



CDSS

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October 21, 2009

COUNTY FISCAL LETTER (CFL) NO. 09/10-31

TO: COUNTY WELFARE DIRECTORS
COUNTY FISCAL OFFICERS
COUNTY AUDITOR CONTROLLERS

SUBJECT: **ELECTRONIC BENEFIT TRANSFER (EBT) EXPENDITURE CLAIMING INSTRUCTIONS**

The Office of Systems Integration (OSI), in partnership with the California Department of Social Services (CDSS), is transitioning Electronic Benefit Transfer (EBT) services from the state's current EBT service provider, J. P. Morgan Electronic Financial Services, Inc. (JPMorgan EFS) to ACS State & Local Solutions, Inc. (ACS). Statewide cutover to the ACS system and related services occurred the weekend of September 19-20, 2009. The purpose of this letter is to provide counties with an updated policy regarding post-cutover operational costs for the California EBT system.

Invoice Process for Ongoing EBT Operations

The state's contract with ACS requires the contractor to invoice ongoing operational costs at both the state (summary) level and county level. ACS will invoice OSI monthly in arrears. OSI will review each invoice for accuracy, distribute consortium-related costs amongst the member counties (based on caseload percentages), and make other needed adjustments. Once the invoice is approved for payment, an EBT-generated invoice will be created for distribution to the counties. The county-specific invoice details by line item the following costs: core services (food benefits, cash aid benefits, and combined food and cash aid benefits), the county's share of work authorizations, and the county's share of other applicable costs.

OSI also provides CDSS with each county's costs allocated to the benefitting programs (e.g., Supplemental Nutrition Assistance Program [SNAP], California Work Opportunity and Responsibility to Kids [CalWORKs], General Assistance/General Relief [GA/GR], California Food Assistance Program [CFAP], Cash Assistance Program for Immigrants

[CAPI], and the Refugees Cash Assistance [RCA] program). The counties share in the costs for the food benefits and GA/GR programs where applicable.

CDSS and County Offset Process

OSI will invoice the CDSS for reimbursement of the ACS invoiced costs (which include the counties' share of costs). CDSS will review and process the OSI invoice for payment.

CDSS will continue to use the current offset process to recoup each county's share, which is to offset the county share against the county's CalWORKs Assistance monthly advance. EBT food benefits and GA/GR offsets are processed through the monthly CalWORKs assistance advance so the offsets could be applied in a timely manner rather than a quarterly basis. The CDSS' Fiscal Systems Bureau (FSB) will notify each county, via e-mail, of its county share and attach the EBT-Generated Report (county invoice detail). Counties are required to report all invoiced EBT-related costs under the extraneous section of the County Expense Claim (CEC).

Questions

For questions related to the ACS invoice detail, please contact Dawn Strickler, OSI EBT Project, at (916) 263-4906. For questions regarding the county offset process, contact John Lopes, CDSS Fiscal Systems Bureau, at (916) 324-1657.

Sincerely,

Original Document Signed By:

DIDI OKAMOTO, Chief
Fiscal Systems and Accounting Branch
Administration Division