



## State of New Jersey

Department of Community Affairs

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### DIVISION OF HOUSING AND COMMUNITY RESOURCES OFFICE OF COMMUNITY ACTION

#### PROGRAM INFORMATION MEMORANDUM (PIM) #08-101

**DATE:** December 10, 2008

**TO:** NJ Community Action Agency (CAA) Executive Directors

**AFFECTED PROGRAMS:** All Programs That Utilize Community Services Block Grant Funds

**SUBJECT:** **Acceptable Forms of Income Verification**

To ensure that only eligible clients receive the benefit of the Community Services Block Grant Program (CSBG), the Office of Community Action is providing guidance to the NJ Community Action Agencies regarding what constitutes acceptable income documentation when determining income eligibility for households applying for the CSBG program.

#### **Earnings**

1. A signed and dated letter on company letterhead specifying the gross pay per pay period and the payment schedule.
2. Consecutive pay-stubs for a period of at least three months that show the employer's name, gross pay per pay period, and the dates of payment.

#### **Self Employment**

1. A certified IRS tax return, for the prior year, including Schedule C, Profit or Loss from Business or Profession, and any other applicable attachments.
2. A certified accountant's financial statement showing the net annual income of the business.

#### **Unemployment Compensation**

1. An original benefit notice or unemployment check-stub, or computer printout from the unemployment agency showing the weekly benefit rate.

#### **Workers' Compensation or Disability Benefits**

1. A check-stub or an original benefit notification letter from the benefit provider that verifies the payment schedule and the gross benefit amount.



**Social Security or Supplemental Security Income**

1. An original award or benefit notification letter from the Social Security Administration.
2. A computer printout from the Social Security Administration.

**Public Assistance**

1. An original award or benefit notification letter from the welfare agency.
2. A signed and dated letter on the agency's letterhead specifying the gross monthly benefit amount.

**Pension or Retirement Income**

1. An original benefit notice from the pension provider that verifies the payment schedule and the gross benefit amount.
2. An original check-stub from the pension provider showing the monthly gross benefit amount.

**Interest Income**

1. An account statement or passbook from the financial institution showing the current balance in a savings account and the rate of interest.
2. A statement or letter from the financial institution that identifies the type of account, the current balance, rate of return, and the penalty for early withdrawal.

**Dividends**

1. An original monthly or quarterly statement or a letter from the broker or financial institution showing the value of the stock or bonds and the projected earnings.

**Rents, Royalties, and Estates and Trusts**

1. Any rental income received may be verified by a certified IRS tax return with schedule E, Rental Income, for the previous year, or by the current lease or lease renewal agreement.
2. The market value of real estate is verified by the municipal tax office's assessed valuation (if it uses approximate market value), or by an appraisal from a licensed real estate broker.
3. Verification of the household's expenses includes documentation such as a statement from the lender stating the monthly interest and the outstanding balance of any mortgages and/or loans on the property, property tax statements, insurance premiums, receipts for reasonable maintenance and bills for owner-furnished utilities.
4. A letter or financial statement from the administrator of the trust showing the current balance of the trust, the schedule of any periodic payments to household members identified as recipients of the trust, and the extent of access that the household members have to the trust.

**Educational Assistance**

1. An original benefit notice from the educational provider that verifies the payment and the benefit amount.

**Alimony or Child Support**

1. A computer print-out from the agency that monitors payment.
2. The original court order, separation or settlement agreement, or divorce decree stating the amount of payment, the type of support, and the payment schedule.

**Other Income**

1. A letter from the provider of the lump-sum that verifies the total amount the household received and the date the lump-sum payment was issued to the household.
2. A notarized certification from the head of household that identifies the source of the payment, the date the household received the lump-sum and the total amount received.
3. A notarized certification from the head of household of amounts in a safe deposit box and cash on-hand that the household has elected not to put into savings accounts.

Please contact your assigned NJDCA/DH&CR Regional Representative should you have any questions regarding this issue.

  
SIGNED \_\_\_\_\_  
Mary Ann Barkus, Manager  
Community Services Element

c. Richard Osworth, Division Director  
CSBG Related State Staff