

NOV 14 2014

# **SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM QUALITY CONTROL POLICY MEMO**

<b>Region:</b>	<u>ALRO</u>
<b>Index No.:</b>	<u>QC 15-02</u>
<b>Provision:</b>	<u>Handbook 310, Appendix D</u>

**Subject: Update to the FNS Handbook 310, SNAP Quality Control (QC) Review Handbook for FY 2015 to Implement the Revised FNS 245, SNAP Case and Procedural QC Review Schedule.**

The attached pages are effective for cases sampled beginning October 2014.

## **BACKGROUND**

SNAP Quality Control (QC) implemented significant changes in the review process for negative actions beginning with the FY 2012 review period. Previously, the negative review focused almost exclusively on the validity of the negative action itself. The new Case and Procedural Error Rate (CAPER) review includes elements focused on issues of client service, such as the timeliness of the action taken to deny, terminate, or suspend SNAP benefits, and the adequacy of notification of the action to the household, including the timeliness of the notification.

After two review periods (FY 2012 and FY 2013) using the previous version of the FNS 245, the program determined the data collected on that version was not accurately recording the changes to the review process. As a result, during the FY 2014 review period the Food and Nutrition Service submitted a revised review schedule and instructions to the Office of Management and Budget (OMB). On October 31, 2014, OMB approved the revised schedule for QC cases sampled beginning October 2014.

## **GENERAL CHANGES TO THE FORM'S LAYOUT**

<b>Section</b>	<b>Changes Made</b>
I	Labels changed from numbers to letters
II	Labels changed from letters to numbers
III	Reorganized elements, moved elements from section IV, and added new elements and coding within
IV	Moved some elements into section III
19 and 20	Labels changed from letters to numbers

**IMPACT OF POLICY MEMO 15-01 ON QUESTIONS IN SECTION III, #16**

When responding to the questions in Section III, #16 of the FNS 245 please remember the following:

- Questions 16 “a” and “b” refer to the timeliness of the action itself, not the notice.
- Questions 16 “c” and “d” refer to the timeliness of the notice, not the action. SNAPQCS has appropriate edits and warnings in place to be consistent with PM 15-01(issued October 16, 2014).

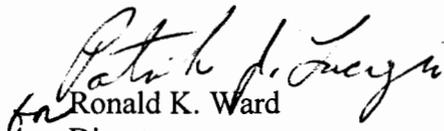
**CHANGES TO THE SNAP QUALITY CONTROL SYSTEM (SNAPQCS)**

The release date for the revised FNS 245 and instructions in SNAPQCS is scheduled for Tuesday, November 18, 2014.

Please use the following chart to remove and insert pages to update your Handbook for FY 2015 reviews.

<b>PAGE CONTROL CHART</b>			
<b>Remove Pages</b>	<b>Dated</b>	<b>Insert Pages</b>	<b>Dated</b>
D-1 through D-2	03-14-13	D-1 through D-29	11-14-14
D-3 through D-28	10-01-11		

Please contact your Regional office if you have any questions regarding these instructions.



Ronald K. Ward  
Director  
Program Accountability and Administration Division

Attachments



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EXPLANATION OF REVIEW FINDINGS CONTINUED:

**PRIVACY ACT STATEMENT**

This report is required under provisions of 7 CFR 275.14 (The Supplemental Nutrition Assistance Program). This information is needed for the review of State performance in determining the eligibility of applicants and recipients. The information is used to determine State compliance, and failure to report may result in a finding of non-compliance.

**OMB PAPERWORK COLLECTION STATEMENT**

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0584-0034. The time required to complete this information collection is estimated to average 2.9406 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

## APPENDIX D

### INSTRUCTIONS FOR COMPLETING FORM FNS-245, SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (SNAP) CASE AND PROCEDURAL QUALITY CONTROL REVIEW SCHEDULE \*

#### GENERAL INSTRUCTIONS

The CAPER Case Action Review Schedule was developed to serve as the data entry and review form for CAPER action reviews. It is to be used as both a worksheet and the review schedule. The schedule consists of five sections as follows: \*

- I - Case Management Information
- II - Identifying Information
- III - Analysis of Review Activity
- IV - Description of Variances
- V - Explanation of Review Findings

#### SECTION I - CASE MANAGEMENT INFORMATION

This section provides case management information and household identity. \*

- A. **Case Name** - Enter the name of the applicant or recipient whose household's participation was denied, terminated or suspended. \*
- B. **Telephone Number** - Enter the telephone number of the household. \*
- C. **Mailing Address** - Enter the mailing address of the household. \*
- D. **Actual Address/Directions to Locate** - Enter the actual address at which the household resides, if different from the mailing address. \*
- E. **Date Assigned** - Enter the month, day, and year (MM DD YYYY) the review was assigned to the QC reviewer. \*
- F. **Date Complete/Disposed of** - Enter the month, day, and year (MM DD YYYY) the review was finalized; the reviewer's name/ID entry indicates who did the review. \*

- \* **G. Date Cleared** - Enter the month, day, and year (MM DD YYYY) the supervisor cleared the review; the supervisor's name/ID entry indicates completeness and approval of the review.

## SECTION II - IDENTIFYING INFORMATION

- \* This section provides identifying information related to the action under review. For all actions, fill in 1 through 9.
- \* **1. Review Number** - Enter the number assigned to the action under review.
  - \* **2. Case Number** - Enter the case number assigned by the State agency.
  - \* **3. State and Local Agency Code:**
    - \* • **State Agency Code** - In the first two blocks, enter your two-digit State code. These are the codes used by the National Institute of Standards and Technology.
    - \* • **Local Agency Code** - In the last three blocks, enter the same three-digit code that the State agency uses to code local agencies for the QC review of active cases.
  - \* **4. Sample Month and Year** - Enter the month and year for which the action was selected for review. The sample month for a action is based upon how the case was selected for review. State agencies must identify for the reviewer how cases are sampled so that the appropriate sample month and year are entered. Each State agency has an FNS approved sample plan.
  - \* **5. Stratum** - Enter the two-digit stratum code. Stratum codes are assigned by the State agency when the sample is stratified. If stratum codes are not used by the State, other information may be entered here as a State option.
  - \* **6. Notice Date** - Enter the month, day and year (MM DD YYYY) the notice was sent for the action selected for review. If no notice was sent, enter nines.
  - \* **7. Action Date** - Enter the month, day and year (MM DD YYYY) the action was taken by the State agency for the action selected for review.

**8. Action Type** - Enter the action taken by the State agency using the appropriate code as follows:

- 1 - Denial of SNAP application
- 2 - Termination of SNAP benefits
- 3 - Suspension of SNAP benefits

**9. Case Classification** - Enter the appropriate code as follows:

- 1 - Included in error rate calculation.
- 2 - Excluded from error rate calculation, processed by SSA worker.
- 3 - Excluded from error rate calculation, as designated by FNS (e.g. demo project).

**SECTION III - ANALYSIS OF REVIEW ACTIVITY**

This section provides information regarding the action taken and the analysis of the review of the action to deny a SNAP application, terminate SNAP benefits or suspend SNAP participation. For completed cases, fill in 10 through 20. For cases that are not subject to review fill in 10(a) and 10(b).

**10. Disposition of Review**

**(a) Disposition** - Enter the appropriate code that reflects the disposition of the review.

- 1 - Review completed.
- 2 - Not Subject to Review/Listed in Error. Cases that are not subject to review are defined in Chapter 13 of the FNS Handbook 310. 10(b) is required. 11-20 are not required.
- 3 - Incomplete/Review Not Processed. Prior FNS approval is required for use of this code.
- 4 - Case deselected/correction for oversampling. No further codes are required.

**(b) NSTR Reason** - Enter the code that accurately reflects the reason this action has been determined to be Not Subject To Review.

- 01 - Households that have withdrawn an application prior to the agency's determination.
- 02 - Households that at the time of sampling are under active investigation for intentional program violation (IPV).

- \* 03 - Households that at the time of sampling are scheduled for an IPV investigation sometime during the next five months.
- \* 04 - Households that at the time of sampling are pending an IPV hearing.
- \* 05 - Households that have their SNAP case closed when their assigned certification period ends, i.e., the household is not recertified. The certification period closure itself is NSTR. (If the household applied for recertification and, for whatever reason, the recertification application was denied, that denial is subject to review).
- \* 06 - Actions removed from the sample as a result of a correction for oversampling.
- \* 07 - Households that have been sent a notice of pending status but were not actually denied participation.
- \* 08 - Actions listed in error. This category of actions includes administrative actions necessitated by a State agency's certification system and/or procedures, where there is no intent to deny or terminate a household's program benefits, only to correct an administrative fault in the action.
- \* 09 - Households denied SNAP benefits under a disaster certification authorized by FNS.
- \* 10 - Actions terminated or suspended for failure to file a complete monthly report by the extended filing date, but reinstated when subsequently filed the complete report before the end of the issuance month, and received the full months' SNAP benefits.
- \* 11 - Households that experience a break in participation due to computer malfunction or error that is not the result of a deliberate action by the State agency to terminate benefits. (Use of this code requires prior approval from FNS)
- \* 12 - A suspended action after the initial month of a multi-month suspension

\* **11. Finding** - Final Analysis of the QC Review of the Action - Enter the appropriate code to identify if 1) the action taken was appropriate; and 2) the reason for the action was correct; and 3) the household was notified on a clear, correct, complete notice with the correct reason for the action.

- \* 1 - Valid indicates that all three components were correct.
- \* 2 - Invalid indicates that one or more of the three components were incorrect. If 12(b)=2 or 3; 13=2; 14(a)=2; 14(b)=2; 14(d)=21 or 22; 15(a)=2; 15(b)=2; 15(c)=2; 15(d)=2; or 16=2 or 3 then the case must be coded invalid.

12. Case Record Review

(a) **Recorded Reason for Action-** Enter the appropriate code to indicate the reason the action was taken by the State agency as reflected by the entire case record. This is not necessarily the reason stated on the notice to the household.

- 01 - Resident of an institution not authorized by FNS
- 02 - Outside of project area or State
- 03 - Ineligible striker
- 04 - Ineligible noncitizen
- 05 - Ineligible student
- 06 - Ineligible boarder
- 07 - Missed scheduled interview(s)
- 08 - Failed to provide verification
- 09 - Refusal to cooperate
- 10 - Refusal to supply SSN
- 11 - Gross monthly income exceeds maximum allowance
- 12 - Net Monthly income exceeds maximum allowance
- 13 - Exceeds resource standard
- 14 - Transfer of resources
- 15 - Failure to comply, without good cause, with work registration/job search requirements
- 16 - Voluntary quit
- 17 - Failure to submit/complete report
- 18 - Voluntary withdrawal after certification
- 19 - Termination/denial due to TANF termination/denial
- 20 - Intentional program violation
- 21 - Termination/denial due to program disqualification
- 22 - Termination/denial of household of able bodied adult(s) whose time limited period of SNAP eligibility has expired
- 23 - Failure to comply, without good cause, with SNAP work requirements
- 24 - Eligible for zero benefits
- 25 - Failure to access EBT benefits
- 26 - Loss of contact with household
- 27 - Applicant/household deceased
- 28 - Not eligible for separate household status
- 29 - Not eligible due to status as fleeing felon, parole violation, drug conviction etc.
- 30 - Reason for denial/termination/suspension not documented
- 31 - Household received benefits in another SNAP household for same time period
- 32 - Household received benefits in another state for the same time period

- \* 33 - Household received tribal commodities and is not eligible to
- \* receive SNAP benefits
- \* 99 - Other
- \* 00 - Cannot be determined

**(b) Accuracy of Recorded Reason** - Enter the appropriate code to indicate whether the recorded reason for the agency's action was in accordance with policy and supported by the information in the case record.

- \* 1 - Accurate. The information in the case record supports the reason given for the agency's action.
- \* 2 - Inaccurate. The information in the case record does not support the reason given for the agency's action.
- \* 3 - Insufficient information. There is not enough information in the case record to determine the accuracy of the recorded reason for action.

**13. Notice Requirements** - Enter the appropriate code to indicate if the notice of denial, termination or suspension was required to be sent and if the notice was sent.

- \* 1 - Notice was required and sent.
- \* 2 - Notice was required and not sent.
- \* 3 - No requirement to issue a notice on this action and did send notice.
- \* 4 - No requirement to issue a notice on this action and did not send.

**14. Household Notice**

**(a) Required Language on the Notice of Adverse Action/Denial** - Enter the code that reflects if the notice contains all required language as specified by the Food and Nutrition Act of 2008, Federal regulations, and FNS policy memos.

- \* 1 - All Required Language/Information Included
- \* 2 - All Required Language/Information Not Included
- \* 3 - No notice sent to household

**(b) Notice Specific, Clear, and Understandable** - Enter the appropriate code regarding the notice to the household. The notice must be specific regarding the reason for the action; the explanation of the action must be clearly understandable. This measure is not to evaluate the validity of the reason; it is to evaluate the clarity of the notice.

- 1 - Yes, the reason for the action stated on the notice is specific, the notice is clear and the notice is understandable for the action.
- 2 - No, either the reason for the action stated on the notice is not specific, or the notice is not clear or the notice is not understandable for the action; or any combination of the three. A detailed and thorough explanation is required in Section V.
- 3 - No notice sent to household.

**(c) Reason to HH** Enter the appropriate code to indicate the reason for the action as written on the notice.

- 01 - Resident of an institution not authorized by FNS
- 02 - Outside of project area or State
- 03 - Ineligible striker
- 04 - Ineligible noncitizen
- 05 - Ineligible student
- 06 - Ineligible boarder
- 07 - Missed scheduled interview(s)
- 08 - Failed to provide verification
- 09 - Refusal to cooperate
- 10 - Refusal to supply SSN
- 11 - Gross monthly income exceeds maximum allowance
- 12 - Net Monthly income exceeds maximum allowance
- 13 - Exceeds resource standard
- 14 - Transfer of resources
- 15 - Failure to comply, without good cause, with work registration/job search requirements
- 16 - Voluntary quit
- 17 - Failure to submit/complete report
- 18 - Voluntary withdrawal after certification
- 19 - Termination/denial due to TANF termination/denial
- 20 - Intentional program violation
- 21 - Termination/denial due to program disqualification
- 22 - Termination/denial of household of able bodied adult(s) whose time limited period of SNAP eligibility has expired
- 23 - Failure to comply, without good cause, with SNAP work requirements
- 24 - Eligible for zero benefits
- 25 - Failure to access EBT benefits

- \* 26 - Loss of contact with household
- \* 27 - Applicant/household deceased
- \* 28 - Not eligible for separate household status
- \* 29 - Not eligible due to status as fleeing felon, parole violation, drug conviction etc.
- \* 30 - Reason for denial/termination/suspension not documented
- \* 31 - Household received benefits in another SNAP household for same time period
- \* 32 - Household received benefits in another state for the same time period
- \* 33 - Household received tribal commodities and is not eligible to receive SNAP benefits
- \* 99 - Other
- \* 00 - No notice sent to household

**(d) Accuracy of Reason on Notice to Household** - Enter the appropriate code to indicate if the reason on the notice to the household was in accordance with policy and supported by the information in the case record and if the reason matches 12(a), the recorded reason for the action.

- \* 11 - Accurate, matches recorded reason.
- \* 12 - Accurate, does not match recorded reason.
- \* 21 - Inaccurate, matches recorded reason.
- \* 22 - Inaccurate, does not match recorded reason.
- \* 99 - No notice sent to household.

**15. Procedural Requirements** - This section must be filled out for all completed reviews.

**(a) Notice of Missed Interview - NOMI**

- \* 1 - Required and completed correctly
- \* 2 - Required and not completed correctly
- \* 3 - Not required

**(b) Request for Contact**

- \* 1 - Required and completed correctly
- \* 2 - Required and not completed correctly
- \* 3 - Not required

**(c) Request for Verification**

- 1 - Required and completed correctly
- 2 - Required and not completed correctly
- 3 - Not required

**(d) Periodic Report**

- 1 - Required and sent to household
- 2 - Required and not sent to household
- 3 - Not required

**16. Timeliness of the Action**

**(a) Timeliness of Action** - Enter the appropriate code to identify if the action was taken within the appropriate timeframes.

- 1 - Action taken timely
- 2 - Action taken too early
- 3 - Action taken late

**(b) Number of Days Action Early/Late** - If the Action was taken early or late, enter the number of days early or late. Enter 99 for 99+ days late.

**(c) Timeliness of Notice** - Enter the appropriate code to identify if the notice was sent within the appropriate timeframes.

- 1 - Notice sent timely
- 2 - Notice sent late
- 3 - No notice sent

**(d) Number of Days Notice Late** - If the Notice was sent late, enter the number of days late. Enter 99 for 99+ days late.

**SECTION IV DESCRIPTION OF VARIANCES**

This section provides for the description of variances identified in the review. Items 17 and 18 must be completed whenever the final determination for 11 is invalid (code 2).

**17. Element** - Enter the appropriate three digit element number of the review for each variance identified.

\* **18. Nature Codes** - Enter the appropriate three digit code for the nature of the  
 \* identified variance(s). Possible nature codes for the specific Element are listed  
 \* below the Element code and title. The nature codes may be used in any  
 \* element.

\* ➤ **Element 111 - Student Status**

\* Nature codes:

- \* 001 - Eligible person(s) excluded
- \* 002 - Ineligible person(s) included
- \* 003 - Agency failed to follow up on inconsistent or incomplete information
- \* 014 - Eligible student incorrect income
- \* 015 - Eligible student incorrect student deductions
- \* 019 - Eligible student was denied for failing to verify student status which was  
previously verified
- \* 044 - Failed to consider or incorrectly considered Eligible Student status
- \* 096 - Policy incorrectly applied
- \* 131 - Eligible student excluded and met exemption - 17 and younger / 50 and  
older
- \* 132 - Eligible student excluded and met exemption - Enrollment as part of Job
- \* 133 - Eligible student excluded and met exemption - On-the-job training
- \* 134 - Eligible student excluded and met exemption - Employment requirements  
met
- \* 135 - Eligible student excluded and met exemption - Physically or mentally unfit
- \* 136 - Eligible student excluded and met exemption - Receiving TANF
- \* 137 - Eligible student excluded and met exemption - Responsible for care of child  
under 6
- \* 138 - Eligible student excluded and met exemption - Single parent, child under  
12, enrolled full time
- \* 139 - Eligible student excluded and met exemption - State or Federal Work Study

\* ➤ **Element 130 - Citizenship and Non-Citizen Status**

\* Nature codes:

- \* 001 - Eligible person(s) excluded
- \* 002 - Ineligible person(s) included
- \* 003 - Agency failed to follow up on inconsistent or incomplete information
- \* 096 - Policy incorrectly applied
- \* 140 - Eligible qualified alien excluded - Amerasians
- \* 141 - Eligible qualified alien excluded - Asylees or Deportation Withheld
- \* 142 - Eligible qualified alien excluded - Certain American Indians born Abroad
- \* 143 - Eligible qualified alien excluded - Children under 18

- 144 - Eligible qualified alien excluded - Cuban or Haitian Entrant \*
- 145 - Eligible qualified alien excluded - Elderly lawfully residing in U.S. age 65 or older on August 22, 1996 \*
- 146 - Eligible qualified alien excluded - Hmong or Highland Laotian tribal members \*
- 147 - Eligible qualified alien excluded - Individuals receiving benefits for blindness or disability \*
- 148 - Eligible qualified alien excluded - Iraqi or Afghan Special Immigrants \*
- 149 - Eligible qualified alien excluded - LPR with 40 qualifying quarters of work \*
- 150 - Eligible qualified alien excluded - LPR with living in US 5 years \*
- 151 - Eligible qualified alien excluded - military connection \*
- 152 - Eligible qualified alien excluded - Refugee \*
- 153 - Eligible qualified alien excluded - Victims of Severe Trafficking \*

➤ **Element 140 - Residency**

Nature codes:

- 003 - Agency failed to follow up on inconsistent or incomplete information \*
- 088 - Improper denial or termination, not out of the project area \*
- 096 - Policy incorrectly applied \*
- 099 - Other \*
- 154 - Improper denial - Homeless household denied for failing to provide address \*

➤ **Element 150 - Household Composition**

Nature codes:

- 002 - Ineligible person(s) included \*
- 003 - Agency failed to follow up on inconsistent or incomplete information \*
- 006 - Entitled to separate status \*
- 007 - Eligible person(s) with no income, resources, or deductible expenses excluded \*
- 008 - Eligible person(s) with income excluded \*
- 009 - Eligible person(s) with resources excluded \*
- 010 - Eligible person(s) with deductible expenses excluded \*
- 011 - Newborn infant improperly excluded \*
- 096 - Policy incorrectly applied \*

\* ➤ **Element 151 - Recipient Disqualification**

\* Nature codes:

- \* 002 - Ineligible person(s) included
- \* 018 - Eligible person(s) disqualified
- \* 096 - Policy incorrectly applied

\* ➤ **Element 160 - Employment & Training Programs**

\* Nature codes:

- \* 004 - Agency failed to follow up on known and reported impending changes
- \* 018 - Eligible person(s) disqualified
- \* 054 - Failure to cooperate with work program when not required to register for work program
- \* 060 - Household not notified of requirement to register with work program
- \* 096 - Policy incorrectly applied
- \* 155 - Individual inappropriately sanctioned

\* ➤ **Element 161 - Time-limited participation**

\* Nature codes:

- \* 004 - Agency failed to follow up on known and reported impending changes
- \* 018 - Eligible person(s) disqualified
- \* 096 - Policy incorrectly applied
- \* 156 - Improper denial - met ABAWD exemption
- \* 157 - Months incorrectly calculated

\* ➤ **Element 162 - Work Registration Requirements**

\* Nature codes:

- \* 001 - Eligible person(s) excluded
- \* 002 - Ineligible person(s) included
- \* 004 - Agency failed to follow up on known and reported impending changes
- \* 096 - Policy incorrectly applied
- \* 158 - Eligible person(s) excluded - exempt from work requirements - care for dependent under age 6 or incapacitated person
- \* 159 - Eligible person(s) excluded - exempt from work requirements - due to age
- \* 160 - Eligible person(s) excluded - exempt from work requirements - employed
- \* 161 - Eligible person(s) excluded - exempt from work requirements - participation in drug addiction or alcohol treatment program
- \* 162 - Eligible person(s) excluded - exempt from work requirements - physically or mentally unfit

- 163 - Eligible person(s) excluded - exempt from work requirements - received or applied for unemployment compensation \*
- 164 - Eligible person(s) excluded - exempt from work requirements - student enrolled at least half time \*
- 165 - Eligible person(s) excluded - exempt from work requirements - subject to and in compliance with TANF work requirements \*

➤ **Element 163 - Voluntary Quit/Reduced Work Effort**

Nature codes:

- 016 - Head of household did not voluntarily quit \*
- 017 - Voluntary quit of non-head of household \*
- 096 - Policy incorrectly applied \*
- 166 - Improper Sanction - entire household sanction for non-head of household voluntarily quit \*
- 167 - Household member met good cause \*

➤ **Element 164 - Workfare and Comparable Workfare**

Nature codes:

- 018 - Eligible person(s) disqualified \*
- 096 - Policy incorrectly applied \*
- 155 - Individual inappropriately sanctioned \*

➤ **Element 165 - Employment Status/Job Availability**

Nature codes:

- 004 - Agency failed to follow up on known and reported impending changes \*
- 018 - Eligible person(s) disqualified \*
- 096 - Policy incorrectly applied \*

➤ **Element 166 - Acceptance of Employment**

Nature codes:

- 003 - Agency failed to follow up on inconsistent or incomplete information \*
- 018 - Eligible person(s) disqualified \*
- 096 - Policy incorrectly applied \*





➤ **Element 225 - Combined Resources**

Nature codes:

- 022 - Did not transfer resources
- 023 - Did not exceed limit
- 025 - Incorrectly applied resources of non-citizen sponsor
- 026 - Included resources of a non-household member
- 030 - Does not exceed prescribed limit
- 031 - Incorrect limit applied
- 096 - Policy incorrectly applied
- 097 - Resource counted as income

**INCOME (300)**

**Earned Income**

➤ **Element 311 - Wages and Salaries**

Nature codes:

- 003 - Agency failed to follow up on inconsistent or incomplete information
- 004 - Agency failed to follow up on known and reported impending changes
- 032 - Failed to consider or incorrectly considered income of an ineligible member
- 033 - Rounding used/not used or incorrectly applied
- 034 - Income from known/processed source included that should not have been
- 035 - Household unemployed
- 036 - Conversion to monthly amount not used or incorrectly applied
- 037 - Averaging not used or incorrectly applied
- 038 - MRRB household not temporarily over the limit
- 039 - Employment status changed from unemployed to employed
- 041 - Change only in amount of earnings
- 042 - Failed to consider/anticipate month with extra pay date
- 046 - Failed to consider or incorrectly considered reported information
- 096 - Policy incorrectly applied
- 168 - Improper income calculation
- 169 - Improper calculation - Income included holiday or overtime pay
- 170 - Improper calculation - Income averaged incorrectly

➤ **Element 312 - Self-Employment**

Nature codes:

- 003 - Agency failed to follow up on inconsistent or incomplete information \*
- 004 - Agency failed to follow up on known and reported impending changes \*
- 032 - Failed to consider or incorrectly considered income of an ineligible member \*
- 033 - Rounding used/not used or incorrectly applied \*
- 034 - Income from known/processed source included that should not have been \*
- 035 - Household unemployed \*
- 036 - Conversion to monthly amount not used or incorrectly applied \*
- 037 - Averaging not used or incorrectly applied \*
- 038 - MRRB household not temporarily over the limit \*
- 039 - Employment status changed from unemployed to employed \*
- 041 - Change only in amount of earnings \*
- 042 - Failed to consider/anticipate month with extra pay date \*
- 046 - Failed to consider or incorrectly considered reported information \*
- 096 - Policy incorrectly applied \*
- 168 - Improper income calculation \*
- 170 - Improper calculation - Income averaged incorrectly \*
- 171 - Income is Self-Employment income - not identified as Self-Employment \*

➤ **Element 313 - Other Earned Income**

Nature codes:

- 003 - Agency failed to follow up on inconsistent or incomplete information \*
- 004 - Agency failed to follow up on known and reported impending changes \*
- 032 - Failed to consider or incorrectly considered income of an ineligible member \*
- 033 - Rounding used/not used or incorrectly applied \*
- 034 - Income from known/processed source included that should not have been \*
- 035 - Household unemployed \*
- 036 - Conversion to monthly amount not used or incorrectly applied \*
- 037 - Averaging not used or incorrectly applied \*
- 038 - MRRB household not temporarily over the limit \*
- 039 - Employment status changed from unemployed to employed \*
- 041 - Change only in amount of earnings \*
- 046 - Failed to consider or incorrectly considered reported information \*
- 096 - Policy incorrectly applied \*

\* **Deductions**

\* **➤ Element 321 - Earned Income Deductions**

\* Nature codes:

- \* 043 - Deduction that should have been included was not  
 \* 046 - Failed to consider or incorrectly considered reported information  
 \* 096 - Policy incorrectly applied  
 \* 125 - Deduction applied to earnings after child support exclusion

\* **➤ Element 323 - Dependent Care Deduction**

\* Nature codes:

- \* 043 - Deduction that should have been included was not  
 \* 046 - Failed to consider or incorrectly considered reported information  
 \* 096 - Policy incorrectly applied

\* **Unearned Income**

\* **➤ Element 331 - RSDI Benefits**

\* Nature codes:

- \* 003 - Agency failed to follow up on inconsistent or incomplete information  
 \* 004 - Agency failed to follow up on known and reported impending changes  
 \* 034 - Income from known/processed source included that should not have been  
 \* 046 - Failed to consider or incorrectly considered reported information  
 \* 096 - Policy incorrectly applied

\* **➤ Element 332 - Veterans Benefits**

\* Nature codes:

- \* 003 - Agency failed to follow up on inconsistent or incomplete information  
 \* 004 - Agency failed to follow up on known and reported impending changes  
 \* 034 - Income from known/processed source included that should not have been  
 \* 046 - Failed to consider or incorrectly considered reported information  
 \* 096 - Policy incorrectly applied

➤ **Element 333 - SSI and/or State SSI Supplement**

Nature codes:

- 003 - Agency failed to follow up on inconsistent or incomplete information
- 004 - Agency failed to follow up on known and reported impending changes
- 034 - Income from known/processed source included that should not have been
- 046 - Failed to consider or incorrectly considered reported information
- 096 - Policy incorrectly applied

➤ **Element 334 - Unemployment Compensation**

Nature codes:

- 003 - Agency failed to follow up on inconsistent or incomplete information
- 004 - Agency failed to follow up on known and reported impending changes
- 034 - Income from known/processed source included that should not have been
- 046 - Failed to consider or incorrectly considered reported information
- 096 - Policy incorrectly applied

➤ **Element 335 - Worker's Compensation**

Nature codes:

- 003 - Agency failed to follow up on inconsistent or incomplete information
- 004 - Agency failed to follow up on known and reported impending changes
- 034 - Income from known/processed source included that should not have been
- 046 - Failed to consider or incorrectly considered reported information
- 096 - Policy incorrectly applied

➤ **Element 336 - Other Government Benefits**

Nature codes:

- 003 - Agency failed to follow up on inconsistent or incomplete information
- 004 - Agency failed to follow up on known and reported impending changes
- 034 - Income from known/processed source included that should not have been
- 046 - Failed to consider or incorrectly considered reported information
- 096 - Policy incorrectly applied



➤ **Element 346 - Other Unearned Income**

Nature codes:

- 003 - Agency failed to follow up on inconsistent or incomplete information
- 004 - Agency failed to follow up on known and reported impending changes
- 034 - Income from known/processed source included that should not have been
- 046 - Failed to consider or incorrectly considered reported information
- 096 - Policy incorrectly applied

➤ **Element 350 - Child Support Payments Received from Absent Parent**

Nature codes:

- 003 - Agency failed to follow up on inconsistent or incomplete information
- 004 - Agency failed to follow up on known and reported impending changes
- 034 - Income from known/processed source included that should not have been
- 046 - Failed to consider or incorrectly considered reported information
- 096 - Policy incorrectly applied
- 111 - Child support payment(s) not considered or incorrectly applied for initial month(s) of eligibility
- 112 - Retained child support payment(s) not considered or incorrectly applied
- 127 - Pass through not considered or incorrectly applied
- 170 - Improper calculation - Income averaged incorrectly

**Other Deductions**

➤ **Element 361 - Standard Deduction**

Nature codes:

- 043 - Deduction that should have been included was not
- 096 - Policy incorrectly applied

➤ **Element 363 - Shelter Deduction**

Nature codes:

- 043 - Deduction that should have been included was not
- 047 - Failed to consider or incorrectly considered Shelter deductions
- 051 - Incorrect amount used resulting from a change in residence
- 053 - Incorrectly prorated
- 096 - Policy incorrectly applied



➤ **Element 372 - Combined Net Income**

Nature codes:

- 030 - Does not exceed prescribed limit
- 031 - Incorrect limit applied
- 096 - Policy incorrectly applied

**Other**

➤ **Element 412 - Budgeting System**

Nature codes:

- 063 - Deductions excluded that should not have been
- 064 - Household improperly participating under retrospective budgeting
- 065 - Household improperly participating under prospective budgeting
- 096 - Policy incorrectly applied
- 101 - Simplified reporting household

➤ **Element 413 - Application**

Nature codes:

- 059 - Household expedited and should have received postponed verification
- 066 - Improper denial within 30-day period for missing interview(s)
- 073 - Improper denial - failed to screen for expedited service
- 076 - Failed to provide expedited service to expedited eligible household
- 077 - Failed to issue a required Notice of Missed Interview (NOMI)
- 078 - Denial before the 30th day
- 079 - Incorrect use of allotment tables
- 081 - Late denial agency failed to process the application timely
- 082 - Improper denial for missing interview when interview never scheduled
- 096 - Policy incorrectly applied
- 117 - Failed to process the reapplication timely (recertification application)

➤ **Element 414 - Joint TANF/SNAP Processing and Reporting**

Nature codes:

- 067 - Improper termination/denial/suspension when TANF was terminated/denied
- 068 - Benefits improperly terminated due to non-submission of monthly report
- 096 - Policy incorrectly applied

➤ **Element 415 - Verification**

Nature codes:

- 003 - Agency failed to follow up on inconsistent or incomplete information
- 004 - Agency failed to follow up on known and reported impending changes
- 056 - Improper Denial/Termination - failure to provide - verification was received or was in case file
- 069 - Improper denial prior to end of timeframe for providing verification
- 080 - No application or case record information to support denial/termination/suspension
- 096 - Policy incorrectly applied
- 102 - Verification of income requested for a person not associated with current application
- 103 - Verification of resources requested for a person not associated with current application
- 105 - Verification was in case file
- 172 - Improper Denial/Termination - failure to provide - case should have been processed without the deduction
- 173 - Improper Denial/Termination - failure to provide - categorically eligible household with deemed eligibility elements
- 174 - Improper Denial/Termination - failure to provide - failed to send a request for contact
- 175 - Improper Denial/Termination - failure to provide - verification requested was for another program
- 176 - Improper Denial/Termination - failure to provide - household never notified of needed verification
- 177 - Improper Denial/Termination - failure to provide - household not given at least 10 days to provide
- 178 - Improper Denial/Termination - failure to provide - prior to the 30th day

➤ **Element 416 - Action Type**

Nature codes:

- 070 - Improper denial or termination when the case should have been suspended
- 071 - Improper suspension when the case should have been denied or terminated
- 072 - Improper termination or suspension for failure to meet reporting requirements
- 096 - Policy incorrectly applied

➤ **Element 511 - Other**

Nature codes:

- 005 - Computer programming error
- 012 - Computer user error (improper use of system or unauthorized process or work around)
- 013 - Data entry and/or coding error (includes selection of incorrect codes)
- 055 - Failure to provide verification for a period of time not associated with current application
- 084 - Information reported by a bank or financial institution contact inaccurate
- 085 - Information reported by a collateral contact inaccurate
- 086 - Information reported by an employer contact inaccurate
- 087 - Information reported by a landlord contact inaccurate
- 095 - Other public assistance case was terminated / denied
- 096 - Policy incorrectly applied
- 099 - Other. This code is to be used in situations not covered by the other existing element codes.

➤ **Element 520 - Arithmetic Computation**

Nature codes:

- 061 - Benefit/allotment/eligibility incorrectly computed
- 062 - Incorrect use of allotment tables
- 096 - Policy incorrectly applied

➤ **Element 530 - Transitional Benefits**

Nature codes:

- 075 - Eligible for transitional benefits
- 096 - Policy incorrectly applied

➤ **Element 540 - Notices**

Nature codes:

- 049 - Failed to send notice of action
- 089 - Notice did not include date of intended action
- 090 - Notice did not include rights of household
- 091 - Notice not clearly understandable
- 092 - Notice reason does not match reason for action
- 093 - Notice was not complete
- 094 - Notice was sent to wrong address
- 096 - Policy incorrectly applied

\* **RESERVED**

\* This section provides information for the evaluation of the action and case record.  
 \* This section will be completed for all cases by the State agency.

\* **19. Collateral and/or Household Contact** - Enter the appropriate code  
 \* which reflects the decision of the reviewer to make a collateral and/or  
 \* household contact. The reason for contacting the collateral source or the  
 \* household (by telephone or a letter or in person) must be documented in  
 \* Section V - Narrative. The narrative must clearly address the element(s) in  
 \* question.

\* 01 - No collateral or household contact was conducted.

\* 02 - Telephone contact made to a collateral source - information in case  
 \* record regarding an element(s) was not clear and accurate.

\* 03 - Telephone contact made to the household - information in case record  
 \* regarding an element(s) was not clear and accurate.

\* 04 - Letter contact made to a collateral source - information in case record  
 \* regarding an element(s) was not clear and accurate. The reason for using  
 \* a letter must be documented on the FNS-245 Section V and a copy of the  
 \* letter included. The letter must clearly address the element(s) in  
 \* question.

\* 05 - Letter contact made to the household - information in case record  
 \* regarding an element(s) was not clear and accurate. The reason for using  
 \* a letter must be documented on the FNS-245 Section V and a copy of the  
 \* letter included. The letter must clearly address the element(s) in  
 \* question.

\* 06 - Face-to-face contact made to a collateral source - information in case  
 \* record regarding an element(s) was not clear and accurate.

\* 07 - Face-to-face contact made to the household - information in case record  
 \* regarding an element(s) was not clear and accurate

\* **20. Action Initiated By** - Enter the appropriate two digit code to indicate the  
 \* initial event that prompted the action by the State agency. This information  
 \* will be used for administrative purposes and possibly to direct corrective  
 \* action.

\* 01 - Reported information from the household

\* 02 - Reported information from an automated source

\* 03 - Reported information from other source

\* 04 - Application for assistance submitted by the household

\* 05 - Interim report completed by the household

\* 06 - Interim report not submitted

- 07 - Failure to provide requested information from an application \*
- 08 - Failure to provide requested information from an interim report \*
- 09 - Re-certification for assistance submitted by the household \*
- 10 - Failure to provide requested information from a re-certification \*
- 11 - Other \*

**OPTIONAL (FOR STATE SYSTEMS ONLY)**

There is one line of spaces available for the State to code information to capture additional data as designated by the State.

**SECTION V EXPLANATION OF REVIEW FINDINGS**

This section will be used to document the results of the review. The reviewer must record information used to determine the validity of the action and, if necessary, information on the status of the case as of the review date. The reviewer may document a single element of eligibility or all elements, depending upon the circumstances of each case. Documentation must be sufficient to support the reviewer’s decision on the status of the case (both a valid and an invalid determination) and the identification of any variances, if the action was found to be invalid.

The narrative should contain a descriptive explanation of the circumstances from the case record regarding why the action was initiated, what information the agency used to arrive at the decision, what decision was made, and whether the notice that was issued was specific, and clearly understandable. QC findings should summarize the agreement or disagreement with the actions taken by the agency.

- The narrative should answer these questions:
- If no notice was sent, is it within the certification guidelines to not send a notice?
  - Did the action taken reflect what was known by the EW?
  - Did the EW make a mistake?
  - Did the notice reflect what the EW thought was happening?
  - Does the notice indicate what happened?
  - Is the notice clearly understandable and specific about what was happening?