



Income & Public Benefits Considerations for Youth Action Board (YAB) Members

Created for Youth with Lived-Experience of Homelessness

***Prepared by Brendan Little, Ayala Livny, and Alice Colegrove
for the MA Unaccompanied Homeless Youth Commission (UHYC)
2023***

TABLE OF CONTENTS

Introduction	3
Background: It's Not You, It's the System!	4
PAYMENTS	4
Worker classification for tax purposes	4
Employee	5
Independent-Contractor (sometimes also referred to as "consultant")	5
YAB Payment Types	6
Cash/ Check/ Electronic payments	6
Gift Cards	6
THE IMPACT OF INCOME ON BENEFITS	7
NEXT STEPS/ DETAILS	8
CONCLUSION	11
Appendix A. PUBLIC BENEFITS	12
Department of Transitional Assistance (DTA)	12
Housing and Urban Development: Massachusetts	12
Medicaid (called MassHealth in Massachusetts)	12
Medicare	13
Social Security	13
Heat/Fuel Assistance	13
Emergency Rental Assistance	13
Child Support	13
College Student Financial Aid	13
APPENDIX B	15
Sample Letter for Agencies	15
APPENDIX C	17
Sample Letter for YAB Supporters	17
APPENDIX D	19
SNAP Information (From MA DTA)	19
APPENDIX E	23
Adverse Childhood Experiences And Finances	23
APPENDIX F	24
Additional Resources (From Work Without Limits)	24

Introduction

THANK YOU for being a part of your local Youth Action Board and working to prevent and end youth homelessness in your community! A Youth Action Board (YAB) is a group of youth and young adults who have experienced or are currently experiencing homelessness and work with communities to improve systems and service delivery. A YAB's goal is to engage youth and young adults (YYAs) experiencing homelessness in providing authentic feedback and education to improve the services and systems designed to support them.

When working as a YAB member, you should be compensated for your time, experience, and expertise. This compensation should be meaningful to you and support you in your path towards stability. *(A YAB member once said, "Pizza is not payment!" and we know that you cannot pay rent with a gift card.)* However, as paid YAB opportunities increase, this income may affect the taxes you owe and the benefits that you are receiving (such as: housing subsidy, SNAP/food stamps, utility support, MassHealth, cash assistance, Social Security Disability Income (SSI/SSDI) etc.).

We have created this guide to help you understand your compensation and benefits so you can make informed choices about your work and income.

Disclaimer: *The information provided in this document is not legal advice for your specific situation. The content is provided for general informational purposes only. If you need help figuring out how or if this information applies to your specific situation, you should seek legal advice from an attorney licensed in your state. The American Bar Association has a [directory of legal aid organizations who work with youth and young adults](#). If you need more help finding an attorney, email hylvn@americanbar.org or call 202-662-1695 for assistance. The [MA Homeless Youth Handbook](#) produced by [MA Appleseed](#) also has general legal advice and resources concerning public benefits and taxes.*

GLOSSARY:

DTA	MA Department of Transitional Assistance
HUD	US Department of Housing and Urban Development
IRS	Internal Revenue Service
SNAP	Supplemental Nutrition Assistance Program (aka Food Stamps)
SSI/SSDI	Supplemental Security Income/ Social Security Disability Insurance
USDA	US Department of Agriculture (oversees the SNAP program)
VITA	Volunteer Income Tax Assistance
YAB	Youth Action Board

Background: It's Not You, It's the System!

If you are a young person reading this, and you have experienced homelessness or housing instability and are working with a YAB to change the system, **we hope that you are proud of the work you are doing and have done!** We also want to congratulate you for taking a step towards taking control of your finances by looking at your income and benefits. Figuring out benefits is emotionally taxing work. We hope you remember that **you are not alone** in your financial struggles or in the solution to those struggles. There is a network of support that's available to assist you in your benefits literacy journey.

Navigating public benefits is often a very frustrating process. Even well-intentioned benefits programs can be confusing and difficult to navigate. Oftentimes, rules and requirements are murky and vary widely depending on which benefit you are accessing. Sometimes, it might feel like the system is trying to punish you for your efforts to become more stable (even though that is not the intention). **We designed this guide to help you better understand your income and navigate the processes and challenges in existing public benefits systems, including how your income may impact these benefits.** We hope this guide will help you make informed choices about your work and income.

PAYMENTS

YABs compensate members in many ways, including food, gift cards, and money. Food won't impact your taxes or benefits. Gift cards and money might. Below are a few ways that YABs may classify and pay people, and what you should know about it.

Worker classification for tax purposes

According to the government, any money in exchange for a service is always considered income for tax purposes. The worker classification is a designation of what kind of worker you are to the organization that sponsors the YAB, either an employee (on payroll) or an independent-contractor (also sometimes called a "consultant") who is not on payroll. This designation has different implications on benefits and taxes. **Our understanding is that if you receive any payment from an agency, including occasional cash stipends, you are either an employee or an independent contractor.** However, your income will only be reported to the IRS as taxable if it goes over \$600 in a year. Laws around classification and when someone must be considered an employee vary from state to state.

Massachusetts laws can be found here:

<https://www.mass.gov/service-details/independent-contractors>

A more detailed presentation on worker classification from the [National Homelessness Law Center](#) can be found here:

[Learning Session Employee v Independent Contractor 05082023.pptx](#)

Below is some general tax-related information about the differences between the designation of being an employee versus being an independent contractor.

Employee

- This means you work for the company/organization, and you have filled out a W-4
- The company takes your taxes out from each paycheck and pays them for you to the federal and state government and social security
- The company also pays around 10% of your compensation for what is called “payroll taxes”
- You can be paid with a check, electronic transfer (Venmo, cash app) or direct deposit to your bank account
- The organization you work for will give you documents each year that show how much has been taken out of your check for taxes and paid already. (This is called a W2 form)
- Your paystub will show that they have paid these taxes (so if you are paid \$300, but your check is only for \$260, it will show where the other \$40 went)

Independent-Contractor (sometimes also referred to as “consultant”)

- This means you work for yourself and have to pay your own taxes
- The company may ask you to fill out a W-9 with your information, even if you do not think you will make more than \$600 in a calendar year.
- You may be paid immediately or after submitting an invoice
- You can be paid with cash, a check, electronic transfer (venmo, cash app) or direct deposit to your bank account
- If you make over \$600 as an independent-contractor during the calendar year, the company has to report how much they paid you to the IRS to determine how much you should pay in taxes
- If you made more than \$600 as an independent-contractor, the company will give you a 1099 form to show your earnings for the year. This form will typically be sent in January, and you will need this form in order to file your taxes accurately

YAB Payment Types

Regardless of how you are classified (employee or independent-contractor) you can be paid in a number of ways.

Cash/ Check/ Electronic payments

- Even if you get cash in hand for attending meetings, if it goes over a total of \$600 per year (\$50 per month on average), the organization will have to report the payment to the IRS as income.
 - This includes Paypal, Venmo, and CashAPP payments as well as cash or checks

Gift Cards

- Technically, some gift cards can be counted as income. The USDA reports that gift cards used for “food or shelter or that come in the form of a credit card” (ie Visa card) can be counted as income. However, it is up to the individual to report them to their benefits caseworker. Gift cards are typically not reported as payment by the organization/ person giving you the gift card, and usually do not have an impact on benefits.
 - SNAP will exclude the value of the gift cards as long they are not credit card gift cards. (Source: USDA [Revised Treatment of Gift Cards in Determining SNAP Eligibility and Benefits | Food and Nutrition Service](#).)
 - Social Security will count gift cards as income if the card can be used for food, shelter or can be resold. ([SSA-POMS: SI 00830.522- Gift Cards and Gift Certificates- 12/21/2007](#))
- It’s best for you to talk to your worker to figure this out because this can be complicated and there is flexibility to both of these things above.

NOTE: Your income and savings, including bank statements and pay stubs, may be accessed by the Dept. of Transitional Assistance (DTA), SSI/SSDI, and Section 8. All of these agencies can request your last three bank account statements.

¹ USDA. [Revised Treatment of Gift Cards in Determining SNAP Eligibility and Benefits | Food and Nutrition Service](#).

THE IMPACT OF INCOME ON BENEFITS

The benefits people receive are often connected to their income. This often means that as people receive more income, the amount of their benefits decreases. It is sometimes called “The Cliff Effect”. Leap Fund, an organization that helps people understand benefits cliffs, offers the following insight:

“People face a benefits cliff (also known as the “cliff effect”) when they receive public benefits from the government, earn a raise, and then discover that they make too much money to receive the benefits. But they are not making enough money to sustain themselves and their household. The big challenge is that no one knows where the cliff begins, or when it will end, because it is individualized for each person, and based on a variety of factors.”

<https://www.benefitscliff.com/what-is-a-benefits-cliff>



Image credit: [Circles Salt Lake](#)

The impact of the Cliff Effect can be significant, and sometimes it leads people to make decisions to not work and not engage with their YAB. One YAB member shared that even though she enjoyed contributing and participating with the YAB, she stopped participating in YAB activities because she was worried about making “too much money” from the YAB that would impact her benefits. Unfortunately, because the cliff is different for each individual, there is no simple way to know how your income will affect the various benefits you may be receiving.

However, there are some things you can do to get ahead of this challenge:

- 1) Talk to your YAB coordinator to understand how you are being paid and what taxes you might owe.
- 2) Keep track of your income and expenses.
- 3) Call a benefits case worker and ask them to clarify your responsibility for reporting income (when does a possible change in income need to be reported?).
- 4) Call a benefits caseworker and share a letter from your YAB explaining the work and compensation you receive.
- 5) Connect with an organization that specializes in helping people navigate income and its impact on benefits
- 6) Put aside money for taxes if you will need to pay taxes in April.

NEXT STEPS/ DETAILS

1) **MEET WITH YOUR YAB COORDINATOR**

- Ask questions about your payments, such as:
 - Am I being paid as an employee or independent-contractor?
 - Will I owe taxes on this income?
 - Can you help me understand how this income might affect the benefits I receive?
- If you would like, you can request that the method of your YAB payments be changed to better suit your financial needs (i.e. from check to gift card)
- If you are applying for a benefit or need to recertify for a benefit, ask your local YAB staff to write a letter on your behalf that you can submit to the agency granting you benefits, (see Appendix C for sample text)
- If you are being paid as an independent-contractor you may owe taxes. You may need to set aside money for this. Please see information about tax assistance in Point 5: “Taxes will need to be paid.”

2) **KEEP TRACK OF YOUR INCOME AND EXPENSES:**

If you work and receive benefits, keep track of all your sources of income. This will allow you to better understand what you need to report to the agencies providing you benefits and what you should claim on your annual taxes.

When you begin accessing a new public benefit, try to keep track of:

- The dollar amount of money you are granted each month
- How, how often, and when you need to report your income to this agency
- The total amount of all your combined benefits

Additionally, if you are working as an independent-contractor (not an employee) you should **keep track of any expenses you have in order to complete your work**. You are able to subtract these costs from your income total (to reduce the amount of taxes you will need to pay and how benefits agencies calculate your income).

Deductions can include:

- **Equipment**, such as the computer, phone, furniture that you need to complete the work
- **Operating Expenses**, such as a phone or internet bill, postage, software, or the cost of transportation to get to meetings -- anything (not including food) that you had to spend in order to complete the job
- **Career Development**, such as trainings or webinars or conferences
- **Travel**, including public transportation
- **Child Care** that allows you to work

You should consult with a tax professional to ensure you take the deductions to which you are entitled. **To be able to take these deductions, you will need to track them and keep receipts (or photos of the receipts). One way of doing this is to keep a document or a spreadsheet tracking all of your expenses.**

3) TALK TO A BENEFITS CASEWORKER

Hiring people with lived experiences of homelessness to inform and improve systems (like YABs) are becoming more common in the US, and agencies like the US Department of Housing and Urban Development (HUD) strongly support the practice. This means: **Your advocacy and knowledge have the potential to create more equitable public benefit policies that can help you and other youth like you.** However, YABs are a relatively new creation, and there is still uncertainty as to how public benefit programs should count or discount YAB income.

Generally, income only needs to be reported to benefits agencies at the point of application or re-certification. If you are in-between the application and recertification periods, your income likely only needs to be reported if it goes over the “gross income limit” for your household size. The “gross income limit” can be found on the approval letter mailed to you or in the Benefits electronic system (for DTA in MA, that is the [DTA Connect](#) site). You should ask a Benefits Coordinator when you would need to report a change in income.

If you are receiving DTA benefits in Massachusetts (SNAP, etc), you may ask to speak to a “[Full Engagement Worker](#)” who may help you navigate questions you have about YABs or any other

professional training/education opportunities and income. When you speak to them, have the following information ready:

- Your hourly rate, and if you are working as an employee or an independent-contractor
- How many hours you are working and how many hours you expect to be working in the future
- What your last three payments have been

When you meet with a benefits worker (over the phone, via video, or in person), you can share a letter that you have written explaining your work with the YAB and the income you receive from it. (See **Appendix B**). You can also bring a letter from your YAB staff that explains the work (See Appendix C).

4) CONNECT WITH AN ORGANIZATION THAT SPECIALIZES IN NAVIGATING CLIFF EFFECTS

There are a number of agencies that specifically work with people who are receiving benefits in order to help them maximize their income and navigate the cliff effect. Some Massachusetts organizations that do this work include:

- **Work Without Limits**
- **Project Impact**
- **MASSCAP**

The LEAP FUND is a national resource that focuses on navigating these challenges.
<https://myleapfund.com/>

5) TAXES WILL NEED TO PAID (either via your paycheck, quarterly, or when taxes are due in April)

- If you are working as an employee, both your federal and state taxes will have been automatically paid, and you will see this reflected on your paycheck.
- If you are working as a contractor or getting cash stipends for your work, you will need to save and pay your own taxes. ***THIS IS IMPORTANT FOR ANY INCOME OVER \$600.***
- To avoid financial penalty, independent-contractors must pay taxes to the state *and* to the federal government once a quarter (every four months). Here is a link to help you understand how to calculate how much you might owe and deadlines for payments. [How Do Consultants Pay Taxes?](#) and the [MA Estimated Tax Calculator](#)
- Here is the link for paying Massachusetts state estimated taxes (you will need to set up an account). [MassTaxConnect](#) and [How do Estimated Taxes Work?](#)

- Here is the link for paying federal estimated taxes (you will need to set up an account). [Federal Tax Info](#)
- There are a number of organizations that can help you complete your federal and state taxes. *(Note: we are not endorsing any of these programs, just providing the links to them).*
 - You can receive free tax preparation support through Volunteer Income Tax Assistance (VITA). Here is a listing of VITA Locations throughout Massachusetts. [Free Tax Prep / VITA Directory - MASSCAP](#)
 - [Cash App taxes](#) offers free tax filing (even if you are self-employed)
 - [Free Tax USA](#) offers free federal filing, with state filing is \$14.99 for self-employed or gig workers.
 - Code for America has a program called [Get Your Refund](#), a free tax service backed by the IRS using certified volunteers.

CONCLUSION

Navigating financial resources can sometimes be as stressful as navigating financial hardships. The systemic barriers that you face can cause a great amount of stress, and the complex social factors that cause and perpetuate poverty cannot be easily undone or eradicated. But by taking steps to improve financial literacy, you can work to gain stability and independence, and improve your life.

Again, remember that **you are not alone**. It is normal to experience difficult or confusing emotions when trying to gain financial stability. This resource guide is designed to connect you to people, programs, and organizations that are dedicated to helping.

Appendix A. PUBLIC BENEFITS

If you are a young adult with lived experience with homelessness, you likely qualify for public benefits or are already receiving them in some form. Benefits most often come from local, state, or federal government agencies. Ask the representative from the agency granting you benefits if there are any additional benefits that you are eligible for. Oftentimes, valuable public programs are underutilized or under promoted. **Be sure that you are fully accessing all benefits available to you.**

Here is a list of the most widely used public benefits in Massachusetts that you may be accessing/eligible for. (Source: [Work Without Limits](#)) Another summary of public benefits available in MA can be found [here](#).

Department of Transitional Assistance (DTA)

Phone: 1-877-382-2363

Website: www.mass.gov/eohhs/gov/departments/dta/

DTA Connect: <https://www.mass.gov/how-to/download-the-dta-connect-mobile-app>

DTA Pathways to Work: <https://www.mass.gov/dta-pathways-to-work>

- [Supplemental Nutrition Assistance Program \(SNAP or Food Stamps\)](#)
- [Transitional Aid to Families with Dependent Children \(TAFDC\)](#)
- [Emergency Aid to the Elderly, Disabled, and Children \(EAEDC\)](#)

Housing and Urban Development: Massachusetts

(HUD) www.hud.gov/massachusetts

Executive Office of Housing and Livable Communities (EOHLC)

(Formerly Department of Housing and Community Development - DHCD)

<https://www.mass.gov/orgs/executive-office-of-housing-and-livable-communities>

- [Public Housing Authority Properties](#)
- [Mobile Section 8 Voucher](#)
- [Supportive Housing Program](#)
- [MA Voucher Rental Program](#)
- [Alternative Housing Voucher Program](#)

Medicaid (called MassHealth in Massachusetts)

Phone: 1-800-841-2900

Website: www.mass.gov/masshealth

- [MassHealth Standard](#)
- [MassHealth CommonHealth](#)
- [MassHealth Family Assistance](#)
- [MassHealth CarePLUS](#)

Medicare

Phone: 1-800-633-4227

Website: www.mymedicare.gov/

- [Part A \(Hospital Insurance\)](#)
- [Part B \(Medical Insurance\)](#)
- [Part C \(Medicare Advantage Plans\)](#)
- [Part D \(Outpatient Prescription Drug Plan\)](#)

Social Security

Phone: 1-800-772-1213 (V) or 1-800-325-0778 (TTY)

Website: www.ssa.gov/

- [Supplemental Security Income \(SSI\)](#)
- [Social Security Disability Insurance \(SSDI\)](#)
- [Childhood Disability Benefits \(CDB\)](#)

Heat/Fuel Assistance

- [Low Income Home Energy Assistance Program](#)
- <https://hedfuel.azurewebsites.net/>
- <https://www.mass.gov/how-to/apply-for-home-heating-and-energy-assistance>

Emergency Rental Assistance

- [Residential Assistance for Families in Transition \(RAFT\)](#)

Child Support

- [Child Support Services](#)

College Student Financial Aid

- [Office of Student Financial Assistance](#)

APPENDIX B

Sample Letter for Agencies

SAMPLE LETTER FOR ***YOUNG ADULTS*** TO GIVE TO AGENCIES PROVIDING THEM BENEFITS **DURING APPLICATION OR RECERTIFICATION** (DTA etc). This may only need to be provided if you are working as an independent-contractor and not as an employee who receives paystubs.

*****NOTE: According to some agencies, income is not something that people need to immediately tell the benefits agency about. You will only need to provide this letter when you are applying for benefits, or being recertified, or if your income goes above the yearly income limit for the benefit. If you have any questions or concerns about reporting requirements for DTA, you can call a DTA Full Engagement Worker or the DTA Assistance line at (877) 382-2363.***

[Today's Date]

Name of Person or To Whom it May Concern,

I am currently serving as a paid advisor on a Youth Action Board advocating for housing justice and improved social support for Massachusetts youth and young adults experiencing homelessness. Youth Action Boards (YABs) were created after the report, "MA State Plan to Prevent and End Youth Homelessness" was published by the Executive Office of Health and Human Services in 2018. My lived experience and expertise qualifies me for this unique educational and professional training opportunity.

I am currently receiving \$XXX a month in financial benefits from your agency and \$XXX a month from <<include other forms of income if relevant>>. I currently earn \$XXX an hour from my Youth Action Board (YAB) role for an average of XX hours per month for a total of about \$XXX a month. However, this income changes month to month based on what opportunities are available. I am paid as an (employee/ independent-contractor).

My last three payments have been:

- *Date/ Amount*
- *Date/ Amount*
- *Date/ Amount*

On average, I work XXX hours per month, and expect to work XXX hours per month moving forward. Over the last three months, I have earned \$XXX from this work.

As I am working as an independent-contractor, I am also incurring expenses related to this income. My expenses over the last three months have been \$XXX and include <<*insert what types of expenses -- transportation, internet, supplies etc*>>.

Because my role for my regional YAB improves my education and professional training skills, could you please answer these questions for me:

Does my YAB average income of XXX a month count against my benefits from your agency?

At what monthly dollar amount of YAB earnings must I report my earnings to your agency?

Would your agency be willing to officially designate YAB participation as an educational and training opportunity that does not count against benefits from your agency?

Thank you for your time, consideration, and support.

Sincerely,

(Your name and contact info)

APPENDIX C

Sample Letter for YAB Supporters

SAMPLE LETTER FOR **YAB SUPPORTERS** TO GIVE TO AGENCIES PROVIDING THEM BENEFITS (DTA etc)

*****NOTE: According to some agencies, income is not something that people need to immediately tell the benefits agency about. You will only need to provide this letter when you are applying for benefits, or being recertified, or if your income goes above the yearly income limit for the benefit. You should call the Full Engagement Worker or the Assistance line at (877) 382-2363 to discuss reporting requirements.***

[Today's Date]

Name of Person or To Whom it May Concern,

I am currently working at <<Insert AGENCY name>> where we support a Youth Action Board, a group that advocates for housing justice and improved social support for Massachusetts youth and young adults experiencing homelessness. Youth Action Boards (YABs) were created after the report, "MA State Plan to Prevent and End Youth Homelessness" was published by the Executive Office of Health and Human Services in 2018.

For their Youth Action Board (YAB) role <<YYA NAME>> is receiving \$XXX per month for XXX hours per month as an <<EMPLOYEE or independent-contractor>>. They are paid in <<cash/ check, gift card>>. However, this income changes month to month based on what opportunities are available.

Over the last three months, their payment has been:

Month 1:	\$XXX
Month 2:	\$XXX
Month 3:	\$XXX

**If the YYA is a independent-contractor, can include:*

<<NAME>> is working as an independent-contractor, and their expenses over the last three months have totaled \$XXX, which can be deducted from their income.

Because their work with the YAB improves their education and professional training skills, we would like to request that your agency consider this income as an education and training income that does not count against any benefits.

Please let me know if our agency can be supportive to you in any way moving forward.

Thank you for your time, consideration, and support.

Sincerely,

(Your name and contact info)

APPENDIX D

SNAP Information (From MA DTA)

This information was provided to us directly from MA DTA and applies to SNAP benefits only. Please speak to your DTA worker about any questions.

[Overview of SNAP Reporting Requirements](#) on Mass.gov.

Overview of Certification Types

There are 4 different certification types, however most SNAP households are on Simplified Reporting. Your certification type can change. When this happens, DTA will send you a notice to let you know.

Simplified Reporting

SNAP households with adults, seniors, individuals with a disability or children. Any household with earned income will be assigned to this certification type.

Simplified Reporting households have two check-ins. You must fill out an Interim Report form at month 6 and a Recertification form at month 12.

You must report:

- when your household's gross monthly income goes over the limit for your household size. If your income increases, but is still below your limit, you don't have to update us [DTA]. You must report this to us by the 10th day of the month following the month your income went over the limit.

Note: Gross monthly income is the amount of money you bring in before taxes and expenses are subtracted.

Example: Selina is a mom with one child on Simplified Reporting. Her SNAP was approved in January, so her Interim Report is due in June. Selina starts a second part time job in March earning \$200/week. Her total monthly gross income from both jobs is below the gross income limit for her household. She does not need to report the second job until her Interim Report. However, in April Selina works more shifts and her gross income goes above the gross income limit. She needs to tell DTA by May 10th about this increase in income.

If your household has a member aged 60+ or an individual with a verified disability, the household does not have a gross income limit. Tell us about changes on your Interim Report or Recertification form.

- If your household contains an [Able-Bodied Adult Without Dependents \(ABAWD\)](#), you must tell us if their weekly work hours falls below 20 hours per week or 80 hours averaged monthly.

Example: Carla is an ABAWD and works 20 hours per week at a restaurant. Two months after she starts getting SNAP, her boss takes away one of her shifts and her hours go down to 13 per week. She must tell DTA by the 10th day of the month following the change.

Change Reporting

This is a SNAP household where all members are receiving economic assistance benefits from DTA (TAFDC, EAEDC).

Change Reporting households have one check-in. You must fill out a Recertification form at month 12.

For SNAP, you must report the following changes within 10 days of the change:

- Change in amount of income your household has, if the change is more than \$100 a month
- Change in where the income comes from (the income source) – if the amount of income you have also changes. For example, if you start or stop a job
- Changes to who is part of your household. For example, if you have a baby or a child moves in or out
- Changes in where you live and any changes in how much you pay to live there
- If you pay child support, you must tell us if you stop making payments or when your legal obligation to pay changes

IMPORTANT: Please note that for your cash case, you are required to report any changes that may affect your eligibility or the amount of your grant within 10 calendar days, except for a change in earnings less than \$100 a month.

Bay State Combined Application Project (Bay State CAP):

This is a household of one that receives Supplemental Security Income (SSI). These households may or may not have other sources of unearned income.

Bay State CAP households have one check-in. You must fill out a Recertification form at month 36.

You should report changes in your income or household circumstances to the Social Security Administration (SSA) at (800) 772-1213. SSA will tell DTA about your reported changes electronically.

You do not have to report any changes directly to DTA. If your expenses increase, you can tell DTA if you want to.

DTA State Regulations:

106 CMR 363.230 Excluded Income

The following kinds of income will be excluded when determining a household's eligibility and benefit level.

(C) Infrequent Irregular Incomes

Any income in the certification period that is received too infrequently or irregularly to be reasonably anticipated, and is less than \$30 per recipient in a quarter.

(M) Payments Made to SNAP/E&T Participants

Any payment for education and/or training-related costs received in the SNAP E&T Program, Employment Services Program (ESP), in WIA programs, or from other agencies and organizations that are non-duplicative of payments and are provided for specific goods or

services. These costs include, but are not limited to, dependent care costs, transportation, and other expenses related to work, training or education, such as uniforms, personal safety items or other necessary equipment, and books or training manuals. These costs shall not include the cost of meals away from home. Also, the value of any dependent care services provided for or arranged under 106 CMR 362.310(D)(5) would be excluded.

The first \$130 per month of training stipends including, but not limited to, payments from the Department of Career Services (DCS) or the Massachusetts Rehabilitation Commission (MRC). The balance of the stipend is treated as unearned income, which is countable unless specified as non-countable under another provision of these regulations.

106 CMR 364.340: Income Averaging

In some cases income averaging is required. In other cases, the household may elect to average fluctuating income over the certification period. For destitute households as defined by 106 CMR 365.810(B), income shall not be averaged. Whenever a full month's income is anticipated but is received on a weekly or biweekly basis, the Department shall convert the income to a monthly amount by multiplying weekly amounts by 4.333 and biweekly amounts by 2.167.

(A) Mandatory Income Averaging

(1) Annual Income in Shorter Period. Households that earn their annual income in a period of time shorter than one year shall have their income averaged over a twelve (12) month period, unless the income is received on an hourly or piecework basis. These households may include school employees, share croppers, farmers and other self-employed households, but not migrant or seasonal farm workers. For a detailed discussion of self-employed households, see 106 CMR 365.900.

(2) Educational Grants, etc. Households receiving scholarships, deferred education loans, or other educational grants shall have such income, after exclusions, averaged over the period for which they

[Income Averaging Procedures](#) in our online guide.

Income Averaging

In some cases, income averaging is mandatory. In other cases, if the income fluctuates, the household may elect to average the income over the certification period. However, in any migrant household case, income cannot be averaged. See [Migrant Farm Laborers](#)

The number of months used to arrive at the average monthly income does not need to be the same as the number of months in the certification period, but it must best represent the actual income received by the household.

Example 3: Collect pay information from the last three months. Add all paystubs together and divide the answer by three months for a monthly pay amount. Divide the monthly amount by four weeks for a weekly amount. Enter this weekly amount as the weekly pay in BEACON.

Mandatory Income Averaging

Annual Income in Shorter Period

Households that derive their annual income in a period of time shorter than one year must have their income averaged over a twelve month period, provided the income is not received on an hourly or piecework basis. These households may include:

- school employees (see [School Employees](#))
- share croppers
- farmers and certain self-employed households (see [Self-Employment](#))

Income from Hourly and Piecework Employment

When income is received on an hourly wage or piece work basis, weekly income may fluctuate if the wage earner works less than eight hours some days or is required to work overtime on others. In this case, you should consult with the household to determine the normal amount of income to be expected as a result of one week's work. This amount should be used to determine monthly income.

APPENDIX E

Adverse Childhood Experiences and Finances

While financial literacy is difficult for many Americans, it is particularly difficult for people who have experienced adverse childhood experiences (ACEs). A recent study found that:

Having experienced more ACEs is correlated with having more financial stress in adulthood as measured by food security and housing security. These results suggest that it is not only physical and mental health that is negatively impacted by ACEs – it is also financial wellbeing.

Young people experiencing poverty, including homelessness, are more likely to have a high number of ACEs. Children living below the Federal Poverty Line are 5 times more likely to experience a greater amount of ACEs than youth living in financially stable households.

This means that youth who have experienced homelessness and housing instability have an especially steep hill to climb to be financially literate and secure.

Here are some links that discuss the connection between trauma and finances:

- [The Trauma of Money](#) - Financial literacy resource for trauma survivors
- [JP Morgan Chase and Co](#) - Insights from a group of financial trauma survivors
- [Ride Free Fearless Money](#) - Trauma-informed money practices

The city of Boston has an Office of Financial Empowerment which has resources for anyone who is interested in learning more about managing finances. To learn more visit <https://ofe.boston.gov/>

APPENDIX F

Additional Resources (*From Work Without Limits*)

Health Care For All - Helps individuals enroll in public health insurance programs, get assistance paying for health insurance, and answers questions about private insurance

Phone: 1-800-272-4232 <https://hcfama.org/>

Massachusetts Office on Disability - Online portal connecting individuals to public resources and information that will improve access to justice for low income and disadvantaged populations

Website: <https://www.mass.gov/orgs/massachusetts-office-on-disability>

MassLegal Help - Offers resources and information about legal issues facing lower income Massachusetts residents

Website: <https://www.masslegalhelp.org/>

Project Bread - Online portal connecting people to SNAP (Food Stamp) information

Phone: 1-800-646-8333 (V) or 1-800-377-1292 (TTY)

Website: <https://projectbread.org/>