

## Worker Guide Educational Income

This worker guide is **not** policy. It lists the grants and loans that are considered educational income, and is intended to help workers determine what portion of educational income is countable for ERDC, SNAP and TANF (OAR [461-145-0150](#)).

The *Educational Income Calculation for ERDC and Food Stamps* ([DHS 7351](#)) can be helpful in this calculation for ERDC and SNAP.

☞ SEE [CA B.24](#) FOR THE POLICY ON HOW TO TREAT EDUCATIONAL INCOME.

### 1. Types of Educational Income

(A) Major funds for education income are administered by the U.S. Department of Education under the following:

(1) Title IV of the Higher Education Act. Includes, but is not limited to, the following:

- Pell Grant (Basic Education Opportunity Grant – BEOG).
- Presidential Access Scholarships (PAS – Super Pell Grants).
- Perkins Loan Program (formerly NDSL).
- Supplemental Education Opportunity Grants (SEOG).
- State Student Incentive Grants (SSIG).
- Oregon Opportunity Grant (because it contains federal SSIG funds).
  - Federal Direct Stafford/Ford Loan Program.
  - Federal Direct Student Loan Programs (FDSLPL).
  - Federal Direct Supplemental Loan Program.
  - Parent Loans for Students (PLUS loans).
  - Direct Stafford Loan Program.
  - Direct Unsubsidized Stafford/Ford Loan Program.
  - Federal Consolidated Loan Program.
  - William D. Ford Federal Direct Loan (Direct Loan Program).

- College Work Study (CWSP)<sup>1</sup>.
  - Special programs for students from disadvantaged backgrounds (source of TRIO funds).
    - Upward Bound (Some stipends given to students).
    - Student Support Services.
    - Robert E McNair Post-Baccalaureate Achievement.
  - Robert C. Byrd Honors Scholarship Program.
  - Colleges Assistance Migrant Program – CAMP (Special programs for students whose families are engaged in migrant and seasonal farm work).
  - High School Equivalency Program (HEP).
  - National Early Intervention Scholarship and Partnership Program (NEISP).
- (2) The Carl D. Perkins Vocational and Applied Technology Education Act. Education Programs Under the Carl D. Perkins Vocational and Applied Technology Education Act. Includes, but are not limited to, the following:
- Indian Vocational Education Program.
  - Native Hawaiian Vocational Education Program.
  - State Vocational and Applied Technology Education Program, which contains:
    - State Program and State Leadership Activities.
    - Program for Displaced Homemakers, Single Parents, and Single Pregnant Women.
    - Sex Equity Program.
    - Programs for Criminal Offenders.
    - Secondary School Vocational Education Program.
    - Postsecondary and Adult Vocational Education Program.
    - State Assistance for Vocational Education Support Programs by Community-Based Organizations.

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<sup>1</sup> Because **work study** funds are available under different funding sources, treat work study assets according to the funding source.

- Consumer and Homemaking Education Program.
- Comprehensive Career Guidance and Counseling Program.
- Business-Labor-Education Partnership for Training Program.
- National Tech-Prep Education Program.
- State-Administered Tech-Prep Education Program.
- State Grant for Facilities and Equipment and Other Program Improvement Activities.
- Community Education Employment Centers Program.
- Vocational Education Lighthouse Schools Program.
- Tribally Controlled Post-secondary Vocational Institutions Program.
- Vocational Education Research Program.
- Curriculum Coordination in Vocational and Technical Education.
- Centers for Research in Vocational Education.
- Materials Development in Telecommunications Program.
- Demonstration Centers for the Training of Dislocated Workers Program.
- Vocational Education Training and Study Grants Program.
- Vocational Education Leadership Development Awards Program.
- Vocational Educator Training Fellowships Program.
- Internships for Gifted and Talented Vocational Education Students Program.
- Business and Education Standards Program.
- Blue Ribbon Vocational Education Program.
- Educational Programs for Federal Correctional Institutions.
- Vocational Education Dropout Prevention Program.
- Model Programs of Regional Training for Skilled Trade.
- Demonstration Projects for the Vocational and Academic Learning Program.

- Cooperative Demonstration Programs.
  - Bilingual Vocational Training Program.
  - Bilingual Materials, Methods, and Techniques Program.
  - Bilingual Vocational Instructor Training Program.
- (B) Educational Income Administered by the Bureau of Indian Affairs. Includes the following:
- Tribal Development Student Assistance (Revolving Loan Program issued under the Tribal Student Assistance Act).
  - Scholarship Grant Program.
  - Higher Education Grant Program.
  - Loans issued by various tribes for Higher Education; may verify by calling tribe BIA office.
  - Other programs are also available; such as the Indian Child and Family Program.
- (C) Federally Funded Educational Income not Administered by the U.S. Department of Education or the Bureau of Indian Affairs. Includes, but is not limited to, the following:
- Veteran’s educational benefits (Chapters 30, 31, 32, 34, 35, 36, and 1606 and 1607).
  - Fellowships.
  - Public Health.
  - Chafee Education and Training Grant.
  - Work study.<sup>2</sup>
- ☞ FOR TREATMENT OF VA INCOME, SEE [CA B.24](#) AND [CA B.82](#).
- (D) Nonfederally Funded Educational Income. Includes, but is not limited to, the following:
- Nonfederal deferred payment loans that are specifically earmarked by the lender for education expenses.

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<sup>2</sup> Because **work study** funds are available under different funding sources, treat work study assets according to the funding source.

- Private scholarships earmarked by the grantor as a reimbursement or an allowance for education expenses.
- Work study.<sup>3</sup>

*Note: Contact the financial aid office of the college/university that the client attends if they receive educational payments from sources not listed above.*

- (E) Graduate Assistantships, Graduate fellowships, Internships and Externships are forms of educational income.

## 2. How to Handle Educational Income

First, decide the following:

- What DHS program(s) is the person receiving benefits from? If more than one program, remember educational income may be treated differently in each.

*Note: Employed clients may receive ERDC for their Employment-related child care costs. ERDC does not cover the school-related child care costs.*

- What kind of institution are they attending?
- Does the student meet the definition of *eligible student* for SNAP? (See [SNAP E.3](#) or OAR [461-135-0570](#).)

After making these decisions, next determine what type of educational income the student is receiving. There are four categories of educational income, identified in the first section of this worker guide.

After identifying the source and type of income, determine what exclusions are allowed. Remember that if the student states that they have no cost for any item listed on the award letter, it is not an allowable exclusion.

☞ SEE [CA B.24](#) FOR TREATMENT OF EDUCATIONAL INCOME.

After you have determined the exclusions, subtract the exclusion from the income. The remaining income, except work study, is countable unearned income. Non-title IV work study is counted as earned income.

For ERDC and SNAP, use the *Educational Income Calculation for ERDC and Food Stamps* ([DHS 7351](#)) to compute the countable income.

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<sup>3</sup> Because **work study** funds are available under different funding sources, treat work study assets according to the funding source.

*Example: Catherine de Great is a half-time student and a single parent receiving SNAP and ERDC. Catherine is receiving ERDC because she has a child care need due to her employment of 20 hours a week at Gotham Middle School. She is an eligible student because she has a 5-year old daughter named Louise. Louise goes to a kindergarten class each morning while her mother is attending classes. She spends the afternoons, while her mother is working, at a local child care center. Following are the financial aid and expenses listed on her award letter for a three-month school term:*

Financial Aid		Expenses	
\$ 500	Pell Grant	\$1,300	Tuition and mandatory fees
\$ 400	SEOG	\$ 200	Books and supplies
\$ 500	Perkins Loan	\$ 300	Transportation
\$2,200	Private Scholarship	\$ 200	Miscellaneous/personal
		\$ 300	Child Care
		\$ 100	Loan origination fee
		\$2,400 TOTAL	

**For SNAP and ERDC:** Use the [DHS 7351](#) to calculate Catherine’s monthly student income. Since the title IV monies are excluded for both programs, list only the \$2,200 private scholarship as the countable income. For expenses, do not include the \$300 child care as an expense for ERDC.

**For SNAP:** The [DHS 7351](#) will show that the total expenses exceed the countable income and there is \$200 unmet need.

**For ERDC:** The [DHS 7351](#) will show that the total expenses are less than the countable income. Therefore, the difference of \$100 will be averaged over the school term.

*Example: Debbie is a full-time student, receiving both TANF and SNAP. She has a 7-year-old son, Nathan. Following are the financial aid and expenses listed on her award letter for a nine-month school term:*

Financial Aid		Expenses	
\$ 200	Pell Grant	\$1,300	Tuition and mandatory fees
\$ 400	SEOG	\$ 200	Books and supplies
\$ 500	Perkins Loan	\$ 200	Transportation
\$ 300	Fred Meyer Scholarship	\$ 100	Miscellaneous/personal
\$ 900	Title IV Work Study	\$ 300	Child care
\$1,000	Stafford Loan	\$ 100	Loan origination fee
		\$2,200 TOTAL	

**For TANF:** Subtract expenses (\$2,200) from the \$300 Fred Meyer Scholarship (countable income). No income is remaining after this exclusion, because the remainder is title IV, which is excluded.

**For SNAP:** Use the [DHS 7351](#) to calculate the monthly student income. The \$300 Fred Meyer Scholarship is the countable income. List all of the expenses for SNAP. The computations for this example will show there is no income remaining after the exclusion for expenses from the countable educational income.

**Example:** Harry is a student and is a single parent receiving SNAP only. He is an eligible student, because he has a 10-year-old daughter named Rachel. Rachel stays with her grandmother while Harry is in school, so there are no child care costs. Following are the financial aid and expenses listed on his award letter for a three-month school term:

Financial Aid		Expenses	
\$ 500	Pell Grant	\$1,000	Tuition and mandatory fees
\$ 400	SEOG	\$ 200	Books and supplies
\$ 200	Stafford Loan	\$ 300	Transportation
\$1,200	Private scholarship	\$ 400	Miscellaneous/personal
\$ 900	Non-title IV Work Study	\$ 100	Loan origination fee
		\$2,000 TOTAL	

Use the [DHS 7351](#) to calculate Harry's monthly student income. Since the title IV monies are excluded, list only the private scholarship as the countable income. The result is that Harry has

*an unmet educational need of \$800 (not including work study income).*

*Use the nontitle IV work study to reduce Harry's unmet educational need. Allow the first \$800 of work study against unmet need, then count the last \$100 received as earned income.*