



JOHN A. WAGNER
DIRECTOR

STATE OF CALIFORNIA—HEALTH AND HUMAN SERVICES AGENCY
DEPARTMENT OF SOCIAL SERVICES
744 P Street • Sacramento, CA 95814 • www.cdss.ca.gov



ARNOLD SCHWARZENEGGER
GOVERNOR

March 26, 2010

ALL COUNTY LETTER NO. 10-10

TO: ALL COUNTY WELFARE DIRECTORS
ALL CalWORKs PROGRAM SPECIALISTS
ALL FOOD STAMP COORDINATORS
ALL REFUGEE COORDINATORS
ALL CONSORTIUM PROJECT MANAGERS

SUBJECT: CALIFORNIA WORK OPPORTUNITY AND RESPONSIBILITY TO KIDS
(CalWORKs) AND FOOD STAMP PROGRAMS QUARTERLY
REPORTING AND PROSPECTIVE BUDGETING (QR/PB) QUESTIONS
AND ANSWERS (Q&A's)

REFERENCE: ALL COUNTY LETTER (ACL) 09-41

The purpose of this ACL is to clarify and expand on questions 2, 6 and 9 from ACL 09-41, regarding the QR/PB system in the CalWORKs and Food Stamp programs. The responses to these questions have been expanded to include additional related cross-references or additional detail to more fully explain the responses. Each change is explained under each answer.

If you have any questions regarding this letter, please contact your CalWORKs County Consultant or call the CalWORKs Eligibility Bureau at (916) 654-1322. For any Food Stamp Program questions, please call LeAnne Torres at (916) 654-2135.

Sincerely,

Original Document Signed By:

CHARR LEE METSKER
Deputy Director
Welfare to Work Division

Enclosure

REASON FOR THIS TRANSMITTAL

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

2. **What constitutes “good cause” for late filing? When does good cause for late filing exist?**

Answer: Per MPP §40-181.23 and 63-508.64, good cause for submitting a late QR 7 exists when the recipient cannot reasonably be expected to fulfill his or her reporting responsibilities due to factors outside of his or her control. Good cause exists only in the following situations:

- 1) The recipient is suffering from a mental or physical disability which prevents timely and complete reporting;
- 2) The recipient’s failure to submit a timely and complete report is directly attributable to county error; or
- 3) The county finds other extenuating circumstances.

Per MPP §40-125.941 and 63-508.641, when a recipient requests restoration of aid during the first month after being discontinued for a late QR 7, the county is required to review whether the recipient had good cause for late submission of his or her QR 7. If good cause is found, the discontinuance shall be rescinded.

If restoration of CalWORKs is requested after a month has passed, a good cause exemption shall only be reviewed if requested by the recipient (MPP §40-181.231). The burden of proof is on the recipient to prove he or she has good cause for not submitting a complete and timely QR 7, but the county worker has the discretion to decide if each specific situation meets the above criteria for “good cause.”

Also, in CalWORKs, at any time, the county may choose to independently determine good cause, without the recipient’s request (MPP §40-181.232). For example, counties may determine good cause, without request from the client, when they become aware of a domestic violence situation, when the recipient is suffering from a mental or physical condition which prevents timely and complete reporting, if they become aware of a county error such as when mail is returned as undeliverable and the worker finds the client reported a new address that was not used for the mailing, or when the county finds other extenuating circumstances.

In the Food Stamp Program, a good cause exemption may only be requested in the month following discontinuance. After a full calendar month has passed, the household must reapply for benefits (MPP §63-508.644).

Clarification: After a month has passed, good cause for failing to submit a QR 7 may only be claimed in CalWORKs, not in the Food Stamp Program. (Food Stamp regulation MPP 63-508.644 states: Once a full calendar month has passed since the QR 7 discontinuance date, the household may not claim good cause and must reapply for benefits.) A regulatory citation was added to the third paragraph that explains that good cause may be granted after a month has passed in the CalWORKs program.

6. **How do counties treat a report of decreased income that is received in the Submit Month (i.e., the month the QR 7 is due)?**

Answer: Per MPP §44-316.31 and 63-509(a)(2), the county must treat a report in the Submit Month (either on the QR 7 or a separate report) as a voluntary mid-quarter report, and adjust/supplement the benefit amount for the month the decrease occurred or was reported, whichever is later, if verified timely (see previous question for more information about necessary verification and timeliness for providing it). If the decreased income is expected to continue into the next quarter, the report of decreased income on the QR 7 will also be used to determine the next Payment Quarter's cash aid and food stamp benefit amount.

Example 1: Jan/Feb/Mar quarter. Mom submits a timely and accurate QR 7 on March 4th stating that her actual income for the month of March will be lower than previously anticipated and budgeted for and that this decrease in income will continue through the upcoming Payment Quarter. She provides written verification of her decreased income on March 7th. The county shall refigure this assistance unit (AU)/HH's cash aid and food stamp benefits for the month of March and make any necessary supplemental payments to the AU/HH. The county shall also use this new reasonably anticipated income to figure the AU/HH's cash aid and food stamp benefits for the upcoming Payment Quarter since it is anticipated to continue.

Example 2: Using the same scenario above, on the QR 7, mom reported the decreased income for the upcoming Payment Quarter, but didn't report that the current month's income would also be decreased. If on March 25th, she reports that her March income will also be at the lower amount and provides timely verification on April 2, her March cash aid and food stamp benefits would be redetermined and a supplemental grant must be issued for the difference. If however, she doesn't provide verification of the decreased income until April 10th (more than 10 days after the report date) the date of the verification will be considered the new report date and so the March grant would not be supplemented. When the CalWORKs grant is supplemented, the new CalWORKs grant amount to be used in the food stamp budget will include the original grant, as well as the supplement.

Example 3: Using the same scenario as above, if mom reports on her March QR 7 (and verifies timely) that her February (data month) income had decreased and that the decreased income would continue through the upcoming Payment Quarter, the decreased income would be used to calculate the upcoming quarter's grant and her March grant would be supplemented; however, she would not get a supplement for February since she didn't report the decreased income until March.

Clarification: This answer has been changed to clarify that the benefits will be supplemented for the month the decrease occurred or was reported, whichever is later, if verification is provided timely. We expanded example 2 to explain that if verification is provided more than 10 days after the report date, that the verification date will be considered the new report date. We also added a third example explaining that the grant will not be supplemented for a month prior to the report of the decrease.

9. **Can you re-clarify when counties use the weekly and bi-weekly conversion multipliers?**

Answer: If the recipient is going to be paid weekly *every week* for the entire quarter, use the weekly multiplier. If they are going to be paid *every other week* for the entire quarter, use the bi-weekly multiplier. If they get a fixed monthly pay, whether in one or more pay periods, use the monthly amount and no multiplier. If the person does not anticipate getting paid regularly for the entire quarter, don't use the multiplier, just count the anticipated income. [Income averaging rules, including conversion multipliers are explained in ACL 04-19 and in MPP §44-315.315(a)].

For example, someone who reports getting \$200 every week for the whole quarter is treated differently than someone who reports that he or she will work only the first three weeks of each month, and be paid \$200 per week worked. In the first example, the weekly multiplier of 4.33 would be used, for a total of \$866 averaged monthly income; in the latter case, \$600 is budgeted as the monthly income throughout the quarter. If a recipient reports that he or she will receive a paycheck every other week in the amount of \$300 for the entire quarter, then the bi-weekly multiplier of 2.167 would be used, for a monthly total of \$650.

The weekly or bi-weekly paychecks do not have to be the same amount every week; however the recipient must expect that the weekly fluctuating income pattern will remain the same. For example, if a recipient receives weekly paychecks, reports on the QR 7 earning four checks in the amounts of: \$100, \$230, \$175 and \$200, and claims that this income pattern will continue throughout the entire quarter, the income would be budgeted as follows: First, the county would find the average weekly pay by adding all four checks together and dividing by 4 ($\$100 + 225 + 175 + 200 = \700 . $\$700/4 = \175). The average weekly income would then be multiplied by the weekly conversion factor of 4.33, to reach an average monthly income of \$757.75.

If the client reports that his or her weekly checks are always different, but that their income usually ends up being about the same every month, then the multiplier could be used to get an average monthly income and that income could be used to calculate the upcoming quarter's grant amount. If however, the client reports receiving four checks in the amounts of: \$100, \$225, \$175 and \$200, but claims that their weekly checks will continue to be different every week, with no regular pattern or reasonably anticipated amount, then the weekly multiplier would not be used because the average monthly income would not be able to be reasonably anticipated. In this last scenario, the county worker would have to work with the client to figure out what income could be reasonably anticipated for the upcoming payment quarter.

Clarification: The fourth paragraph was added to clarify the situation in which the multiplier should not be used.