

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



December 2, 1988

ALL COUNTY LETTER NO. 88-150

TO: ALL COUNTY WELFARE DIRECTORS

SUBJECT: BUDGETING OF CWD PAID GRANTS IN FOOD STAMPS

REFERENCE: 63-503.232(c)(4)

The purpose of this letter is to inform the County Welfare Departments (CWDs) of a change in the Department's interpretation of Food Stamp Manual Section (M.S.) 63-503.232(c)(4) concerning budgeting of CWD paid grants.

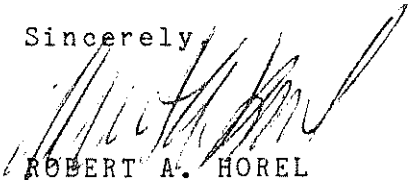
As reflected in FSQUAD #206, the Department has interpreted this regulation to mean that after the beginning months, if the CWD had not anticipated the CWD paid grant or the CWD did not have time to budget it prospectively, the CWD must budget the payment retrospectively along with the issuance month grant which is budgeted prospectively. During the household's beginning months, however, it has been our interpretation that the CWD paid grant which the CWD could not anticipate with reasonable certainty and, therefore, did not budget prospectively, would not be budgeted retrospectively.

It has come to our attention that this interpretation is in conflict with federal regulations and policy. After thorough review of federal directives and regulations, we have concluded that the subject regulation should be interpreted to mean that any CWD paid grant (intended for a food stamp household member(s)) that was not budgeted prospectively because the CWD had not anticipated it, or did not have time to budget it prospectively, must be budgeted retrospectively along with any current prospectively budgeted grant even when that payment is made in a beginning month. Federal QC has informed the Department that a failure to comply with this interpretation will be cited as an error.

In view of the federal policy and potential increase in QC errors, this All County Letter serves to implement this change in our interpretation of M.S. 63-503.232(c)(4). A regulation change for clarification purposes will be made at a later date. In the interim M.S. 63-503.232(c)(4) shall be interpreted as indicated above. This change is effective as soon as administratively possible but no later than applications filed after January 1, 1989.

If you have any questions please contact the AFDC and Food Stamp Policy Implementation Bureau at (916) 322-5330.

Sincerely,



ROBERT A. HOREL
Deputy Director