

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814



July 19, 2000

COUNTY FISCAL LETTER (CFL) NO. 00/01-12

TO: COUNTY WELFARE DIRECTORS
COUNTY FISCAL OFFICERS
COUNTY AUDITOR CONTROLLERS
COUNTY CalWORKs PROGRAM SPECIALISTS
COUNTY WELFARE-TO-WORK COORDINATORS
COUNTY FOSTER CARE INDEPENDENT LIVING PROGRAM
COORDINATORS

SUBJECT: STATE MATCH FOR THE DEPARTMENT OF LABOR'S (DOL's)
WELFARE-TO-WORK (WtW) GRANT PROGRAM

REFERENCE: ALL COUNTY INFORMATION NOTICE (ACIN) I-14-98; I-21-00
and I-56-00. ALL COUNTY LETTER (ACL) 98-90. CFL NO.
98/99-01, 98/99-18, 98/99-19, 98/99-31, 99/00-09, 99/00-50
and 00/01-03.

The purpose of this CFL is to provide additional information on the eligibility criteria, spending guidelines, and claiming of state match funds for the DOL's WtW Grant Program. The state match funds program is known to County Welfare Departments (CWDs) as the Federal WtW Grant Program-Matching Funds.

BACKGROUND

Under the Federal WtW Grant Program awarded to the DOL, California received \$190.4 million in Federal Fiscal Year (FFY) 1998 and \$177.2 million in FFY 1999. California must provide a match of \$1 for every \$2 in federal formula funds spent. In order to get its full FFY grant amount, a state would have to assert/promise that it will provide at least the minimum required match amount. The State does not have to assert or promise to expend this level of match in the year of the award, but it does need to promise this amount of match to cover the period the State will spend the federal funds which is up to three years. Failing to meet the match requirement will result in a reduction to the total WtW Grant award of \$2 for each \$1 shortfall in matching funds. The California Department of Social Services (CDSS) monitors the overall use of expenditures meeting the Federal WtW Grant Program-Matching Funds requirements as reported by the counties on a quarterly basis. At this time, there is concern that the Federal WtW Grant Program-Matching Funds are under-utilized due to the low amount of expenditures reported to date.

In order to meet the matching requirement for the first year DOL WtW Grant award, a little over \$95 million in matching funds must be expended by June 30, 2001. An additional \$88.6 million must be expended by June 30, 2002, to meet the second year DOL WtW Grant award. For State Fiscal Year (SFY) 2000/2001, approximately \$39 million has been authorized as State match to fulfill the first year requirement. Additional information on the Federal WtW Grant Program-Matching Funds allocation for SFY 2000/2001 is provided in CFL No. 00/01-03.

Effective July 1, 2000, the new eligibility criteria and allowable activities are to be implemented using only nonfederal funds until the expenditure of federal WtW formula funds are permitted beginning October 1, 2000. The match must be expended for WtW Grant allowable costs and activities for any WtW Grant eligible individuals.

The 70 percent and 30 percent spending restrictions on the DOL federal funds referenced in ACIN I-56-00 do not apply to the Federal WtW Grant Program-Matching Funds. The matching fund exception applies to the Federal WtW Grant Program-Matching Funds allotted to CWDs and any of the funds passed through to entities from the CWDs.

ELIGIBILITY CRITERIA

Effective July 1, 2000, the eligibility requirements are listed below.

1. Current recipients of California Work Opportunity and Responsibility to Kids (CalWORKs)/Temporary Assistance to Needy Families (TANF) assistance:
 - (a) who have received assistance for at least 30 months or more (consecutive or not), or
 - (b) who have characteristics of long-term welfare dependence. Characteristics associated with or predictive of long-term welfare dependence includes those who have dropped out of school, had a child as a teenager, or have a poor work history. Additional characteristics and the definition of "poor work history" should be developed collaboratively between the WtW Grant and CalWORKs partners and be included in local plans, or
 - (c) who have barriers to self-sufficiency that are defined by the WtW Grant operating entities in collaboration with CWDs. Examples of such barriers are learning disabilities, domestic abuse, mental illness, homelessness, and legal problems, or
 - (d) who will become ineligible for CalWORKs assistance within 12 months due to the federal 60-month lifetime limit on aid or whose minor child is within 12 months of no longer being eligible to receive CalWORKs assistance. This includes welfare

recipients who have been exempted or received a waiver from participation in the CalWORKs Welfare-to-Work (WtW) program by the CWD, but would have faced ineligibility within 12 months without the exemption or waiver.

2. Non-Custodial Parents (NCPs). ACIN No. I-56-00 provides additional information on NCPs and the new WtW Grant Eligibility Requirements and allowable activities pursuant to H.R. 3424.
3. Young adults between 18 and 25 years of age who received foster care as a minor.
4. Custodial parents with income below the 100 percent poverty level. (These individuals do not have to be recipients of assistance to be eligible.)

SPENDING GUIDELINES

Federal WtW Grant Program-Matching Funds:

- have no administrative cap.
- may be used to hire new county staff to provide the needed research to identify eligible participants.
- may be used to contract with service providers.
- may be passed through to the local Workforce Investment Boards (WIBs).
- may be used to provide transportation, child care and ancillary expenses, as well as emergency housing, substance abuse treatment, and other supportive services.
- may be used to provide services to NCPs.
- may be used to develop protocols for sharing confidential information, identifying eligible participants and referring participants.
- may be used for intake, assessment, eligibility determination, development of an individualized services strategy and case management.
- may be used to track individuals who have been referred to ensure referrals are being served.

CLAIMING

Activities and costs associated with the Federal WtW Grant Program-Matching Funds are captured and reported on the County Expense Claim (CEC) under the following codes:

Program Code	642	
Time Study Code	6421	
PIN Codes	642031	Contracted Services
	642068	Direct Costs
	88-94	Codes Available

The expenditure of the Federal WtW Grant Program-Matching Funds is being closely monitored by CDSS and the Health and Human Services Agency. For this reason, CDSS is requesting that all counties report estimated program costs by the 25th of each month until further notice. The county name, month of expenditure and amount of expenditures should be emailed to www.gayle.pitt@dss.ca.gov. This information may also be reported by telephone to Gayle Pitt at (916) 657-1645 or Lynette Stueve at (916) 654-0951.

If you have any questions, please contact your Fiscal Policy Bureau county analyst at (916) 657-3440. Program questions regarding the WtW Grant Program are to be directed to Pat Loader, Employment Bureau, at (916) 654-1770.

Sincerely,

***Original Document Signed by
JARVIO A. GREVIOUS on July 19, 2000***

JARVIO A. GREVIOUS
Deputy Director
Administration