

**NCDHHS Division of Social Services/Office of Economic Opportunity - Community Services Block Grant (CSBG)**

Title: Raising North Carolina Poverty Level to 125% - Guidance Memorandum 2018-3

Purpose: To provide consistent guidance on required procedures and documentation necessary to provide services for persons or families that are at 125%.

Effective Date: July 1, 2018

Related (No Related GM)

Resources: Code of Federal Regulations Title 45 Part 1611 – Financial Eligibility

§ 1611.3 Financial eligibility policies.

(a) The governing body of a recipient shall adopt policies consistent with this part for determining the financial eligibility of applicants and groups. The governing body shall review its financial eligibility policies at least once every three years and adjust as necessary. The recipient shall implement procedures consistent with its policies.

(b) As part of its financial eligibility policies, every recipient shall specify that only individuals and groups determined to be financially eligible under the recipient's financial eligibility policies and LSC regulations may receive legal assistance supported with LSC funds.

(c)(1) As part of its financial eligibility policies, every recipient shall establish annual income ceilings for individuals and households, which may not exceed one hundred and twenty five percent (125%) of the current official Federal Poverty Guidelines amounts. The Corporation shall annually calculate 125% of the Federal Poverty Guidelines amounts and publish such calculations in the **Federal Register** as a revision to Appendix A to this part.

(2) As part of its financial eligibility policies, a recipient may adopt authorized exceptions to its annual income ceilings consistent with § 1611.5.

(d)(1) As part of its financial eligibility policies, every recipient shall establish reasonable asset ceilings for individuals and households. In establishing asset ceilings, the recipient may exclude consideration of a household's principal residence, vehicles used for transportation, assets used in producing income, and other assets which are exempt from attachment under State or Federal law.

(2) The recipient's policies may provide authority for waiver of its asset ceilings for specific applicants under unusual circumstances and when approved by the recipient's Executive Director, or his/her designee. When the asset ceiling is waived, the recipient shall record the reasons for such waiver and shall keep such records as are necessary to inform the Corporation of the reasons for such waiver.

(e) Notwithstanding any other provision of this part, or other provision of the recipient's financial eligibility policies, every recipient shall specify as part of its financial eligibility policies that in assessing the income or assets of an applicant who is a victim of domestic violence, the recipient shall consider only the assets and income of the applicant and members of the applicant's household other than those of the alleged perpetrator of the domestic violence and shall not include any assets held by the alleged perpetrator of the domestic violence, jointly held by the applicant with the alleged perpetrator of the domestic violence, or assets jointly held by any member of the applicant's household with the alleged perpetrator of the domestic violence.

(f) As part of its financial eligibility policies, a recipient may adopt policies that permit financial eligibility to be established by reference to an applicant's receipt of benefits from a governmental program for low-income individuals or families consistent with § 1611.4(c).

(g) Before establishing its financial eligibility policies, a recipient shall consider the cost of living in the service area or locality and other relevant factors, including but not limited to:

Code of Federal Regulations / Title 45 - Public Welfare / Vol. 4 / 2017-10-01448

(1) The number of clients who can be served by the resources of the recipient;

(2) The population that would be eligible at and below alternative income and asset ceilings; and

(3) The availability and cost of legal services provided by the private bar and other free or low cost legal services providers in the area

**Background**

Per the Code of Federal Regulations, the Office of Economic Opportunity (OEO) in accordance with 1611.3 reviewed our policy as stated it should be done once every three years. Therefore, after researching the current policy, the decision was made to raise the income ceiling to 125% to match the feds. OEO feels that raising the ceiling will allow more citizens in North Carolina to become eligible to receive services provided by the state’s Community Action Agencies. OEO will have final approval and deems it necessary to issue this guidance memoranda on this matter to inform agencies of allowable practices and costs. Agencies are expected to provide all services to all eligible persons in their service areas that meet these guidelines. This GM will provide information needed to promote a consistent approach to serving more North Carolina citizens with CSBG funds.

**State Guidance and Interpretation for raising the level to 125% in North Carolina are:**

1. Agencies must update their program participants guide to reflect the new poverty level. These updates should be reflected in Board of Directors’ minutes with BOD approval.
2. Agencies must provide OEO (Program Analyst) a clear definition and program scope as to what type of new services, if any, will be provided for additional program participants that may be at various levels of need.
3. Agencies must maintain all documentation of the services the whole family receives.
4. AR4CA is updated to reflect the change to 125%.

This GM is accessible at the OEO website and will be sourced during OEO’s ongoing monitoring, training and technical assistance activities. All sub-grantee agencies will be accountable for this information.

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Office of Economic Opportunity Administrator Date