

DSS ADMINISTRATIVE LETTER NO. ECONOMIC INDEPENDENCE 17-2001
(LIEAP and CIP)

TO: County Directors of Social Services

ATTENTION: LIEAP Supervisors
CIP Supervisors

SUBJECT: Treatment of Per Capita Gaming Proceeds to
Members of the Eastern Band of the Cherokee Nation

DATE: October 8, 2001

I. BACKGROUND

The purpose of this letter is to provide instructions on how to treat gaming proceeds in determining Low Income Energy Assistance Program (LIEAP) and Crisis Intervention Program (CIP) eligibility for individuals who receive income from this source.

Profits from gaming operations on the Cherokee Reservation in western North Carolina are distributed to the tribal members of the Eastern Band of the Cherokee Nation. Distribution of profits to tribal members occurs semi-annually in June and December of each year.

II. GENERAL INFORMATION FOR LIEAP AND CIP

A. Profits from gaming proceeds on the reservation:

1. Apply to all LIEAP and CIP applications;
2. Are counted as unearned income; **and**
3. Are averaged over a six-month period from June to November and from December to May as gaming proceeds are distributed semi-annually in June and December.

B. Refusal to Receive Distribution of Payments

Tribal members may refuse to accept the per capita payment by signing a waiver.

1. Verify the tribal member's refusal to receive distribution of the payment by obtaining a copy of the waiver.
2. Do not count the distribution if the tribal member signs the waiver in advance of the distribution. However, if the member fails to sign the waiver in advance and the payment is received, the payment is counted as unearned income even if the tribal member returns the payment.

C. Payments to Minors and Incompetent Adults

Per capita payments to minors and incompetent adults are paid into a trust fund administered by the tribe or a fiscal agent. Payments made directly into a trust fund are excluded from consideration as income and resources.

The trust fund is only accessible upon petition to the tribe and, if approved, distributions are limited to medical or educational purposes. Refer to Section 410 of the Energy Manual regarding treatment of distributions from a trust fund.

III. LIEAP AND CIP IMPLEMENTATION INSTRUCTIONS

When the tribal member reports receipt of a per capita payment, you must treat this as unearned income.

A. Verifying the Per Capita Payment

When the tribal member reports receipt of a per capita payment, you may accept the client's statement unless questionable. If questionable, verify the amount of the payment by one of the following methods:

1. Obtain a copy of the check; **or**
2. Obtain a copy of the award letter; **or**
3. Contact the source at the following address:

Eastern Band of Cherokee Indians
Post Office Box 455
Cherokee, North Carolina 28719
Telephone (828) 497-7099

B. Budgeting the Per Capita Payment

Budget the per capita payment as unearned income.

1. Divide the semi-annual per capita payment by 6.
2. Count the result as monthly unearned income

EXAMPLE: A client applies for CIP on June 10. He reports that his race is Cherokee Indian. During the interview, you learn that in June he received a per capita payment of \$1,073 from the Cherokee Nation gaming operations. ($\$1,073 \div 6 = \178.83 , rounded to \$179). Count \$179 as countable income for the household.

IV. TRIBAL MEMBER FAILS TO REPORT RECEIPT OF PER CAPITA PAYMENT

Even though you are aware the tribal member receives a per capita payment semi-annually in June and December, it is still his responsibility to report to you when the payment is received. Refer to Section 810 of the Energy Manual for instructions for establishing LIEAP and CIP overpayments.

If you have any questions, please contact your Program Integrity Representative.

Sincerely,

Wilbert R. Morris, Chief
Economic Independence Section

AMS/bh