfare sponsor is unable to tentatively determine good cause or no good cause due to lack of information or conflicting information, the noncompliance will also be reported by DCO-209.

When a DCO-209 indicating possible good cause or no good cause is received, the DCO worker must review the case record to determine if good cause can be established.

If good cause cannot be established through a review of the case record, the household must be issued an advance notice of adverse action. The notice must contain the information specified in FSC 3754.

When the Workfare sponsor receives a report that a Workfare participant is employed, this information must be reported to the DHS county office via the DCO-209. If the name of the employer is known, this information will be included on the DCO-209. Within 10 days of the date of the receipt of a DCO-209 reporting employment, the DCO worker must review the case record and take the appropriate action.

If full-time employment has been reported to the DHS county office, the household will be granted good cause for any noncompliance. If less than full-time employment has been reported, good cause cannot be granted automatically. A notice must be sent to the household if additional information is needed to determine whether the household had good cause.

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If employment has not been reported by the household, the DCO worker will attempt to confirm the reported employment by contacting the employer or other collateral contact. Reports of earned income from Workfare sponsors will be handled in the same way as reports of earnings from field investigators. See FSC 12440 for details. If the DCO worker is not able to confirm the report of earned income, the DCO-209 will be handled as a report of Workfare noncompliance. The household will be sanctioned unless good cause for the noncompliance is established. If good cause for the noncompliance is established, the household's certification period will be shortened as explained in FSC 11320.

3764

Notice of Adverse Action

Within 10 days of determining that a household has failed to comply with Workfare, the DCO worker will issue a notice of adverse action to the household. The notice may be combined with a request for information in order to determine if the household had good cause for noncompliance.

When the prime designee or other Workfare eligible has failed to comply with Workfare without good cause, the notice of adverse action must specify:

- Who failed to comply with Workfare;
- That as a result, the household will be disqualified;
- How long the disqualification will last; and
- How to avoid the sanction by working off the outstanding obligation. (The notice must provide a name and telephone number for the household to contact about working off the obligation.)

If it has not been established whether the prime designee or other Workfare eligible had good cause for the noncompliance, the notice must state:

1. Who failed or refused to complete the Workfare obligation;
2. That this person has not established good cause for the noncompliance;
3. That the household must contact the DCO worker within 10 days to establish if the Workfare participant had good cause for the noncompliance; and
4. That unless good cause is established, the household will be disqualified for two months for each month of noncompliance.

NOTE: The notice must specify any information needed to establish good cause.

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3765 Avoiding a Sanction

To avoid the imposition of the sanction, the member who failed or refused to comply with the Workfare requirements (or any other household member who is Workfare eligible) must report to the Workfare sponsor during the ten day notice period. The Workfare administrator will make arrangements with the participant to work off the outstanding obligation.

If the Workfare office cannot or does not allow a registrant to work off an obligation, the county will not impose a sanction.

If the Workfare eligible demonstrates to the Workfare sponsor within the ten day advance notice period that he or she is in compliance, the Workfare administrator will immediately notify the DCO worker in writing, and no sanction will be imposed.

If the household does not contact the Workfare office or does not comply with Workfare, a sanction will be imposed as instructed in FSC 3760 through FSC 3764.

3766 Establishing Eligibility After a Sanction is Imposed

When a sanction has been imposed for noncompliance with Workfare requirements, the household may reapply to participate in the Food Stamp Program. If the household contains a Workfare eligible member or members, the proper referrals will be made as instructed in FSC 3730.

A Workfare sanction which has been imposed may be lifted when at least one of the following conditions is met.

Condition 1 - Any Workfare eligible member of the household reports to the Workfare sponsor's office and satisfies all outstanding Workfare obligations. (This applies only to the first disqualification for failure to comply with Workfare).

Condition 2 - The household no longer contains a member who is subject to the Workfare requirement. This condition applies when all Workfare eligible members have left the home. It also applies when all Workfare eligibles become exempt from the Workfare requirements as specified in FSC 3710 - 3711.

Condition 3 - The household is residing in a county that has no Workfare Program.

Condition 4 - The sanction was imposed in error. If a household is sanctioned due to an error on the part of either the Workfare sponsor or the Food Stamp office, the DCO worker must reopen the case using the information on the last application, restore any lost benefits and notify the household.

When either condition 1 or condition 2 has been met, the household may reapply and may participate if otherwise eligible. If the household is found eligible, benefits will be prorated to the date of application. See FSC 8610.

3770 Reports to be Submitted by the DHS County Office

Each quarter, the DHS county office must submit to the Food Stamp Section, Central Office, a Workfare Quarterly Report (DCO-210.) Reports are due within 30 days of the end of the quarter.

3780 Sharing Workfare Savings - Enhanced Reimbursement

A Workfare sponsor may share in benefit reductions that occur when a Workfare participant begins employment while participating in Workfare for the first time or within thirty days of ending the first participation in Workfare.

- . To begin employment means to appear at the place of employment and to begin working.
- . First participation in Workfare means performing work for the first time in a particular Workfare Program. The only break in participation which will not end a first participation is a break due to the participant's taking a job that: a) does not affect the household's monthly food stamp benefits by an entire month's wages; and b) that is followed by a return to Workfare.

The political subdivision must calculate benefit reductions from each Workfare participant's employment as follows:

1. The benefit reduction equals the difference between the last monthly food stamp benefit amount issued before the participant began the new employment and the first monthly benefit amount that reflects a full month's wages.
2. If the political subdivision knows of other changes beside the new job that affect the household's benefits after the new job began, the political subdivision will obtain from the county office the first monthly benefit amount affected by an entire month's wages from the new job. The monthly benefit amount will then be recalculated to account for the wages attributable to the new job. When recalculating the benefit amount, the political subdivision will also replace any TEA grant received after the new job with the one received in the last month before the new job began. The difference between the first benefit amount that accounts for the new job and the recalculated benefit amount will be the benefit reduction.

3. The political subdivision's share of the benefit reduction is three (3) times the difference, divided by two.
4. If, during these procedures, an error is discovered in the last food stamp benefit amount issued before the new employment began, then those benefits must be corrected before the savings are calculated.
5. If a participant begins employment but benefits were never issued at the new amount, the Workfare sponsor will obtain income verification from the participant's employer. This information will then be provided to the county office. A county office worker will reconstruct the monthly benefit amount to reflect an entire month's wages for the new job. The difference between the two benefit amounts is the benefit reduction, and this will be used to calculate the enhanced reimbursement.

To claim and receive the enhanced reimbursement, the procedure for reimbursing Workfare's regular expenses will be used. Totals of benefit reductions for the period covered by the claim will be entered in the miscellaneous section of the claim document. The workfare sponsor must be prepared to make available for review all documentation to support each claim.

Enhanced reimbursement is limited to the amount of the actual unreimbursed costs for the fiscal year in which the participant began the job which resulted in the savings.

Example 1 The household's monthly food stamp benefits at the time the Workfare participant went to work were \$240. The monthly benefit amount is reduced to \$93 as a result of the earnings.

Enhanced reimbursement equals $\$240 - \$93 = \$147 \times 3 = \$441 \div 2 = \$220.50$. The amount claimed as enhanced reimbursement is \$220.50.

Example 2 The household's monthly benefits at the time the Workfare participant went to work were \$83. Two additional household members were added prior to earnings. After changes were made, the benefits increased to \$102. There would be no enhanced reimbursement.

FOOD STAMP CERTIFICATION MANUAL 3800 - 3800 DATE: 1-1-99	SECTION: WORK REGISTRATION SUBJECT: APPEALS
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3800

Appeal of County Decisions

All decisions regarding work registration, Requirement to Work (RTW) or Workfare determinations may be appealed through the administrative hearing process explained in FSC 16300 - 16330.

The Workfare sponsor must be available to participate if a hearing about a Workfare noncompliance is scheduled. The DHS County Office must provide the Workfare sponsor with advance notice of the time and place of the hearing.

When a participating household appeals the county's decision regarding failure or refusal to comply with work registration, RTW or Workfare requirement within the notice period, benefits will be continued providing:

1. The household did not waive continuation of benefits; and
2. The household's certification period has not expired.
(Certification periods cannot be extended to accommodate continuation of benefits.)

The county office worker will restore lost benefits to the household if the hearing decision is in the household's favor and continued benefits were waived. If the hearing decision is in the county's favor and the household's benefits were continued during the hearing process, the disqualification will be imposed as soon as possible.

