

**DEPARTMENT OF SOCIAL SERVICES**

744 P Street, Sacramento, CA 95814



October 26, 1998

ALL-COUNTY LETTER NO. 98-84

TO: ALL COUNTY WELFARE DIRECTORS  
ALL FOOD STAMP COORDINATORS

## REASON 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

SUBJECT: FOOD STAMP EMPLOYMENT AND  
TRAINING PROGRAM PLAN FFY 1999

The purpose of this letter is to inform counties of the Food Stamp Employment and Training (FSET) planning process for Federal Fiscal Year (FFY) 1999. Please complete the enclosed county FSET plan and provide all pertinent data.

The plan follows the United States Department of Agriculture (USDA), Food and Nutrition Service (FNS) requirement for plan format and meets all existing plan requirements. The plan simplifies the county planning process by providing a detailed fill-in and check box plan format with space available for comments and/or explanation. While it may appear there is some duplication in the plan, all items are required in order to obtain federal approval.

Counties operating a program should complete all pertinent sections of the Handbook on Preparing County Plans for Food Stamp Employment and Training Programs (enclosed), and include any additional comments in designated sections or attach narrative as necessary. Counties not participating in FSET this year need only complete Tables 1 and 1A. Each county will need to complete the plan as it pertains to the county and submit it by **December 1, 1998**.

In developing their plans, counties should take into account the 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 required to work 20 hours per week, participate in workfare or participate in an 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.

Counties may continue to combine elements of traditional components with drug and alcohol rehabilitation. Such activities are only allowable if they are not considered "medical," i.e., a course(s) of treatment provided by licensed physicians, psychologists, etc., intended to treat a diagnosed condition. Instead, they must provide social and support services (discussion groups, general counseling, etc.) that can be directly linked to advancing an FSET participant's employment opportunities. If such activities are medical in nature, as defined above, they would likely be considered good cause for an exemption from work requirements. Such activities must

constitute only a minor portion of a component. For example, a county could require a maximum of one to five hours of participation in drug rehabilitation per week with the balance of the 20-hour requirement being met by attending a qualifying work activity.

The Balanced Budget Act (BBA) of 1997 permits states to exempt 15 percent of its ABAWD population that is in danger of losing food stamp eligibility for not meeting the work requirement. Each county agency may apply this exemption as it deems appropriate. Counties may determine the most efficient and effective manner in which to use the exemption. Attachment I indicates the number of additional exemptions counties can use each month. The criteria counties use to allocate the additional exemptions must be described in the plan.

#### Funding for the FSET Program

USDA provided California with \$10,520,124 in regular unmatched funding, and \$3,887,054 in supplemental unmatched funding. Expenditures beyond the regular funding and participant reimbursement is matched by federal and state participation. Each participating county's FFY 1999 grant is based on its share of the statewide non-assistance food stamp caseload. Only counties which intend to satisfy their maintenance of effort (MOE) requirement in accordance with section 16(1)(F) of the Food Stamp Act may spend the supplemental funding.

Attachment II lists each county's 100 percent program allocation grant, the participant reimbursement allocation for transportation and dependent care, and the MOE. These funding ratios are based on the availability of federal and state funds.

The BBA requires that at least **80 percent** of all unmatched FSET expenditures be used to serve ABAWDs in qualifying ABAWD activities i.e., a workfare program or an allowable 20-hour per week work/training program. Expenditures for non-qualifying components, such as job club, that exceed **20 percent** of a county's FSET expenditures will be matched at the 50 percent federal, 50 percent county rate.

FSET Program expenditures in excess of the 100 percent allocation and the 50 percent federal/35 percent state/15 percent county allocation are funded, at county option, 50 percent federal/50 percent county funds. All fund requests must be identified in the county plan. To the extent that proposed services are consistent with state regulations, requests will be forwarded to FNS for approval as part of the State Plan. Final allocations will be issued when FNS approves the 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.

The BBA requires monitoring of state expenditures for Federal Employment and Training funding. Effective October 1, 1998, USDA implemented a reimbursement rate for individual components. The rates are to ensure that the money counties spend creating workfare slots and 20-hour-a-week education and training opportunities for ABAWDs reflects the reasonable cost of

efficiently and economically providing those activities. The rates will provide a ceiling of what FNS estimates to be the reasonable maximum cost of providing the work opportunities.

FNS is establishing one reimbursement rate for both workfare and 20-hour a week education and training components. Recognizing the uncertain level of compliance with various work requirements among the ABAWD population, FNS is setting two levels for the reimbursement rate—one level for filled work slots and the other for unfilled or “offered” work slots. A slot is “filled” when a participant reports to a work or training site to begin his or her work activities and each month they remain in that activity. A slot is “offered” when a bona fide workfare or training opportunity is made available to a participant (i.e., the participant is told to report to a work site at a given date and time) but the participant either refuses the assignment or does not report. In the case of self-directed workfare programs FNS will reimburse counties only for filled slots.

The rates established for FFY 1999 are the following:

Offered work Slot:	\$30
Filled Work slots:	\$175

FNS will sum the number of filled and unfilled slots a county reports and multiply each by the appropriate rate. FNS will add the two resulting sums and compare that against the county’s actual expenditure of Federal FFY 1999 E&T money. If the amount spent is less than the amount allowed under the rates, the county will be required to pay that excess amount out of their own funds (which would be eligible for the standard 50 percent Federal match).

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,

***Original Document Signed By  
Bruce Wagstaff on 10/26/98***

BRUCE WAGSTAFF  
Deputy Director  
Welfare to Work Division

Enclosures

c: CWDA  
CSAC