NAVY INSTRUCTIONAL GUIDE FOR FAMILY SUBSISTENCE SUPPLEMENTAL ALLOWANCE (FSSA)

DCNO (N130)
Last updated: 12 May 2005

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FOREWORD

This Navy FSSA instructional guide is prepared and distributed by the Deputy Chief of Naval Operations (N130). It is a supplement to the OSD DoDI 1341.11 for FSSA and DoDFMR, Vol 7A, Chapter 25 (Interim Change). It was established to provide detailed instructions/examples to assist commands, command financial specialists, Fleet and Family Support Centers, and other designated representatives in screening members and certifying applications. It is our goal to provide commands and counselors with detailed information on this relatively new program.

CHAPTER 1
FSSA Program

1. Family Subsistence Supplemental Allowance (FSSA) is designed to remove the member's household from eligibility for benefits under the food stamp program. Eligibility is based on a member's household size and income. If a member's gross income, together with the gross income of their entire household is within 130 percent of the poverty line as defined by the U.S. Department of Agriculture (USDA) of a household of a given size, that member is entitled to FSSA. Active duty and Reserve component members may participate in FSSA. The FSSA program is voluntary and members must apply and be certified to receive FSSA.

2. FSSA is a non-taxable supplemental subsistence allowance. Members stationed outside the U.S. are eligible to participate in the FSSA program. FSSA is a monthly entitlement based on a 30-day month. FSSA payments will be prorated for the number of days eligible during the first and/or last month of entitlement. A member is not eligible for FSSA if in a non-pay status for any reason.

3. Utilizing the USDA Food Stamp Gross Income Limits (Appendix A), FSSA will be paid in an amount equal that which brings a member's household income to 130 percent of the poverty line, not to exceed (NTE) $500 per month. There are three income tables: CONUS (48 states), Alaska, and Hawaii. If stationed at an overseas/OCONUS location other than Hawaii, the Alaska table will apply to entitlement determinations. The amount of FSSA is determined by subtracting the household income from the food stamp program's gross income limit for a particular household size. The member is paid the difference, NTE $500 per month. The difference must be greater than zero to be entitled to FSSA. If the member is eligible for some rate of FSSA and is receiving food stamps, the amount of the entitlement will be equal to the calculated FSSA, or the monthly food stamp allotment received by the member, whichever is higher, NTE $500 per month. A member does not have to qualify for food stamps to participate in FSSA.

4. FSSA income may jeopardize a household's participation in certain programs where eligibility is based on income, such as: subsidized school lunch programs, the Women, Infant, and Children (WIC) Program, day care programs, and earned income tax credit (EITC.) If the member participates in the food stamp program, FSSA income must be reported to the food stamp office.

5. A member's <u>household and household income</u> for the purposes of FSSA is defined in Appendix B. Definitions are taken in part from the Food Stamp Act. A member's household does require the inclusion of at least one dependent to be eligible for FSSA. For members with joint custody of a child, that child may be counted as part of the member's household if the child spends 50 percent or more of the time with the member.

6. BAH and OHA, are included as part of gross income even if the member resides in government housing the amount counted will be the equivalent housing allowance if the member resided in economy housing at their Permanent Duty Station (PDS) or at the location of the dependents if geographically separated from the member. For OHA areas, this would be the ceiling amount (including utilities) for the member's grade and PDS.

CHAPTER 2 - Certification

1. **Application:**
   A. Member fills out the application on line (See Appendix C for the DMDC online application) or manually and takes it to his/her command for certification.

2. **Required Documentation:** The member must provide proof of household size (page 2, Deers enrollment, Social Security Numbers, lease application, etc) and income (LES, earnings statements, pay stubs, bank statements, income tax return, etc) as well as food stamp entitlement if applicable. The application cannot be certified until all documentation is provided.

3. **Command FSSA Coordinator:**
   A. Each Command must have a FSSA Coordinator. The coordinator will be responsible for the application process, record keeping, verifying calculations, and ensuring the applications are certified in an accurate and timely manner.
   B. FSSA Coordinator will assist the member as needed to fill out the FSSA application and will also perform all calculations and validate the required documentation.
   C. FSSA Coordinator will counsel the member in writing via Administrative Remarks (NAVPERS 1070/613, (Page 13 entry)) on the following:
      1. False statements on the application (i.e., failure to report all income, number of personnel in the household, etc) may result in disciplinary action IAW the UCMJ.
      2. Any changes to income (a $100 or more) or household size must be reported to the FSSA coordinator for re-certification of FSSA within 30 days of the change.
      3. Participation in other state/federal assistance programs (subsidized school lunch program, WIC, ETIC, etc) may be affected by receipt of FSSA
      4. Member should notify those assistance programs of the FSSA income. Each of those programs has penalties for not reporting changes to income. The member may be subject to prosecution for failing to report the income.
      5. FSSA must terminate and be recertified upon occurrence of any of the following:
         a) Failure to complete annual certification within 30 days of February of each year.
         b) Promotion of the member to a higher pay grade or any household income increase of $100 or more.
         c) Member executes permanent change of station orders.
   D. FSSA Coordinator is responsible for maintaining a copy of the certified application for re-certification upon promotion, annually, or changes in income or household size.

4. **Certifying Official:**
   A. Certifying Official is the Commanding Officer or designee (someone with specific 'by direction' authority to certify FSSA applications).
   B. Certifying Official will review the application for accuracy and certify the application for payment to DFAS.
   C. Certifying Official will verify calculation of FSSA to ensure all required military pay and allowances were included (Note: If member is in government housing, the value of BAH for that location must be included to account for the housing benefit IAW law).
   D. Certifying Official will also ensure the member is counseled in writing via Administrative Remarks (NAVPERS 1070/613, commonly referred to as a Page 13 entry).
   E. Certifying Official must transmit complete application package (application itself, copies of supporting documentation and PG 13 counseling) to DCNO (N130) via mail, fax, or email as follows:
      (1) Mail: Deputy Chief of Naval Operations (N130)

2 Navy Annex
Washington, D.C. 20370-0132

(2) Fax: Commercial (703) 695-3311 / DSN: 225-3311

(3) Email: NXAG_N130C1@NAVY.MIL

*****COMMAND/MEMBER ARE RESPONSIBLE FOR ENSURING PACKAGE IS RECEIVED BY N130*****

5. **DCNO (N130)**: Reviews the application transmitted from the member's command and forwards to DFAS for initiation of payment (if application package is complete). Any changes to a member's FSSA entitlement (stops or changes) must be processed through DCNO (N130).

6. **DFAS -Cleveland, OH**: DFAS will initiate payment upon DCNO(N130) approval of application. FSSA will not automatically be stopped by DFAS upon promotion, change of duty station, or other reasons. It is the member's responsibility to ensure any changes are forwarded to DCNO (N130). Failure to do so, could result in an overpayment and indebtedness.

CHAPTER 3

Application - Start to Finish

1. Member completes the application
2. FSSA Coordinator: reviews the application, ensures all blocks are completed.
   A. Ensure the member has all necessary documentation for proving income and household size.
   B. Verify military income. Actual BAH/OHA or the value of BAH/OHA if members are living in government quarters must be reported.
3. Does the member receive Food Stamps? Is it reported on the application?
4. Calculate the member's entitlement to FSSA not to exceed $500/month. If zero, member is not entitled to FSSA regardless of food stamp entitlement. Roundup to the nearest dollar, i.e., if FSSA calculates out to $125.26, the member is entitled to $126 of FSSA.
5. If applicable, compare the FSSA amount with the Food stamp entitlement. The member is entitled to the larger amount, again as long as the member qualifies for some amount of FSSA.
6. Counsel the member on his/her responsibilities IAW paragraph 3D.
7. Member certifies in writing the completeness and accuracy of the application, signs and dates the application.
8. Certifying Official reviews the application for accuracy and completeness, makes any necessary corrections, and certifies the application.
9. Command forwards application package to DCNO (N130) to initiate FSSA (See Appendix D for sample). It is the command's responsibility to ensure receipt of member's FSSA application. The package must contain the following in order to initiate FSSA entitlement:
   A. Complete application signed by member and certifying official
      (1) Ensure application includes command UIC and Point of Contact information
   B. Supporting documentation verifying dependents/members in the household as well as their income (see Chapter 2, paragraph 2)
   C. Page 13 counseling
10. FSSA Coordinator maintains a complete copy of the application. Coordinator develops a file for time frames of required re-certifications for each FSSA participant.
11. Changes/Recertifications require submission of a new application package in accordance with steps 1-10 above. Failure to do so could result in overpayment and subsequent indebtedness.
12. Stops due to PCS, increase in income, changes in household, etc. require notification to DCNO(N130) and DFAS (copy to) via command letter. Failure to do so will result in a member being overpaid and placed into an indebted pay status.

Family Subsistence Supplemental Allowance (FSSA)
Application

PRIVACY ACT STATEMENT

AUTHORITY: 5 USC 5701, 37 USC 404-427, and EO 9397.

PRINCIPAL PURPOSE(S): Used reviewing, approving, accounting, and disbursing for FSSA. SSN is used to maintain a numerical identification system for individual claims.

ROUTINE USE(S): To substantiate claims for reimbursement of FSSA.

DISCLOSURE: Voluntary: however, failure to furnish information requested may result in total or partial denial of FSSA.

Fill out the following information completely and accurately. Questions that do no apply to the member please write N/A for non-applicable. Do not leave any blocks blank. Refer to the instructions in Part A of this chapter.

SECTION 1 (Personal Information)

DATE: _____

1. MEMBER'S NAME (Last, First, MI)/Rank:_____
2. MEMBER'S SSN: _____
3. NAME OF COMMAND & UIC: _____
4. COMMAND ADDRESS: _____
5. DUTY PHONE: _____
6. HOME ADDRESS BEING CLAIMED: _____
   _____(see instructions)
7. HOME PHONE:_____
8. NUMBER QUALIFIED IN HOUSEHOLD _____(including member)
9. HOUSEHOLD MEMBERS INFORMATION:

LAST NAME	FIRST NAME	MI	SSN	AGE	RELATIONSHIP TO MEMBER

SECTION 2 (Income based on the household's gross monthly income)

10. MILITARY INCOME (see instructions)

A. BASIC PAY _____

B. BAS _____

C. BAH _____(*There must be a BAH or OHA amount)

D. OHA _____(*There must be a BAH or OHA amount)

E. SPECIAL PAYS _____ (*See Appendix B for a complete description
OR ALLOWANCES _____ of military incomes included/not included)
_____

F. BONUS (all types) _____

G. **TOTAL MIL PAY $**_____

11. NON-MILITARY INCOME

NAMES AND INCOME of all wage-earning persons in the household (includes secondary income from the member). This is required for all members of the household.

LAST NAME	FIRST NAME	MI	EMPLOYER	AVERAGE MONTHLY INCOME

A: Sum of monthly income listed in the table $_____

B. SSI _____

C. DIS _____

D. TANF _____

E. Pension _____

F. Worker's Compensation _____

G. Social Security _____

H. UI UCX _____

I. Veteran's Pay _____

J. Alimony _____

K. Child Support _____

L. Interest/Dividend _____

M. Rental Property _____

N. Other (explain) _____

O. **TOTAL OTHER INCOME** $_____ (Add A through N)

12. TOTAL GROSS INCOME

Total Military Income:	**$**	**(from 10. Item G. above)**
Total Non-Military Income:	**$**	**(from 11. Item O. above)**

TOTAL GROSS INCOME $_____

SECTION 3 (Eligibility)

13. NUMBER QUALIFIED IN HOUSEHOLD _____ (Section 1, #8)
14. Location Stationed (Circle) CONUS / HAWAII/ALASKA / OVERSEAS
15. Gross Income Table Limit _____
16. Total Gross Income of household _____(Section 2. #12)

17. Initial FSSA Calculation _____(15 minus 16 = FSSA)
18. Monthly Food Stamp Allotment _____
19. Larger value of Line 17 and 18 _____
20. Smaller value of Line 19 and $500 _____

21. FINAL FSSA ENTITLEMENT $_____ (line 20)

22. Anticipate re-certification date : _____
(At a minimum February of each year, promotion to next pay grade, PCS)

Responsibilities of the Member:

Once certified, and during the participation in the program, the member must recertify annually in February and must report the following to the certifying official for re-certification:

1. Any changes to income (a $100 or more) or household size must be reported to the FSSA coordinator for re-certification of FSSA.
2. Promotion of the member to a higher grade.
3. Transfer of the member in a permanent change of station.

Failure to do so could result in disciplinary action, Overpayment, and eventual garnishment of member's pay.

In addition, Participation in other state/federal assistance programs (subsidized school lunch program, WIC, ETIC, etc) may be affected by receipt of FSSA Member should notify those assistance programs of the FSSA income. Each of those programs has penalties for not reporting changes to income. The member may be subject to prosecution for failing to report the income.

I,_____, certify that the information provided above is true and accurate to the best of my knowledge.

Printed Rank & Name of Applicant	**Signature of Applicant**	**Date**
Certifying Official Rank & Name	Signature of Certifying Official	Date

CHAPTER 4
Re-certification

1. FSSA is an income/household size driven entitlement. As such, you must re-certify your eligibility under the following circumstances (if you participate in other programs, you should notify those agencies of these changes as well):

a. Annually, any time during the month February (This includes certification in December. If certified in January and using the current year pay rates, recertification is not required.)

b. Any decrease in household size. Although not required, it may be in your best interest to report increases in household size as well. This may lead to an increase in FSSA payments.

c. When your household monthly income increases by $100 or more as compared to your current certified amount.

d. When promoted, eligibility for the allowance must be terminated. You will be required to re-certify to continue receiving FSSA.

e. When you execute a permanent change of station (PCS) move. FSSA must be terminated the day prior to the date you officially check in to your new duty station. You must re-certify at your new duty station.

2. You will be held accountable for FSSA overpayments. Overpayments are recouped directly from your military pay. Increases in income less than $100 per month are not considered overpayments (see paragraph "c" above).

3. You must re-certify within 30 days before or after one of the above listed events. The effective date of re-certification is the day after the last day of the previous certification period. If you don't reapply within 30 days after your certification has lapsed, your re-certification is treated like an initial application.

4. If you chose to take FSSA at the higher food stamp benefit level, during re-certification you will need to again demonstrate Food Stamp Program eligibility based on your current income and household status.

CHAPTER 5
Application Examples

The following examples will assist in calculating FSSA. The incomes, rates, and USDA thresholds are based upon 2004 rates but are for illustrative purposes only. Please verify income from member's source documents and use the applicable USDA income limit chart. See Appendix A for current USDA income limit charts.

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Fig 5.1 - Member Qualified for FSSA

RATES IN EACH EXAMPLE ARE BASED ON 2004 RATES

Facts: E-5 over six years with eight in household (includes member)
Resides in economy housing CONUS and receives $768.00 in BAH per month
Member's military income is the only household income

Calculate Gross Income:	Basic Pay:	$2,130.60
	BAS:	$ 254.46
	BAH:	$ 768.00
	TOTAL:	$3,153.06

USDA Income Threshold Limit/Household of Eight: $3,354.00 **(See Note Below)**

Compare: (Income Threshold Limit minus Gross Household Income)
$3,354.00 - $3,153.06 = $200.94

FSSA Entitlement: Member is qualified for FSSA $201.00 per month

Note: (1) Use USDA Income Threshold Table for 48 states unless OCONUS. .

(2) Determine if member receives food stamps. Compare monthly food stamp allotment to FSSA amount and pay the greater NTE $500 per month in FSSA entitlement. In this example, if the member was receiving $450 per month in food stamps, he/she would be entitled to $450 per month in FSSA. However, if this member was only receiving $200 in food stamps, he/she would receive the FSSA amount of $201.00.

Fig 5.2 - Member Not Qualified for FSSA

RATES IN EACH EXAMPLE ARE BASED ON 2004 RATES

Facts: E-4 over four years with five in household (includes member)
Resides in base housing CONUS and there is no housing amount on the LES
(See Appendix C for the website to obtain the applicable BAH/OHA for the location if residing in government housing.)
Member's military income is the only household income

Calculate Gross Income:	Basic Pay:	$1,814.10
	BAS:	$ 254.46
	BAH:	$ 559.00
	TOTAL:	$2,627.56

USDA Income Threshold Limit/Household of Five: $2,334.00 **(See Notes)**

Compare: (Income Threshold Limit minus Gross Household Income)
$2,334.00 - $2,628 = - $294.00 **(NEGATIVE AMOUNT)**

FSSA Entitlement: **No Entitlement.** Income exceeds gross income limit established by USDA.

Notes: (1) Use USDA Income Threshold Table for 48 states unless OCONUS.

(2) Receipt of food stamps by itself does not qualify a member for FSSA. This may be a common occurrence for members who live in base housing and are not required to report an equivalent housing amount for their base housing in applying for food stamps. They qualify for food stamps, but not FSSA.

(3) BAH and OHA are counted as gross income. If the member resides in government housing and does not receive a BAH or OHA, the amount counted will be the equivalent housing amount if the member resided in economy housing at their Permanent Duty Station (PDS) or at the location of the dependents if geographically separated from the member. For OHA areas, this would be the ceiling amount (including utilities) for the member's grade and PDS.

IAW the law, an equivalent-housing amount must be calculated in the gross income as if the member did not reside in government housing.

Fig 5.3 - Member Overseas or Alaska

RATES IN EACH EXAMPLE ARE BASED ON 2004 RATES

Facts: E-3 over two years with six in household (includes member)
Resides in economy housing in Europe and receives $750 in OHA per month
Member's military income is the only household income

Calculate Gross Income:	Basic Pay:	$1,495.50
	BAS:	$ 254.46
	OHA:	$1,050.00
	TOTAL:	$2,799.96

USDA Income Threshold Limit/Household of Six: $3,344.00 **(See note)**

Compare: (Income Threshold Limit minus Gross Household Income)
$3,344.00 - $2,799.96 = $544.04

FSSA Entitlement: Member is qualified for FSSA in the monthly amount of $500.00

Notes: (1) Use USDA Income Threshold Table for Alaska since member is stationed overseas (excluding Hawaii).
(2) OHA includes rental amount and utility allowance.

Fig 5.4 - Member in Gov't Housing (BAH Area)

RATES IN EACH EXAMPLE ARE BASED ON 2004 RATES

Facts: E-5 over six years with eight in household (includes member)
Resides in base housing CONUS and there is no housing amount on the LES
(See Appendix C for the website to obtain the applicable BAH/OHA for the location if residing in government housing.)
Member's military income is the only household income

Calculate Gross Income:	Basic Pay:	$2,130.60
	BAS:	$ 254.46
	BAH:	$ 768.00
	TOTAL:	$3,153.06

USDA Income Threshold Limit/Household of Eight: $3,354.00 **(see note)**

Compare: (Income Threshold Limit minus Gross Household Income)
$3,354.00 - $3,153.06 = $200.94

FSSA Entitlement: Member is qualified for FSSA in the monthly amount of $201.00

Notes: (1) Use USDA Income Threshold Table for 48 states unless OCONUS.
(2) Determine if member receives food stamps. Compare monthly food stamp allotment to FSSA amount and pay the greater NTE $500 per month in FSSA entitlement. In this example, if the member was receiving $450 per month in food stamps, he/she would be entitled to $450 per month in FSSA. However, if this member was receiving $200 in food stamps, he/she would receive the FSSA amount of $201.00.
(3) BAH and OHA are counted as gross income. If the member resides in government housing and does not receive a BAH or OHA, the amount counted will be the equivalent housing amount if the member resided in economy housing at their Permanent Duty Station (PDS) or at the location of the dependents if geographically separated from the member. For OHA areas, this would be the ceiling amount (including utilities) for the member's grade and PDS.

IAW the law, an equivalent-housing amount must be calculated in the gross income as if the member did not reside in government housing.

Fig 5.5 - Member In Gov't Housing (OHA Area)

RATES IN EACH EXAMPLE ARE BASED ON 2004 RATES

Facts: E-3 over two years with six in household (includes member)
Resides in base housing in Japan and there is no housing amount on the LES
(See Appendix C for the website to obtain the applicable BAH/OHA for the location if residing in government housing.)Member's military income is the only household income

Calculate Gross Income:	Basic Pay:	$1,495.50
	BAS:	$ 254.46
	OHA:	$ 851.35
	TOTAL:	$2,601.31

USDA Income Threshold Limit/Household of Six: $3,344.00 **(see note 1)**

Compare: (Income Threshold Limit minus Gross Household Income)
$3,344.00 - $2,601.31 = $742.69

FSSA Entitlement: Member is qualified for FSSA in the monthly amount of $500.00

Notes: (1) Use USDA Income Threshold Table for Alaska, since member is stationed overseas not Hawaii.

(2) Determine if member receives food stamps. Compare monthly food stamp allotment to FSSA amount and pay the greater NTE $500 per month in FSSA entitlement. In this example, if the member is receiving $450 per month in food stamps, he/she would be entitled to $450 per month in FSSA. However, if this member was only receiving $200 in food stamps, he/she would receive the FSSA amount of $296.00.

(3) BAH and OHA are counted as gross income. If the member resides in government housing and does not receive a BAH or OHA, the amount counted will be the equivalent housing amount if the member resided in economy housing at their Permanent Duty Station (PDS) or at the location of the dependents if geographically separated from the member. For OHA areas, this would be the ceiling amount (including utilities) for the member's grade and PDS.

IAW the law, an equivalent-housing amount must be calculated in the gross income as if the member did not reside in government housing.

Fig 5.6 - Member in Alaska

RATES IN EACH EXAMPLE ARE BASED ON 2004 RATES

Facts: E-4 over four years with six in household (includes member)
Resides in economy housing in Alaska and receives $980 in BAH per month
Member's military income is the only household income

Calculate Gross Income:	Basic Pay:	$1,814.10
	BAS:	$ 254.46
	BAH:	$ 980.00
	TOTAL:	$3,048.56

USDA Income Threshold Limit/Household of Six: $3,344.00

Compare: (Income Threshold Limit minus Gross Household Income)
$3,344 - $3,048.56 = $295.44

FSSA Entitlement: Member is qualified for FSSA in the monthly amount of $296.00

Notes: (1) Use USDA Income Threshold Table for Alaska.

(2) Determine if member receives food stamps. Compare monthly food stamp allotment to FSSA amount and pay the greater NTE $500 per month in FSSA entitlement. In this example, if the member is receiving $450 per month in food stamps, he/she would be entitled to $450 per month in FSSA. However, if this member was only receiving $200 in food stamps, he/she would receive the FSSA amount of $296.00.

Fig 5.7 - Member in Hawaii

RATES IN EACH EXAMPLE ARE BASED ON 2004 RATES

Facts: E-4 over four years with seven in household (includes member)
Resides in economy housing in Hawaii and receives $1,014 in BAH per month
Member's military income is the only household income

Calculate Gross Income:	Basic Pay:	$1,814.10
	BAS:	$ 254.46
	BAH:	$1,014.00
	TOTAL:	$3,082.56

USDA Income Threshold Limit/Household of Seven: $3,466.00 **(See notes)**

Compare: (Income Threshold Limit minus Gross Household Income)
$3,466 - $3,082.56 = $383.44

FSSA Entitlement: Member is qualified for FSSA in the monthly amount of $384.00

Notes: (1) Use USDA Income Threshold Table for Hawaii.

(2) Determine if member receives food stamps. Compare monthly food stamp allotment to FSSA amount and pay the greater NTE $500 per month in FSSA entitlement. In this example, if the member is receiving $450 per month in food stamps, he/she would be entitled to $450 per month in FSSA. However, if this member was only receiving $200 in food stamps, he/she would receive the FSSA amount of $384.00

Fig 5.8 - Member Receiving a Military Bonus

RATES IN EACH EXAMPLE ARE BASED ON 2004 RATES

Facts: E-5 over six years with eight in household (includes member)
Resides in economy housing and receives $768.00 in BAH per month
Receives bonus of $4,800 for a four year enlistment period
Member's military income is the only household income

Calculate Gross Income:	Basic Pay:	$2,130.60
	BAS:	$ 254.46
	BAH:	$ 768.00
	Bonus:	$ 100.00 **(See calculation below in notes)**
	TOTAL:	$3,253.06

USDA Income Threshold Limit/Household of Eight: $3,354.00 **(See Notes)**

Compare: (Income Threshold Limit minus Gross Household Income)
$3,354.00 - $3,253.06 = $100.94

FSSA Entitlement: Member is qualified for FSSA in the monthly amount of $101.00

Notes: (1) Use USDA Income Threshold Table for 48 statesunless OCONUS.

(2) Determine if member receives food stamps. Compare monthly food stamp allotment to FSSA amount and pay the greater NTE $500 per month in FSSA entitlement. In this example, if the member is receiving $450 per month in food stamps, he/she would be entitled to $450 per month in FSSA. However, if this member was only receiving $200 in food stamps, he/she would receive the FSSA amount of $101.00.

(3) Bonuses must be converted to a monthly income. It is prorated over the life of the bonus. Disregard the initial payment and installment payments. Take the entire bonus amount and divide this amount by the total months for the period of time the bonus is applicable. The member's contract will provide this information. Example: $4,800 divided by 48 months (4 years x 12 months) = $100 monthly bonus amount.

Fig 5.9 - Other Income (In Addition to Military Income)

RATES IN EACH EXAMPLE ARE BASED ON 2004 RATES

Facts: E-4 over six years with eight in household (includes member)
Resides in economy housing and receives $768.00 in BAH per month
Spouse works and receives $50 per week in income

Calculate Gross Income **Without** Spouse Income:

Basic Pay:	$1,891.50
BAS:	$ 254.46
BAH:	$ 768.00
Spouse:	$ 215.00
TOTAL:	$3,128.96

USDA Income Threshold Limit/Household of Eight: $3,354.00 **(see notes)**

Compare: (Income Threshold Limit minus Gross Household Income)
$3,354.00 - $3,128.96 = $225.04

FSSA Entitlement: Member is qualified for FSSA in the monthly amount of $226.00

Notes: (1) Use USDA Income Threshold Table for 48 states unless OCONUS.

(2) Determine if member receives food stamps. Compare monthly food stamp allotment to FSSA amount and pay the greater NTE $500 per month in FSSA entitlement. In this example, if the member was receiving $450 per month in food stamps, he/she would be entitled to $450 per month in FSSA. However, if this member was only receiving $95.00 in food stamps, he/she would receive the FSSA amount of $226.00.

(3) For household income received less often than monthly, it must be converted to a monthly amount. **Use the following conversions:**

- Weekly – multiply weekly amount by 4.3
- Bi-weekly – multiply bi-weekly amount by 2.15
- Semi-monthly – multiply semi-monthly amount by 2

For this example, the spouse's weekly income was converted to a monthly income:
$50 X 4.3 = $215.00

Fig 5.10 - Dependents Don't Reside with Member

RATES IN EACH EXAMPLE ARE BASED ON 2004 RATES

Facts: Member serving dependent restricted tour and his dependents remained in CONUS
E-5 over six years with eight in household (includes member)
His seven dependents reside in economy housing/$768.00 in BAH per month
Member's military income is the only household income

Calculate Gross Income:

Basic Pay:	$2,130.60
BAS:	$ 254.46
BAH:	$ 768.00
FSA:	$ 100.00 (Family Separation Allowance)
TOTAL:	$3,253.06

USDA Income Threshold Limit/Household of Eight: $3,354.00 **(see notes)**

Compare: (Income Threshold Limit minus Gross Household Income)
$3,354.00 - $3,253.06 = $100.94

FSSA Entitlement: Member is qualified for FSSA in the monthly amount of $101.00

Notes: (1) Use USDA Income Threshold Table for 48 states unless OCONUS. FSSA is based on where the household being claimed is located, not where the member is stationed.

(2) Do not include Family Separation Housing (FSH) in gross income. The member receives FSH if not provided a BEQ/BOQ room. It is for economy housing at the member's OCONUS PDS.

(3) Determine if member receives food stamps. Compare monthly food stamp allotment to FSSA amount and pay the greater NTE $500 per month in FSSA entitlement. In this example, if the member is receiving $450 per month in food stamps, he/she would be entitled to $450 per month in FSSA. However, if this member was receiving $200 in food stamps, he/she would receive the FSSA amount of $200.00.

(4) For a member who resides separately from their household, count only **dependents** who normally live with the member under other circumstances. Do not count dependents who normally do not live with the member, i.e. children not in the member's custody.

Fig 5.11 - Sporadic Income

RATES IN EACH EXAMPLE ARE BASED ON 2004 RATES

Facts: E-4 over six years with eight in household (includes member)
Resides in economy housing and receives $768.00 in BAH per month
Spouse works Nov and Dec and receives $50 per week in income

Calculate Gross Income **Without** Spouse's Income:	Basic Pay:	$1,891.50
	BAS:	$ 254.46
	BAH:	$ 768.00
	TOTAL:	**$2,913.96**
Calculate Gross Income **With** Spouse's Income:	Basic Pay:	$1,891.50
	BAS:	$ 254.46
	BAH:	$ 768.00
	Spouse:	$ 215.00 ($50 X 4.3)
	TOTAL:	**$3,128.96**

*Any increases in household income of $100 or more per month must be reported. Since this increase exceeds $100, FSSA must be recalculated for the two months the spouse's income is received. It is the member's responsibility to report changes in income that exceed $100 per month.

USDA Income Threshold Limit/Household of Eight: $3,354.00 **(see notes)**

Compare: (Income Threshold Limit minus Gross Household Income)

WITHOUT SPOUSE'S INCOME: $3,354.00 - $2,913.96 = $440.04

WITH SPOUSE'S INCOME: $3,354.00 minus $3,128.96 = $225.04

FSSA Entitlement: Member is qualified for FSSA in the monthly amount of $441 in the months the spouse does not receive income and $226.00 for Nov and Dec.

Notes: (1) Use USDA Income Threshold Table for 48 states unless OCONUS.

(2) Determine if member receives food stamps. Compare monthly food stamp allotment to FSSA amount and pay the greater NTE $500 per month in FSSA entitlement. In this example, if the member is receiving $450 per month in food stamps, he/she would be entitled to $450 per month in FSSA. However, if this member was receiving an amount of food stamps below the FSSA amount, they he/she would receive the FSSA amount.

APPENDIX A

USDA Gross Monthly Income Eligibility Limits

1 October 2004 - 30 September 2005

The tables below are USDA gross monthly income eligibility limits based on household size. The member is counted as part of the household. The tables for CONUS and Hawaii assignments are "48 States" and "Hawaii" tables respectively. All other locations and Alaska use the Alaska Table.

The tables are updated at the beginning of the fiscal year. This appendix will be updated at that time. If you have not received an updated Appendix A by 1 October, please locate the rates on the following website: http://www.fns.usda.gov.

Gross Monthly Income Eligibility Standards
(130 Percent of Poverty Level)

Household Size	48 States [1]	Alaska	Hawaii
1	$1,009	$1,260	$1,160
2	1,354	1,692	1,556
3	1,698	2,123	1,953
4	2,043	2,554	2,349
5	2,387	2,985	2,746
6	2,732	3,416	3,142
7	3,076	3,847	3,539
8	3,421	4,279	3,935
Each Add. Member	+345	+432	+397

APPENDIX B

Glossary of Acronyms and Definitions

Armed Forces — Army, Navy, Air Force, Marine Corps, and Coast Guard.

BAS — Basic Allowance for Subsistence – Any ration amount received to include the equivalent value of rations in kind. LES entry.

BAH — Basic Allowance for Housing – BAH is based on civilian rental costs by pay grade, dependency status, and location. The goal of housing allowance reform is to equalize out-of-pocket dollar expenses across all locations and to provide members housing compensation based on comparable (salary and location) civilian costs of housing. LES entry.

CONUS COLA — Cost of Living Allowance – A cost-of-living allowance to assist members residing in high cost areas within the continental United States. LES entry.

CONUS — Within the continent of the United States.

Dependent — The full definition of "dependent" is contained in 37 U.S.C 401. In part, for the purpose of Family Subsistence Supplemental Allowance (FSSA) that definition includes:

- The spouse of a member.
- An unmarried child of the member under 21 years of age, or under 23 years of age if enrolled in full-time course of study in an institution of higher education (the member must be providing more than one half of the student's support).
- A child of any age if the child is incapable of self support because of mental or physical incapacity.
- The parent of a member if the parent is in fact dependent on the member for more than one-half of the parent's support, and has been certified a dependent in accordance with Department regulations.

DHS — U. S. Department of Homeland Security.

DoD — U. S. Department of Defense.

DFAS — Defense Finance and Accounting Service – Army, Navy, Air Force, Marines Pay Center.

EITC — Earned Income Tax Credit - a tax credit through IRS for low-income working families with children.

FSA — Family Separation Allowance -Compensates a member for the additional expenses incurred because of a family separation due to PCS or TDY.

FSH — Family Separation Housing Allowance – Compensates a member for the additional expenses caused by reason of being required to procure and

maintain quarters for one's self overseas in addition to quarters maintained elsewhere for dependents. LES entry.

FSSA Family Subsistence Supplemental Allowance – designed to remove the member's household from eligibility for benefits under the food stamp program. LES entry.

DI Disability Insurance.

Household For the purposes of this program, the term "household" is defined as:

2. An individual who lives alone or who, while living with others (military member must have at least one qualified dependent), customarily purchases food and prepares meals for home consumption separate and apart from others, or
3. A group of individuals (at least one individual must be a qualified dependent of the military member) who live together and customarily purchase food and prepare meals together for home consumption.

Spouses who live together, parents and their children 21 years of age or younger who live together, and children (excluding foster children) under 18 years of age who live with and are under the parental control of a person other than their parent, together with the person exercising parental control, shall be treated as a group of individuals who customarily purchase and prepare meals together for home consumption even if they do not do so. In the case of a member who has joint custody of a child, that child may be counted as part of the member's household during any month the child spends 50% or more of the time with the member. An individual may not be counted as a member of more than one household at the same time. It is routine for households to have temporary absences of certain individuals, or temporary social visits by others to the household. These routine temporary variations do not constitute a change in household size, and do not have to be reported. If the absence or visit extends beyond three consecutive months, this will be considered a permanent change to household size, and must be reported to a certifying official.

Household Income.

1. Household income shall include the total amount of income that is received by any member of the household (except as specifically noted below) before any taxes or other deductions. This includes:
   - **a.** Military income
   - **b.** Wages
   - **c.** Earnings
   - **d.** Salaries
   - **e.** Commissions
   - **f.** Tips
   - **g.** Self-employment income (minus the cost of producing that income)
   - **h.** Supplemental Security Income (SSI)
   - **i.** Temporary assistance for needy families (TANF)
   - **j.** Interest or dividend income
   - **k.** Alimony

l. Child support
m. Unemployment or worker's compensation
n. Veterans benefits
o. Annuities
p. Pensions and other retirement benefits
q. Any other direct payments from any source, unless be excluded, as follows:

2. The following items are not to be included as "household income":
a. Earned income of a student who is attending an elementary or secondary school and is under 18 years old.
b. Loans, grants, and scholarships for postsecondary students.
c. Income tax refunds, insurance settlements, payments from Federal EITCs, Federal Energy Assistance payments (except those made under TANF).
d. Housing and Urban Development utility reimbursements; reimbursements for expenses such as medical or dependent care (if they do not exceed actual expenses); the value of food stamps; or any other income that is excluded by Section 2012 of 7 United States Code.

3. Sporadic or seasonal income shall be counted only during the month, or months, in which it is received. If sporadic or seasonal income causes the household income of the member to exceed the 100-dollar a month threshold, the member shall report that information to a certifying official and shall be re-certified.

4. Any household income that is received in foreign currency shall be converted to U.S. dollars using the prevailing rate of exchange.

HRSIC Coast Guard Human Resources Service and Information Center (Coast Guard Pay Center)

HUD U. S. Housing and Urban Development - the department that provides housing and utility subsidies to low-income families and individuals.

LES Leave and Earnings Statement – Monthly pay summary for military members.

Military Income. For the purposes of this program, the following sources of revenue will be counted as Military Income:

1. Basic pay
2. Basic Allowance for Subsistence (BAS)
3. Basic Allowance for Housing (BAH), or cash equivalent for those living in government provided housing, overseas housing allowance (OHA)
4. All bonuses
5. All special and incentive pays except those excluded below.

The monthly amount of military income attributable to a bonus shall be the amount of the bonus prorated over the period of time for which the bonus is applicable. When a member is living in government quarters while stationed overseas, the amount of housing allowance to count as income for that member is the OHA ceiling for the local area.

For the purposes of this program, the following sources of revenue will not be counted as Military Income:

1. Overseas cost of living allowance (OCOLA),
2. CONUS COLA
3. Family separation housing allowance (FSH),
4. All travel and transportation related allowances and entitlements
5. Clothing allowances
6. Family Separation Allowance (FSA)
7. Hostile Fire Pay (HFP) or Imminent Danger Pay (IDP)

NTE Not To Exceed

OCONUS Out side of the continent of the United States, Overseas

OCONUS COLA Cost of Living Allowance – authorized to assist a member in maintaining the purchasing power of the discretionary portion of spendable income incident to assignment to an OCONUS PDS. LES entry

OHA Overseas Housing Allowance – authorized to assist a member in defraying the excess housing costs incurred incident to assignment to a PDS outside the United States. LES entry.

Reserve Component Army National Guard, Army Reserve, Navy Reserve, Air Force Reserve, Air National Guard, Marine Corps Reserve, and Coast Guard Reserve

SS Social Security - monthly payments from the Social Security Administration to retired or disabled persons, and spouses and children of deceased or disabled individuals who have worked under the Social Security system.

SSI Supplemental Security Income - monthly payments to elderly or disabled low-income adults/children who are not covered under Social Security. This is a means-tested program.

TANF Temporary Assistance for Needy Families - the cash "welfare" program that replaced the Aid to Families with Dependent Children program. Payments to low-income families with children.

UCB Unemployment Compensation Benefits - weekly or bi-weekly State payments to individuals who are unemployed.

UI UCX Unemployment Insurance

USDA U.S. Department of Agriculture - the Department that, among other things, administers food assistance programs such as the Food Stamp Program, School Lunch Program and the Women, Infants and Children Program.

WC Workman's Compensation - benefits paid to individuals who are injured on the job.

WIC Women Infant and Children Program Women, Infants and Children Program - provides supplemental foods to low-income pregnant women, new mothers, and to infants and children who are found to be at nutritional risk.

APPENDIX C
Useful Websites

DMDC: http://www.dmdc.osd.mil/fssa - is a FSSA application that may be filled out printed or emailed. This application may also act as prescreen to determine whether a member is eligible for FSSA.

USDA: http://www.fns.usda.gov/fsp/government/FY05_Income_Standards.htm

This website provides the USDA gross monthly income eligibility standards (130% of poverty level) for food stamps based on household size. The member is counted as part of the household. To determine rate, for:

If member lives in CONUS	use "48 States"
If member lives in Alaska	use "Alaska"
If member lives in Hawaii	use "Hawaii"
If member lives in anywhere else	use "Alaska"

The tables are updated at the beginning of the fiscal year.

Housing Rates:

A. LOCATING BASIC HOUSING FOR ALLOWANCE (BAH) RATES FOR MEMBER'S RECEIVING IN-KIND HOUSING.

(1) BAH does not apply to areas outside the United States. Use Overseas Housing Allowance (OHA) for overseas areas and U.S. territories. See section below for locating OHA rates.

(2) Access the following website: http://www.dtic.mil/perdiem. This is Per Diem Travel and Transportation Allowance Committee's website. Please do not refer FSSA questions to this web-site.

Go to "Rates & Allowances"
Select "Housing Rates"
Select "BAH Rates"
Select "BAH Query"
Enter current year and the zip code for member's permanent duty station or dependent's location and members grade. Select the appropriate BAH rate (with or without). This is the BAH rate claimed for gross income.

B. LOCATING OVERSEAS HOUSING ALLOWANCE (OHA) RATES FOR MEMBER'S RECEIVING IN-KIND HOUSING

(1) OHA doesn't apply to the CONUS and Alaska and Hawaii. Use Basic Allowance for Housing (BAH) rates for these areas.

(2) Access the following website: http://www.dtic.mil/perdiem. This is Per Diem Travel and Transportation Allowance Committee's website. Please do not refer FSSA questions to this web-site.

Go to "Rates & Allowances"
Select "Housing Rates"
Select "OHA Rates"
Select "OHA Query"
Select locality name listed by country and city/installation. Enter members rank, and select yes or no for dependents.

Add OHA rental ceiling and utility allowance in dollar column
This is the rental ceiling for OHA and is claimed for gross income

APPENDIX D

Family Subsistence Supplemental Allowance (FSSA)

Application

PRIVACY ACT STATEMENT

AUTHORITY: 5 USC 5701, 37 USC 404-427, and EO 9397.

PRINCIPAL PURPOSE(S): Used reviewing, approving, accounting, and disbursing for FSSA. SSN is used to maintain a numerical identification system for individual claims.

ROUTINE USE(S): To substantiate claims for reimbursement of FSSA.

DISCLOSURE: Voluntary: however, failure to furnish information requested may result in total or partial denial of FSSA.

Fill out the following information completely and accurately. Questions that do no apply to the member please write N/A for non-applicable. Do not leave any blocks blank. Refer to the instructions in Part A of this chapter.

SECTION 1 (Personal Information)

DATE: _____1 Apr 2004_____

1.MEMBER'S NAME (Last, First, MI)/Paygrade:_____Smith, Joe, J.___/E-2_____

2.MEMBER'S SSN: __00-000-0000_____

3.NAME OF COMMAND & UIC: __USS SAIL/00000_____

4.COMMAND ADDRESS: _____0000 5th St, Norfolk, VA _____

5.DUTY PHONE: _____(111) 111-1111_____

6.HOME ADDRESS BEING CLAIMED: _____0000 W. 4th, Norfolk, VA_____

_____(see instructions)

7.HOME PHONE:____(222) 222-2222_____

8.NUMBER QUALIFIED IN HOUSEHOLD ___7_____(including member)

9.HOUSEHOLD MEMBERS INFORMATION:

LAST NAME	FIRST NAME	MI	SSN	AGE	RELATIONSHIP TO MEMBER
Smith	Sally	J	000-00-1111	32	Wife
Smith,	Shelly	K	000-00-2222	16	Daughter
Smith,	Shannon	B	000-00-3333	14	Daughter
Smith	Steve	B	000-00-4444	12	Son
Smith	Sonny	K	000-00-5555 .	12	Son
Smith	Susan	L	000-00-6666	10	Daughter

SECTION 2 (Income based on the household's gross monthly income)

10.MILITARY INCOME (see instructions)

A. BASIC PAY __1337_____
B. BAS ___254.46__
C. BAH ___921_____(*There must be a BAH or OHA amount)
D. OHA ____n/a ____(*There must be a BAH or OHA amount)
E. SPECIAL PAYS ____n/a____ (*See Appendix B for a complete description
OR ALLOWANCES _____ of military incomes included/not included)
_____
F. BONUS (all types) _____n/a___

G. TOTAL MIL PAY $___2512.46_____

11. NON-MILITARY INCOME
NAMES AND INCOME of all wage-earning persons in the household (includes secondary income from the member). This is required for all members of the household.

LAST NAME	FIRST NAME	MI	EMPLOYER	AVERAGE MONTHLY INCOME
NONE				

A: Sum of monthly income listed in the table $____0____
B. SSI _____
C. DIS _____
D. TANF _____
E. Pension _____
F. Worker's Compensation _____
G. Social Security _____
H. UI UCX _____
I. Veteran's Pay _____
J. Alimony _____
K. Child Support _____
L. Interest/Dividend _____
M. Rental Property _____
N. Other (explain) _____

O. **TOTAL OTHER INCOME** **$___0_____** (Add A through N)

12. TOTAL GROSS INCOME

Total Military Income:	**$**	**2512.46**	**(from 10. Item G. above)**
Total Non-Military Income:	**$**	**0**	**(from 11. Item O. above)**

TOTAL GROSS INCOME $____2512.46_____

SECTION 3 (Eligibility)

13. NUMBER QUALIFIED IN HOUSEHOLD ____10_____ (Section 1, #8)
14. Location Stationed (Circle) CONUS / HAWAII/ALASKA / OVERSEAS
15. Gross Income Table Limit 4036 _____
16. Total Gross Income of household 2512.46 _____(Section 2. #12)

17. Initial FSSA Calculation ___1523.54____(15 minus 16 = FSSA)
18. Monthly Food Stamp Allotment __1200.00____

19. Larger value of Line 17 and 18 __1523.54____

20. Smaller value of Line 19 and $500 ____500___

21. FINAL FSSA ENTITLEMENT **$___$500____** (line 20)

22. Anticipate re-certification date: _____1 Feb 04_____

Responsibilities of the Member:

Once certified, and during the participation in the program, the member must recertify annually in February and must report the following to the certifying official for re-certification:

1. Any changes to income (a $100 or more) or household size must be reported to the FSSA coordinator for re-certification of FSSA.
2. Promotion of the member to a higher grade.
3. Transfer of the member in a permanent change of station.

Failure to do so could result in disciplinary action, Overpayment, and eventual garnishment of member's pay.

In addition, Participation in other state/federal assistance programs (subsidized school lunch program, WIC, ETIC, etc) may be affected by receipt of FSSA Member should notify those assistance programs of the FSSA income. Each of those programs has penalties for not reporting changes to income. The member may be subject to prosecution for failing to report the income.

I,_____, certify that the information provided above is true and accurate to the best of my knowledge.

Printed Rank & Name of Applicant	**Signature of Applicant**	**Date**
Certifying Official Rank & Name	Signature of Certifying Official	Date

APPENDIX E
Reserve Component Members

Section A: Reserve-specific policies.

1. This chapter provides additional guidance and information related to members of the Reserve component. It is intended to supplement the guidance and information contained elsewhere in this document. However, the guidance in this chapter supersedes that contained in other chapters of this document when the two are different.

2. There are two important and overarching guidelines governing the development of policies and procedures for Reserve component member eligibility:

a. The purpose of FSSA is to address substandard income levels of military members ***while they are on active duty***. FSSA is not intended to address the member's civilian financial situation outside of active duty.

b. FSSA is a monthly entitlement based on calendar months. Therefore, the household income of Reserve component members will be computed on a calendar month basis, even in cases where the active duty period includes two partial months.

3. Reserve component members are eligible to participate in the FSSA program only while serving on active duty. They are eligible for each day of active duty. No minimum number of days of active duty is required for Reserve member eligibility.

4. The Reserve component member's household income is computed by adding the member's military income received while on active duty during a calendar month to any other household income that is received at any time during the same calendar month. If the active duty period spans more than one calendar month, the FSSA entitlement will be based on the month during which more active duty days were performed. If the active duty is evenly split between two months, the member shall choose which month on which to base FSSA entitlement.

5. For determining FSSA eligibility, in no case will the amount used for household income be less than the member's military income had the member been on active duty for an entire month.

6. Reserve component members will be entitled to 1/30th of one month's FSSA for each day of duty performed for periods of active duty of less than a full month. Reserve component members who serve on active duty for all the days in a single calendar month, regardless of how many days are in the month, will receive a full month's FSSA.

7. To be eligible, Reserve component members must apply for FSSA during the period commencing 30 days prior to the active duty and concluding at midnight on the last day of active duty. For periods of active duty less than five days for which the member had little or no prior notification, or during which the member had no reasonable opportunity to apply (e.g., in an aircraft most of the duty period), the certifying official may grant the member a period up to 30 days after the completion of the active duty period in which to apply for FSSA. A waiver of the application

deadline must be noted and signed by the certifying official on the member's application. Except for this waiver by the certifying official, members are not eligible for FSSA if application is made after conclusion of the active duty period. Under no circumstances, waiver or otherwise, is a member eligible for FSSA if application is made more than 30 days after conclusion of the active duty.

8. The starting date of the entitlement period will be the first day of active duty, regardless of when the member makes application during the period. The ending date of the entitlement period will be the last day of active duty.

9. The 30-day re-certification window described in chapter 4 applies to Reserve component members.

Section B: Reserve-specific examples.

***Important Note**: The processes used for the various examples described in Chapter 5 apply to Reserve component members. However, since the duty periods and statuses are often different for Reservists, these examples amplify on those provided in Chapter 5 and include specific situations that normally only apply to Reserve component members. Questions concerning the eligibility of Reservists or the computation of a Reserve component member's monthly FSSA, should be addressed to the local reserve center or DCNO (N130).*

Index:

Figure 6.1 Reserve-specific rules related to FSSA eligibility & computation

Figure 6.2 Member Qualified for FSSA

Figure 6.3 Member Not Qualified for FSSA

Figure 6.4 Member whose household income is less than a full month's military income

Figure 6.5 Member serving on active duty split between two partial months

Fig 6.1: Reserve-specific Rules Related to FSSA Eligibility And Household Income Computation

A. Credit for partial and full months of active duty.

Rule 1: Members serving on active duty for all the days in February receive a full month's FSSA.
Rule 2: Members on active duty for 30 days in a 31-day month receive a full month's FSSA.
Rule 3: Members on active duty for 31 days in a 31-day month receive a full month's FSSA.

B. Calculation of household income

Rule 4: If the period of active duty falls completely within the same calendar month, the member's household income shall be the sum of active duty income received for the period of active duty and the total of all other income received for the entire calendar month.

Rule 5: If the period of active duty partially encompasses two calendar months, the member's household income shall be the sum of (1) active duty income received during the calendar month containing the greater number of active duty days, and (2) all other income received during the same calendar month, for the entire month.

Rule 6: If the period of active duty encompasses an equal number of days within two calendar months, the member shall choose which of the two months will be used to calculate FSSA entitlement.

C. Calculation of bonuses.

Rule 7: A military bonus received by the member outside of the active duty period shall be prorated for the month of service. Divide the total bonus amount by the total months for the period of time the bonus is applicable.

Rule 8: A civilian job bonus received as a lump sum payment outside of the month used to calculate FSSA eligibility shall NOT be included as part of the household income.

Rule 9: A civilian job bonus received as a lump sum payment during the same month as the month used to calculate the member's household income SHALL ALL be used in calculating the member's household income. It shall not be prorated.

Rule 10: A civilian job bonus received in monthly installments shall be prorated for the month of active duty in the same manner used for a military bonus in Rule 4.

Rule 11: If an active duty period includes two partial months, the member's household income will include only one full month's amount of any prorated bonus.

Fig 6.2: Member Qualified for FSSA

Facts: E-5 Reserve component member over six years with eight in household (includes member)
Member's civilian income and military income as a Reservist are the only household income
Civilian income = $346.15 per five-day week, and is paid bi-weekly
Member's employer ***DOES NOT*** pay member while on active duty
No military or civilian bonuses received
Serves 14 days of active duty March 3 – 16, 2004

Step 1: Calculate Gross Military Income for the Calendar Month:

Basic Pay:	$2,130.60
BAS:	$ 254.46
BAH II (< 140 days):	$ 597.60
TOTAL for Month:	$2,982.66

Step 2: Calculate Gross Military Income for the Period of Active Duty: $2,982.66/30 = $99.42/day
$99.42 X 14 days = **$1,391.88**

Step 3: Calculate Gross Civilian Income for ***All of the Same Calendar Month:***
Gross Civilian Income per Day = $346.15/week = $69.23/day
Total number of days civilian pay received in March = 22 – 10 = 12 days

Gross Civilian Income While on Active Duty =	$0.00
Gross Civilian Income While not on Active Duty = (12 X $69.23) =	$830.76
Total Gross Civilian Income Received in March =	**$830.76**

Step 4: Add Gross Military and Civilian Incomes to Obtain Household Income:
$1,391.88 + $830.76 = **$2,222.64**

Step 5: Compare Household Income to USDA Income Threshold Limit
USDA Income Threshold Limit/Household of Eight = **$3,354.00** *(see note below)*
Comparison = $3,354.00 - $2,222.64 = $1,131.36

Step 6: Determine FSSA Entitlement if Member Served on Active Duty Entire Month
Member's household income is $1,131.36 less than the USDA Income Threshold Limit. However, since the maximum amount of monthly FSSA authorized is $500.00, the member would be entitled to $500.00 if serving the full month on active duty.

Step 7: Prorate the FSSA Entitlement for # of Active Duty Days Served in Month
($500.00/30) X 14 days = **$233.33**

Member would receive a FSSA payment of $233.33 for the 14 days of active duty performed in March.

Note: 1. Use USDA Income Threshold Table for 48 states unless household is OCONUS.

(2) Determine if member receives food stamps. Compare monthly food stamp allotment to FSSA amount and pay the greater NTE $500 per month in FSSA entitlement. In this example, if the member is receiving $450 per month in food stamps, he/she would be entitled to $450 per month in FSSA. However, if this member was receiving $200 in food stamps, he/she would receive the FSSA amount of $200.00.

(3) For calculation purposes, all monthly amounts are based upon a 30 day month. Therefore, a monthly value divided by 30 (days) will provide the daily value.

Fig 6.3: Member Not Qualified for FSSA

Facts: E-4 over four years with five in household (includes member)
Member's civilian income and military income as a Reservist are the only household income
Civilian income = $346.15 per five-day week, and is paid bi-weekly
Member's employer ***DOES*** pay member while on active duty
No military or civilian bonuses received
Serves 14 days of active duty March 3 – 16, 2004 (10 of those days are civilian work days)

Step 1: Calculate Gross Military Income for the Calendar Month:

Basic Pay:	$1,814.10
BAS:	$ 254.46
BAH-II (<140 days):	$ 519.30
TOTAL:	$2,587.86

Step 2: Calculate Gross Military Income for the Period of Active Duty: $2,587.86/30 = $86.26/day
$86.26 X 14 days = **$1,207.64**

Step 3: Calculate Gross Civilian Income for ***All of the Same Calendar Month:***
Gross Civilian Income per Day = $346.15/week = $69.23/day
Total number of days civilian pay received in March = 22 days
Gross Civilian Income While on Active Duty = (10 days) X $69.23 = $692.30
Gross Civilian Income While not on Active Duty = (12 X $69.23) = $830.76
Total Gross Civilian Income Received in March = **$1,523.06**

Step 4: Add Gross Military and Civilian Incomes to Obtain Household Income:
$1,207.64 + $1,523.06 = **$2,730.70**

Step 5: Compare Household Income to USDA Income Threshold Limit
USDA Income Threshold Limit/Household of Five = **$2,334.00**
Comparison = $2,334.00 - $2,730.70 = **-$396.70**

Step 6: Determine FSSA Entitlement if Member Served on Active Duty Entire Month
Member's household income exceeds the USDA Income Threshold Limit by $396.70, so **member is ineligible for FSSA**.

Fig 6.4: Member Who's Household Income Is Less Than A Full Month's Military Income

Facts: E-5 over eight years with eight in household (includes member)
Household income includes member's civilian & military income, and spouse's income
Member's civilian income = $0.00 for this month, as he has a seasonal job
Spouse's civilian income = $250.00 per five-day week, and is paid bi-weekly
Member's employer ***DOES NOT*** pay member while on active duty
No military or civilian bonuses received
Serves 14 days of active duty March 3 - 16, 2004

Step 1: Calculate Gross Military Income for the Calendar Month:

Basic Pay:	$2,250.90
BAS:	$ 254.46
BAH:	$ 597.60
TOTAL:	$3,102.96

Step 2: Calculate Gross Military Income for the Period of Active Duty: $3,102.96/30 = $103.43/day
$103.43 X 14 days = **$1,448.02**

Step 3: Calculate Gross Civilian Income for ***All of the Same Calendar Month:***
Member's Gross Civilian Income per Day = $0.00
Member's total number of days civilian pay received in March = 0 days
Spouse's Gross Civilian Income per Day = $250.00/5 = $50.00 per day
Spouse's total number of days civilian pay received in March = 22 days

Member's Gross Civilian Income While on Active Duty =	$0.00
Member's Gross Civilian Income While not on Active Duty =	$0.00
Spouse's Gross Civilian Income for March = (22 X $50.00) =	$1,100
Total Gross Civilian Income Received in March =	**$1,100.00**

Step 4: Add Gross Military and Civilian Incomes to Obtain Household Income:
$1,448.02 + $1,100.00 = **$2,548.02**

However, the calculated household income ($2,548.02) is less than what the member's military income would be had he served on active duty the entire month ($3,102.96). Since the household income used can never be less than the member's monthly military income, use the monthly military income as the member's household income to determine eligibility.

Step 5: Compare Household Income to USDA Income Threshold Limit
USDA Income Threshold Limit/Household of Eight = **$3,354.00**
Comparison = $3,354.00 - $3,102.96 = $251.04

Step 6: Determine FSSA Entitlement if Member Served on Active Duty Entire Month
Member's household income is $251.04 less than the USDA Income Threshold Limit, so member would receive $251.04 if on active duty for entire month. (See Section A, paragraph 5 of this chapter.)

Step 7: Prorate the FSSA Entitlement for # of Active Duty Days Served in Month
($251.04/30) X 14 days = **$117.15**
Member would receive a FSSA payment of $118.00 for the 14 days of active duty performed in March.

Fig 6.5: Member Serving on Active Duty Split Between Two Partial Months

Facts: E-5 over eight years with five in household (includes member)
Household income includes member's civilian & military income, and spouse's income
Member's civilian income = $1,500 for March and $0.00 for April (seasonal job)
Spouse's civilian income = $250.00 per five-day week, and is paid bi-weekly
Member's employer ***DOES NOT*** pay member while on active duty
No military or civilian bonuses received
Serves 14 days of active duty March 26 through April 8, 2004

Step 1: Calculate Gross Military Income for the Calendar Month:

Basic Pay:	$2,250.90
BAS:	$ 254.46
BAH-II (< 140 days):	$ 597.60
TOTAL:	$3,102.96

Step 2: Calculate Gross Military Income for the Period of Active Duty:
First, determine which month includes the greater number of active duty days served. The member served six days in March, eight days in April. ***Therefore, April's income will be used.***
$3,102.96/30 = $103.43 per day
$103.43 X 8 days = **$827.44** *(Only April's 8 days are counted & March's 6 days are ignored)*

Step 3: Calculate Gross Civilian Income for ***All of the Same Calendar Month:***
Member's Gross Civilian Income per Day = $0.00 in April
Member's total number of days civilian pay received in April = 0 days
Spouse's Gross Civilian Income per Day = $250.00/5 = $50.00 per day
Spouse's total number of days civilian pay received in April = 21 days

Member's Gross Civilian Income While on Active Duty =	$0.00
Member's Gross Civilian Income While not on Active Duty =	$0.00
Spouse's Gross Civilian Income for April = (21 X $50.00) =	$1,050.00
Total Gross Civilian Income Received in March =	**$1,050.00**

Step 4: Add Gross Military and Civilian Incomes to Obtain Household Income:
$827.44 + $1,050.00 = **$1,877.44**
However, the calculated household income ($1,877.44) is less than what the member's military income would be had he served on active duty the entire month ($3,102.96). Since the household income used can never be less than the member's monthly military income, use the monthly military income as the member's household income to determine eligibility.

Step 5: Compare Household Income to USDA Income Threshold Limit
USDA Income Threshold Limit/Household of Five = **$2,334.00**
Comparison = $2,334.00 - $3,102.96 = **-$768.96**

Step 6: Determine FSSA Entitlement if Member Served on Active Duty Entire Month
Member's household income exceeds the USDA Income Threshold Limit by $768.96, so **member is ineligible for FSSA**.