

**STATE OF MICHIGAN  
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES  
ADMINISTRATIVE HEARINGS FOR THE  
DEPARTMENT OF HUMAN SERVICES**

**IN THE MATTER OF:**

[REDACTED]

Reg. No: 2012-29654  
Issue No: 3002, 3003  
Case No: [REDACTED]  
Hearing Date: February 29, 2012  
County: Kalamazoo

**ADMINISTRATIVE LAW JUDGE:** C. Adam Purnell

**HEARING DECISION**

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 upon Claimant's request for a hearing. After due notice, a telephone hearing was held on February 29, 2012. Claimant personally appeared and provided testimony. Participants on behalf of Department of Human Services (Department) included [REDACTED] (Assistance Payments Supervisor).

**ISSUE**

Did the Department properly determine Claimant's monthly FAP benefits?

**FINDINGS OF FACT**

The Administrative Law Judge, based upon the competent, material, and substantial evidence on the whole record, finds as material fact:

1. Claimant applied for FAP on November 17 2011. Prior to this application, Claimant had a [REDACTED] monthly FAP allotment.
2. At the time of application, Claimant had a group size of 1 (one). Claimant's total monthly rent at the time was [REDACTED] (Claimant contributes [REDACTED] per month for rent and the remaining [REDACTED] is provided by the Michigan State Housing Development Authority (MSHDA).)
3. At the time of application, Claimant was employed as a security guard with Securitas Security Services USA, Inc.

4. On November 16, 2011, the Department received faxed paystubs from Claimant's employer (Securitas) for October 21, 2011 through November 3, 2011 in the amount of [REDACTED] (gross).
5. On November 18, 2011, the Department received a fax from Securitas for pay period of September 23, 2011 through October 6, 2011 for [REDACTED] (gross).
6. On November 18, 2011, the Department received a fax from Securitas for October 7, 2011 through October 20, 2011 for [REDACTED] in gross income.
7. On November 28, 2011 the Department processed and then approved Claimant's FAP application for a [REDACTED]0 monthly allotment.
8. Claimant's FAP was then increased to [REDACTED] effective December 1, 2011.
9. Claimant disputed the FAP budget and the Department sent Claimant a DHS-3503 requesting additional paystubs.
10. On January 10, 2012, the Department received a fax from Securitas from a pay date of January 5, 2012 for a gross pay amount of [REDACTED].
11. On January 19, 2012, the Department received a fax from Securitas with a January 12, 2012 ending pay date in the amount of [REDACTED].
12. On January 31, 2012, the Department received faxes from Securitas for pay periods December 16, 2011 through December 29, 2011 ([REDACTED]) and December 30, 2011 through January 12, 2012 [REDACTED].
13. On February 2, 2012, the Department received a fax from Securitas for December 2, 2011 through December 15, 2011 ([REDACTED]).
14. Claimant submitted a hearing request on January 30, 2012 challenging the Department's calculation of her FAP amount based on her income. (Request for a Hearing).

### **CONCLUSIONS OF LAW**

The Food Assistance Program (FAP) (formerly known as the Food Stamp (FS) program) is established by the Food Stamp Act of 1977, as amended, and is implemented by the federal regulations contained in Title 7 of the Code of Federal Regulations (CFR). The Department of Human Services (DHS or department) administers the FAP program pursuant to MCL 400.10, *et seq.*, and MAC R 400.3001-3015. Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Program Reference Manual (BRM).

For FAP purposes, all earned and unearned income available to Claimant is countable. Earned income means income received from another person or organization or from self-employment for duties that were performed for compensation or profit. Unearned income means all income that is not earned, including but not limited to funds received from the Family Independence Program (FIP), State Disability Assistance (SDA), Child Development and Care (CDC), Medicaid (MA), Social Security Benefits (RSDI/SSI), Veterans Administration (VA), Unemployment Compensation Benefits (UCB), Adult Medical Program (AMP), alimony, and child support payments. The amount counted may be more than the client actually receives because the gross amount is used prior to any deductions. BEM 500.

The Department determines a client's eligibility for program benefits based on the client's actual income and/or prospective income. Actual income is income that was already received. Prospective income is income not yet received but expected. Prospective budgeting is the best estimate of the client's future income. BEM 505.

All income is converted to a standard monthly amount. If the client is paid weekly, the department multiplies the average weekly amount by 4.3. If the client is paid every other week, the department multiplies the average bi-weekly amount by 2.15. BEM 505.

Income decreases that result in a benefit increase must affect the month **after** the month the change is reported or occurred, whichever is earlier, **provided the change is reported timely**. BEM 505. The Department shall not process a change for a month earlier than the month the change occurred. BEM 505.

Clients must report changes in circumstance that potentially affect eligibility or benefit amount. Changes must be reported within 10 days of receiving the first payment reflecting the change. BAM 105.

Income reporting requirements are limited to the following: (1) earned income which includes: (a) starting or stopping employment; (b) changing employers; (c) change in rate of pay; (d) change in work hours of more than five hours per week that is expected to continue for more than one month. BAM 105. Unearned income reporting requirements include starting or stopping a source of unearned income or a change in gross monthly income of more than \$50 since the last reported change. BAM 105.

In the instant matter, Claimant claims the Department failed to accurately calculate her FAP benefits after she provided the Department with income changes from Securitas. The record shows that the Department received Claimant's October, 2011 paystubs when it processed and calculated Claimant's November, 2011 FAP allotment. The record also reveals that the Department properly recalculated and rebudgeted Claimant's February 1, 2012 FAP based on her January, 2012 paystubs. The point of contention during this hearing concerned Claimant's proper January 1, 2012 FAP allotment. During the hearing, Claimant argued that the Department erred because it failed to recalculate and rebudget her FAP on January 1, 2012 based on her December,

2011 paystubs. The Department representatives who testified at the hearing stated that the Department did not receive Claimant's December, 2011 paystubs until February, 2012 (which was after the January 30, 2012 hearing request in this matter). Claimant testified that she faxed the December, 2011 paystubs to the Department in December, 2011. The hearing record in this matter very clearly supported the Department's position. Although there were several faxed paystubs from Securitas, there were no documents in the record demonstrating that the Department received Claimant's December, 2011 paystubs prior to February, 2011. This Administrative Law Judge is not persuaded by Claimant's contention that the December, 2011 paystubs were faxed prior to February, 2012 and that the Department intentionally omitted the paystubs from the hearing record. Here, the record demonstrates that the Department calculated Claimant's monthly earned income based upon the contemporaneous paystubs it received. The record reveals that the Department properly calculated Claimant's FAP allotment based upon her earned income from Securitas.

Here, the Claimant's December, 2011 paystubs were not timely as the record shows they were not sent before February, 2012. Accordingly, the Department was not obligated to retroactively effectuate a change to Claimant's January, 1, 2012 FAP allotment.

**DECISION AND ORDER**

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the department acted in accordance with policy in determining Claimant's FAP eligibility.

The Department's FAP eligibility is AFFIRMED.

It is SO ORDERED.

---

C. Adam Purnell  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: 3/9/12

Date Mailed: 3/9/12

**NOTICE:** Administrative Hearings may order a rehearing or reconsideration on either its own motion or at the request of a party within 30 days of the mailing date of this Decision and Order. Administrative Hearings will not order a rehearing or reconsideration on the Department's motion where the final decision cannot be implemented within 60 days of the filing of the original request.

The Claimant may appeal the Decision and Order to Circuit Court within 30 days of the receipt of the Decision and Order or, if a timely request for rehearing was made, within 30 days of the receipt date of the rehearing decision.

CAP/ds

■ [REDACTED]