

## Fee Waiver Eligibility: Family Income Definition

Family Income must be determined based on the family's eligibility for free lunch. The family eligibility for free lunch is based on household income. Here is guidance from the FDA regarding what counts as household income to determine whether a family would be eligible.

### **What income is counted in determining eligibility for free and reduced-price meals?**

For the most part, all income received by the household is counted. This includes salary, public assistance benefits, social security payments, pensions, unemployment compensation and the like. The only exceptions are benefits under Federal programs which, by law, are excluded from consideration; in-kind benefits, such as military on-base housing (but not military housing allowances); certain kinds of assistance for students and irregular income from occasional small jobs such as baby-sitting or lawn mowing. For complete information, contact the school or the agency that administers the school nutrition programs in your state.

### **If a child and the child's parent live with the child's grandparent, must the grandparent's income be included on the application for free and reduced-price meals?**

A household is defined as a group of related or unrelated individuals who are not residents of an institution or boarding house but who are living as one economic unit. This means they generally reside in the same house and share expenses such as rent, utilities and food. In this example, therefore, the grandparent's income would be considered along with any income received by the parent. The principal exception to this rule would be payments for foster children, who live with a household but remain the legal responsibility of the court or welfare agency. In these situations, the child is considered to be a "household of one", and only the income actually made available to the child for personal expenses is counted in making the eligibility determination.

### **How are cases of joint custody treated?**

When joint custody has been awarded and the child physically changes residence, the child is considered part of the household where she/he resides. In these situations, if both parents apply for benefits in the same LEA for the child, and different eligibility statuses result, the greatest benefit level is used. For example, if the mother's situation results in eligibility for free meals but the father's application is denied, the child would receive free meals regardless of which parent had custody at the time.