

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, California 95814



August 22, 2005

ALL COUNTY LETTER NO. 05-19

TO: ALL COUNTY WELFARE DIRECTORS
ALL CalWORKs PROGRAM SPECIALISTS
ALL FOOD STAMP COORDINATORS
ALL COUNTY DISTRICT ATTORNEYS
ALL COUNTY CHILD CARE COORDINATORS
ALL CAL-LEARN COORDINATORS
ALL COUNTY REFUGEE COORDINATORS
ALL COUNTY WELFARE TO WORK COORDINATORS
ALL COUNTY WELFARE FRAUD CHIEF INVESTIGATORS
ALL CAL-LEARN CASE MANAGEMENT AGENCIES
ALL CONSORTIUM PROJECT MANAGERS
ALL QUALITY CONTROL PROGRAM COORDINATORS
ALL CASH ASSISTANCE PROGRAM FOR IMMIGRANTS
COORDINATORS

SUBJECT: FINAL REGULATIONS TO IMPLEMENT THE QUARTERLY
REPORTING/PROSPECTIVE BUDGETING SYSTEM IN THE
CALIFORNIA WORK OPPORTUNITY AND RESPONSIBILITY TO KIDS
(CalWORKs) PROGRAM

REFERENCE: ASSEMBLY BILL (AB) 444 (CHAPTER 1022, STATUTES OF 2002); AB
692 (CHAPTER 1024, STATUTES OF 2002); AB 1402 (CHAPTER 398,
STATUTES OF 2003); ALL COUNTY LETTERS 03-18, 04-19, AND 04-
30; AND ALL COUNTY INFORMATION NOTICES (ACIN) I-54-03, I-84-
03, I-09-04, I-10-04, AND I-29-04

The purpose of this All County Letter (ACL) is to notify counties of final regulatory provisions for the Quarterly Reporting /Prospective Budgeting (QR/PB) system in the California Work Opportunity and Responsibility to Kids (CalWORKs) program. The QR/PB emergency regulations were previously adopted on an emergency basis and became effective July 1, 2004. The final regulations became effective on August 5, 2005. The regulations are available on the California Department of Social Services website at http://www.dss.cahwnet.gov/ord/CDSSManual_240.htm.

The final CalWORKs QR/PB regulations contain additional or different requirements which supersede the emergency regulations as well as certain policies and provisions set forth

REASON FOR THIS TRANSMITTAL

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

under prior QR/PB ACLs and ACINs. These changes were made as a result of public testimony received and subsequent departmental decisions. The changes/additions are summarized below:

MPP Section 22-071.12 (QR) – Adequate Notice: This regulation was amended to add a time frame for counties to provide CalWORKs recipients adequate notice when their grant is not changed due to a recipient voluntary mid-quarter report.

MPP Section 40-105.4(h) (QR) – Immunization Requirements: This regulation adds a QR provision that changes the effective date for adding the needs of the parents or caretaker relative from the first of the month in which verification of immunization is received to the first of the month following the month in which verification of immunization is received. This change was made to provide consistency with other QR provisions.

MPP Section 40-105.5(g) (QR) – School Attendance Requirements: This regulation adds a QR provision that changes the effective date for adding the needs of the parents or caretaker relative from the first of the month in which verification of school attendance is received to the first of the month following the month in which verification of school attendance is received. This change was made to provide consistency with other QR provisions.

MPP Section 40-188.14 (QR) – Transfer Procedure: This regulation was amended to specify that in an inter-county transfer, once eligibility is determined, cash aid shall continue until the end of the QR Payment Quarter in which the transfer period ends.

MPP Section 44-313.111 (QR) – Prospective Budgeting: This provision was added to clarify that counties are to use the income information from the QR 7 and from any mid-quarter reports to determine eligibility and cash aid for a QR Payment Quarter. Furthermore, the regulation requires that counties document in the case file, the rationale for determining what income was used for cash aid calculations.

MPP Section 44-315.315(a) (3) (QR) – Income Expected to Continue: This provision was added to provide an additional scenario when the counties shall apply the weekly and bi-weekly conversion factors. This would occur when the Assistance Unit (AU) anticipates a change in income in the next QR Payment Quarter, the new amount is known and the amount will remain the same for the entire QR Payment Quarter, and the county is in agreement with the AU's report of the change in income. A handbook example was also added to illustrate this provision.

MPP Section 44-316.231 (QR) – Reporting Changes Affecting Eligibility and Grant Determinations and County Actions: This provision was added to require that counties take action to resolve discrepancies between information reported on recipient mid-quarter reports and information reported on the QR 7. The county shall first attempt to contact the recipient to resolve the discrepancy and if the county is unable to contact the recipient or obtain resolution from such contact, the QR 7 shall be considered incomplete.

MPP Section 44-316.3 (QR) – Mid-Quarter Actions: This regulation was amended to clarify that mid-quarter changes to cash aid shall be acted on separately and sequentially.

MPP Section 44-316.31 (QR) – Recipient Voluntary Reports: This provision was amended to add a provision that clarifies that the county shall accept a report of decreased income on the QR 7 as a voluntary mid-quarter report when the QR 7 is received in the Submit Month of the QR Payment Quarter. This section was further amended to instruct counties to treat a report of decreased income in the Submit Month as updated QR 7 information when determining cash aid for the next quarter. A reference to Section 44-318.152(a) (QR) was also added to note an exception to the rule that the county shall not take action to change the grant if the grant would not change based on a voluntary report. The last sentence of this section was renumbered to Section 44-316.312 (QR).

New MPP Section 44-316.311 (QR) et seq. – Recipient Voluntary Reports - Verification and Timeframes: This section was added to clarify timeframes, dates and county actions related to verification for recipient voluntary mid-quarter reports.

MPP Section 44-316.313(d) (QR) – Mid-quarter Report Regarding Deceased Persons: This provision was repealed and replaced by Section 44-316.331(p) (see description of this item below.)

MPP Section 44-316.314(a) (QR) – Request for Recurring Special Needs - renumbered to Section 44-316.312(d) (1) (QR): This provision was amended to clarify that when recurring special needs have been requested mid-quarter and have been verified and approved, the beginning date for the recurring special needs is the first of the month in which either the need was reported or the verification substantiates that the need exists, whichever is later.

MPP Section 44-316.324(c) (1) (QR) – Income Reporting Threshold (IRT): This regulation was amended to clarify that counties shall determine the AU financially ineligible and discontinue the AU at the end of the month in which the AU first received the income that exceeded the AU's Maximum Aid Payment (MAP), with timely and adequate notice when: (1) an AU reports income in excess of the IRT in the first or second month of the QR Payment Quarter; (2) the income is reasonably anticipated to continue; and (3) the new net nonexempt averaged monthly income amount for the remainder of the quarter exceeds the AU's MAP.

MPP Section 44-316.324(c) (2) (QR) – Income Reporting Threshold (IRT): This section was adopted to require that when an AU reports income exceeding the IRT in the third month of the current QR Payment Quarter and that income is reasonably anticipated to continue, the county shall use that information as supplemental to the current QR 7 when prospectively determining eligibility and cash aid for the next QR Payment Quarter.

MPP Handbook Section 44-316.324(d) (QR) – Income Reporting Threshold (IRT) for Recipient Family: This handbook section was amended to provide a new line to the IRT Chart to reflect the IRT amount for a “reporting size of zero” and to update the income reporting threshold figures and their effective dates on the IRT Chart. A “reporting size of zero” would occur when a Maximum Family Grant (MFG) child is the only eligible child in the AU.

MPP Sections 44-316.331 (QR) – County-Initiated Actions: Additional subsections were added to this section to require counties to also take mid-quarter action in the following circumstances: (o) when adjustments are needed to correct erroneous payments due to incorrect or incomplete recipient reporting or incorrect county action/inaction on recipient reported information; (p) when it becomes known to the county that an AU member is deceased; (q) when an AU is transferred to a Tribal Temporary Assistance For Needy Families program; (r) when there is a cost of living adjustment to Minimum Basic Standard of Adequate Care (including income in-kind), Maximum Aid Payment, and Social Security; and (s) when it becomes known to the county that an individual is confined to a correctional facility on the first of the month and is expected to remain for a full calendar month or more. Existing subsection (i) was amended by replacing the word “child” with the phrase “an individual” and the word “approved” with “authorized.”

MPP Section 44-318.14 (QR) et seq. – Beginning Date of Aid for Unreported Mandatorily Included Persons: This section was amended to clarify that in a case where aid was not requested for a person who is required to be in the AU (e.g. the AU failed to report a mandatory person in the home), the beginning date of aid is the date the person meets all requirements for eligibility when he/she is required to be included in the AU. Eligibility conditions are considered to have been met from the first day of the month following the date the individual was discovered in the home, providing he/she is cooperating in meeting those conditions.

MPP Section 44-352.111 (QR) – Calculation of Overpayments: This regulation was amended to clarify that an overpayment should not be assessed due to excess property when the property has been spent down prior to the first day of the next QR Payment Quarter.

MPP Section 82-824.14 (QR) et seq. – Combining Assistance Units (AUs) Mid-Quarter: This regulation was adopted to provide the necessary steps to determine if separate AUs should be combined into a single AU as a result of a voluntary recipient mid-quarter report.

QR/PB FORMS

The most current revisions of all CalWORKs and Food Stamp Program QR/PB forms are available on-line at www.dss.cahwnet.gov/cdssweb/On-lineFor 271 .htm We are currently in the process of revising some CalWORKs forms and developing an All County Information Notice to transmit in the very near future revisions of the forms and their descriptions.

Please note that we are currently revising the QR 7 based upon input received from counties and advocates, and will issue the revised form under separate cover shortly. We advise you to consider this when reordering existing QR 7 stock.

If you have any questions regarding the CalWORKs QR/PB system, you may contact your assigned county consultant per instruction in ACIN I-28-05. For further information, you may contact the following CDSS staff:

CalWORKs Forms and Notices	Leydis Church (916) 654-2116
Food Stamp Quality Control	Michael Bowman-Jones (213) 833-2260
TANF Data Collection	Warren Ghens (599) 445-6478
Food Stamp Policy	LeAnne Torres (916) 654-2135
Food Stamp Forms and Notices	Frederick Hodges III (916) 653-7973
Fraud Policy	Laura Alarcon (916) 263-5724
	Mark Gagnon (916) 263-5735
IEVS Matches	Mark Gagnon (916) 263-5735

Sincerely,

CHARR LEE METSKER, Deputy Director
Welfare to Work Division

c: CWDA
CSAC