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In Re: P.S.  
Cite as 4 *N.J.A.R.* 230

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## IN THE MATTER OF P.S.

Decided October 16, 1979

### Initial Decision

#### SYNOPSIS

Petitioner appealed the action of a local county welfare board which sought to reduce her AFDC grant because of a \$200 a month student stipend she received.

The administrative law judge found that petitioner was enrolled in a two-year training program in Radiologic Technology and that the stipend she received was used to defray the cost of transportation, equipment, supplies, books and uniforms; none of the stipend was used to defray petitioner's usual living expenses.

Accordingly, the administrative law judge determined that the proposed reduction in assistance was improper.

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#### **ERRICKSON, ALJ:**

Petitioner appeals from a Notice of Determination, dated August 16, 1979 by the Warren County Welfare Board wherein she was informed that the monthly Aid for Dependent Children (AFDC) payments which she had been receiving would be reduced from \$255 to \$55 effective September 1, 1979. The Board contends that the reduction of petitioner's AFDC payment is required by the provisions of *N.J.A.C* 10:82-1.8 and *N.J.A.C* 10:82-1.7(b).

The single issue presented in this contested matter is whether the existing regulations require that the \$200 which petitioner receives as a stipend from the Hunterdon Medical Center, where she is enrolled with a first year grade average of 95 per cent in its Radiologic Technology Program, should be disregarded when computing the AFDC grant to which petitioner is entitled.

Having considered the testimony of witnesses at the hearing and the documents entered into evidence at the hearing, I **FIND** the following to be the relevant facts:

1. Petitioner is enrolled with a 95 per cent first year grade average in a two year training program in radiologic technology. The program requires that she be in a daily attendance Mondays through Fridays and every third Saturday at the Hunterdon Medical Center, Flemington, which necessitates a sixty mile

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round trip from her home in Phillipsburg where she lives with her dependent four year old child.

2. Petitioner received a stipend of \$100 per month from the Hunterdon Medical Center during her probationary period from July 1, 1978 to June 30, 1979. That stipend increased to \$200 per month beginning July 1, 1979.
3. No deduction from petitioner's AFDC grant has, in fact, been made to date. Petitioner, however, was notified that she will be held responsible for any overpayment from September 1, 1979 in the event she does not prevail in this proceeding.
4. Effective September 1, 1979 the relevant regulations (with the August 1979 amendment indicated by underlining) were as follows:

*N.J.A.C.* 10:82-1.8:

Parent Regularly Attending School (All Segments)

When a parent of an eligible child is a student regularly attending school as defined in Section 130, the provisions of Sections 125.2 and 125.3 shall apply.

*N.J.A.C.* 10:82-1.7(b)

Any scholarship, grant or student loan received by such child, whether from federal, State or other public or private source, shall be disregarded in computing the grant so long as the child continues to attend school and meets the conditions under which such monies are granted.

- a. *This disregard includes funds received through college work-study programs. Stipends provided for living expenses are not disregarded.* (emphasis added)

5. The controverted monthly stipend of \$200 is provided by the Hunterdon Medical Center to defray the cost to students for transportation, equipment, supplies, books and uniforms. This finding is grounded on the following uncontroverted statement of the Director of the School of Radiologic Technology:  
... Since the inception of the school payment of a stipend has been made for two purposes. First to aid in the cost of transportation which in our situation without any public transport and with no housing at the hospital is significant cost to the student. Secondly to help with costs of required equipment and supplies such as books and uniforms.
6. Respondent's travel expenses, computed at sixteen cents per mile, twenty-two days per month, at sixty miles per round trip

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exceed \$200 per month exclusive of consideration of her costs for uniforms, supplies and equipment.

Since the school provides no room and board for its students and the controverted stipend is less than sufficient to defray travel expenses, a designated purpose for the stipend, I conclude, after a careful review of the relevant facts, that the controverted stipend was not made available to defray petitioner's ordinary living expenses of housing, food, shelter and utilities but was provided and is being totally used in defrayment of the expenses for which it was authorized.

Accordingly, having concluded that the \$200 stipend is neither being used nor utilized to defray petitioner's living expenses, it is ordered that the \$200 monthly stipend from the Hunterdon Medical Center be disregarded when computing the AFDC grant to which petitioner is entitled. It is further ordered that, given continuation of the above factual context, no reduction of petitioner's AFDC grant shall be made as a result of the controverted \$200 stipend until the anticipated completion of petitioner's program of study in 1980.

**After reviewing this Initial Decision the Division of  
Public Welfare on November 28, 1982, issued the following  
Final Decision:**

The initial decision in this case is accepted and incorporated herein. The proposed action to reduce assistance is reversed.