



## PHILADELPHIA YOUTH NETWORK ANNUALIZED INCOME CALCULATION

**Instructions:** Income is a factor in determining program eligibility. To calculate the income using information provided; follow the steps below:

### Step 1: Does the participant meet a Low Income Category?

Select the low income category that applies to the participant:

<input type="checkbox"/> Disability	<input type="checkbox"/> Receiving Supplemental	<input type="checkbox"/> Receiving Refugee Assistance
<input type="checkbox"/> Receiving TANF	<input type="checkbox"/> Receiving Food Stamps	<input type="checkbox"/> Homeless
<input type="checkbox"/> Receiving General Assistance	<input type="checkbox"/> Foster Care	<input type="checkbox"/> Shelter

**\*\* Due to low income status; the family size is 1; and the income is \$0**

### Step 2: Collecting Verification Documents:

Select which document will be used to verify the annualized income from the list below:

<input type="checkbox"/> Pay Stubs	<input type="checkbox"/> Benefit Letter from Public Assistance/Social Security <u>Or</u> Disability
<input type="checkbox"/> Disability Certification Form	<input type="checkbox"/> Pension Statement
<input type="checkbox"/> Rent Adj. Letter (Housing Authority)	<input type="checkbox"/> Quarterly Estimated Tax (Self-employed)
<input type="checkbox"/> Unemployment Award/Denial Letter	<input type="checkbox"/> Self Certification Form

**If youth meets low income definition SKIP to Step 5**

### Step 3: Selecting a Calculation Method:

The method of calculation is determined based on the type of documentation collected. Please check the box next to the selected calculation.

- Use the **Year To Date Method** if the youth provides the most recent paystub with a cumulative year to date gross earnings on the paystub (Proceed to Step 3:Section I)
- Use the **Straight Pay/Salary Method** if the youth provides multiple paystubs for the most recent months of family income; and there is no variation in the wage (Proceed to Step 3: Section II)
- Use the **Average Pay Method** if the youth provides multiple paystubs with varying wage amounts (Proceed to Step 3:Section III)
- Use the **Intermittent Work Method** if the youth cannot provide proof of steady income; but has multiple sources of income from multiple employers

### Step 4: Calculating the income:

Answer the following questions and use the annual income to determine eligibility. Attach documentation to the form.

#### Section I: Year to Date Method

- a) How much is the year to date gross earnings amount \$ \_\_\_\_\_
- b) Number of weeks worked up to pay period ending since Jan 1. \_\_\_\_\_
- c) **Divide** the amount in **A** by the number of weeks in **B**, which equals weekly amount \$ \_\_\_\_\_
- d) **Multiply C** by "52", which equals annual income \$ \_\_\_\_\_

#### Section II: Straight Pay/Salary Method

- a) How much is the gross wage amount \$ \_\_\_\_\_
- b) What is the pay frequency (Weekly=52; Bi-Weekly=26, Monthly=12)? \_\_\_\_\_
- c) **Multiply A** by **B**, which equals annual income \$ \_\_\_\_\_

#### Section III: Average Pay Method

- a) Add the gross wage amount of each pay \$ \_\_\_\_\_ + \$ \_\_\_\_\_ + \$ \_\_\_\_\_ + \$ \_\_\_\_\_ = \$ \_\_\_\_\_
- b) Number of Paystubs provided? \_\_\_\_\_
- c) What is the pay frequency (Weekly=52; Bi-Weekly=26, Monthly=12)? \_\_\_\_\_
- d) **Divide** the amount in **A** by the number of paystubs in **B**, \$ \_\_\_\_\_
- e) **Multiply D** by **C**, which equals annual income \$ \_\_\_\_\_

All calculations must be displayed and the source of income must be listed. If the income and family size requirement has been waived due to a special condition, you must list the condition in the space provided below (i.e.-Disability Certification Form Attached).

**Step 5: Determining WIA Eligibility**

*\*\*If youth is low income, the family size is 1 and the income is \$0*

**INCOME CHART**

Household Size	Annual Income Limit	Household Size	Annual Income Limit	Household Size	Annual Income Limit	Household Size	Annual Income Limit
1	\$9,505	3	\$21,379	5	\$31,148	7	\$41,700
2	\$15,578	4	\$26,392	6	\$36,424	8	\$46,976

Calculated Annual Income: \$ \_\_\_\_\_ Number in the Family: \_\_\_\_\_ WIA Eligible  YES  NO

Certifier Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**STRAIGHT PAY OR SALARY METHOD**

Under the Straight Pay Method, the youth supplies a sample of pay stubs covering the most recent months of family income. (Verify there is no variation in the wages for any of the pay stubs submitted.)

Calculate the income based upon the wages indicated on one of the pay stubs and pay period represented by the pay stubs, (usually weekly, bi-weekly, or monthly). The gross income is multiplied the number of pay periods in a year. The result will be the annualized income used to determine eligibility.

Example: Five (5) pay stubs are provided. Each indicates gross wages of \$548.00 each. The pay frequency is bi-weekly. Multiply the gross wages indicated on the pay stub by the frequency occurrence.  
(i.e. 26 X \$548= \$14,248)

**AVERAGE PAY METHOD**

Under the Average Pay method, sample pay stubs are submitted which show variations in the gross earnings. The variation may result from overtime, lost time or work for different employers.

In calculating the annualized income, determine the average gross earnings based upon the number of pay stubs provided. To determine the average gross earnings, total all the gross earning of all the pay stubs provided. –Divide the result by the number of pay stubs. The result will be the average gross earnings per pay period. After determining average gross earnings divide by the number of pay periods in a year.

Example: A youth provides the contractor with six (6) pay stubs with gross earnings of: \$534.00, \$475.00, \$398.00, \$534.00, \$498.00, and \$534.00. The pay frequency is weekly. The contractor should do the following:

Add: 534 + 475 + 398 + 534 + 498 + 534 = \$2973.00  
Divide: \$2973/6 = \$495.50 = Average gross earnings  
Multiply: \$495.50 X 52 = \$25,766 Annualized Gross Income

**YEAR-TO-DATE METHOD**

Under the Year-To-Date Method of calculating annualized gross income, the youth provides recent pay stubs with cumulative year-to-date gross earnings on the pay stub. To compute the annualized income, count the number of pays that have occurred since January 1, and then divide that number into the gross year-to-date earnings indicated on the pay stub. (After this computation, the stops are the same as for the average pay method.) The result of this computation (average gross income per pay period) is the multiplied by the number of pay periods in a year to determine the annualized gross earnings.

Example: The youth provides the contractor with a recent pay stub whose gross year-to-date earnings are \$13,756. The pay period ended September 30, 2000. The pay frequency is bi-weekly. Upon counting the number of pays that have occurred since January 1, 2000, the contractor has determined that the youth has been paid 19 times. Calculation of the gross annualized income would be done as follows.

Divide: \$13,756 by 19 bi-weekly pays = \$724.00  
Multiply \$724.00 by 26 = \$18,824 (based upon bi-weekly pay frequency 26 pays per year)  
OR  
Divide \$13,756 by 38 weekly pays = \$362.00  
Multiply \$362.00 by 52 = \$18,824 (based upon weekly pay frequency 52 pays per year)

**INTERMITTENT WORK METHOD**

When a youth has not had steady work with one or more employers, she/he should supply as many pay stubs as possible and complete an Application Statement explaining all missing pay stubs and non-work periods during the last six months. In such cases, gather the total of all wages for the six month period and multiply the result by two to annualize the wage income.

If the youth reports little or no includable income, as shown above, she/he should indicate other resources relied upon for life support during the last six months on the Application Statement. Such resources may include such things as unpaid debts, gifts, loans unemployment compensation, etc.