



POLICY CHANGE ALERT #15-012F

TITLE: BUDGETING INCOME – STOCK OPTIONS

ISSUE DATE: 04/17/2015

EFFECTIVE DATE: EFFECTIVE IMMEDIATELY

Summary

Programs Impacted: NA and CA

This broadcast is being issued to inform staff that matched stock purchases by employers are not countable as income for the customer.

The customer does not receive the benefit of the income at the time of the employer's contribution so exclude the employer's contribution from the customer's gross countable income.

The income that would be budgeted is the customer's gross income minus the employer's contribution (purchase). When the customer contributed \$20 to the stock purchase the income budgeted would be the customer's gross income minus \$20 that the employer matched and the remainder would be the income budgeted for the customer.

Revision Details

The FAA Policy Manual will be updated to include the information in this Policy Change Alert during one of the next bimonthly revisions. Until then, an alert will be placed in each revised section with a link to this document as a reminder of the policy change.

FAA4.I06 – BUDGETING INCOME – OVERVIEW

The following apply to budgeting income:

- Consider all income available to the budgetary unit when determining eligibility.

NOTE Do NOT consider the income of a nonparticipant available to the budgetary unit.

- Budget countable gross income before deductions when determining eligibility for benefits.
- **Budget the countable gross income before deductions for the following:**

When the participant's income is being reduced for fraud or Intentional Program Violation (IPV).

When checks or cash are lost or stolen.

NOTE When the lost or stolen items are replaced, do NOT count the replacement.



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EXCEPTION

Budget the NET income when the income is reduced to collect an overpayment from the same source.

When an employee makes stock purchases from their employer, the employer may match some or all of their stock purchase. Any purchase for the employee by the employer is not countable as earned income. The amount the worker would budget is the customer's gross income minus the amount the employer paid.

CA EXCEPTION

[AZTECS](#) budgets the GROSS CA benefit for all programs when the CA payment is reduced for any of the following reasons:

- CA sanction for noncompliance.
- Withholding TPEP payments.
- CA overpayments caused by the participant. This includes changes reported untimely, fraud and [IPV](#). (See [Recoupment of CA Income](#))

Give [special consideration](#) to the income of a participant whose needs are NOT included in the budgetary unit.

When income of one or more [participants \(g\)](#) and a [nonparticipant \(g\)](#) are combined into one payment, identify each participant's share of income using the [verification process](#).

When each participant's share of income cannot be identified through the verification process, complete the following:

- Divide the gross income equally between the number of participants and nonparticipants for whom the income is intended.
- Count the resulting amount as each participant's share of income.



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Count income as received at the time it is made available to the participant.

EXCEPTION

Count income in the month for which it is intended rather than the month in which it was received for reasons including, but not limited to, any of the following:

- An extra child, medical, or spousal support check is received due to a change in issue dates.
- Income is paid directly to a financial institution and it is automatically deposited into the participant's account.
- Income is held or delayed at the request of the participant, or the participant fails to obtain the income when it becomes available.
- An extra check is received due to a change in pay dates, such as a third or fifth check issued early due to a holiday or weekend.
- A change in pay dates or mailing cycles results in monthly or semi-monthly pay being received in another month

Key earned income on **EAIC** or **SEEI**, and unearned income on **UNIE** or **UNIC**.

Policy and procedures for budgeting income are outlined as follows:

- [Projecting Income](#)
- [Converting Income](#)
- [Averaging Income](#)
- [Actual Income](#)
- [Prorating Income](#)
- [Budgeting Support Payments](#)
- [Budgeting Contract Income](#)
- [Budgeting IDA Deposits](#)
- [Calculating Year to Date](#)
- [Income Frequency Codes](#)
- [Special Considerations](#)
- [Budgeting Documentation](#)

Please contact the FAA Policy Support Team by phone at (602) 774-5523 or by e-mail at FAAPolicyMgmt@azdes.gov with any questions or concerns regarding this broadcast.

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