

# Adult Income Eligibility Application

The Nutrition Training and Policy Team

## Welcome

This training module will help you identify adult income eligibility **regulations, requirements, and best practices** as well as provide you specific instructions on how to properly complete the NC CACFP Adult Income Eligibility Application or IEA. This training is important because missing or incomplete IEAs could cost the center money. So, as you complete this training, keep in mind that reimbursement is disallowed for participants without a proper IEA.

It is important to note that an IEA should be given to all participants or responsible family members. If the participant or responsible family member does not return the completed application, the participant will automatically be classified as denied. This means that even if they meet income requirements for free or reduced priced meals, without a completed application, the Institution will receive the lowest rate of reimbursement.

## The Code of Federal Regulations

There are various regulations concerning Adult IEAs. The following regulations are found in 7 CFR PART 226:

**7 CFR 226.15(e)** discusses proper recordkeeping practices applicable to adult eligibility documentation and warns of potential financial consequences resulting from improper maintenance of eligibility documentation.

**7 CFR 226.15(e)(2)** explains the types of institutions that need to maintain information they use to determine eligibility for free and reduced meals, and which types of institutions are exempt.

**7 CFR 226.23 (e)(1)** explains the institution's responsibility to distribute applications for free and reduced priced meals to participants and list the types of institutions that are exempt.

What we mean when we refer to the "**regulations**" is the Code of Federal Regulations or CFR. The CFR is a codification of general and permanent rules published in the Federal Register by the departments and agencies of the Federal Government.

## NC CACFP Requirements

In the NC CACFP, the Adult IEA must meet the following requirements:

- Be complete pursuant applicable regulations, memos, and State agency requirements
- Provide SNAP, FDPIR, Supplemental Security Income, or Medicaid information on the participant, if applicable
- Include information on household income, if applicable
- Be signed by the participant or responsible family member
- Include the last four digits of the participant or responsible family member's Social Security Number, if applicable
- Be signed by the Eligibility Official
- Be treated as confidential information

Note: Emergency shelters are exempt from collecting IEAs.

- Be retained for three years plus the current year
- Be available for examination during a review

## NC CACFP Adult Income Eligibility Application

The State agency has developed a single form that captures the information required by the regulations for adults participating in the CACFP. The Adult Income Eligibility Application can be downloaded from the NC CACFP website. Please ensure that you download and use the application for the current fiscal year.

We recommend that you fill in the Institution Name, Agreement Number, and Facility Name found at the top of the form before making copies to distribute to participants.

Section 2 is for documenting categorical eligibility. If the participant benefits from any of the four eligible programs, please list their case number on the line provided. If this section is completed, the applicant is automatically eligible to receive free program meal benefits and section 3 does not need to be completed.

Section 3 of the application requires that the participant or responsible family member enter the gross (before tax) monthly income of the participant, and if residing with the participant, the spouse and any dependents. Income for monthly wages, social security, retirement pension earnings, and/or other earnings should be included.

Please note: An IEA based on income, instead of categorical eligibility in section 2, would be classified as “denied” if the participant or responsible family member refuses to provide the names of household members and their earnings for the month, writes “N/A”, or leaves the income area blank. If there is no applicable household income, “0” should be written in.

Section 4 requests the participant’s ethnic identity and race. All CACFP institutions are required to collect this data annually, and IEAs are the preferred method for doing that.

Section 5 requires that the participant or responsible family member sign and date the form and, if establishing eligibility by household income, include the last four digits of the social security number. If the adult signing does not have a social security number, they must check the box entitled “check if no SSN”.

The section of the IEA labeled “For institution use only” must be completed by a designated representative from the institution who is responsible for verifying and classifying IEAs (this person is usually called an Eligibility Official).

When an IEA is classified as denied, the official must check a box that corresponds with the reason for denial. If the application is missing the Eligibility Official’s signature and date, the center will be reimbursed at the denied rate for this application.

The box in the right corner is for use by the State agency during the administrative review; please leave this area blank.

## Best Practices

It is recommended that institutions have policies and procedures on how they will collect, verify and maintain IEAs. Such a policy should include the following:

- When the institution will collect IEAs
- Who is responsible for verifying IEAs
- Where the IEAs will be kept
- How the institution will retain the records for the required 3 years plus the current year
- And how the institution will ensure that IEAs are kept confidential

Consider organizing IEAs alphabetically in a binder at the center. Staff should know where IEAs are stored and should follow confidentiality policies to keep the documents secure.

When an adult withdraws, write the withdrawal date on the IEA then refile the documentation.

Before filing your monthly claim, ensure that all IEAs are up to date and complete.

Consider having an annual date when all IEAs are updated by adults or guardians, and the Eligibility Official. The IEAs should be verified for accuracy by a center representative.

We recommend that you have a second party person review the IEAs to ensure accuracy.

## Penalties for Fraud

The Penalties for Fraud statement is included in the Permanent Agreement. Be mindful that all documents completed that represent your CACFP operation are reviewed for accuracy and completeness. It is also recommended to have a second party review your documents.

## CFDA and the Federal Awarding Agency

The U.S. Government requires that the State agency informs all institutions of our Catalog of Federal Domestic Assistance or CFDA Title and Number and the Federal Awarding Agency.

- The CFDA Title is the Child and Adult Care Food Program
- The CFDA Number is 10.558

And the Federal Awarding Agency is the U.S. Department of Agriculture or USDA, Food and Nutrition Service or FNS

## The Non-Discrimination Statement

This training includes the Non-Discrimination Statement. We include it in all our trainings. *This institution is an equal opportunity provider.*

## Contact Information

Thank you for participating in this training. We hope that the information will assist in the operation of a successful CACFP. If you have any questions or concerns about this training or any other CACFP training, please contact the CACFP Programmatic Training Team by telephone at 919-707-5800 or by email at [CACFPtraining@dhhs.nc.gov](mailto:CACFPtraining@dhhs.nc.gov).