

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814
(916) 445-4458



October 10, 1986

ALL COUNTY INFORMATION NOTICE NO. I-92-86

TO: ALL COUNTY WELFARE DIRECTORS

REFERENCE: MS 63-601: FOOD STAMP COUPON ISSUANCE - COUNTY WELFARE DEPARTMENT RESPONSIBILITIES

Proposed regulations for Food Stamp issuance contracts, heard March 26, 1986, eliminate the role of the Department of Social Services (SDSS) in the review and approval of contract procurement, execution, and amendment. Instead, these more detailed regulations specify counties' responsibilities to cause open competitive bidding for contracts; terms and requirements of such contracts; and when and how existing contracts can be amended.

Until these regulations become final, and in light of the recent reorganization of the Welfare Program Division, I want to clarify current roles and responsibilities of SDSS with regard to the Food Stamp issuance contract process.

Inquiries about the meaning or application of current regulations governing issuance contracts should be directed to the AFDC and Food Stamp Policy Implementation Bureau, 744 P Street, Mail Station 16-31, Sacramento, CA 95814, or (916) 322-5330.

Rating scales, contracts, and amendments requiring SDSS approval should be directed in writing to the Corrective Action Bureau at 744 P Street, Mail Station 16-30, Sacramento, CA 95814, or by telephone to your corrective action consultant at (916) 445-4458.

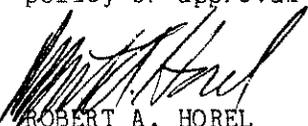
In order to prevent any misunderstandings which may arise until implementation of the proposed regulations, I want to clarify policy with regard to two major areas: extensions and fee increases.

- o Amendments to extend an existing contract cannot be approved when such extension would jeopardize a free and open competitive procurement. This determination must be made by SDSS. Contracts containing an extension option do not need prior SDSS approval for the option to be exercised in accordance with the terms of the contract.

GEN 654a (2/82)

- o Fee increases for services provided under an existing contract, absent a cost-of-living or other adjustment specified in the contract itself, will not be approved. This is the case whether or not the county allocation for issuance is sufficient to fund the desired increase.

You will be notified as soon as the proposed regulations are filed with the Secretary of State. Please direct any interim questions or comments regarding policy or approval procedures to the persons indicated above.



ROBERT A. HOREL
Deputy Director

cc: CWDA