

DEPARTMENT OF SOCIAL SERVICES
744 P Street, Sacramento, CA 95814



January 23, 2002

ALL-COUNTY INFORMATION NOTICE I-06-02

TO: ALL COUNTY WELFARE DIRECTORS
ALL FOOD STAMP COORDINATORS
ALL CalWORKs PROGRAM SPECIALISTS

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: CALCULATION OF A FOOD STAMP OVERISSUANCE WHEN THERE IS A CALIFORNIA WORK OPPORTUNITY AND RESPONSIBILITY TO KIDS (CalWORKs) GRANT OVERPAYMENT

The purpose of this letter is to provide clarification for calculating a food stamp overissuance when there is also a CalWORKs grant overpayment. Several counties have asked whether they are to use the CalWORKs grant amount that the client actually received or the grant amount that the client should have received.

BACKGROUND

- Manual of Policies and Procedures (MPP) 63-503.212(a) states: "For purposes of determining the household's eligibility and level of benefits during the beginning months, the CWD shall take into account the actual income already received by the household during the month of application and any anticipated income the CWD and the household are reasonably certain will be received during the remaining beginning months."
- MPP 63-503.232(a) states: "For purposes of determining the household's level of benefits for the issuance month, the CWD shall take into account the household's actual reported income for the budget month, except for child/spousal support disregard payments, which shall be based on the CWD information."
- MPP 63-801.311 states: "For each month that a household received an overissuance due to an inadvertent household or administrative error, the CWD shall determine the correct amount of food stamp benefits the household was entitled to receive."
- MPP 63-801.312 states: "If the household received a larger allotment than it was entitled to receive, the CWD shall establish a claim against the household equal to the difference between the allotment the household received and the allotment the household should have received."

- MPP 63-801.321 states: “For each month that a household received an overissuance due to an act of intentional Program violation, the CWD shall determine the correct amount of food stamp benefits, if any, the household was entitled to receive.”
- MPP 63-801.322 states: “If the household received a larger allotment than it was entitled to receive, the CWD shall establish a claim against the household equal to the difference between the allotment the household received and the allotment the household should have received.”

CALCULATION OF THE FOOD STAMP OVERISSUANCE

Based on the above MPP requirements, counties must calculate and establish an overissuance claim whenever a household receives a larger food stamp allotment than it is entitled to receive [MPP 63-801.311, 312, 321, and 322]. When calculating the amount of the overissuance, counties must include the income that the household actually received in a particular month [MPP 63.503.212(a) and 232(a)]. Therefore, when determining the amount of food stamps that the household should have received, counties must include, as income, the original CalWORKs grant amount that the household actually received plus the amount of any income which should have been reported. The amount of food stamps that the household should have received is subtracted from the amount of food stamps the household actually received to determine the amount of the food stamp overissuance.

The following example illustrates this procedure:

A client received a CalWORKs grant of \$1,000. The client reported no other income. It is later discovered that there was \$200 in unreported unearned income. When this income was taken into consideration, and the grant was recalculated, it was determined that the client should have received a CalWORKs grant of only \$800.

When determining the amount of food stamps the client should have received, the CWD would use the \$1,000 CalWORKs grant that the client actually received plus the \$200 in unreported unearned income. Thus, the amount of food stamps that the client should have received would be based on a total income amount of \$1,200.

This same procedure would be used if the client had reported the \$200 in unearned income, but the CWD failed to budget the income. The CWD would still use the \$1,000 grant plus the \$200 in unearned income that the county previously failed to budget, for a total income amount of \$1,200.

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CONTACT

If you have any questions about this information, please contact Doris Bowers in the Food Stamp Policy Implementation Unit at (916) 654-0710.

Sincerely,

Original document signed by

GARY SWANSON, Chief
Food Stamp Branch