

# CalSAWS

California Statewide Automated Welfare System

## **Design Document**

CA-228955

Allowable Expenses from Student  
Award/Scholarships and Student Grants, Loans  
Excluded by CalWORKs and CalFresh

<b>CalSAWS</b>	<b>DOCUMENT APPROVAL HISTORY</b>	
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# 1 OVERVIEW

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Per ACL 21-137, awards and scholarship income used for educational expenses should be excluded from both CalWORKs (CW) and CalFresh (CF) program eligibility and benefits determination. This SCR will update the current functionality that deducts educational income expenses such as tuition, books, and school fees from the combined educational income total for the person to include the income type of 'Awards/Scholarships'. This SCR will also add additional expense types that will allow the user to deduct different educational income expense amounts for CF and CW programs.

## 1.1 Current Design

Currently educational income types 'Awards/Scholarships' (exempted for child dependents in CW program) and 'Student Grants, Loans - Non Needs Based' are treated as unearned income for both CW and CF program eligibility determination and benefit calculation (EDBC).

CalSAWS functionality allows the user to enter educational income expenses such as tuition, books and fees that are deducted from the combined non-exempt educational income total for the person, which does not include the 'Awards/Scholarships' income type. Furthermore, the current educational expense types only allow the user to specify one amount to be deducted from both CW and CF without any educational expense options to specify different amounts for CW and CF.

## 1.2 Requests

Allow for educational expenses to be deducted from the 'Awards/Scholarships' income type reported amount considered as unearned income by the CW and CF programs.

Add two new educational expense types that will allow users to specify different amounts deducted from non-exempt educational income for CF and CW programs.

## 1.3 Overview of Recommendations

1. Add two new educational expense types (one for CF and one for CW) to the Expense Detail page.
2. Update CW and CF educational expense rule to include income type 'Awards/Scholarships'.
3. Add new logic to deduct the new educational expense types for the applicable program.

## 1.4 Assumptions

1. Dependent child exemption for the 'Awards/Scholarships' income type for CalWORKs program will not change.

2. Fields not mentioned to be modified within the description of changes will retain their current functionality and logic.
3. This SCR change will only apply to come up month CF and CW EDBC's after the implementation of this SCR.
4. Regression test the form CSD 1, CW 2200, SAWS 2 PLUS to verify the population of expense types on the form.

## 2 RECOMMENDATIONS

### 2.1 Expense Detail Page

#### 2.1.1 Overview

The Expense Detail page tracks and displays expense relevant to the case. This SCR will add two new Expense Types that account for school expenses.

#### 2.1.2 Expense Detail Mockup

##### Expense Detail

\*- Indicates required fields

Save and Add Another   Save and Return   Cancel

**Expense Category: \***  
School

**Expense Type: \***

- Select -

- Select -

Books

Insurance Premiums on Student Loan

Mandatory school Fees

Miscellaneous School Expense

Origination Fees

School Dependent Care Expense

School Expense - CF Exempt

School Expense - CW Exempt

School Tuition

Supplies

Transportation

**Description:**

**Amount:**

**Reduction Due Date:**

Figure 2.1.1 – Expense Detail Mockup

#### 2.1.3 Description of Changes

1. Add the following two new values to the 'Expense Type' field on the Expense Detail page when the 'Expense Category' is 'School':
  - a. 'School Expense – CF Exempt'
  - b. 'School Expense – CW Exempt'

Technical Note: Ensure the following reference table values are set for both of these new values:

Reference Table Description	Value
EducationExpense	Y
UtilityExpense	N
FSMedicalExpense	N
HousingExpense	N

**2.1.4 Page Location**

- **Global: Eligibility**
- **Local: Customer Information**
- **Task: Expenses**

**2.1.5 Security Updates**

N/A

**2.1.6 Page Mapping**

N/A

**2.1.7 Page Usage/Data Volume Impacts**

N/A

**2.2 Update Educational Expense Deduction Logic for CW and CF EDBC**

**2.2.1 Overview**

CalSAWS functionality allows users to enter individual school expenses which are deducted from non-exempt education income types like 'Student Grants, Loans - Non Needs Based' under unearned income in the CF and CW EDBCs. However, it does not deduct for the income type 'Awards/Scholarships'.

EDBC Person Line Item Detail - Unearned Income			
Name	Type	Description	Amount
Dad, CWCF 36M	Awards/Scholarships	(04/01/2023) \$200.00	\$ 200.00
Dad, CWCF 36M	Grants, Loans - Non Needs Based	(04/01/2023) \$200.00 - \$100.00(Education Expense)	\$ 100.00

**Figure 2.2.1.1 – Awards/Scholarships EDBC Unearned Income with no Education Expense Deduction – Before SCR**

This SCR will update the educational expense functionality to apply the school expense deductions to the 'Awards/Scholarships' income type.

EDBC Person Line Item Detail - Unearned Income			
Name	Type	Description	Amount
Dad, CWCF 36M	Awards/Scholarships	(04/01/2023) \$200.00 - \$100.00(Education Expense)	\$ 100.00
Dad, CWCF 36M	Grants, Loans - Non Needs Based	(04/01/2023) \$200.00 - \$100.00(Education Expense)	\$ 100.00

**Figure 2.2.1.2 – Awards/Scholarships EDBC Unearned Income with Education Expense Deduction –After SCR**

This SCR will also add new logic to deduct the amount from the new educational expense type '**School Expense- CW Exempt**' from the non-exempt education income amounts under unearned income in the CW EDBC only.

Likewise, new logic will be added to deduct the amount from the new educational expense type '**School Expense- CF Exempt**' from the non-exempt education income amounts under unearned income in the CF EDBC only.

## 2.2.2 Description of Changes

1. Update CF and CW Educational Expense rule to include income type 'Awards/Scholarships' (CT186-B7) in the non-exempt educational incomes that deduct educational income expenses.
2. Add logic that deducts educational expense type '**School Expense- CW Exempt**' from non-exempt educational incomes for CW EDBC only.
3. Add logic that deducts educational expense type '**School Expense- CF Exempt**' from non-exempt educational incomes for CF EDBC only.

### 2.2.3 Programs Impacted

CW, CF, RCA, DV, IN, HP, HT

## 3 REQUIREMENTS

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### 3.1 Project Requirements

REQ #	REQUIREMENT TEXT	How Requirement Met
2.8.2.11	The LRS shall treat income and resources based on program-specific rules.	This SCR will allow for educational expenses to be deducted from the 'Awards/Scholarship' income type.