



CDSS

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DEPARTMENT OF SOCIAL SERVICES

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ARNOLD SCHWARZENEGGER
GOVERNOR

April 19, 2010

ALL COUNTY LETTER NO. 10-22

TO: ALL COUNTY WELFARE DIRECTORS
ALL CalWORKs PROGRAM SPECIALISTS
ALL COUNTY WELFARE-TO-WORK COORDINATORS
ALL COUNTY CHILD CARE PROGRAM COORDINATORS
ALL REFUGEE PROGRAM COORDINATORS
ALL COUNTY CONSORTIUM PROJECT MANAGERS
ALL COUNTY FISCAL OFFICERS

SUBJECT: TEMPORARY ASSISTANCE FOR NEEDY FAMILIES EMERGENCY
CONTINGENCY FUND: NON-RECURRENT SHORT-TERM BENEFITS

REFERENCE: 45 Code of Federal Regulations (CFR) 260.0 (b), 260.31(b)(1), and 263.2(a)(5)(i); Welfare and Institutions Code (WIC) Section 18945 and 10545; Manual of Policies and Procedures (MPP) 70-103.5 and 42-780.5-.53; All County Letter (ACL) 09-49, 06-60, and 98-65; County Fiscal Letters (CFL) 03/04-35 and 09/10-032; and County Fiscal Information Notice CN-09-1044

The purpose of this letter is to provide counties with program instructions regarding the provision of Non-Recurrent Short-Term Benefits (NSTB) which can be funded through the Temporary Assistance for Needy Families (TANF) Emergency Contingency Fund (ECF). While counties can add or expand NSTB in accordance with this letter, access to TANF ECF funds for county programs is contingent upon federal approval of the state's TANF ECF request for funds and obtaining associated state budget authority. On April 7, 2010, the federal Administration for Children and Families (ACF) approved California's first application for ECF NSTB, which covers expenditures for the first, second and fourth quarter of federal fiscal year (FFY) 2009, and the first two quarters of FFY 2010. A County Fiscal Letter (CFL) containing time study and claim codes is being issued under separate cover.

This letter also provides instructions regarding the process to be used to determine eligibility for TANF ECF funded NSTB; this eligibility process also applies to TANF ECF-funded Subsidized Employment (SE).

REASON FOR THIS TRANSMITTAL

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

In order to maximize the use of TANF ECF funds, Assembly Bill (AB) X4 4 (Chapter 4, Statutes of the Fourth Extraordinary Session of 2009) expanded eligibility for NSTB by establishing a definition of needy families that can access the TANF ECF funds (WIC Section 10545). This letter provides definitions, guidelines, and timeframes to assist the counties in accessing TANF ECF funds to expand or create NSTB for their CalWORKs eligible/recipient families or other "needy families."

Background

On February 17, 2009, the President signed the American Recovery and Reinvestment Act of 2009 (ARRA), which included \$5 billion on a "first come, first served" basis in new funding through TANF ECF for federal fiscal year (FFY) 2009 and FFY 2010 to assist states with the financial impact that the economic downturn is having on TANF families and local communities. For California, the maximum amount for the two FFYs is \$1.8 billion.

Through TANF ECF, states may be reimbursed up to 80 percent of increased TANF and TANF maintenance-of-effort (MOE) spending in FFYs 2009 and 2010 for increased expenditures above the base year. The federal program announcement issued by ACF on April 3, 2009, provides additional background information on TANF ECF, and is available at:

<http://www.acf.hhs.gov/programs/ofa/policy/pa-ofa/2009/pa200901.htm>

Counties providing NSTB to the TANF ECF populations prior to July 28, 2009, with county-only funds may be eligible for 80 percent TANF ECF reimbursement for those expenditures that exceed the base year costs. Counties can utilize county-only funds, documented third party contributions, or fraud incentive funds to cover the 20 percent not reimbursed through TANF ECF for FFY 2009 and FFY 2010. The CalWORKs single allocation can be used to cover CalWORKs eligible applicants and recipients but it cannot be used to cover the 20 percent not reimbursed through TANF ECF for needy families.

Per ACF program Question and Answer guidance updated on March 12, 2010 and available at:

<http://www.acf.hhs.gov/programs/ofa/recovery/tanf-faq.htm>

administrative costs related to operating NSTB activities, including the cost of overseeing the activities, may be claimed when applying for ECF advances and reimbursements. Existing federal regulations regarding administrative costs and the associated 15 percent cap on administrative activities are contained in [45 CFR 260.0(b) and 45 CFR 263.2(a)(5)(i)]. A CFL will be issued under separate cover to provide more detailed fiscal and claiming instructions.

CDSS established a workgroup with County Welfare Directors Association (CWDA) and county welfare department (CWD) representatives to work on the various implementation and operational activities associated with the establishment of the TANF ECF process. CDSS, CWDA, and CWD representatives continue to work collaboratively to access the TANF ECF and provide guidance as needed and available.

Populations Eligible for TANF ECF NSTB

The following populations are eligible for NSTB programs under TANF ECF for FFYs 2009 and 2010:

- Families potentially eligible for CalWORKs who opt to participate in the Diversion program.

- Families receiving CalWORKs.
- Needy families defined as a family with an income less than 200 percent of the official federal poverty level (FPL) applicable to its family size. Additionally, the family must meet one of the following criteria:
 - A family in which a minor child is living with a parent or adult relative caregiver, (including a non-custodial parent who does not reside with the minor child), regardless of whether the child is receiving CalWORKs cash aid.
 - A woman who is in her third trimester of pregnancy.
 - A family in which a minor child is temporarily absent for a period of time not to exceed 12 months due to child abuse and neglect, and the parent or parents of the child are engaged in family reunification services.

These families must be California residents or have the intent to reside in the state, consistent with residency requirements for CalWORKs families.

The chart in **Attachment 1** provides more detailed information on the specific individuals that are eligible for TANF ECF funded NSTB.

Populations Ineligible for TANF ECF- funded NSTB

Under federal law, the recent non-citizen entrant (RNE) population is ineligible to receive TANF- funded assistance and services when the individual has resided in the country for less than five years, unless they meet certain exceptions (see ACL 98-65). Therefore, NSTB assistance and services to this population must be funded solely with non-federal funds. In addition, individuals eligible for benefits pursuant to WIC Section 18945, also known as the Senate Bill (SB) 1569 population, must be funded solely with non-federal funds. Counties may earn TANF ECF by providing services to these two populations; however, services provided to these populations cannot be funded with TANF dollars, including TANF ECF. As a reminder, the RNE aid codes are 3L, 3M, 3E, and 3U (See ACL 98-65) and the SB 1569 aid codes are 3E, 3G, 3H, 3L, 3M, 3U, AND 3W. (See ACL 09-49).

Please note that some families eligible under WIC Section 18945 may become eligible for federally-funded benefits (see MPP section 70-103.5 and ACL 06-60). When that occurs, these families are then also eligible for TANF ECF-funded NSTB.

No federal or state funds can be used to provide NSTB to undocumented non-citizens. However, citizen children or documented non-citizens who have been in the country for more than five years (or less than five years if they meet certain exceptions, see ACL 98-65) who are part of a family which also includes one or more undocumented non-citizens may receive NSTB, if they otherwise meet the ECF needy family eligibility criteria. This also includes mixed-status cases in CalWORKs (see ACL 98-65).

TANF ECF Eligibility Determination Process for Needy Families

The county will determine if the needy family has income less than 200 percent of the FPL at the time of the request for TANF ECF benefits.

- No asset test is required.
- Only the income of the needy family requesting ECF services or benefits will be assessed to determine eligibility for ECF.

- Any SE wages received will be excluded as income for the family when determining if the needy family has income less than 200 percent of the FPL.
- The family shall be considered eligible during the ECF SE and NSTB periods based on this initial eligibility determination.

CWDs must use the most current FPL guidelines available when determining needy family eligibility. See **Attachment 2** for the 2009 FPL guidelines. Counties will need to use the 2010 FPL guidelines when they become available.

NSTB Requirements

The TANF regulations at 45 CFR 260.31(b)(1) and state law requirements at WIC Section 10545 define NSTB as non-assistance activities/payments and require that they are:

- Designed to deal with a specific crisis situation or episode of need;
- Not intended to meet recurrent or ongoing needs; and
- The benefits will not extend beyond four months.

Non-assistance benefits that are provided for an ongoing period in excess of four months do not qualify as TANF ECF NSTB and counties cannot claim four months' worth of expenditures for those types of benefits. For example, if a needy family is receiving counseling for six months under their family reunification plan, the counties cannot claim four months of counseling as a TANF ECF NSTB.

All types of benefits provided by the counties as non-recurrent short-term must address a family's specific crisis or episode of need in accordance with federal requirements as stated in 45 CFR 260.31(b)(1). Families can receive multiple NSTB, but each service or benefit must meet the federal criteria. The counties are reminded that any type of benefit or service designed to meet a family's ongoing basic needs are not allowable NSTB for TANF ECF purposes. For example, NSTB funds cannot be used for ongoing utilities, but a one-time utility voucher is allowable.

Examples of services or benefits that can be provided as an NSTB, if they otherwise meet the criteria listed above are provided in **Attachment 3**.

Counties should carefully design TANF ECF NSTB programs with the following limitations in mind:

- TANF ECF is time-limited, and state and federal authority for this program is scheduled to end on September 30, 2010. Only actual expenditures incurred through September 30, 2010 will be reimbursed with federal TANF ECF.
- Other non-TANF federal funds cannot be used to match TANF ECF or to meet the base funding amount to qualify for TANF ECF.
- TANF ECF is capped at \$5 billion nationwide and is awarded on a first-come first-served-basis; therefore, it is conceivable TANF ECF funding could run out prior to September 30, 2010. However, CDSS and CWDA will be monitoring expenditures closely and will keep counties apprised if it appears TANF ECF funds are at risk of running out.

- Currently, Congress is considering legislation to extend the TANF ECF funding for an additional FFY to end September 30, 2011. CDSS will notify counties if the TANF ECF funding is extended.

Auditing

Both federal and state control agencies are closely monitoring all ARRA funds. The state has been and will continue to be subject to audits regarding how these funds are used. Counties should be aware that if a federal or state agency finds that a county is reimbursed for an expense that is not allowed under or inconsistent with TANF ECF, the county must reimburse the CDSS for the disallowed expenses and any monetary penalty imposed (WIC Section 10545.1).

Reporting Requirements

Please indicate each NSTB service/benefit that is or will be offered by your county, with the exception of Diversion services/benefits, to the TANF ECF eligible client population by checking off the appropriate NSTB on **Attachment 4**. The NSTB data shall be completed, signed, and dated by the county's TANF ECF coordinator/liaison. The completed checklist should be forwarded to Linda Johnson in the CalWORKs Eligibility Bureau within two weeks of receipt of this letter, at the following email address:

Linda.Johnson@dss.ca.gov
(916) 654-1322

There is no federal reporting requirement for states to receive TANF ECF funds. However, CDSS may need to collect data elements from the counties in order to meet additional reporting requirements at the state level established by the Governor's Recovery Task Force. Counties will be notified under separate cover should we have the need to collect additional information.

If CWDs plan to design, add or expand NSTB activities, prior CDSS approval will be needed. As previously mentioned, this federal funding is time limited; after September 30, 2010, TANF ECF or other sources of funding may not exist to continue the expanded NSTB activities.

If there are any policy questions regarding ECF NSTB, please contact your county's CalWORKs County Consultant or you can call the CalWORKs Eligibility Bureau at (916) 654-1322. For fiscal policy and claiming questions, please direct them to the CDSS Fiscal Systems Bureau electronic mailbox at fiscal.systems@dss.ca.gov.

Sincerely,

Original Document Signed By:

CHARR LEE METSKER
Deputy Director
Welfare to Work Division

Attachments

Attachment 1**ECF-Eligible Populations – Non-Recurrent Short-Term Benefits**

Population		Eligibility
Families Potentially Eligible for CalWORKs Who Opt for Diversion		Yes
CalWORKs Recipients		Yes
CalWORKs Child Only Cases		
	Sanctioned	Yes
	Safety Net	Yes
	Others*	Yes
KinGAP Cases		Yes, if eligible as needy family
Family Reunification Cases		
	Families receiving CalWORKs family reunification services under Assembly Bill (AB) 429	Yes
	Families receiving family reunification services and the child is absent for 12 months or less	Yes, if eligible as needy family
Non-Custodial Parents		
	Non-Custodial parents of CalWORKs children	Yes, if eligible as needy family
	Non-Custodial parents of children not receiving CalWORKs	Yes, if eligible as needy family
Needy Families		Yes, if eligible as needy family

*Undocumented non-citizens are ineligible for NSTB.

Attachment 2

2009 Federal Poverty Level Guidelines

Persons in Family	Poverty Level Guideline Annual Income	200 Percent of Poverty Level Guideline Annual Income
1	\$10,830	\$21,660
2	14,570	29,140
3	18,310	36,620
4	22,050	44,100
5	25,790	51,580
6	29,530	59,060
7	33,270	66,540
8	37,010	74,020
≥ 9	Add \$3,740 for each additional person	Add \$7,480 for each additional person

Source: Federal Register: January 23, 2009 (Volume 74, Number 14) [Notices]
[Page 4200]

Internet Site: <http://aspe.hhs.gov/POVERTY/09fedreg.pdf>

Attachment 3

Examples of Allowable Non-Recurrent Short-term Benefits (NSTB)

Benefits that can be provided as an NSTB must meet all three federal requirements found in 45 CFR 260.31(b)(1). The benefit must:

- Be designed to deal with a specific crisis situation or episode of need;
- Not be intended to meet recurrent or ongoing needs; and
- Not extend beyond four months.

The following seven categories contain examples of allowable NSTB for CalWORKs recipients, CalWORKs eligible, or needy families:

1. **DIVERSION**

- Cash or noncash payments or services provided to a potentially eligible CalWORKs applicant, with the intent of diverting the applicant from long-term aid.

2. **HOUSING (This does not include Homeless Assistance Payments under the CalWORKs Program, MPP Section 44-211)**

- ***Housing Relocation:*** Assistance to victims of domestic violence or those living in uninhabitable units who need relocation to a safe housing situation.
- ***Moving Assistance:*** Payment of moving costs, purchase of furniture and household goods, and other costs associated with moving.
- ***Security Deposits and Move-In Costs:*** Payment of security deposit and/or first and last month's rent to facilitate moving in.
- ***Short-Term Rental Assistance:*** Payment of rent for up to four months if it is anticipated that the need will not extend past four months because of a specific crisis situation or episode of need, or payment of four months of back rent in a one-time non-recurrent payment. The family must be able to cover their rental costs after the short-term benefit period.
- ***Emergency Shelter:*** Payment for up to four months of shelter for a specific crisis situation or episode of need.
- ***Assistance to Prevent Eviction:*** Includes payment of back rent and/or legal services to prevent eviction.

3. **UTILITIES**

- ***Utility Voucher:*** Vouchers can be provided for up to four months to pay utilities, including past-due utility bills, and to avoid utility shutoff. Also includes one-time winter heating allowance and one-time summer cooling allowance to help prevent utility shutoffs. The voucher can be provided for up to four months and does not restrict the amount of past debts or liabilities if it is expected that after that time, the family will have identified other resources to cover their utility bills.

4. FOOD

- ***Emergency Food and Vouchers:*** Food benefits provided through extra visits to the food bank or extra grocery bags or boxes, summer meal programs, or through cash or food vouchers.

5. ONE-TIME VOUCHERS

- ***Store Vouchers:*** One-time store vouchers which include winter clothing allowances.
- ***School Vouchers and Backpacks:*** For clothing, school supplies, and/or other needed student items.

6. EMPLOYMENT SUPPORT

- ***Employment Work Allowances:*** For clients exiting CalWORKs due to employment, the work allowance covers work related costs such as uniforms, tools, boots, personal computers (also provides training and covers cost of internet access), a license fee for a specific job-required license, and car repairs.
- ***Employment Supports for Needy Families:*** Payments for clothing, tools, dues, etc. that are required to look for and obtain employment.
- ***Automobile and License Expenses:*** Payments for car repair, gas, or other vehicle costs to travel to and from work or training, and needed to accept or retain employment. Also includes up to four months of auto insurance, license fees, and DMV fees.
- ***Family Financial Services:*** Includes tax preparation services that assist the family to apply for Earned Income Tax Credit or to identify the amount of taxes due, as well as financial counseling and debt consolidation services to help clients better manage money and consolidate debts, reducing overall interest rates.

7. FAMILY SERVICES

- ***Family Crisis Stabilization Services:*** New, up to four-month preventive or crisis counseling services and benefits for families with Child Protective Services (CPS) referrals. These services are designed to help families maintain their child safely in the home; learn skills in self care, child development, and housekeeping; and provide funds to purchase furniture, bedding, clothing, or other goods needed to maintain children safely at home. Services may also include parent education, domestic violence, anger management, or mental health services with defined service objectives that can be completed in less than four months.
- ***Intensive Pre-reunification Services:*** New, up to four-month program to provide intensive pre-reunification services and benefits to families whose child has been removed due to abuse or neglect, and who are expected to reunify within four months. These services may include focused and interactive sessions with a counselor or parenting expert, the parent(s), and the

child to mentor specific parenting or behavioral skills to facilitate a successful reunification. Benefits may include funds to purchase furniture, clothing, bedding, or other goods needed to prepare the home for the child's safe return. Services may also include trial home visits with the child, family, and parenting coaches; integrated case management with neighborhood supports; and development of supports to sustain the reunification. Also includes Intensive Supervised Visitation in Preparation for Reunification, a new four-month program for targeted populations. Under short-term intensive supervised visitation programs, trained visit supervisors provide hands-on help to the family for a maximum of four months prior to reunification. The goal is to assist the parent to learn how to interact with the child, provide a better understanding of child development, and what to expect at different developmental stages.

- ***Post-Reunification/Post-Permanency Benefits and Services:*** New, up to four-month program for targeted populations and may include: funds to purchase furniture, clothing, bedding, or other goods needed to maintain children safely at home; and short-term intensive case management for families whose child welfare cases have been successfully dismissed, including crisis support, short term parenting education, and intervention with the school system.
- ***Mental Health and Substance Abuse Services:*** New, up to four-month program, for mental health services, anger management counseling, and non-medical substance use treatment services, including room and board costs at a residential treatment program to family members in a CPS-referred case.

Attachment 4**TANF ECF Non-Recurrent Short-Term Benefits (NSTB) Eligible Client Population****Instructions:**

Please use the following check boxes to indicate the client population that is or will be provided each NSTB **other than Diversion** by your county during the time period of October 2008 – September 2010 (*If no NSTB are provided, please check number #8 below*):

	<u>CalWORKs Recipients</u>	<u>Needy Families</u>
1. <u>HOUSING</u>		
- Housing Relocation	<input type="checkbox"/>	<input type="checkbox"/>
- Moving Assistance Security	<input type="checkbox"/>	<input type="checkbox"/>
- Deposits and Move-In Costs	<input type="checkbox"/>	<input type="checkbox"/>
- Short-Term Rental Assistance	<input type="checkbox"/>	<input type="checkbox"/>
- Emergency Shelter	<input type="checkbox"/>	<input type="checkbox"/>
- Assistance to Prevent Eviction	<input type="checkbox"/>	<input type="checkbox"/>
2. <u>UTILITIES</u>		
- Utility Voucher	<input type="checkbox"/>	<input type="checkbox"/>
3. <u>FOOD</u>		
- Emergency Food and Vouchers	<input type="checkbox"/>	<input type="checkbox"/>
4. <u>ONE-TIME VOUCHERS</u>		
- Store Vouchers	<input type="checkbox"/>	<input type="checkbox"/>
- School Vouchers and Backpacks	<input type="checkbox"/>	<input type="checkbox"/>
5. <u>EMPLOYMENT SUPPORT</u>		
- Employment Work Allowances	<input type="checkbox"/>	<input type="checkbox"/>
- Employment Supports for Needy Families	<input type="checkbox"/>	<input type="checkbox"/>
- Automobile and License Expenses	<input type="checkbox"/>	<input type="checkbox"/>
- Family Financial Services	<input type="checkbox"/>	<input type="checkbox"/>
6. <u>FAMILY SERVICES</u>		
- Family Crisis Stabilization Services	<input type="checkbox"/>	<input type="checkbox"/>
- Intensive Pre-Reunification Services	<input type="checkbox"/>	<input type="checkbox"/>
- Post-Reunification & Post-Permanency Services	<input type="checkbox"/>	<input type="checkbox"/>
- Mental Health and Substance Abuse Services	<input type="checkbox"/>	<input type="checkbox"/>
7. <u>OTHER (Must obtain prior approval from CDSS)</u>	<input type="checkbox"/>	<input type="checkbox"/>
8. <u>NO NSTB PROVIDED</u>	<input type="checkbox"/>	<input type="checkbox"/>

Please provide the following information:

Printed Name

County Department

Signature

Title

Date

Telephone Number

Email Address