DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, California 95814



March 22, 2004

ALL COUNTY INFORMATION NOTICE NO I-18-04

TO: ALL COUNTY WELFARE DIRECTORS ALL EBT COORDINATORS ALL FOOD STAMP COORDINATORS ALL COUNTY FISCAL OFFICERS **REASON FOR THIS TRANSMITTAL**

[] State Law Change
[] Federal Law or Regulation Change
[] Court Order
[] Clarification Requested by One or More Counties
[X] Initiated by CDSS

SUBJECT: USE OF FOOD STAMP COUPONS BEFORE USING ELECTRONIC BENEFIT TRANSFER (EBT) BENEFITS

The purpose of this notice is to encourage counties to advise food stamp recipients to use any remaining food stamp coupons that they may have in their possession as soon as possible.

Although food stamp coupons do not have an expiration date, retailers may be reluctant to accept them after a certain amount of time has passed following implementation of EBT. This may be due to a variety of factors, e.g., costs associated with store employees manually handling and processing food stamp coupons, new staff trained exclusively on the EBT process, etc.

The EBT Project has instructed retailers to continue to accept food stamp coupons until further direction from the United States Department of Agriculture, Food and Nutrition Service (FNS); however, the State cannot guarantee that all retailers will continue to honor coupons until such time.

To the extent that counties become aware of clients who are in possession of food stamp coupons but are unable to redeem them at any local retailers, CDSS has received approval from FNS to convert the coupons into EBT benefits. The process and procedures for converting coupons to EBT benefits will be outlined in an upcoming County Fiscal Letter generated by CDSS' Fund Accounting and Reporting Bureau.

If you have any questions, please contact Stan Cagle, Manager, Program Technology and Support Bureau, at (916) 654-1529 or James Cortes, Manager, Fund Accounting and Reporting Bureau, at (916) 657-3131.

Sincerely,

Original signed by

DEBORAH MCFADDEN, CHIEF Program Integrity Branch