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

August 13, 1997

ALL COUNTY INFORMATION NOTICE NO. I-50-97

TO: ALL COUNTY WELFARE DIRECTORS

REASON FOR TRANSMITTAL

[ ] State Law Change
[ ] Federal Law Change
[ ] Court Order or Settlement Agreement
[ ] Clarification Requested by One or More Counties
[ ] Initiated by CDSS

SUBJECT: FOOD COUPON SHIPMENTS AND INVENTORY LEVELS

The U.S. Department of Agriculture, Food and Consumer Service (FCS) has notified the California Department of Social Services (CDSS) that, in the past year, there have been robberies in several states in which the affected issuance center was unable to identify the stolen coupons by serial number. Consequently, FCS was unable to issue bulletins to retail stores containing the stolen coupon serial numbers, and investigative agencies were denied the opportunity to receive leads from retailers.

Food Stamp Manual Sections (M.S.) 63-702.5 and .51 mandate that County Welfare Departments (CWDs) and/or their contracted agents maintain accountability records which show the serial numbers and number of coupon books received, the serial numbers and number of books distributed (or issued) to other issuance offices, and the balance of the books on hand.

In addition, FCS has requested our assistance in improving the timeliness of food coupon deliveries by armored carriers as well as through the mail by reiterating the following regulatory requirements:

1. M.S. 63-701.332 requires CWDs and/or their contracted issuance agents to maintain a three to six month supply of coupons on hand. FCS has recommended that, if possible, CWDs maintain a six month coupon inventory to avoid shortages.

2. M.S. 63-701.331(b) requires that the Requisition for Food Coupons (Form FCS-260) clearly indicates if there will be any holidays or other closure days within the two-month period following the requisition.

3. M.S. 63-704.11 requires that the CWD notify FCS and CDSS 30 days in advance whenever there is a creation, relocation, or termination of a project area, issuance point, reconciliation point, replacement point, bulk storage reporting point, or coupon shipment receiving point.

4. M.S. 63-701.332(b) advises CWDs to prepare and transmit the FCS-260 so that it is received by FCS during the week containing the third Monday of the month. This will ensure that the requisitioned coupons will be shipped in the next monthly cycle. However, per FCS, in order to ensure shipment in the same month, the FCS-260 must be received by FCS no later than the week containing the second Monday of the month. CWDs maintaining an inventory of less than six months are at risk of shortages if the requisition is not submitted until late in the month.

If you have any questions regarding this notice, please contact David Badal of the Food Stamp Program Bureau, Policy Implementation Unit, at (916) 654-1405.

BRUCE WAGSTAFF
Deputy Director
Welfare Programs Division

c: CWDA