

## Attachment C

### Budget Examples

The following examples will illustrate the determination of the standard of need; how income is budgeted; the effect of a TA employment sanction; and the effect of a sanction for the violation of the Independent Living Plan (ILP).

All examples are for a family of four including a mother and her three under age 18 children in the month of August 2015. In these examples, meals are not included in the shelter cost and the family is unable to prepare meals in the temporary housing unit so the family receives restaurant allowances (\$64 + \$100 for each child = \$364/ total)

The examples show monthly budgets. When the individual or family is in Temporary Housing (TH) for less than the full month, the monthly amount is divided by the number of days in the month and that is multiplied by the number of days the individual or family was in the temporary housing to determine the correct amount for the period the family was in TH.

#### **Example #1 – Standard of Need**

Basic	\$ 433.00	
Home Energy	38.70	
Supplemental Home Energy	30.00	
Shelter (Hotel Temporary)	3,000.00	(Vendor payment to TH provider)
Restaurant Allow	<u>364.00</u>	
Total Needs	\$3,865.00	(Rounded down)

#### **Example #2 – Budgeting Income**

The mother in the family is earning \$2,100/monthly. As stated in 97 ADM-23, the poverty level test applies only to individuals and families for which a shelter allowance is provided under 352.3(a), (b), (c), or (d) or under 352.8(b)(1).

The family is applying for ongoing TA and is still in Temporary Housing at the time that the ongoing eligibility is being determined. Although the August 2015 poverty level for a family of four is \$2,020.83 monthly, the Poverty Level Test (PLT) will be bypassed because the family is residing in a type of housing not subject to the PLT:

Gross Income	\$2,100.00	
Work Expense	90.00	
50% Disregard	965.42	Only the amount at or below the poverty level is eligible for disregards ( $\$2,020.83 - \$90 = \$1,930.83 \times 50\% = \$965.42$ )
Total Deductions	\$1,055.42	( $\$965.42 + \$90 = \$1,055.42$ )
Net Income	1,134.58	( $\$2,100.00 - \$1,055.42$ )
Total Needs	\$3,865.00	
Net Income	<u>- 1,134.58</u>	
Deficit	\$2,730.00	(Rounded down. Vendor payment to the TH provider)

**\*Balance of \$270/month to be paid by family**

#### **Example #3 – Head of Household under a Prorata Sanction – no countable income**

Basic	\$ 433.00
Home Energy	38.70
Supplemental Home Energy	30.00
Shelter (Hotel Temporary)	3,000.00
Restaurant Allow	<u>364.00</u>

Total Needs	\$3,865.00	(Rounded down)
Net Income	<u>0.00</u>	
Deficit	\$2,898.75	(\$3,865 Reduced Prorata (1/4) of Total Needs)

**\*Vendor payment of \$2,898.75 paid to TH provider.**

#### **Example #4 – Head of Household under a Prorata Sanction – With countable income**

Household has \$800 Social Security income.

Basic	\$ 433.00
Home Energy	38.70
Supplemental Home Energy	30.00
Shelter (Hotel Temporary)	3,000.00
Restaurant Allow	<u>364.00</u>

Total Needs	\$ 3,865.00	
Net Unearned Income	<u>800.00</u>	
Deficit	\$ 2,298.75	(\$3,065 Reduced Prorata (1/4))

**\*Vendor payment of \$2,298.75 paid to TH provider.**

#### **Example #5 – Violation of the Independent Living Plan (ILP)**

The family must leave the TH due to a violation of the ILP. A friend will allow the family to use two rooms in her home but kitchen privileges are not included in the offer. Following is the standard of need:

Basic	\$ 433.00
Home Energy	38.70
Supplemental Home Energy	30.00
Shelter	0.00
Restaurant Allow	<u>364.00</u>

Total Needs	\$ 865.00	(Rounded down. Grant paid to family)
-------------	-----------	--------------------------------------

#### **Example #6 – 25% Sanction for Refusal to Cooperate with Child Support Enforcement**

(Four Person Standard of need reduced by 25%)

Basic	\$ 433.00
Home Energy	38.70
Supplemental Home Energy	30.00
Shelter (Hotel Temporary)	3,000.00
Restaurant Allow	<u>364.00</u>
Total Needs	\$2,899.00

(\$3,865 – 25%)

**\*Vendor payment of \$2,899 paid to TH provider.**

**Example #7 – Incremental Sanction.**

The mother refused to provide a social security number for herself. Her needs are excluded from the household needs. The three person standard of need follows:

Basic	\$ 336.00	
Home Energy	30.00	
Supplemental Home Energy	23.00	
Shelter (Hotel Temporary)	3,000.00	(The TH facility charges by unit, not by person.)
Restaurant Allow	<u>300.00</u>	
Total Needs	\$3,689.00	<b>*Vendor payment of \$3,000 paid to TH provider</b>

**Example #8 – Household With Resources**

The family in TH must use their resources toward the cost of the TH even if in receipt of ongoing TA and even if the resources are below the resource limit. Income (if any) is first applied. Then the available resources further reduce the amount the SSD will pay for TH. In this example the family has \$800/month Social Security (SS) income and \$900 in a savings account.

Basic	\$ 433.00	
Home Energy	38.70	
Supplemental Home Energy	30.00	
Shelter (Hotel Temporary)	3,000.00	
Restaurant Allow	<u>364.00</u>	
Total Needs	\$3,865.00	
Monthly SS income	<u>- 800.00</u>	
Deficit	\$3,065.00	
Shelter cost	\$3,000.00	
Family payment 1st month	<u>900.00</u>	(\$900 from resources)
	\$2,100.00	<b>*Vendor payment of \$2,100 paid to TH provider for the first month.</b>