

ARKANSAS REGISTER

Transmittal Sheet

Use only for **FINAL** and **EMERGENCY RULES**



Secretary of State

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For Office

Use Only:

Effective Date _____ Code Number _____

Name of Agency _____

Department _____

Contact _____ E-mail _____ Phone _____

Statutory Authority for Promulgating Rules _____

Rule Title: _____

Intended Effective Date

(Check One)

Date

☐

Emergency (ACA 25-15-204)

Legal Notice Published _____

☐

10 Days After Filing (ACA 25-15-204)

Final Date for Public Comment _____

☐

Other _____

(Must be more than 10 days after filing date.)

Reviewed by Legislative Council _____

Adopted by State Agency _____

Electronic Copy of Rule e-mailed from: (Required under ACA 25-15-218)

Contact Person

E-mail Address

Date

CERTIFICATION OF AUTHORIZED OFFICER

I Hereby Certify That The Attached Rules Were Adopted
In Compliance with the Arkansas Administrative Act. (ACA 25-15-201 et. seq.)

Mary Franklin
Signature

Phone Number

E-mail Address

Title

Date

2005 Obtaining Information to Determine Eligibility

04/1/2024

The applicant is the primary source of information and is responsible for providing necessary verifications, as requested, to establish initial and ongoing eligibility. However, if the applicant is unable to provide essential information, or is having difficulty in obtaining it, the eligibility worker will assist in obtaining required information.

The applicant is expected to provide information as requested. Although the Department of Human Services (DHS) may assist the applicant, when necessary, the applicant should be encouraged to obtain as much information as they can, on their own, before requesting assistance. Such assistance may range from simply advising the applicant about how or where to get the information, to actually obtaining the necessary documents (for example, accessing the Department of Health birth records through ARIES).

2010 Diversion Assistance

04/01/2024

Diversion Assistance is intended to help a family through a financial problem which jeopardizes employment and which, if not solved, could result in the family requiring regular ongoing cash assistance. Diversion Assistance is a replacement for, not a supplement to, regular assistance.

Diversion Assistance is a one-time payment to or on behalf of the family, which will resolve a financial problem so that the adult can maintain or obtain employment. Diversion Assistance is only available to an adult once during their lifetime.

The eligibility requirements for Diversion Assistance are as follows:

1. A minor child must live in the home.
2. The adult has never received a Diversion Assistance payment.

TRANSITIONAL EMPLOYMENT ASSISTANCE POLICY MANUAL, SECTION 2000

2000 TEA Application

3. The Diversion Assistance amount will alleviate the crisis.
4. The adult (a) is currently employed but having a problem that jeopardizes the employment; or (b) has been promised a job but needs help in order to accept the job (for example, they need car repairs or uniforms).
5. The adult agrees to forego regular Transitional Employment Assistance (TEA) cash assistance for a period of one hundred (100) days from the date of application and signs a Diversion Assistance Agreement, DCO- 182, to that effect.

The regular TEA income and resource requirements do not have to be verified and established. If the family's resources are obviously over the resource limit, then Diversion Assistance will not be authorized.

The Diversion Assistance payment will be the actual amount needed in order to resolve the crisis for up to a maximum of three (3) months of maximum grant payments for the household (for example, a household of 3 = \$204 x 3 months = \$612 maximum diversion payment). If the amount needed to resolve the problem is more than the maximum payment, and there are no other resources available to assist with the cost, it will be determined whether the maximum will alleviate the crisis in any way. If not, the payment will not be authorized.

Under Arkansas state law, a Diversion Assistance payment is a loan which the client should repay to the State of Arkansas when able to do so. Repayment, though, does not entitle the individual to another Diversion payment in the future.

A Diversion Assistance payment counts as a TEA month or months for purposes of the twelve-month time limit, if the adult later applies for TEA assistance, unless the payment has been repaid. If not repaid, the diversion payment counts for up to three (3) months of the time limit (based on the amount of the diversion payment), divided by the maximum grant for the family size. The number of months will be rounded up to the next higher number. (See [TEA 2130](#).)

TRANSITIONAL EMPLOYMENT ASSISTANCE POLICY MANUAL, SECTION 2000

2000 TEA Application

2012 Consulting Division Report

Note: If the client requests to apply for Diversion Assistance, the client will be referred to the TEA Case Management unit.

2130 Time Limit

04/01/24

Beginning March 1, 2024, a family who meets all the eligibility requirements may receive Transitional Employment Assistance (TEA) cash assistance benefits for a period of up to twelve (12) total months. The months counted are based on receipt by the adult recipient or head-of-household minor parent. (Refer to Section 4141 of the [TEA Case Management Manual](#) for circumstances under which the time limit may be extended.)

The time limit does not apply in the following situations:

- In cases in which the only parent in the home, or both parents if both are living in the home, receives SSI benefits, and therefore, no adult is included in the case.
- In months in which the individual is deferred or exempt from work activity participation requirements. (See [EXAMPLE #2](#) below.)
- In the months in which a non-head of household minor (under eighteen years of age) parent receives cash assistance. The count will begin when the minor reaches eighteen (18) years of age.

The time limit applies:

- In cases in which the non-parent caretaker's relatives choose to be included in the TEA payment with the child, if a non-parent relative is a payee only, then the time limit does not apply to the case. This will be explained to the non-parent adult relative during the application interview. (See [EXAMPLE #1](#) below.)

The time a child receives assistance will not count toward their time limit when they become an adult.

Payments made by another state under a Temporary Assistance for Needy Families program count toward the twelve (12) month limit in Arkansas if the adult has received more than forty-eight (48) such payments in another state. Only the payments from another state in excess of forty-eight (48) total payments will count toward Arkansas' twelve (12) month limit.

NOTE: The DCO-118, TANF Assistance Received Out of State, will be used to report TEA benefits received from another state. The form should be emailed to the TEA Policy Unit.

EXAMPLE #1: A grandmother is applying (after July 1998) for her grandchild. The grandmother chooses to be included in the unit. After six (6) months of receiving TEA benefits, the case closes because the child has returned to their parent. The grandmother later reapplies for herself and a child of her own. Because she previously received six (6) months of assistance, she has (6) six months remaining in the twelve-month limit. Had she not been included with her grandchild previously, her twelve-month period would begin at one (1) month.

EXAMPLE #2: Ms. Jones was temporarily deferred from work activity requirements due to a domestic violence situation at the time her TEA application was certified in January. The deferral continued for the next five (5) months, ending in June. The deferral months of January through June will not count toward Ms. Jones twelve-month limit.

Diversion assistance payments count towards the twelve-month time limit unless the payment has been repaid. The number of months that a diversion payment counts is based on the diversion amount divided by the maximum grant for which the family would have been eligible had the diversion not been made. The number of months is rounded up to the next higher number. (See [TEA 2010](#).)

Inquiry to the TEA Time Clock may be made to determine the number of months an adult has received TEA benefits. Regular TEA payments and diversion payments are listed on this screen as well as payments paid by another state which must be counted toward the time limit.

4140 Time Limit

04/01/24

Beginning April 1, 2024, a family who meets all the eligibility requirements may receive Transitional Employment Assistance (TEA) cash assistance benefits for a period of up to twelve (12) months. The twelve (12) months do not have to be consecutive months. The months counted are based on receipt by the adult recipient or "head of household" minor parent.

The time limit does not apply:

- to cases in which the only parent in the home, or both parents if both are living in the home, receives SSI benefits, and therefore, no adult is included in the case;
- in the months in which an individual is deferred or exempt from work activity participation; or
- in the months in which an under the age of eighteen (18) non-head of household minor parent receives cash assistance. The count will begin when the minor reaches eighteen (18) years of age.

The time limit applies to non-parent caretaker's relatives only when such relatives choose to be included in the TEA payment with the child. If a non-parent relative is a payee only, then the time limit does not apply to the case.

The time a child receives assistance will not count toward their time limit when they become an adult.

Payments made by another state under a Temporary Assistance for Needy Families (TANF) program count toward the twelve-month limit in Arkansas if the adult has received more than forty-eight (48) such payments in another state. Only the payments from another state in a quantity that is in excess of forty-eight (48) will count toward Arkansas' twelve-month limit.

Diversion Assistance payments also count toward the twelve-month limit if not repaid. See [TEA 2130](#).

NOTE: A client may request case closure at any time during receipt of assistance.

During periodic contacts, the Program Eligibility Specialist will inform the client of the number of months of TEA eligibility remaining. The Program Eligibility Specialist should continue to stress to the client the importance of employment because of the time limit.

The Program Eligibility Specialist will explain to the recipient what action will be taken once the twelve- month time limit has been reached. Refer to [TEA 5001](#) for termination procedures. The Program Eligibility Specialist will advise that the TEA case be closed unless it is determined that an extension, or exemption from the time limit, should be granted. See [TEA 4141](#).

4141 Time Limit Exemptions, Extensions, Reviews, and Closures

(Refer to sections 4141 – 4147 of the [TEA Case Management Manual](#)).

4148 Appeal Rights

04/01/24

If the decision is to close the case at the end of twelve (12) months and not allow an extension, the client has the right to appeal that decision through the Appeals and Hearings office. However, benefits will not be continued pending the hearing decision after the twelve (12) months. Retroactive payment may be made if the hearing decision overturns the case closure decision.

5000 Termination of Cash Assistance

04/01/2024

A Case will be closed:

1. When the recipient has requested closure. Advance notice will be given if required (Refer to [TEA 4050](#)).
2. Upon notice of another state agency that the recipient is being certified for assistance in that state.
3. When DHS has factual information that a recipient fails to meet any eligibility requirement.
4. When a recipient has failed to furnish requested information or failed to comply with other Agency procedures necessary to establish their eligibility after specific written notice (DCO-0001 or system generated) that they must do so.

Cash assistance will be terminated at any point it is determined that a family is no longer eligible to receive assistance.

5001 Time Limit

04/01/2024

A family which includes an adult is eligible for Transitional Employment Assistance (TEA) cash assistance benefits for a period of not more than twelve (12) months. The twelve (12) months need not be consecutive months.

During periodic contacts with the TEA Case Manager, TEA recipients will be informed of how many months of eligibility they have remaining due to the time limit. The number of months a TEA family has received benefits can be determined via the TEA Time Clock.

Upon completion of the tenth month staffing, a decision to close the TEA case or grant an extension will be made. The TEA Case Manager will advise the client of the decision.

If the decision is to not extend the time limit, the case will be closed when the recipient has received TEA for twelve (12) months. The client may appeal this decision. If the client appeals the decision within ten (10) days of the date of the closure notice, benefits will continue (pending the hearing). Upon actual closure of the TEA case, the TEA Case Manager will send a final notice to the client as a reminder that the TEA case has been closed.

NOTE: The time limit for TEA eligibility has no bearing on Medicaid Eligibility.

5002 Intentional Program Violation (IPV)

04/01/2024

The family of any individual who pleads guilty or nolo contendere to, or is found guilty of, an Intentional Program Violation in the TEA program will be ineligible for further participation in the program for the following minimum time periods:

1. For the first offense: one (1) year.
2. For the second offense: two (2) years.
3. For more than two: permanently.

A ten-day notice will be sent to the client stating that the case will be closed due to an Intentional Program Violation. Also, that the case will remain closed until the resulting overpayment (for example, the total amount of assistance received to which the family was entitled) has been repaid to the State with interest. This requirement may be waived by the Director of the Division or their designee.

Refer to [TEA 8100](#) for detailed policy and procedures concerning IPV Disqualifications.

5003 Earnings Related

04/01/2024

At any point it is determined that a family is no longer eligible for TEA benefits due to earnings, the TEA case will be closed. An advance notice of closure will be required. In addition, the family's eligibility for extended support services will be determined. Refer to [TEA 5004](#).

TRANSITIONAL EMPLOYMENT ASSISTANCE – GLOSSARY

A B C D E F G H I J K L M N O P Q R S T U V W X Y Z

~A~

Activity-Related Expenses

Expenses relative to the customer's participation in work activities, which are paid for by the Transitional Employment Assistance (TEA) Program and which are necessary in order for the TEA recipient to participate in the work activity.

Adequate Notice

A written notice that includes a statement of what action the agency intends to take or has taken, the reasons for the intended agency action, the specific policy supporting such action, an explanation of the person's right to request a hearing, and the circumstances under which assistance is continued if a hearing is requested.

Administrative Hearing

A process by which the customer can appeal any adverse decision made on their case.

Assessment

An initial appraisal and gathering of information, such as, needed support services, education level, work history, skills, interests, volunteer activities, and hobbies.

Assignment (Child Support)

When an individual accepts TEA cash assistance for or on behalf of a child or children, the individual has assigned all rights to child support from any other person to the Department of Human Services (DHS).

~C~

Caretaker Relative

A person who exercises primary responsibility for the care and control of the child or children.

Transitional Employment Assistance - Glossary

Casehead

The adult caretaker relative, or a minor parent who is the head of household. In a two-parent family, the choice of casehead is determined by the parents.

Case Management

The process of coordinating and brokering the multiple services needed to achieve progress toward self-sufficiency.

Certificate

A check or other disbursement that is issued by DHS to the parent who may use such certificate to pay childcare services from a variety of providers. Sometimes referred to as a childcare voucher.

~D~

Deferral

A temporary postponement of program activities.

Deobligation

Discontinuing supportive services that have been authorized.

Diversion Assistance

A one-time-only payment to, or on behalf of, the family which will resolve a financial problem so the adult can maintain or obtain employment.

~E~

Earned Income

Salaries, wages, tips, commissions, and any other payment resulting from labor or personal services.

Eligibility Requirement

Conditions that must be met in order for a family or individual to receive assistance.

Transitional Employment Assistance - Glossary

Employment Plan

A plan developed by the agency and client which will help the client obtain or maintain employment.

Exemption

A condition which allows the postponement of program activities.

Extended Support Services

Childcare and Medicaid services that are provided after a cash assistance case closes due to employment.

~G~

Gross Income Trigger

When the gross income of a family reaches one thousand twenty-six dollars (\$1026) monthly, and the TEA payment is reduced by fifty percent (50%).

~H~

Head of Household

The casehead.

Head of Household (Minor Parent)

A minor parent who is legally married regardless of whether they are currently living with the spouse, or a minor parent who is living on their own without adult supervision and it has been determined (TEA 2122.1) that this is an appropriate living arrangement for the minor parent and child.

Head of Household (Teen Parent)

A head of household who is under twenty (20) years of age.

Household Composition

All persons living in the home with family members included in the TEA Unit.

Transitional Employment Assistance - Glossary

~I~

Imposition of Sanction

The case was closed, or, if a closure exception was allowed, the payment was reduced due to non-compliance in certain program requirements.

Income Eligibility Standard

The dollar amount that a family's net countable income must be equal to or less than in order to meet the income eligibility requirement.

~J~

Job Ready

A person who has no physical, mental, or job skill barriers that prevent employment.

~L~

Life Condition

Problems or barriers that would prevent a customer from meeting participation requirements.

~M~

Mentoring

A nurturing process in which a more skilled or a more experienced person serves as a role model, teaches, sponsors, encourages, and counsels a less skilled or less experienced person.

Transitional Employment Assistance - Glossary

~N~

Non-Compliance: Child Support

Failure or refusal to cooperate with the Office of Child Support Enforcement in Child Support activities without good cause.

Non-Compliance: Work Activities

Failure to participate in work activities, refusal to accept employment, or termination of employment without good cause.

~P~

Personal Responsibility Agreement

An agreement specifying the responsibilities of the parent(s) or other adult caretaker while receiving Transitional Employment Assistance.

Policy Statement

Policy statement is a written statement that declares an organization's intentions, objectives, or goals. Policy statements are identified by the shadow box border around it. Policy statements must be adhered to by all Division staff.

Procedure Statement

Information outside of the policy statement. A procedure may either be a mandatory or a flexible procedure. Mandatory procedures use verbs such as "must" and "will". A flexible procedure allows the county office staff to use their own judgment or discretion in applying a procedure.

Protective Payee

A relative, friend, neighbor, or member of a community service group, who is appointed to receive the payment on behalf of a family for whom a determination of mismanagement by the adult has been made.

~R~

Transitional Employment Assistance - Glossary

Relocation Assistance

A one-time-only cash assistance to help a family move from an area of limited job opportunities to a new locality within Arkansas for full-time employment. The person must have a bona fide offer of full-time employment in the new location.

Resource

Any real or personal property available to an individual to meet their needs.

Resource Limit

The dollar amount which a family's total countable resources must be equal to or less than in order for the family to meet the eligibility requirement.

~S~

Sanction

A penalty imposed for not cooperating with program requirements.

Subsidized Employment

Full or part-time employment in a private for-profit enterprise or a private not-for-profit enterprise which is directly supplemented by federal or state funds.

Subsidized Public Sector Employment

Full or part-time employment by an agency of the federal, state, or local government which is directly supplemented by federal or state funds.

Supportive Services Payment

Transportation and other non-child care expenses paid by the agency to eligible providers and customers in order to engage in a work activity.

Supportive Services Reimbursement

Payment made to a customer for transportation and other non-childcare expenses that the customer has paid for in order to engage in a work activity.

~T~

Transitional Employment Assistance - Glossary

TEA Customer

A person who has been approved to receive on-going cash assistance.

Time Limit

The maximum number of months, twelve (12), that a family with an adult recipient can receive Transitional Employment Assistance benefits.

Timely Notice

A written notice which is mailed at least ten (10) days before the effective date of action.

Transitional Employment Assistance

A program to help economically (TEA) needy families with children under eighteen (18) years of age become more responsible for their own support and less dependent on public assistance.

~U~

Unearned Income

Money that was not earned (for example, but not limited to: pensions, annuities, insurance benefits, military allotments, teacher's retirement, Workman's Compensation, Miner's pension, and Black Lung Benefits).

Unsubsidized Employment

Full or part-time employment that is not directly supplemented by federal or state funds.

~W~

Warrant

TEA Check.

Work Activity

Allowable activities under TEA.

3000 CASE MANAGEMENT and EMPLOYMENT SERVICES

Case Management Services

Case management is the process of coordinating and brokering the multiple services needed to achieve progress toward self-sufficiency. Program Eligibility Specialists serve as a point of contact for participants and a point of accountability for the agency. The Program Eligibility Specialist has overall responsibility for working with participants from initial assessment until case closure.

The primary case management consists of the following primary activities:

- **Screening & Assessment** includes all the interactions that Program Eligibility Specialist have with participants, from the initial interview and screening process, through case closure and the provision of extended services. In all of these interactions, the goal is to help the participant identify which services are needed to support family self-sufficiency. Rapport and trust are built by helping participants identify and address their own issues.
- **Brokering for resources**, communication with partners and staffings ensure that the most appropriate services are provided to the participant. Program Eligibility Specialist will work closely with community and other partners; Brokering also involves continual evaluation of each service's usefulness and success. Brokered services include not only case plan activities and local resources, but DHS, Social Security, child support, and other benefits as well.
- **Employment plans** are the road map for the participant in their journey toward enhanced self-sufficiency. They are developed using the participant's best thinking on how they can increase self-sufficiency. The results of initial assessment are used to help the participant choose self-sufficiency-enhancing services, and the Program Eligibility Specialist acts as a broker to access these services. The plan states when, where, how, and by whom these activities will be provided. Employment plans should be individualized based on participant need and can be added to and adjusted over time.
- **Narration and computer entry** are the means by which our benefits are provided, and case activities recorded. They also enable us to collect and evaluate data to continually improve program services. Accuracy and timeliness of narration and computer entry are necessary to help us maintain federal and state funding. Case narratives should be clear, comprehensive, and void of personal opinion.

All these activities occur during case management, but the order may vary depending on the participant's situation. In all cases, we use case management skills such as asking open-ended questions, restating, and summarizing, and helping participants develop their own plan of action and be accountable for their own progress.

Case management services will be provided to those participants who need assistance before and after accepting employment. This service will be provided as long as the participant is eligible, and up to twelve (12) months after cash assistance has been terminated due to employment (Refer to TEA policy 3680.1).

Intent - Individualized Approach

Central to the purpose of the TEA program is an individualized approach to employment services. An individual Employment Plan is developed for each TEA participant based on his or her individual and family circumstances. Therefore, the process of working with the participant in employment related activities should, to the maximum extent possible, be geared to the specific needs and circumstances of that individual and family. It is the intent of the policy and procedures described in the following sections to assist local office staff with making decisions regarding the most appropriate work activities and supportive services which will lead participants to self-sufficiency.

Focus - Time-Limited Nature of Program

In conjunction with an individualized approach, focus must be placed on the time-limited nature of the program. Most participants will have a maximum of twelve (12) months to attain some level of self-sufficiency before cash assistance is terminated. Some participants may have less than twelve (12) months to attain self-sufficiency depending upon past periods of TEA receipt. Therefore, it is critical that the Program Eligibility Specialist and participant make decisions that consider where the family is in terms of the time-limit. For example, if a family has only two or three months remaining before the time-limit expires, job search or subsidized employment would probably be a more appropriate activity than career and technical education.

Documentation

Documentation and complete and accurate case records are vital to the success of good case management. The case record should include a clear chronology of events during a participant's entire experience with the program. The documentation constitutes a major source of evidence in the supporting of the agency's position in a case. In addition, good documentation enables other staff who may conduct reviews or who may later work with the participant to understand what has occurred in the case.

3000.1 Time Limit

A "work eligible individual" is an adult or minor head of household parent who is receiving TEA cash assistance. A work-eligible individual who meets all the eligibility requirements may receive TEA cash assistance benefits for a period of up to twelve (12) months. The twelve (12) months do not have to be consecutive months. The months counted are based on the number of months the adult participant or "head of household" minor parent receives cash assistance.

The time limit does not apply:

- to cases in which the only parent in the home, or both parents if both are living in the home, receives SSI benefits, and therefore, no adult is included in the case; or
- in the months in which an individual is deferred/exempt from work activity participation; or
- in the months in which a non-head of household minor parent receives cash assistance.

The time limit applies to non-parent caretaker relatives only when such relatives choose to be included in the TEA payment with the child. If a non-parent relative is a payee only, then the time limit does not apply to the case.

The time a child receives assistance will not count toward his/her time limit when he or she becomes an adult.

Payments made by another state under a Temporary Assistance for Needy Families program count toward the twelve (12) month limit in Arkansas if the participant has received more than forty-eight (48) such payments in another state. Only the payments from another state in excess of forty-eight (48) will count toward Arkansas' twelve (12) month limit.

Diversion Assistance payments also count toward the twelve (12) month limit if not repaid (See TEA policy 2130).

Note: A participant may request case closure at any time during receipt of assistance.

During periodic contacts, the Program Eligibility Specialist will inform the participant of the number of months of TEA eligibility remaining. The Program Eligibility Specialist should continue to stress to the participant the importance of employment because of the time limit.

The Program Eligibility Specialist will explain to the participant what action will be taken once the twelve (12) month time limit has been reached. (Refer to TEA policy 3300 for termination procedures.) The Program Eligibility Specialist will advise that the TEA case will be closed unless it is determined that an exemption, or extension from the time limit, should be granted (See TEA policy 3270 and 3405).

3200.1 Periodic Review of Time Limited Cases

During Employment Updates and other periodic contacts with the participant, the Program Eligibility Specialist will ensure that the participant continues to meet eligibility requirements which are subject to change (e.g., child in the home, income, etc.). If it is determined that a participant's circumstances have changed, a task should be sent to DHS for redetermination of continued eligibility. The participant will be reminded of the responsibility to report changes within ten (10) days.

During periodic contacts, the participant will be informed of how many months of eligibility he or she has remaining due to the time limit. The number of months a TEA family has received benefits can be determined via the TEPC (TEA Payment Count in the WISE system) screen. The Program Eligibility Specialist should view this screen during periodic interviews with the participant.

The local office will review monthly reports identifying cases that have received TEA for Three (3), six (6), or ten (10) months.

3210 Staffings

Each TEA time-limited cash assistance case will be reviewed at designated times to monitor the participant's progress toward achieving self-sufficiency and to assess the appropriateness of closing, or of allowing an extension, as the participant nears the expiration of the twelve (12) month time limit.

Prior to closing the case due to time limit, a case review of the participant's situation will be made by a review team at the local level who will make the decision as to whether an extension should be allowed, or the case closed.

3210.1 Local Office Review Team Composition

The local office review team will be composed of, at a minimum, the Program Eligibility Specialist, the supervisor, the local office manager, and a staff member from the county DCFS staff. The DCFS staff member's focus should be to ascertain the likelihood of the children having to enter foster care or other protective care if the cash assistance case were to be closed. In addition, any other staff person who has been actively working with the family should be included. Such staff would include WIA staff, Rehabilitation Counselor, substance abuse treatment provider, domestic violence advocate or counselor, etc.

The local office review team may be involved in any of the following case reviews but must be involved in the reviews at six (6) and ten (10) months reviews.

3215 Time Limit Extensions

TEA time limits may be extended because a TEA participant was or is:

1. A parent caring for a child:
 - a. Under three (3) months of age; or
 - b. Between three (3) and twelve (12) months of age if child care for such child is not available.

2. An individual with disabilities (parent or caregiver).
3. A woman in the third trimester of pregnancy.
4. A parent or caregiver who is caring for individuals with disabilities (child relative or adult relative) living in the home.
5. An individual for whom support services are necessary to engage in a work activity are not available.
6. An individual who is unable to participate in work activities due directly to the effects of domestic violence.
7. An individual unable to participate in a work activity due to circumstances beyond his or her control.
8. A parent or caregiver over sixty (60) years of age.

Also, the following individuals may receive an extension of the time limit:

1. An individual who cooperated and participated in the required activities but was unable to obtain employment because of circumstances beyond his or her control.
2. An individual for whom it has been determined appropriate to extend the time limit, particularly, but not limited to, cases in which it is necessary to protect the child from risk of neglect.
3. Individuals participating in education and training activities who have reached the end of their twelve (12) month cumulative limit on financial assistance, have complied with all TEA requirements and are within six (6) months of completing their current education or training program. However, the local office can make an exception and provide an extension to the six (6) months on a case-by-case basis.

The Program Eligibility Specialist may recommend an extension of the time limit based on the above criteria when a family is nearing the end of the time limit.

The decision as to whether an extension to the time limit should be granted is made at the local office level. There is no limit on the length or the number of extensions a participant can receive. An extension will be granted as soon as it is established but no later than thirty (30) days from the date it was claimed.

3220 Case Review at Three Months

For those families in which the time limit count is at three (3) months, the Program Eligibility Specialist will review the case file to determine the work status of the participant. The Program Eligibility Specialist will complete form TEA-197, Case Management Staffing Documentation, and indicate whether or not the participant is making satisfactory progress toward the employment goal. If so, no further action is required at that time. If satisfactory progress is not evident, then the Program Eligibility Specialist will contact the participant to conduct an Employment Plan Update.

This review does not have to be a separate review from other regularly scheduled reviews or contacts the Program Eligibility Specialist may be conducting. The case record should be documented at these intervals to show that a time-limit review has occurred.

3230 Six--Month Review

For participants whose time limit count is at six (6) months, the Program Eligibility Specialist will initiate a full review team case review and complete form TEA-197, Case Management Staffing Documentation. The Program Eligibility Specialist will first contact the participant and determine his or her current status, e.g., progressing satisfactorily or not, current health status, etc. The case review team then meets and reviews the participant's situation. On a case-by-case basis, the team may request the participation of the participant in this process.

The purpose of this local office review is to:

1. familiarize the review team with the participant's circumstances;
2. assess the progress already made toward the employment goal and how much further progress is needed;
3. assess barriers to employment which still exist and to determine what enhanced services could be provided to resolve those barriers; and
4. make a recommendation as to whether the participant should be given a six (6) month extension or be exempted from the time limit.

Following the review, the Program Eligibility Specialist will contact the participant if necessary to:

1. update the Employment Plan;
2. advise of other activities or services needed; and
3. advise of an extension (or exemption from) the time limit if approved.

The Program Eligibility Specialist will also have, at a minimum, monthly personal contact with the participant for the next four (4) months to monitor progress, resolve problems, etc.

This review does not have to be separate and apart from other similar case staffings. If a regularly scheduled staffing occurs at the six (6) month interval, it may serve as this review. The case record should be documented accordingly.

3240 Ten- Month Review

If an extension or exemption was not allowed at the six (6) month review, the local office case review team will meet again to review the participant's current situation. The Program Eligibility Specialist will complete form TEA-197, Case Management Staffing Documentation, and indicate whether or not any progress that has been made, and to determine if an extension to the time limit should now be allowed. All factors will be taken into consideration at this time and each member will make a recommendation as to case closure or extension at the end of twelve (12) months.

This review does not have to be separate and apart from other similar case staffings. If a regularly scheduled staffing occurs at the ten (10) month interval, it may serve as this review. The case record should be documented accordingly.

3250 Extension Expires

Near the end of the extension period, the same case review team process will occur before the case is closed. More frequent reviews may be made during the extension period at local office option.

3260 General Staffing Information

As with cases that are reaching the State twelve (12) month time limit, an extensive staffing focusing on progress and activities that will best achieve employment by the time the participant reaches the time limit will be conducted on cases nearing the sixty (60) month time limit. Other individuals or agencies that have been involved with the participant will be invited to the staffings. If these participants are unable to attend the case staffing, the Program Eligibility Specialist will obtain information regarding their involvement and the participant's activities and progress by phone, email, etc. During the staffing, all information to be used to determine if a hardship extension is appropriate will be collected.

Cases in deferred status and not counted in the state count should be staffed at six (6) month intervals based on the federal count, as they are subject to the federal time limit. Therefore, these cases should be staffed every six (6) months in the same manner as the cases that are subject to the state count.

3260.1 Case Staffings at 42, 48, and 54 Months

The report provided to the local office each month listing cases and the number of months a participant has received TEA will be used to identify the cases that have reached forty-two (42), forty-eight (48), fifty-four (54) and fifty-eight (58) months on the federal count. The local office will use the information in the report to schedule case staffings. Prior to scheduling a staffing, the Program Eligibility Specialist should ensure that the count on the report and on the TEPC screen is the correct count according to the information that is contained in the case record. If the count is not correct, the local office contacts the TANF Policy Unit to request a TEPC count correction.

Cases that reach the 42nd month due to being in deferred status will have subsequent staffings at forty-eight (48), fifty-four (54) and fifty-eight (58) months unless the circumstances change. If the circumstances are expected to change earlier, the staffing schedule can be adjusted accordingly. These case staffings will be completed in the same manner as the three (3), six (6), and ten (10) month staffings until the case reaches the 58th month. The decision to extend beyond the sixty (60) month time limit will be made following the 58th month case staffing. For the forty-two (42), forty-eight (48), fifty-four (54) month case staffing, the Program Eligibility Specialist will complete form TEA-196, Pre-Staffing Summary Report, prior to the staffing and form TEA-197, Case Management Staffing Documentation. Even though no extension decision will be made during these staffings, form TEA-198, Time Limit Case Review Checklist, will be completed for documentation.

Cases that reach the 42nd month due to being extended beyond the twelve (12) month time limit will also have subsequent staffings at forty-eight (48), fifty-four (54), and fifty-eight (58) months. The Program Eligibility Specialist will complete form TEA-196, Pre-Staffing Summary Report, prior to the staffing. The Program

Eligibility Specialist will complete form TEA-197, Case Case Management Staffing Documentation and TEA-198, Time Limit Case Review Checklist, during the staffing. The information obtained during the staffing and documented on these forms will be used when determining whether or not to grant another extension.

Decisions to grant extensions to the cases following the forty-two (42), forty-eight (48), and fifty-fourth (54)th month staffings will be based on extension reasons listed in TEA 3215.

3401.3 Two-Parent Cases

In two-parent families:

1. Both parents must be engaged for a minimum of 35 hours per week if no federally funded child care is provided. At least 30 of the 35 hours must be in one or more core activities. If federally funded child care is provided, the two-parent family must be engaged for a total of 55 hours. At least 50 of the 55 hours must be in one or more core activities.
2. If one parent is deferred, then the other parent must be engaged for a minimum of 35 hours. At least 30 of the 35 hours must be in one or more core activities.
3. If one parent is an individual with disabilities, then the minimum is 30 hours per week for the parent who is not the individual with disabilities. These hours should be in core activities only.

(Refer to TEA policy 3410 for a list of core and non-core activities.)

Example 1 - (fifty-five (55) hour rule - neither parent deferred) One parent could be involved in forty (40) hours of work activities, while the second parent would only be required to participate fifteen (15) hours per week.

Example 2: (thirty-five (35) hour rule - neither parent is an individual with disabilities, but one (1) can be deferred). Both parents are job ready, but child care is needed. While the first parent is engaged in twenty (20) hours of employment, the second parent is at home providing child care. When the first parent isn't engaged in employment, he or she can take care of the children. The second parent may then share in the participation requirement by doing the remaining fifteen (15) hours of required work activities while the first parent is providing child care.

Note: A job ready person is defined as one who has no physical, mental or skill barriers that prevent employment. In addition, the individual has the educational background and experience to gain and maintain employment.

The minimum number of required hours may be in a single work activity or a combination of allowable activities.

3405 Work Participation Exemptions/Deferrals

If a participant claims an inability to engage in work activities, the Program Eligibility Specialist will discuss the reasons why the participant believes he or she is unable to participate.

If a participant is exempt or deferred from work participation requirements:

1. The exemption or deferral will be granted as soon as it is established but no later than thirty (30) days from the date it is claimed.
2. The time limit will not count in the months he or she is exempt/deferred; and
3. The appropriate exempt/deferral reason will be applied (See the Resource Section for a list of codes).
4. The Program Eligibility Specialist will advise the participant that the deferred/exempt months do not count towards the twelve (12) month time limit.

3405.1 Work Participation Exemptions

The only persons who may be considered exempt, and therefore are not required to participate in work activities while exempt, are parents who are caring for a child:

- a. Under three (3) months of age; or
- b. Between three (3) and twelve (12) months of age if child care for such child is not available, as determined by the local office.

A parent may be exempted for the above reason for a maximum lifetime limit of twelve (12) months.

3405.2 Work Participation Deferrals

A participant will be temporarily deferred from participation any time he or she meets the criteria for one of the deferral situations listed below. While in deferred status, the participant may elect to participate in a work activity or another appropriate activity if he

or she voluntarily chooses to do so. Supportive services will be provided for the deferred individual who chooses to participate in a work activity.

1. An individual with disabilities (parent or caregiver) is any participant who alleges he or she is unable to engage in employment activities due to a short-term disability. A participant who alleges a long-term disability with an expected duration of six (6) months or longer is required to apply for Social Security or Supplemental Security Income (SSI) disability benefits. (See TEA policy 3405.4 for detailed information on medical disability verification.)
2. A woman in the third trimester of pregnancy.
3. A parent or caregiver who is caring for individuals with disabilities (child or adult relative) who are living in the home.

Note: If the family member will require care for an extended period of time, the Program Eligibility Specialist should explore other resources or available services (e.g., a home health aide) which would enable participation.

4. Supportive services necessary to engage in an activity are not available (e.g., child care, transportation). The local office will make the determination as to whether a particular supportive service is necessary for participation.
5. The person is unable to participate in work activities due directly to the effects of domestic violence.
6. The person is unable to participate due to circumstances beyond his or her control. This decision will be made at the local office level. Circumstances include, but are not limited to, natural disasters.
7. In two-parent families, one parent may be deferred from participation to care for the minor child(ren), when appropriate.
8. A parent or caregiver over sixty (60) years of age.

Note: Any month a participant is deferred or exempt from work participation activities will not count toward the state's twelve (12) month time limit. Also, there is no limit on the length or the number of deferrals a participant can receive, provided requirements are met. Therefore, an exempt/deferred individual automatically receives a month-for-month extension to the twelve (12) month time limit for each deferred/exempt month.

A review of the deferral will be made at least once a month by phone or mail.

3405.3 Verifying Deferral Reasons

If a participant meets one of the deferral reasons, verify the reason for deferral and document the case record accordingly.

3415.2 Self-Employment

Self-employment is defined as income generated from working for one's self rather than for others. The number of hours of self-employment counted towards participation is determined by calculating the participant's gross income, minus business expenses, divided by the Federal Minimum Wage.

Participants must provide documentation of verified gross income, minus business expenses. This includes copies of money orders, checks, and other forms of proof of income or expenditures.

Participants must provide bi-weekly verification.

Example: Ms. Jones, a single parent, states she is taking care of the neighbor's child while they are working. Ms. Jones claims she makes one hundred dollars (\$100.00) per week and has no expenses. The minimum wage during her time of employment is \$6.55/hour. To verify Ms. Jones' hourly participation, divide one hundred (\$100) by \$6.55. The total hours of participation would be fifteen (15). Therefore, Ms. Jones would need an additional work activity for the remaining fifteen (15) hours.

Types of bi-weekly verification needed to show participation include invoices, paystubs, and form TEA-97, Verification of Earnings.

3420 Subsidized Employment (Private and Public)

The subsidized employment work activity is a core activity defined as employment for which the employer receives a subsidy from TANF or other public funds to offset some or all of the wage and costs of employing a participant. It is also designed to provide trained participants with actual work experience. The person may be hired by a private or public sector employer. Employers are asked to hire participants in positions which would normally call for an employee with experience.

Subsidized Employment is limited to a maximum of six (6) months during a twelve (12) month period. However, the local office manager may approve extensions of up to ninety (90) days with appropriate justification and documentation. The level of participation in this activity must be at least the minimum number of hours per week as required in TEA policy 3401.1 with a maximum not to exceed forty (40) hours per week.

In situations in which a person with job skills has been unsuccessful in obtaining unsubsidized employment and the family is nearing the end of its time limit on cash assistance, subsidized employment may be appropriate. However, a participant may be engaged in subsidized employment at any time. While working in a subsidized job, a portion of the person's wages (up to half) may be paid by the TEA program.

A TEA participant in subsidized employment shall be eligible for the same benefits as a non-subsidized employee who performs similar work.

Prior to engaging a participant in a subsidized employment placement with a particular employer, the local office will develop a written contract with the employer.

Failure to be in compliance without good cause could result in imposition of the non-compliance sanction.

At worksites developed by the local office, up to half of the wages paid by the employer may be reimbursed by the TEA program. Local offices should use TEA-1437, On-the-Job Training Agreement, when setting up worksites. The signed agreement must be in place before the participant can engage in the OJT work activity. The participant will be required to verify hours of participation (Refer to TEA policy 2342).

Participation in the OJT work activity is limited to a maximum of six (6) months during a twelve (12) month period. The local office manager may approve a one (1) time extension of up to ninety (90) days for participation in OJT. The level of participation in this activity must be at least the minimum number of hours per week as specified with a maximum of forty (40) hours per week.

Upon completion of the OJT assignment, it is anticipated that the participant will be hired as a regular employee.

3425.1 On-The-Job Training (OJT) Worksite Development

The local office will have responsibility for marketing and developing OJT worksites for the TEA program.

Local office staff will negotiate OJT/Employment agreements with employers in their area (i.e. city, county, multi-county). Private and public employers may be utilized when developing OJT agreements. Form TEA-1437, On-the-Job Training Agreement, will be used to outline the proposal.

In negotiating agreements, the local office will ensure that the employer understands that the purpose of the agreement is to:

1. provide an opportunity for TEA participants to obtain training and job supervision,
2. encourage their participation by providing a mechanism by which TEA participants become self-sufficient employees, and
3. provide employment to participants upon satisfactory completion of the On-the-Job Training.

The local office representative and employer will complete and sign the On-The-Job Training/Employment Agreement.

3425.2 Approval Process/Procedures for OJT/Employment Agreements

Once the TEA-1437 On-The-Job Training Agreement has been negotiated, it will be submitted to the local office manager for approval. The local office manager will review and make a decision within three (3) working days.

The local office will monitor the participation at the OJT employment site through contact with the Training Supervisor. This contact will be conducted at least once each month either by telephone or in person.

3665 ESS Medicaid

In certain situations, a family who becomes ineligible for TEA benefits due to employment may receive up to one year of extended Medicaid coverage (Refer to DHS Medical Services Policy 2061).

3670 Employment Bonus

TEA cases which close due to employment (by agency determination or participant request) or have reached the time limit and the individual is employed will be eligible to receive an Employment Bonus payment, unless the family has already received an Employment Bonus within the preceding twelve (12) months. The purpose of the payment is to help the employed participant meet work-related expenses during the first full month of employment following the termination of regular cash assistance to better enable him or her to retain the job.

The amount of the bonus payment will be equal to the amount of the last regular TEA cash payment and it will **not** count toward the participant's twelve (12) month time limit.

When a case is closed for payment with one of the Action Reasons specific to the Employment Bonus, the system will automatically issue the bonus payment to the family in the month following the effective month of closure. If a system generated notice of closure is not sent, the local office should include the information regarding the Employment Bonus in their manual notice of closure so that the participant will know its purpose and be expecting it. (The system generated closure notice for an Employment Bonus closure code will include that information.)

Only one Employment Bonus may be authorized to a participant within a preceding twelve (12) calendar month period. Therefore, if a participant who received an Employment Bonus returns to TEA cash assistance, such participant cannot receive another Employment Bonus for at least twelve (12) months even if the case closes due to employment before then.

Example: Ms. Jones started to work in January 2008 and requested her case be closed due to her new employment effective February 2008. Her case was closed in ANSWER in January 2008 with an Employment Bonus Action Reason. The bonus payment was issued to Ms. Jones in February 2008. In November 2008 Ms. Jones loses her job, reapplies for TEA cash assistance, and is recertified in December 2008. She finds another job in January 2009 and again her case is closed due to employment effective for February 2009. However, she cannot receive an Employment Bonus this February 2009 because she received one within the twelve months preceding this month (i.e., the prior February of 2008).

3675 Transportation Bonus

TEA cases which close due to employment (by agency determination or at participant request) or have reached the time limit and the participant is employed will automatically

be eligible to receive one (1) month of Extended Support Transportation bonus. The payment will assist the participant in meeting transportation expenses.

The Extended Support Transportation bonus will be in the amount of two hundred dollars (\$200) and will not count toward either the state or federal time limit.

When a case is closed due to earnings, the Program Eligibility Specialist will use the closure codes specific to allowing this Extended Support Service. Verification of earnings is not required. The system will automatically issue to the participant's EBT account the first month of Extended Transportation benefit in the month following the month of case closure. There is no limit to the number of times an individual may receive the extended support service transportation bonus.

3675.1 Extended Support Services Employment Bonus and Transportation Examples

The following are situations in which ESS employment bonus and/or transportation assistance will be authorized.

Note: A system edit will prevent more than one Employment Bonus from being issued in any twelve (12) month period.

1. Ms. Manning reported that she found a job and requested her TEA case be closed. The participant's statement that she is employed may be accepted without verification.
2. An anonymous telephone call is received in the local office reporting that Ms. Smith is working. A ten (10) day notice is sent to Ms. Smith requesting that she contact the local office concerning the report. Ms. Smith calls the local office and states that she is working and no longer wants TEA benefits. Ms. Smith's case will be closed, and the ESS transportation bonus will be authorized.
3. Ms. Davis reported that she was employed. Based on her earnings, she was no longer eligible for TEA cash assistance. The TEA case was closed, and the ESS Employment transportation bonus was authorized.
4. Ms. Long is in her twelfth (12th) month of TEA cash assistance. After her ten (10) month case staffing, it was determined that her time limit will not be extended. Ms. Long is working, but her earnings are not enough to cause ineligibility. Because she has earnings when her TEA case is closed, she is eligible for the ESS Employment Bonus and Transportation assistance.

In the following **example**, an ESS Employment Bonus and Transportation assistance will **not** be authorized.

Example: A telephone call was received in the local office reporting that Mr. Jones was employed. A ten (10) day notice was sent to Mr. Jones to contact the local office concerning the report. Mr. Jones did not contact the local office. The TEA case was closed for failure to respond to the notice. Even though this was a report of employment, the ESS Employment Bonus and Transportation assistance will not be authorized because Mr. Jones did not confirm that he was employed.

3680 Extended Support Services Job Retention

Those participants who become ineligible for continued TEA cash assistance benefits due to employment may receive, during the twelve (12) month period following case closure, cash payments for the purpose of enabling the participant to retain his or her job. The participant must show that there is an immediate job-related need which, if not resolved, will result in the termination of his or her job. In addition, there must be no other local resources available to meet the need. All ESS Job Retention services must be pre- approved.

The amount of the payment will be the actual amount needed to resolve the job-related need. If the payment exceeds two hundred dollars (\$200), the local office manager must submit written justification prior to keying to WISE. To do so, the local office manager must complete a written justification and email or fax to the TANF Policy Unit.

The Extended Support Services Job Retention Payment will not count toward the participant's maximum twelve (12) month limit.

The following are examples of situations in which a former participant would need assistance in retaining a job:

Example: Ms. Smith started to work in July 1998 and her TEA case closed in December. Ms. Smith is still employed in February 1999. However, her car has broken down and is in need of repairs in order for her to continue to work. All other resources have been exhausted and her case closed within the prior twelve months. In this instance, Ms. Smith may receive an Extended Support Service Job Retention payment to repair her car.

Example: Mr. Jones has been employed since March and his TEA case closed in September. Mr. Jones has not received any assistance for the past eleven months. In order for this former participant to remain employed, he must purchase a special type of uniform. Mr. Jones states that after his expenses are met, he has very little, or nothing left over for extras. All other local resources have been exhausted. In this instance, Mr. Jones may be paid an Extended Support Service Job Retention payment to purchase the special uniform.

Although more than one job retention payment may be made during the twelve (12) month period, Program Eligibility Specialists should be alert to situations in which a participant requests multiple payments throughout the year. Job retention payments should not become a substitute for regular cash assistance payments or be viewed as an additional year of cash assistance.

Prior to authorizing any job retention payment, it must be clearly established that a job-related need exists and that failure to meet that need will most likely result in the participant's job being terminated. In addition, job retention payments may not be used to provide on-going assistance with basic needs such as rent or utilities since that type of assistance must be counted for purposes of the time limit.

3800 Employment Services - Non-Compliance

The purpose of the non-compliance process is to encourage the participant to comply with the work activity requirement. It is expected this process will assist the participant in successfully reaching the goal of full-time employment while safeguarding the health and well-being of the children.

3800.1 Defining Failure to Comply

Failure to comply occurs when a person who is required to participate in the program:

1. fails to participate in a work activity;
2. refuses to accept employment;
3. terminates employment without good cause; or
4. otherwise fails to comply with his or her Employment Plan;

3800.2 Good Cause

The non-compliance process will be stopped if the participant demonstrates that he or she had good cause for not complying. The determination of good cause is a local office decision.

Good cause for failure to comply will be found to exist if:

1. The participant is the parent or other relative personally providing care for a child under age six (6) years and child care is not available.
2. Child care (or day care for any incapacitated individual living in the same home as a dependent child) is necessary for a participant to engage in a work requirement or continue in the program or to accept employment and such care is not available.
3. Transportation is unavailable.
4. The working conditions would be a risk to the participant's health or safety.
5. The worksite is only available because of a labor dispute.
6. The participant was subject to discriminatory practices based on age, sex, race, religion, disability, political affiliation, veteran status, color, or national origin.
7. The offer of employment is not a specific job at a stated wage, which meets the Federal minimum wage.
8. The failure to participate was due to events beyond the participant's control, which include, but are not limited to: inclement weather, family emergency, natural disaster, a short-term illness which temporarily prevents employment, or mail loss.

3800.3 Determining Good Cause

Once failure to comply with TEA work requirements has been established, the Program Eligibility Specialist will:

1. Contact the participant to give him or her an opportunity to explain why he or she failed to comply and make a determination of good cause, if appropriate. This contact should be in writing (i.e., TEA-1). If the contact is made by phone or face-to-face, the case record must be documented accordingly. The Program Eligibility Specialist should provide the participant, at a minimum, the following information:

- a. The specific act of non-compliance;
- b. A reasonable time (e.g., ten (10) days if contacting the participant by mail) to establish good cause prior to applying the sanction.
- c. If the sanction is imposed, it will result in the cash assistance payment being suspended, reduced, or terminated.

Note: Suspended is defined as a period in which the family's financial assistance shall be held pending compliance. After which the family's assistance may be reduced, lost and/or paid at the regular grant amount.

- d. That the sanction months in which benefits are received will continue to count toward the individual's twelve (12) month time limit.
2. Make a determination as to whether or not a good cause exists.
 - a. If the participant contacts the local office and good cause is determined to exist, then all non-compliance procedures will stop, and the participant will be rescheduled for an appropriate activity.

Note: Any time a participant meets a deferral reason, the non-compliance process will be stopped.

- b. If good cause does not exist but the participant states a willingness to cooperate, the participant will be required to engage in an appropriate activity for a period of two (2) weeks. If the participant does not satisfactorily complete the two (2) weeks of participation, then the non-compliance sanction process will proceed.

Note: If the Program Eligibility Specialist becomes aware that the participant had good cause for failing to complete the two weeks of participation, consideration of that will be given. However, it is not necessary to formally provide the person with an opportunity to show he or she had good cause in this situation.

3. In the event good cause is not established and the participant does not state a willingness to cooperate, the cash assistance payment will be suspended, reduced or terminated in accordance with the Non-Compliance Sanction (Refer to TEA policy 3800).
4. An adequate notice, Form TEA-1421, Notice of Work Activity Non-Compliance Sanction will be sent to the participant advising that a sanction is being imposed.

3805 Non-Compliance Sanction

An act of non-compliance opens the initial sanction process. The sanction process is as follows:

1. TEA benefits will be suspended for one (1) month.
2. If the participant fails to comply after the benefits have been suspended, the suspended payment will be lost.

2. Complete a new budget to determine the family's continuing eligibility and payment amount.
3. Give advance notice (system generated or DCO-1), if necessary. If advance notice is not necessary, notify the participant that the action has been taken via DCO-1 if a system generated notice is not sent.
4. Complete the DCO-56 for keying to the ACES system.

4134 Marriage of the TEA Parent

When a TEA participant reports a marriage, the worker will:

1. Require an application to add the new spouse to the unit unless the spouse is an SSI participant.
2. Determine if the person married is employed or has any other income or resource.
3. If the family remains eligible, determine the person's work participation requirements and advise the family of such requirements if appropriate.
4. Record all pertinent information in the case narrative.
5. Complete a new budget.
6. Complete DCO-56 changing name of payee and grant amount, if necessary.
7. Allow the participant an opportunity to complete a Voter Registration Application so that he or she can report an address or name change to the county clerk's office if he or she so chooses (Refer to Appendix V).
8. In situations in which a system notice is not generated, notify the participant by DCO-1, if appropriate.

4148 Appeal Rights

If the decision is to close the case at the end of twelve (12) months and not allow an extension, the participant has the right to appeal that decision through the Appeals and Hearings office. However, benefits will not be continued pending the hearing decision after the twelfth (12th) month. Retroactive payment may be made if the hearing decision overturns the case closure decision.

4200 Non-Eligibility Changes

4210 Change of Address

The participant is responsible for notifying the County Office within ten (10) days of any change of address. It is important that the participant be advised of his/her responsibility to report any change of address within ten (10) days to ensure that the participant will receive appointments, notices, etc. in a timely manner. It is also important that any change of address reported be processed promptly by the County Office.

4210.1 To change an Address

1. Record all pertinent information in the case record.
2. Key the change to the automated system.

10000 ARKANSAS WORK PAYS

Arkansas Act 1705 of 2005 established the Work Pays Program. Work Pays is an incentive program designed to encourage working TEA participants to remain employed after closure of the TEA case while increasing their hours of work and/or hourly wage. Provided they meet Work Pays eligibility requirements, families participating in Arkansas Work Pays will receive: a monthly cash assistance payment in the amount of two hundred and four dollars (\$204) for up to twelve (12) months, case management, supportive services, and job retention and advancement services. The twelve (12) months will count toward the federal sixty (60) month time limit but not the state's TEA - month limit. If the participant reaches sixty (60) months while participating in Work Pays, an automatic extension will be given to the sixty (60) month time limit. This work incentive program may be limited to three thousand (3,000) families.

The worker will explain the Work Pays program to the applicant and provide a Work Pays pamphlet during the initial interview for TEA cash assistance. The Program Eligibility Specialist will discuss the Work Pays program with the participant during ongoing case management activities. When the TEA case closes due to employment, the participant will receive additional information about Work Pays, including a Work Pays application.

10100 Work Pays Eligibility Requirements

A participant must meet the following requirements:

1. Be employed at least thirty (30) days prior to the date of the Work Pays application;
2. Have care and custody of a related minor child, including family cap child (TEA Policy 2150.1) and child receiving SSI;
3. Be a resident of the State of Arkansas;
4. Meet the citizenship or alienage requirement (Refer to TEA policy 2220);
5. Apply for Work Pays within six (6) months of TEA case closure;
6. Received TEA cash assistance for at least three (3) months, including months of deferral. (These months do not have to be consecutive. Months from other states do not count);
7. Have not received more than twelve (12) months of Arkansas Work Pays Program Benefits;
8. Meet Work Hours Requirement:
 - a) For initial eligibility - Was engaged in paid work activities for a minimum of twenty-four (24) hours per week and met the federal participation rate for the past month.
 - b) For on-going eligibility – must be in paid work activities for a minimum of twenty-four (24) hours per week and meet the federal participation requirement for one (1) of the past three (3) months and for at least three (3) of the past six (6) months;
9. Have income below 150% of the federal poverty level for the family size, including SSI and Family Cap Children (SSI and family cap children are counted in the household size **when determining FPL**, even if they are not part of the budget unit.)

Note: Stepparents with no child in common are NOT part of the Work Pay budget unit. Therefore, the income of the stepparent is disregarded.

10. Comply with the Work Pays Personal Responsibility Agreement;

11. Comply with Office of Child Support Enforcement (OCSE) requirements, including assignment of support and cooperation in establishing paternity and/or support unless good cause exists; and
12. Comply with drug screening and testing requirements.

Note: If a participant has reached or exceeded the sixty (60) month federal time limit when the participant applies (or reapplies) for Work Pays, the application will be denied.

10101 Work Pays Application Process

For participants interested in applying for Work Pays, the application must be completed and submitted via mail, email, or fax to DHS for initial eligibility determination. The Work Pays applicant must sign the application. If it is a two (2) parent household, both parents must sign the form.

In accordance with Arkansas Act 1205 of 2015, drug screenings of applicants and recipients will be conducted as a part of the application process – during initial eligibility determination and during reevaluation (redetermination).

10102 Determining Initial Eligibility

10102.1 Employed 30 Days Prior to Application Date

For initial eligibility, the Program Eligibility Specialist will review the application to determine if the participant was employed at least thirty (30) days **prior to** the application date. If the participant was not employed at least thirty (30) days prior to the application date, no initial interview will be scheduled. The application will be denied, and a TEA-1 will be sent as an adequate notice of the denial. No good cause will be given for not meeting initial eligibility. (See TEA policies 4050 and 4051 for more information on adequate notices).

Example: An applicant submitted an application dated October 15th. On the application, the applicant indicated employment began on September 16th. Because the applicant was only employed twenty-nine (29) days, the application is denied.

10102.2 Automated System Review

If the participant was employed thirty (30) days prior to the application date, the Program Eligibility Specialist will review the following information in the automated system to further determine if the participant meets initial eligibility. (Refer to Policy 10100).

The participant:

- Must have care and custody of a related minor child (including family cap child and child receiving SSI);
- Must meet the citizenship or alienage requirement;
- Must apply for Work Pays within six (6) months of TEA case closure (unless the previous Work Pays case closed due to insufficient hours);
- Must have received at least three (3) months of TEA cash assistance, including deferral and exemption months. (This includes TEA cases that close due to reaching

- the time limit or have been extended and earnings are included.); and
- Must not have received more than twelve (12) months of Work Pays.

If the requested information is submitted within ten (10) calendar days, the Program Eligibility Specialist will key the actual hours into the automated system and select the full payment indicator.

If the requested information is not submitted within ten (10) calendar days, the Program Eligibility Specialist will key the actual hours into the automated system and select the sanctioned payment indicator. (Refer to Work Pays policy 10700 for non-compliance requirements).

10600 Work Pays Bonus

As an incentive to participants to retain their jobs, each Work Pays participant may receive pre-set bonus payments after meeting certain job retention targets. To be eligible for the bonuses, the participant must have met the federal work participation rate requirement in each of the preceding months according to the bonus schedule below. All bonus payments will be made through the participants' EBT card but not counted as cash assistance. Bonuses will be keyed after the monthly cash assistance payment has been released.

The Program Eligibility Specialist will assess prior work participation and select the indicator in the automated system to trigger the appropriate bonus payment. The bonus payment indicator should be marked at the same time as the work participation is entered each month. (See Work Pays policy 10504 for information on keying work participation hours.)

Note: Good cause months are classified as non-compliance and must be considered when determining if a participant is eligible for a bonus.

If the Work Pays participant exits the program and re-enters the program, the participant will be eligible for bonuses not already received when their Work Pays eligibility has been re-established. (See Work Pays policy 10800 for the eligibility criteria for re-entry to the Work Pays program.)

10600.1 Bonus 1: Three (3) Months Job Retention Target

Participants that meet the work participation requirements for three (3) consecutive months will receive a bonus in the amount of four hundred dollars (\$400.00).

10600.2 Bonus 2: Additional Six (6) Months Job Retention Target

Participants that meet the work participation requirements for an additional six (6) consecutive months not including the initial three (3) months in bonus one (1) above will receive a job retention bonus in the amount of six hundred dollars (\$600).

10600.3 Bonus 3: Twelve (12) Months Job Retention Target

Upon closure of the Work Pays case due to time limits, participants that have met the work participation requirements for twelve (12) out of twelve (12) months will receive an exit bonus in the amount of eight hundred dollars (\$800).

10600.4 Earnings' Bonus: Case Closure Due to Earnings

The Work Pays participant may receive an earnings' bonus of \$1,200.00 anytime within the twelve (12) month case time limit if their income exceeds 150% of the Federal Poverty Level (FPL) for their family size. The Program Eligibility Specialist will notify the supervisor if it appears that earnings exceed FPL. The supervisor will review the documentation and determine eligibility for the bonus. If it is determined that earnings exceed FPL, the Program Eligibility Specialist will send a ten (10) calendar day advance notice of closure to the participant (TEA-1). Once the notice expires, the Program Eligibility Specialist will close the case. After case closure, the supervisor will authorize the bonus to be issued.

Note: Temporary fluctuations such as overtime, seasonal bonuses, etc. will not be considered when determining eligibility for the earnings bonus. (See Work Pays policy 10300 for more information on FPL calculations).

10700 Non-Compliance

Non-compliance occurs when a person who is required to participate in certain activities fails to do so. Below are two reasons that a Work Pays participant's case may be deemed in non-compliance. The participant:

1. fails to comply with the assigned work requirement; and/or
2. refuses to cooperate with the Child Support Enforcement

10710 Compliance with Child Support Enforcement

The participant will be required to comply with the Office of Child Support Enforcement. Failure to comply without good cause will result in a 25% sanction being imposed. This sanction is an automatic system generated sanction and requires no action on the part of the Program Eligibility Specialist.

10720 Good Cause for Work Non-Compliance

The sanction process will not be applied if the person demonstrates that he or she had good cause for not complying. The determination of good cause is a decision made by each local office. For acceptable good cause reasons, refer to TEA policy 3800.2.

Note: Good cause months are classified as non-compliance and could result in case closure when determining if a participant has failed to comply for three (3) consecutive months or failed to comply for at least three (3) months out of the past six (6) months.

10730 Determining Good Cause for Work Non-Compliance

Once failure to comply with Work Pays requirements has been established, the following procedures will be followed:

1. Contact the participant to give him/her the opportunity to explain why he or she failed to comply and make a determination of good cause, if appropriate. This contact will be in writing. If the initial contact is made by phone or face-to-face, the TEA-1 must be mailed as a ten (10) calendar day advance notice, and the case record

must be documented accordingly. The Program Eligibility Specialist will provide the participant, at a minimum, the following information:

- a. The specific act of non-compliance;
 - b. A reasonable time to establish good cause prior to applying the sanction;
 - c. That if the sanction is imposed, it will result in the Work Pays payment being reduced;
 - d. That the sanction months in which benefits are received will continue to count toward the participant's twelve (12) month time limit; and
 - e. A specific date and time for a home visit – to be conducted before the notice expires.
2. If the participant contacts the local office and good cause is determined to exist, then a good cause payment will be authorized.
 3. In the event good cause is not established and the participant does not cooperate, the cash assistance payment will be reduced or cancelled, if appropriate.

10740 Non-Compliance Sanction

If on the 5th workday of the month, verification of hours has not been received, a ten (10) calendar day advance notice (TEA-1) will be sent on the 6th workday of the month requesting documentation. If the documentation is not received within the ten (10) calendar days provided in the sanction notice (and good cause is not established), either a 50% sanction (reduction in benefits) will be imposed on the Work Pays case or the case will be closed. (Refer to Work Pays policy 10504 for more information on applying the sanction.)

If a participant does not comply with both the work requirement and the Office of Child Support Enforcement, the sanction applied will not exceed 50%.

If the participant fails to meet the participation requirements, then the participant will be sanctioned. Either a 50% sanction (reduction in benefits) will be imposed on the Work Pays case or the case will be closed.

Home visits will be required on Work Pays cases when an act of non-compliance occurs (i.e., each month of non-compliance).

10750 Lifting the Sanction

If the participant fully participates in the next month following a sanctioned payment, the Program Eligibility Specialist will authorize a full payment.

If the payment was reduced due to an OCSE sanction, the participant must fully cooperate with OCSE before full payment can be authorized. The OCSE sanction will be lifted upon receipt of OCSE documentation verifying cooperation.