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INFORMATIONAL MEMORANDUM

To: Community Services Block Grant (CSBG) Subrecipients
From: New York State Department of State, Division of Community Services
Date: April 17, 2023
Re: Determining Income Eligibility for CSBG Funded Activities and Programs

This Informational Memorandum provides non-binding guidance to subrecipients on suggested standards for reasonably determining customer income eligibility for programs funded in whole or in part by the Community Services Block Grant (CSBG). Income eligibility determinations are required for CSBG funded programs, services, and activities. Currently, subrecipients may use 200% of the federal poverty guidelines as the criterion of eligibility.

The CSBG Act generally permits states to use up to 125% of the federal poverty guidelines as the income eligibility standard for CSBG funded programs, services, and activities (*see* 42 U.S.C. § 9902(2)). Per the Consolidated Appropriations Act, 2023 (P.L. 117-328), states may revise this standard by substituting "200 percent" for "125 percent" for all CSBG funding during federal fiscal years 2022 (October 1, 2021 — September 30, 2022) and 2023 (October 1, 2022 — September 30, 2023). New York has elected to use the maximum 200% income eligibility standard for CSBG funded programs, services, and activities provided from October 1, 2021, through September 30, 2023.

Subrecipients are required to apply this eligibility standard when using CSBG funds. While subrecipients possess flexibility in devising their own processes and implementation methods, such processes and methods must be reasonable and appropriate, if not already in place. Subrecipients must document their policies and procedures for using the federal poverty guidelines as a criterion of eligibility. The following guidance is intended to assist subrecipients in carrying out their responsibilities by addressing various questions related to the CSBG income eligibility requirement. A model policy and template follow the questions and answers below. Subrecipients may choose to adopt these materials to help them implement this guidance or adopt their own.

Q1. Is there an income eligibility requirement for CSBG customers?

A1. Yes. A customer's household income must be at or below 200% of the current federal poverty guidelines to be eligible for CSBG funded services.

Q2. Where can I find the current federal poverty guidelines?

A2. The federal poverty guidelines are available at: <https://aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines>. HHS provides a chart with percentages of the federal poverty guidelines, including 200%, under the Resources heading. Agencies should use the most current federal poverty guidelines available when assessing income eligibility.

Q3. What is a "household"?

A3. For purposes of determining income eligibility, the subrecipient should determine how many people are within the customer's household. A household includes any individual or group of individuals who are living together as one economic unit. The income of each individual in the household who is 18 years or older must be included in determining income eligibility. In determining whether an individual is part of a household, the subrecipient may consider factors such as whether individuals have legal obligations to support one another, like a parent or guardian and minor child, and whether the individuals communally purchase food or share other expenses.

Q4. What should be considered when calculating household income?

A4. "Income" means a household's total gross income before taxes and withholdings are subtracted. The income of each member of a household should be added together to determine a household's income. Income calculations should include, but are not necessarily limited to:

1. All paid earnings such as wages, salaries, tips, or other income from employment or self-employment.
2. Retirement, pension, and/or Social Security (survivor's benefits, disability, or supplemental security income).
3. Cash payments from assistance programs such as public assistance, unemployment insurance, and workers' compensation.
4. Alimony or child support payments received.
5. Rental income.
6. Interest, dividends, royalties, or income from estates and trusts.

Subrecipients may disregard various noncash benefits and unique sources of cash when calculating a household's income. These include, but are not necessarily limited to:

1. Noncash benefits such as SNAP (Supplemental Nutrition Assistance Program), school lunches, Medicare/Medicaid, HEAP, third party voucher payment programs, housing subsidies like Public Housing and Section 8, home establishment or furniture replacement grants.
2. Tax refunds.
3. Capital gains received from the sale of property including stocks, bonds, a house, or a car.
4. Withdrawals of bank deposits.
5. Money borrowed, gifts, and lump-sum inheritances or insurance payments.
6. Monthly support payments paid by a member of the customer's household for a child or former spouse who does not live in the customer's household.
7. Income from household members younger than 18.
8. Assistance provided in response to disasters, such as through FEMA or related programs, may be excluded from an applicant's income depending on the nature of the assistance program.
9. Benefits that are required by law to be excluded from income calculations.
10. Asset testing is not required in assessing a household's income.

Q5. What forms of documentation are helpful in determining a household's income eligibility?

A5. Forms of proof of household income for purposes of eligibility determinations may include but are not limited to: pay stubs, W-2s, bank statements, tax documents, or award letters from government cash benefit programs. Proof of eligibility determinations for other public benefits programs with income eligibility standards at or below 200% of the federal poverty

guidelines may also be helpful as a supplemental approach.

If none of the above are available at the time of initial assessment and it is reasonable to assume that the customer is income eligible based on the totality of the surrounding circumstances, a written certification of income signed and dated by the customer and staff person who made the eligibility determination may be acceptable. In such cases, follow-up should be conducted to obtain other documentation of the customer's income.

During the immediate response to a disaster emergency, it may be reasonable to assume that households will not have income documentation available. In such cases self-declarations of income for households, pending availability of necessary documents, may be appropriate. Further guidance is available in CSBG IM #154, Disaster Flexibilities and Waivers, available at: <https://www.acf.hhs.gov/ocs/policy-guidance/csbg-im-154-disaster-flexibilities-and-waivers>.

Records of the household income documents, self-certifications, and efforts at further supporting documentation should be maintained by all subrecipients. A failure to properly document income eligibility may result in the disallowance of associated expenditures. DOS Program Analysts will monitor for the retention of income eligibility documentation. Please see the NYS Contract for Grants regarding record retention requirements.

Q6. When should a household's income level be assessed for eligibility?

A6. A household's income should be initially assessed and certified for eligibility prior to the receipt of CSBG funded services or assistance and prior to entry into a CSBG funded program. After initial certification, the income level of a household receiving continual services should be assessed for re-certification at least annually and should be reviewed any time the subrecipient becomes aware of a significant income changing event or circumstance. A subrecipient may review a household's income level at any time while they are receiving services (from the subrecipient) for the purpose of determining program eligibility.

Q7. What time frames can be used when assessing the household income?

A7. There is no prescribed look-back period for income assessment. Depending on the household circumstances and the documentation available, it may be reasonable to calculate income based upon the household's gross income in the past 30 days (multiplied by 12) or based upon a review of the past year. For example, if a customer has become unemployed or was the victim of domestic violence and has left the abusive household within the past year, it may be inaccurate to use the data of the past year to assess income. The use of a shorter period of time—perhaps several months—may be a more appropriate and accurate assessment of the customer's income. In addition, case-by-case circumstances such as seasonal employment or an isolated and temporary spike or decline in earnings may require the subrecipient to exercise reasonable discretion to determine the most appropriate time period to review the most accurate income. It is recommended that no time period shorter than the past 30 days or longer than the past year should be used. However, the agency's goal in each case should be to determine a household's actual financial position most accurately at the time of assessment.

Q8. How does the 200% standard apply to programs, services, and activities funded by CSBG

and other funding sources?

A8. If a program is fully and exclusively supported by CSBG funds, all households served by the program must meet the CSBG income eligibility requirement. Where a program serves some customers who meet the CSBG income eligibility requirements and some customers who do not, the subrecipient must use non-CSBG funds to cover the costs of providing services to customers who are not documented as meeting the CSBG income eligibility requirements. A reasonable method allocating costs between the different funding sources should be implemented, and costs charged to CSBG should be proportionate to the amount of resources devoted to serving CSBG eligible customers (staff time, materials, and service costs). For example, a program funded with 50% CSBG dollars may demonstrate that at least 50% of its customers are at or below the CSBG income eligibility standard or that program staff time devoted to CSBG-eligible customers' accounts for 50% of the program costs. Other reasonable bases by which to allocate costs between different funding sources may be appropriate.

Q9. Are there any CSBG services that may not require individualized documentation and recordkeeping with regard to income eligibility?

A9. Yes. Subrecipients will not be required to establish or maintain individualized documentation or records of income eligibility with respect to CSBG services when the location and provision of such services are such that an objective reasonable person would likely conclude that the beneficiaries of such services are generally households with incomes at or below 200% of the federal poverty guidelines. For example, temporary homeless shelters and community soup kitchens may not need to collect individualized documentation. In addition, community centers generally open to the public and located in impoverished or economically distressed census tracts/neighborhoods that provide services targeted to low-income individuals where the nature of the program is openness rather than individual enrollment may not require recordkeeping. Recordkeeping may also not be required for the operation of educational forums made available to the general public.

In such circumstances subrecipients should document the following:

1. Name and description of service provided.
2. Location or setting of the service provided.
3. A description of the census tract, neighborhood or area and its rate of poverty.
4. Reasons why an objective reasonable person would likely conclude the beneficiaries are income eligible.

The documentation described above should be part of the subrecipients income eligibility determination procedures and made available during DCS on-site monitoring.

We hope this guidance is helpful as you continue to provide innovative and effective programming and services using CSBG funds. As you are aware, misrepresentation, false reporting, or manipulation of household income data for the purpose of falsely establishing eligibility is a violation of law, constitutes a ground for the disallowance of expenditures, and undermines the public's faith in the good work performed by these important programs (*see e.g.*, GAO Report, Head Start, May 18, 2010, available at <https://www.gao.gov/assets/gao-10-733t.pdf>).

Please contact your assigned Division of Community Services Program Analyst with any

additional questions. DCS encourages subrecipients to use this guidance as well as compatible guidance offered by CAPLAW in developing written policies and procedures for addressing customer income eligibility.

The following **SAMPLE** documents have been attached to this Information Memorandum as a resource for CSBG Subrecipients to use when developing their policies and forms regarding determining income eligibility for CSBG funded programs, services, and activities:

- Attachment A: Customer Intake Process/Procedure for Determining Income Eligibility for CSBG Funded Programs, Services and Activities
- Attachment B: Customer Income Eligibility Verification
- Attachment C: Customer Self Declaration of Income Form
- Attachment D: Outreach Services Income Eligibility Determination Form

XYZ Community Action Agency
SAMPLE Customer Intake Process/Procedure for Determining Income Eligibility for
CSBG Funded Programs, Services and Activities

Purpose: To participate in programs, services and activities funded by the Community Services Block Grant (CSBG) customers must be income eligible. Customers and their households must have income at or below 200% of the federal poverty guidelines. Agency staff must use this policy and intake form to determine whether a household is eligible for CSBG funded programs.

Process/Procedure: First, agency staff must determine who is in the customer's **household**. A household includes any individual or group of individuals who are living together as one economic unit. This may include individuals who have a legal obligation to support one another, like a parent or guardian and minor child, and individuals who communally purchase food or share other expenses.

Second, agency staff must determine the household's **income** for each household member who is 18 years or older. Examples of income and documentation are listed below. Sources of income should be verified through third party documentation. Agency staff should gather enough documentation to be reasonably certain they can accurately calculate the household's income. For example, it may be reasonable to calculate this based upon the household's gross income in the past thirty days using thirty days of paystubs. In other cases, such a household who experienced unemployment or includes a victim of domestic violence leaving an abuser, it may be inaccurate to use some documentation to assess income because that income may no longer be available to that household.

Households who cannot provide income documentation because they are responding to an emergency, and the assistance sought is meant to respond to that emergency, may complete the attached self-declaration. Similarly, household members, 18 years or older, earning zero income must complete the attached self-declaration. The agency staff must document why it is reasonable to conclude that the household is income eligible for CSBG services and the agency staff's efforts to obtain income documentation. The household's income must be verified, updated and changed when the agency staff learn of significant change in income or at least annually.

Examples of income and documentation:

Income	Examples of Documentation
All paid earnings such as wages, salaries, tips, or other income from employment or self-employment.	pay stubs, W-2, current/previous tax documents
Retirement, pension, and/or Social Security (survivor's benefits, disability, or supplemental security income), cash payments from assistance programs such as	Award letters, bank statements, tax documents

public assistance, unemployment insurance, and workers' compensation	
Alimony or child support payments received	Court records, bank statements, child support enforcement letters
Rental income	Tenants' checks, rent receipts, bank statements
Interest, dividends, royalties, or income from estates and trusts	Trust statements, bank records

Examples of income exclusions: The following **do not** count as income for CSBG:

1. Noncash benefits such as SNAP (Supplemental Nutrition Assistance Program), school lunches, Medicare/Medicaid, HEAP (Home Energy Assistance Program), third party voucher payment programs, housing subsidies like Public Housing and Section 8, home establishment or furniture replacement grants.
2. Tax refunds.
3. Capital gains received from the sale of property including stocks, bonds, a house, or a car.
4. Withdrawals of bank deposits.
5. Money borrowed, gifts, and lump-sum inheritances or insurance payments.
6. Monthly support payments paid by a member of the customer's household for a child or former spouse who does not live in the customer's household.
7. Income from household members younger than 18.
8. Assistance provided in response to disasters, such as through FEMA or related programs, may be excluded from an applicant's income depending on the nature of the assistance program.
9. Benefits that are required by law to be excluded from income calculations.
10. Asset testing is not required in assessing a household's income.

Third, the agency staff must compare the household's income to the **federal poverty guidelines** using the chart on the intake form. The federal government usually updates the chart each year. Upon determining that the household's income is below 200% of the federal poverty guidelines the household may begin to receive CSBG funded programs, services or activities.

Customers failing to provide household income documentation cannot receive any CSBG funded programs, services or participate in activities until income eligibility for the household have been verified. Those customers in households that have income in excess of 200% FPG, should be referred to other resources available that may be able to assist.

Outreach services where no individualized collection of income can occur: XYZ CAA will complete the attached form for each service where the location and provision of such services are such that an objective reasonable person would likely conclude that the beneficiaries of such services are generally households with incomes at or below 200% of the federal poverty

guidelines. These services focus on openness rather than individual enrollment. Examples of such outreach services include:

1. Temporary homeless shelters
2. Soup kitchens
3. Community centers located in economically distressed census tracts or neighborhoods providing services targeted to low-income individuals where individual enrollment is impracticable
4. Educational forums made available to the general public

Information that must be provided for programs/services/activities that fit this criteria:

1. Name and description of service provided.
2. Location or setting of the service provided.
3. A description of the census tract, neighborhood or area and its rate of poverty using the most recent census data.
4. Reasons why an objective reasonable person would likely conclude the beneficiaries are income eligible.

XYZ Community Action Agency
 SAMPLE Customer Income Eligibility Verification

Customer Information:

Last Name: _____ First Name: _____ MI: _____
 Street: _____ City/Town/Village: _____ State: ____ Zip Code: _____

Household Information:

Household member (including customer)	Relationship to customer	age	Income Source	Monthly Amount	Type of documentation	Comments

Household Income:

Number of Household members: _____ Number of household members 18 yrs or older: _____

2023 CSBG 200% FPG Chart (This chart is [updated](#) by the Federal Government early in each calendar year):

Size of household	200% of Federal Poverty Guidelines Annual 2023	200% of Federal Poverty Guidelines Monthly 2023
1	\$29,160	\$2,430
2	\$39,440	\$3,287
3	\$49,720	\$4,143
4	\$60,000	\$5,000
5	\$70,280	\$5,857
6	\$80,560	\$6,713
7	\$90,840	\$7,570
8	\$101,120	\$8,427
Each additional family member	\$10,280	\$857

Household monthly income: \$ _____

Annually below 200% of FPL? Y/N

CSBG Income Eligible? Y/N

Is any household member reporting zero income? Y/N

Is a Zero Income Acknowledgement(s) on file? Y/N

NOTE: Remind customer that if the household's income has changed, an update will be requested on all intake information at each subsequent visit. Income verification documentation is required to be updated annually for CSBG eligible services.

XYZ Community Action Agency
SAMPLE Customer Self Declaration of Income Form

Name (Print): _____

I have the following monthly income (amount and source, including no income):

I do not have paperwork about that income because (if reporting no income include information about the last source of income and why in ended):

I gave permission to (source of income, like an employer or DSS) _____
to provide paperwork about my income to XYZ Community Action Agency. I give this
permission for sixty days following the date of my signature.

(customer signature) _____

(date) _____

I (caseworker), _____, have met with (customer name)
_____. I have taken the following steps to verify the income information provided
above:

It is reasonable to conclude the income information provide above is accurate
because:

(caseworker signature) _____

(date) _____

XYZ Community Action Agency
SAMPLE Outreach Services Income Eligibility Determination Form

Description of outreach services to be provided:

Address of outreach services: _____

Description of services targeted towards low income individuals otherwise provided at address:

Census tract or neighborhood and percentage of poverty based on most recent census data:

Description of why it is reasonable to conclude that the attendees at the outreach service are income eligible for CSBG:

Program Director Signature and date

Executive Director Signature and date