

APPENDIX 25-C

FOOD STAMP ALLOTMENT PRORATION

The amount of food stamps that an AG receives each month is determined by subtracting 30 percent of the AG's net monthly income from the maximum allotment for the appropriate AG size (or by using the Basis of Coupon Issuance Tables which incorporate that calculation). However, during the initial month, the AG is entitled to only a partial allotment. Food stamp benefits are reduced in proportion to the number of days from the date of application until the end of the month. Section 4310 et seq. define an initial month for purposes of prorating benefits. Prorated allotments are calculated based on the date of application, the total number of days in the initial month and the full monthly allotment amount. The term "full monthly allotment" in this instance refers to the amount of monthly food stamp benefits to which a specific AG is entitled after all calculations.

CRIS-E calculates prorated benefits using the formula found in Section 4310.

$$\frac{\text{Full month's benefit} \times (\# \text{ days in month} + 1 - \text{date of application})}{\text{number of days in month}} = \text{Prorated allotment}$$

The sequence for calculation of the formula is first, add 1 to the number of days in the month; second, subtract the date of application from the sum calculated in the first step; third, multiply the remainder calculated in the second step by the full month's benefit; fourth, divide the product calculated in the third step by the number of days in the month; fifth, if the quotient calculated in the fourth step ends in 1 through 99 cents, round it down to the next lower dollar; and sixth, if the computation results in an allotment of less than \$10, round it to \$0.

**EXAMPLE:** An AG applies on August 11 and is eligible to receive a full monthly allotment of \$300. The initial month's allotment would be \$203, which is calculated as follows:

$$\frac{\$300 \times (31 + 1 - 11)}{31} = \$203.22, \text{ which is rounded down to } \$203$$

$$\begin{aligned} 31 + 1 &= 32 \\ 32 - 11 &= 21 \\ 21 \times \$300 &= \$6300 \\ \$6300 \text{ divided by } 31 &= \$203.22 \end{aligned}$$

**EXAMPLE:** An AG applies on August 11 and is eligible to receive a full monthly allotment of \$12. The initial month's allotment would be \$0, which is calculated as follows:

$$\frac{\$12 \times (31 + 1 - 11)}{31} = \$8.12, \text{ which is rounded to } \$0$$

$$\begin{aligned} 31 + 1 &= 32 \\ 32 - 11 &= 21 \\ 21 \times \$12 &= \$252 \\ \$252 \text{ divided by } 31 &= \$8.12 \end{aligned}$$