

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814



February 9, 1998

ALL-COUNTY LETTER NO. 98-07

TO: ALL COUNTY WELFARE DIRECTORS
ALL FOOD STAMP COORDINATORSSUBJECT: FOOD STAMP EMPLOYMENT
AND TRAINING PROGRAM
PLAN FEDERAL FISCAL YEAR 1998REASON FOR THIS TRANSMITTAL

- State Law Change
- Federal Law or Regulation Change
- Court Order or Settlement Agreement
- Clarification Requested by One or More Counties
- Initiated by CDSS

The purpose of this letter is to inform counties of the Food Stamp Employment and Training (FSET) county plan process and provide planning allocations for Federal Fiscal Year (FFY) 1998. Counties operating an FSET program should complete all pertinent sections of the plan, applicable component pages, include any additional comments in designated sections or attach narrative as necessary, and certify compliance with federal requirements. Counties not participating in FSET this year need only complete Enclosure IV of the plan and submit the STAT 40 each quarter to the Department.

In developing their plans, counties should take into account the new work requirements which were established by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. In order to remain eligible for food stamps, non-exempt able-bodied adults without dependents (ABAWDs) are now required to work 20 hours per week, participate in a workfare program which meets standards approved by the Governor, or participate in an allowable FSET activity for 20 hours per week. Job club/job search, as a stand alone component, does not count toward meeting the 20-hour work requirement.

Please note that the list of available components on Table 4 has been expanded to allow drug rehabilitation or alcohol rehabilitation to be combined with vocational training or education. However, the federal government requires that drug or alcohol rehabilitation constitute only a minor part of such combined components. For example, a county can require a maximum of five hours of participation in drug rehabilitation per week with the balance of the twenty-hour requirement being met by attending education classes. Additionally, the United States Department of Agriculture (USDA) authorized the state to use a new self-initiated workfare activity. Please see Enclosure I for a description of the activity. It should also be noted that federal law allows, as part of the workfare component, participation in job search for up to 30 days before making workfare assignments.

Counties must include a brief description of the program; complete Tables 1, 2, 4, 5 and Enclosure IV (enclosed). Also, the plan must include the following information: 1) a brief description of the methods used for obtaining the initial work registrants count; and 2) an explanation of whether the count is duplicated or unduplicated, and, if duplicated, what portion of the count is duplicated.

The Balanced Budget Act (BBA) of 1997 permits states to exempt 15 percent of its ABAWD population that is in danger of losing eligibility for the Food Stamp Program for not meeting the work requirement. The exemption has been apportioned to each county based on its share of non-assistance food stamp caseload. Enclosure III indicates the number of ABAWDs that may be exempt, on this basis, in a given month. Each county may determine the most efficient and effective manner in which to use the exemption. Please include a brief description of the criteria the county will use to grant this exemption in the county plan narrative description.

Funding for the FSET Program

The Food Stamp Act of 1977 provides \$9,925,762 to California in unmatched federal FSET funding for FFY 1998. The BBA provided an additional \$16,070,342 to California in unmatched federal FSET funding for FFY 1998. All funds are subject to final federal approval. To be eligible for this additional funding, the BBA mandated a maintenance of effort (MOE) requirement. States must spend at least as much as in FFY 1996 to administer their FSET program and optional workfare program (if applicable). In California, the Department will continue the same level of expenditure and counties, as a group, will need to do the same. Enclosure II indicates the amount of MOE expenditure that represents each county's share of the MOE requirement. Counties that choose not to meet the MOE requirement will not be eligible to receive a share of the additional unmatched federal funding. In the event a county chooses not to use the additional funds, its portion of the MOE and the additional funding will be spread to the remaining counties. Funding requested by such counties beyond the \$9,925,762, will be allocated 50 percent county, 50 percent federal.

Along with each county's MOE, Enclosure II reflects the unmatched program allocation and the allocation for the reimbursement for transportation and dependent care. These funding ratios are based on each county's percent of total statewide nonassistance food stamp caseload. Final allocations will be issued when USDA approves the final State Plan. The final allocation will be based on the request each county makes as part of the planning process and the availability of state and federal funds. In addition, funding for the FSET program is subject to state legislative approval through the budget process.

The BBA requires that **at least 80 percent** of all unmatched federal funds (both the base allocation of \$9,925,762 and the additional allocation of \$16,070,342) be spent to serve ABAWDs who are placed in and comply with a work program that meets the eligibility standards of the Food Stamp Act (e.g., a workfare program or a 20-hour per week work/training program).

Program expenditures in excess of the unmatched federal allocations can be funded, at county option, with 50 percent federal/50 percent county funds. All funding requests must be accurate and justifiable and must be identified in the county plan. To the extent that proposed services are consistent with state regulations, requests will be forwarded to USDA for approval as part of the State Plan.

Federal regulations prohibit the supplantation of local education funds with federal FSET money. If any county intends to spend FSET funds on education, e.g. a contract for classroom instruction, an explanation must be given as to why such charges are being made and why they cannot be met through existing education programs. This requirement does not apply to county costs for case managers, transportation, dependent care, etc.

County Plan Submittal

Please complete the County FSET plan tables. Each blank in the tables must be filled in. If a section of the tables is not applicable please fill in the blank with n/a. Please send one copy of your County FSET Plan and the name and phone number of your county's FSET coordinator by March 6, 1998 to:

California Department of Social Services
Employment Bureau
744 P Street, M.S. 16-33
Sacramento, CA 95814
Attention: Tony Pyara

If you have any questions, please have your staff contact Tony Pyara at (916) 657-2630. Questions concerning your allocation should be directed to the County Cost Analysis Bureau at (916) 657-3806.

Sincerely,



BRUCE WAGSTAFF
Deputy Director
Welfare to Work Division

Enclosures

c: CWDA