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**DCSE Policy & Procedures Unit**  
**Policy Update**  
**PPU 05-05-002**  
**May 17, 2005**

**SUBJECT: Grant Diversion Cases**  
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Please contact the Policy Unit if you have any questions regarding these or any other changes at  
\*DCSE-POLICYQUESTIONS, CSE.POLICY or (602) 274-7951.

*The IV-D PARTNERS should send POLICY inquiries directly to PGriffin@azdes.gov*  
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Cash Assistance (CA) Grant Diversion is a TANF-funded program created to meet a specific crisis situation or episode of need and is meant to eliminate the need for ongoing cash assistance for applicants who are employed, have a job offer, or are likely to obtain employment, but are faced with an immediate need. Grant diversion is a one-time non-recurring payment made no more than once over a twelve-month period to meet a specific need that does not extend beyond a three-month period. The CA Grant Diversion payment cannot exceed the total amount of TANF the applicant would be eligible for in the three-month period the grant diversion is intended to cover. If the applicant is approved for cash assistance during the three-month diversion period, the diversion amount is prorated over the three months and included in the unreimbursed amount just as if the recipient had been approved for cash assistance instead of grant diversion.

**Although CA Grant Diversion is funded by TANF, it is not included in the amount of unreimbursed public assistance because it is considered temporary relief. Grant diversion is not subject to the assignment of rights.**

Many CA Grant Diversion cases interfaced to ATLAS as regular TANF cases in error. Systems & Automation Administration (SAA) has corrected the problem and CA Grant Diversion cases no longer interface to ATLAS.

Staff can identify CA Grant Diversion cases by reviewing two **AZTECS** screens:

- **CASE PROFILE – PAGE 2 (CAP2)**  
There is an indicator on the **CAP2** screen in the top right corner of the screen under the Case Number field called CASH DIV. If a “Y” has been entered in this field, this case is a grant diversion case.
- **AFDC BENEFIT HISTORY (AFBH).**  
The **AFBH** screen will contain **D1** or **D2** under the **NED STD** column, **SUPL** under the **BENEFIT (BEN) TYPE** column and the total grant diversion sum under the **BENEFIT AMOUNT (BEN AMT)** column.

The grant diversion amount can be found in ATLAS on the **CP TRANSACTION LIST (CPTL)** screen. The amount of the grant may appear several times, or just once.

Grant diversion cases that interfaced in error must be closed to clear the grant record, so in the event the recipient goes on TANF at a later date, the case can reopen and start with a correct grant record. SAA will clear the grant records.

Since it is not known at the time of the application or interview with IV-A if the recipient will qualify for grant diversion, the pre-compliance process will need to be completed.

Custodial parents with active ATLAS cases that were identified as CA Grant Diversion cases were sent letters informing them that they must provide a IV-D application in order for DCSE to continue working their cases. If they do not respond within ten days, their case will be closed by the Help Desk. Undeliverable letters will be forwarded to SAA. If the undeliverable letter is returned with a new

address, the letter will be remailed to the new address. If there is no address, Loss of Contact (912) closure notices will be sent out. If documents are returned along with the letter, they will be forwarded to the appropriate regional office for the next action.

Should the custodial parent provide an IV-D application, **CAAL** must be updated with the code **I0010 NPA APPLICATION RECEIVED** and a note entered in the narrative that this is a grant diversion case. The worker must complete research to determine if the program code will be changed to **FAI** if the custodial parent was on TANF prior to receiving grant diversion monies, or **NAI** to reflect that the custodial parent was never and currently is not on TANF. The worker shall complete the Case Program Code Change form, indicating on the form that it is a grant diversion case, and that the custodial parent has applied for IV-D services. The worker shall fax the completed form to the Help Desk.