
FOOD AND NUTRITION SERVICES CERTIFICATION**INCOME AND RESOURCES****FNS 360 DETERMINING BENEFIT LEVELS**

FNS 360 Determining Benefit Levels**CHANGE# 01-2025****OCTOBER 1, 2025****360.01 DEDUCTIONS AND MAXIMUM ALLOWABLE RESOURCES****A. Standard Allowance for Utilities**

1. Heating and Cooling Standard Utility Allowance (SUA)
2. Non-Heating/Non-Cooling Basic Utility Allowance (BUA)
3. Telephone Utility Allowance (TUA)

Current SUA, BUA, and TUA Amounts			
Food and Nutrition Services Unit Size	SUA	BUA	TUA
1	\$637	\$392	\$42
2	\$699	\$431	\$42
3	\$768	\$474	\$42
4	\$837	\$518	\$42
5 or more	\$912	\$564	\$42

Roomers, boarders and foster children who are not included in the Food and Nutrition Services (FNS) unit and ineligible students are not included in the unit size for calculation of the standard allowance for utilities.

B. Standard Deduction

A standard deduction is allowed for Food and Nutrition Services unit (FNS unit) each month according to household size. Only **eligible** FNS unit members are included in the household size for calculation of the standard deduction. The amount is automatically calculated by NC FAST.

Effective October 1, 2025:

Household Size	Standard Deduction
1	\$209
2	\$209
3	\$209
4	\$223
5	\$261
6+	\$299

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C. Earned Income Deduction

Twenty percent of earned income is deducted.

D. Maximum Allowable Resource Limits for Non-Categorically Eligible households

1. \$4,500 for FNS units with a member age 60 or older or disabled.
2. \$3,000 for all other FNS units.
3. \$4,500 or more of winnings from gambling, lottery, bingo, or cash prizes, households are no longer eligible for FNS benefits.

E. Dependent Care Deduction

Allow as a deduction any dependent care expenses incurred and payable for a dependent child or adult under the age of 18 and for individuals with disabilities of any age in the FNS unit. Allow activity fees that are associated with the care provided to the dependent that are necessary for the household to participate in the care. Activity fees do not have to be mandatory to be deductible. Examples of activity fees that may be deductible include cost of an art class for an after-school program, additional equipment fees charged for attending sports camp, or the cost of field trips sponsored by summer camps.

F. Excess Shelter Deduction

The maximum excess deduction for FNS units without a specified person is \$7~~44~~ each month. There is no limit for FNS units with a specified person as defined in Section 212.02, Specified Person.

G. Homeless Shelter Allowance

Households in which all members are homeless, are allowed a standard or excess deduction for incurred/responsible or anticipated shelter expense. The homeless shelter standard deduction is \$198.~~99~~ per month.

Homeless Individual: An individual who lacks a fixed and regular night-time residence or whose primary night-time residence is:

1. A supervised shelter designed to provide temporary accommodation.
2. A halfway house or similar institution that provides temporary residence for individuals intended to be institutionalized.

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3. Temporary accommodation in the residence of another individual for no more than 90 days.
4. A place not designed for or ordinarily used as a regular sleeping accommodation for people (a hallway, a bus station, a lobby or similar place).

To be eligible for the homeless shelter allowance, a household must be responsible or reasonably expect to incur shelter costs during a month. Homeless households are not eligible for the shelter allowance if they are not responsible for paying or anticipate paying shelter cost during the month.

5. Document the case with:
 - a. The household's status as a homeless household; **and**
 - b. The household is responsible for shelter expenses that entitle it to the homeless shelter deduction during the budget month; **and**
 - c. The amount the household declares is responsible for paying shelter expenses.
6. Standard verification for homeless shelter expenses:
 - a. Statements from employees and volunteers of homeless shelters, halfway houses, etc.
 - b. Statements from individuals who made temporary accommodations available
 - c. Statements from providers of social services

If a household has difficulty in obtaining traditional types of verification of shelter costs, use prudent judgement in determining if verification is adequate.

Note: A homeless individual claims to have incurred/responsibility of shelter costs for several nights at a hotel. If costs reported are reasonable, accept this information as adequate and allow the household to use the shelter estimate.

7. No other shelter costs, including the utility standard or telephone standard, may be used if the homeless shelter allowance is used. The homeless shelter allowance also may not be used if the household claims shelter costs that exceed the allowance. Higher or other shelter costs must be handled as a part of the shelter expense deduction in which case the household may or may not receive an actual deduction.

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8. **Note:** If the Homeless Shelter Deduction is not allowed, then SUA, BUA or TUA may be allowed if applicable.

360.02 MAXIMUM MONTHLY INCOME AND ALLOTMENT**A. Maximum Monthly Income - Effective October 1, 2025:**

Food and Nutrition Services Unit Size	200% Maximum Allowable Gross Income Limit	130% Maximum Allowable Gross Income Limit	100% Maximum Allowable Net Income
1	\$2,610	\$1,696	\$1,305
2	\$3,526	\$2,292	\$1,763
3	\$4,442	\$2,888	\$2,221
4	\$5,360	\$3,483	\$2,680
5	\$6,276	\$4,079	\$3,138
6	\$7,192	\$4,675	\$3,596
7	\$8,110	\$5,271	\$4,055
8	\$9,026	\$5,867	\$4,513
Each additional member	(+) \$918	(+) \$596	(+) \$459

B. Maximum Allotment - Effective October 1, 2025, to September 30, 2026

Food and Nutrition Services Unit Size	Maximum Allotment
1	\$298
2	\$546
3	\$785
4	\$994
5	\$1,183
6	\$1,421
7	\$1,571
8	\$1,789
Each additional member	(+) \$218

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360.03 INCOME STANDARDS FOR SEPARATE FOOD AND NUTRITION SERVICES UNIT STATUS

Certain elderly and disabled persons may be granted separate FNS unit status when living with others, if the income of the people with whom they reside does not exceed the maximum allowable monthly amounts shown below. Refer to Section 210, Household Concept, for further instructions.

Maximum Monthly Income - Effective October 1, 2025:

Food and Nutrition Services Unit Size	165% Maximum Allowable Gross Income Limit
1	\$2,152
2	\$2,909
3	\$3,665
4	\$4,421
5	\$5,177
6	\$5,934
7	\$6,690
8	\$7,446
Each additional member	(+) \$757

360.04 CALCULATION OF BENEFIT LEVEL**A. General Policy**

Use the [DSS-1700, Application Worksheet](#), to manually determine the monthly allotment:

1. If there is a system failure; **or**
2. To prepare a trial budget. See [DSS-1700, Application Worksheet](#), instructions in 360.04, D.

B. Income Eligibility Standards

Use the gross and net income eligibility standards to determine the eligibility of the FNS unit. These standards are based on the monthly countable income of the FNS unit and are shown in 360.02, A.

1. FNS units without a specified member are subject to the gross and net income eligibility standards.

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2. FNS units with a specified person as defined in Section 212.02, Specified Person, are subject only to the net income eligibility standard.
3. Categorically eligible FNS units are not subject to the gross or net income eligibility standards.

C. Conversion

1. When appropriate, convert income and expenses to a monthly amount if the income is received or the expense is billed:
 - a. More frequently than monthly, such as weekly or every two weeks; **and**
 - b. They are expected to continue for the entire month.
2. Convert the income and/or expenses to a monthly amount by multiplying:
 - a. Weekly amounts by 4.3; **or**
 - b. Bi-weekly (every 2 weeks) amounts by 2.15; **or**
 - c. Semi-monthly (twice per month) amounts by 2.

D. Rounding Policy

Unless otherwise noted, use standard rounding procedures to round to two decimals (cents).

1. Round down when the third decimal is 4 or less.
Example: $\$100.22 \times 2.15 = \215.473 round to $\$215.47$.
2. Round up when the third decimal is 5 or more.
Example: $\$100.33 \times 4.3 = \431.419 round to $\$431.42$.

E. Instructions for completing [DSS-1700](#) , [Application Worksheet](#)

1. Enter total monthly gross self-employment income.
2. Enter total monthly self-employment business costs.
3. Subtract line 2 from line 1. **Result** is the Net monthly self-employment income before taxes.
4. Add line 3 and all monthly wage and salary income.
5. Enter monthly income received from educational grants, scholarships, or loans.

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6. Enter monthly tuition and mandatory fees.
7. Subtract line 6 from line 5.
8. Add line 4 and line 7.
9. Add line 8 and total countable monthly unearned income.
10. Enter farm loss from line 3.
11. Subtract line 10 from line 9. **Result** is Gross Monthly Income.
12. Multiply line 4, gross monthly earned income, by 20%, the earned income deduction. See 360.01, C.
13. Enter the monthly standard deduction based on the FNS unit household size. See 360.01, B.
14. If applicable, enter total allowable medical expenses.
15. Enter the Medical threshold amount.
16. Subtract line 15 from line 14. **Result** is medical expenses allowable.
17. Enter allowable dependent care expenses.
18. Enter legally obligated child support.
19. Enter Homeless Shelter Deduction. Note: Homeless individuals cannot receive both the Homeless Shelter Deduction and shelter and utility deductions. Workers must evaluate to determine the best benefit to the client.
20. Add lines 12, 13, 16, 17, 18, and 19 and enter total.
21. Subtract line 20 from line 11. **RESULT:** Net monthly income after all allowable deductions except shelter expenses.
22. Total shelter and utility expenses.
23. Divide line 21 by 2.
24. Subtract line 23 from line 22. Result equals excess shelter costs.
25. Subtract line 24 from line 21. **RESULT:** Net monthly income after all allowable deductions. If this amount is more than the net income eligibility limit, deny or terminate the case. If less than the limit, continue to 26.

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26. Enter maximum allotment for FNS unit size.

27. Multiply line 25 by 30%.

28. Subtract line 27 from line 26. **Round the result down to the whole dollar.**

Example: \$192 - \$30.10 = 161.90, round down to \$161. (Line 29)

All one and two-person FNS units must receive a minimum monthly allotment of \$24 before proration of the initial monthly allotment.

Refer to [Figure 360-1](#) for an example of a completed [DSS-1700, Application Worksheet](#).

F. Proration of Initial Month's Benefits

1. NC FAST automatically prorates from the date of application. In some instances, proration is not applicable. NC FAST will prorate based on how information is entered into the system. The first month's benefits are not prorated when:
 - a. Adding a new member to a participating FNS unit.
 - b. A migrant or seasonal FNS unit participated in the FNS program for any part of the benefit month prior to the month of application.
 - c. An application for recertification is reopened because it is determined that information was provided within the first 30 days.
2. For manual calculations, use the formula in 360.04, F. 3.
 - a. Use a standard 30-day calendar month. A FNS unit applying on the 31st of a month is treated as though it applied on the 30th.
 - b. When an application is denied because of a FNS unit delay, reopen the application if the FNS unit takes the required action within 30 days of the denial. Consider the month that the application is reopened the initial month. For proration purposes, change the date of application to the date the information is received.
3. Determine manually the amount of the prorated allotment using the following formula.

$(31 - \text{Date of Application}) \times \text{Full Month's Benefits}$ = Prorated Allotment

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- a. Total days in a month are 31.

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- b. Date of application.
- c. Subtract line b from line a.
- d. Multiply line c. by the full monthly allotment on line 28.
- e. Divide lined by 30. Round down to whole dollars. Result is prorated allotment.

EXAMPLE: A FNS unit's date of application is the 18th and the monthly allotment is \$256. The computation is:

$$\begin{array}{r} \frac{(31-18) \times \$256}{30} \\ \frac{(13) \times \$256}{30} \\ \frac{\$3328}{30} \\ \$110.00 \end{array} \quad \text{Prorated Allotment}$$

- 4. If the prorated allotment is less than \$10, issue no benefits for the initial month. If the allotment prorates to zero, **do not deny** the application.