PURPOSE: To define what is considered income for purposes of CSFP income eligibility assessment.

POLICY: The local agency shall use the definition of income established in the federal regulations.

PROCEDURES:

A. Income is gross cash income before any deductions including those for:
   1. Income taxes.
   2. Employee's social security taxes.
   3. Insurance premiums.
   4. Retirement.
   5. Any other deductions, such as bonds or garnishments.

B. The local agency shall count as income the following.
   1. Monetary compensation for services, including:
      a. Wages or salary.
      b. Commissions.
      c. Fees.
      d. Tips.
      e. Training stipends, except where elsewhere excluded. (See Section 2.5)
   2. Net income (gross receipts less operating expenses) from:
      a. Farming self-employment.
      c. Rental property.
      d. Royalties.
   4. Public assistance or welfare payments.
   5. Unemployment compensation.
   7. Workmen's compensation.
   8. Pensions, retirement pay or annuities from:
      a. Government.
      b. Military or veteran's agencies.
      c. Private companies.
   9. Alimony received.
   10. Child support received.
   11. Dividends or interest received.
12. Income from estates or trust accounts.
13. Regular contributions from a person not living in the household, such as parental assistance to students.
14. Other cash income such as:
   a. Prizes.
   b. Military housing allowance if assigned to a high cost of living area in the continental United States. (continental United States cost-of-living allowance CONUS COLA) See Section 2.5 for overseas allowance (OCONUS COLA).
   c. Withdrawal from savings or investments.
   d. Student financial assistance that does not meet specific exclusions. (See Section 2.5)
   e. Loans that do not need to be repaid.
   f. Capital gains.
   g. Lump sum payments that are not reimbursements for lost assets or injuries, (e.g. lottery winnings, settlements over and above loss of assets).
      i. The agency should treat these in a way that most accurately reflects the economic situation of the household.
      ii. The agency should count these as annual income, not current monthly income. The agency may divide the total amount by 12 to calculate monthly income.
   h. Family Subsistence Supplemental Allowances (FSSA) provided by the Department of Defense (DOD) to low-income members of the Armed Forces.