



## **POLICY CHANGE ALERT #15-019F**

**TITLE: LEGAL SETTLEMENTS**

**ISSUE DATE: 06/08/2015**

**EFFECTIVE DATE: EFFECTIVE IMMEDIATELY**

### **Summary**

Programs Impacted: NA

This Policy Change Alert is being issued to inform staff of the changes to policy regarding legal settlement payments.

For Nutrition Assistance, effective immediately, legal settlement payments not designated to pay for the budgetary unit's expenses are countable as a resource.

**NOTE** Any amount of a legal settlement that has been designated to pay for the budgetary unit's expenses should be treated as a reimbursement as long as the expense is not considered a Standard Basic of Need.

### **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.

### **POLICY REFERENCE: FAA4.H04MM – LEGAL SETTLEMENTS**

Legal Settlements are **COUNTABLE as a resource**.

Key the **LS Resource** Code in the **TY** field on **LIAS**.

#### **CA EXCEPTION**

Legal Settlements received in payments, less any attorney fees, are **COUNTABLE** as income in the month received.

Key the **OA Unearned Income Code** in the **INC TYPE** field on **UNIC**.

#### **NA EXCEPTION**

Any portion of the settlement that is designated to pay for the budgetary unit's expenses should be treated as a **reimbursement**.

Key the **OX Unearned Income Code** in the **INC TYPE** field on **UNIC**.

**NOTE** This does not include any expense that is considered a **Standard Basic of Need**.



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Policies and procedures for **specific** types of legal settlement payments are outlined as follows:

- [Agent Orange](#)
- [Hemophilia Relief Fund Settlement](#)
- [Nazi Persecution](#)
- [Phen-Fen](#)
- [Radiation Exposure Compensation Act](#)
- [Spina Bifida](#)
- [USA Patriot Act of 2001](#)
- [Uniform Services Former Spouse Protection Act](#)
- [Victims of Crime Act \(VCA\) Benefits](#)
- [Wartime Relocation of Civilians Law](#)

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.

**Please consider the environment before printing this broadcast.**

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