

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814



August 7, 2001

ALL COUNTY LETTER NO. 01-54

REASON FOR THIS TRANSMITTAL

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

TO: ALL COUNTY WELFARE DIRECTORS
ALL COUNTY WELFARE-TO-WORK COORDINATORS
ALL COUNTY FOOD STAMP COORDINATORS

SUBJECT: PROPOSED POST-HEARING REGULATIONS TO IMPLEMENT A SIMPLIFIED FOOD STAMP PROGRAM (SFSP)

REFERENCE: ALL COUNTY INFORMATION NOTICE (ACIN) NO. I-75-00

The purpose of this letter is to transmit proposed post-hearing emergency regulations that amend the California Work Opportunity and Responsibility to Kids (CalWORKs) Welfare-to Work (WTW) and Food Stamp (FS) programs and implement a SFSP in California. These proposed emergency regulations are to provide the counties with information for planning their respective SFSPs. The SFSP will allow counties to combine the amount of a CalWORKs assistance unit's food stamp allotment with the amount of its cash grant when determining the maximum number of hours that the recipient may participate in CalWORKs unpaid work experience and community service activities. The SFSP regulations were adopted pursuant to letters from the U.S. Department of Agriculture (USDA), Food and Nutrition Service (FNS), dated May 5, 2000, and August 3, 2000, approving the State's request for authority to implement an SFSP. The initial emergency regulations became effective April 1, 2001. The Department will notify counties of the effective date of final SFSP regulations, anticipated to be in early September, 2001.

In addition to the enclosed proposed regulations, this All County Letter includes a summary of significant changes that were made to the CalWORKs and FS program regulations, SFSP guidelines for the calculation of unpaid work experience and community service participation hours, and a copy of the WTW 15, "Simplified Food Stamp Program Unpaid Work Experience and Community Service Hours Worksheet," for use by counties in implementing their programs. Counties can obtain camera-ready copies of the WTW 15 by calling the Forms Management Unit at (916) 657-1907 or CALNET 437-1907. The development of the SFSP final regulations, guidelines, and worksheet was a joint State/county effort, and the Department extends its thanks to the county Eligibility, Welfare-to-Work, and Food Stamps program staff that have spent a

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tremendous amount of time, over the past several months, to assist us. The counties' perspective has been invaluable in resolving complex issues and in establishing viable policies and procedures for the SFSP in California.

If your county has any questions or need additional information regarding the CalWORKs WTW program regulations, SFSP program guidelines, or WTW 15, please contact Audrey King, Employment Bureau, at (916) 654-0946. If your county has any questions regarding the Food Stamp program regulations, please contact Robert Nevins, Employment Bureau, at (916) 654-1408.

Sincerely,

***Original Document Signed By
Bruce Wagstaff on 8/7/01***

BRUCE WAGSTAFF
Deputy Director
Welfare to Work Division

Attachments

SIMPLIFIED FOOD STAMP PROGRAM **SUMMARY OF REGULATIONS**

Listed below is a summary of significant changes to the California Work Opportunity and Responsibility to Kids (CalWORKs) Welfare-to-Work (WTW) and Food Stamp (FS) program regulations that were made to implement the Simplified Food Stamp Program (SFSP).

18- and 24-month Time Limits:

- **Manual of Policies and Procedures (MPP) Sections 42-710.1, .2, and .3, and 42-711.91** specify that the allowable activities after the 18- and 24-month time limit are unsubsidized employment and/or community service. These regulations were revised to specify that 1) community service includes grant-based on-the-job training (OJT) and unpaid community service; and 2) an individual participating in unpaid community service whose hours are determined using the minimum wage calculation as provided by the SFSP may also be required to participate in other WTW activities pursuant to MPP Section 42-711.96. More details follow below.

Welfare-to-Work Participation Requirements:

- **MPP Section 42-711.93** specifies that participants in unpaid community service, whose assistance units (AU) include food stamp recipients, must participate in community service activities for the number of hours each month that is the lesser of the two following equations:
 - the number of hours required by MPP Section 42-711.4, less the number of hours spent in unsubsidized employment and/or grant-based OJT; or
 - the number of hours equal to the AU's CalWORKs grant plus the AU's portion of the food stamp allotment divided by the higher of the state or federal minimum wage. If all or a portion of the AU's grant has been diverted to an employer as a subsidy for grant-based OJT purposes, only that portion, if any, received as a grant and the AU's food stamp allotment can be used in this calculation.

Currently, for purposes of the minimum wage calculation, counties must use \$6.25 per hour, the State minimum wage. The federal and State minimum wage are subject to periodic adjustments, so the amount may change.

- **MPP Section 42-711.94** specifies that participants in community service, whose CalWORKs AUs do not include food stamp recipients, must participate in community service activities for the number of hours each month that is the lesser of the two following equations:
 - the number of hours required by MPP Section 42-711.4, less the number of hours spent in unsubsidized employment and/or grant-based OJT;

- the number of hours equal to the AU's CalWORKs grant divided by the higher of the state or federal minimum wage. If all or a portion of the AU's grant has been diverted to an employer as a subsidy for grant-based OJT purposes, only that portion, if any, received as a grant can be used in this calculation.
- **MPP Section 42-711.95** specifies that the monthly amount of hours resulting from the calculation in MPP Sections 42-711.93 or 42-711.94 shall be considered to have been met by participation in a weekly average number of hours. This weekly average is determined by dividing the monthly amount by 4.33 (average number of weeks per month).
- **MPP Section 42-711.96** specifies that participants in unpaid community service, whose hours of participation are based on the minimum wage calculations pursuant to MPP Sections 42-711.932 or .942 and who do not meet the 32/35 hour per week work participation requirement, must participate in additional WTW activities for the hours necessary to satisfy the participation requirement.

Welfare-to-Work Activities:

- **MPP Section 42-716.111(d)(2)(A)** specifies that participants in work experience, whose CalWORKs AUs include food stamp recipients, must participate in work experience activities for no more than the number of hours each month equal to the AU's CalWORKs grant, plus the AU's portion of the food stamp allotment, divided by the higher of the state or federal minimum wage.
- **MPP Section 42-716.111(d)(2)(B)** specifies that participants in work experience, whose AUs do not include food stamps recipients, must participate in work experience activities for no more than the hours each month equal to the AU's CalWORKs grant divided by the higher of the state or federal minimum wage.
- **MPP Section 42-716.111(d)(3)** specifies that the monthly limit in hours resulting from the calculation in MPP Sections 42-716.111(d)(2)(A) or (B) shall be considered to have been met by participation in a weekly average number of hours. This weekly average is determined by dividing the monthly amount by 4.33 (average number of weeks per month).
- **MPP Section 42-716.111(j)(1)(A)** specifies that participants in unpaid community service before reaching the 18- or 24-month time limit on aid, whose CalWORKs AUs include food stamp recipients, must participate in unpaid community service activities for no more than the number of hours each month equal to the AU's CalWORKs grant, plus the AU's portion of the food stamp allotment, divided by the higher of the state or federal minimum wage.
- **MPP Section 42-716.111(j)(1)(B)** specifies that participants in unpaid community service before reaching the 18- or 24-month time limit on aid, whose CalWORKs AUs do not include food stamp recipients, must participate in unpaid community

service activities for no more than the number of hours each month equal to the AU's CalWORKs grant, divided by the higher of the state or federal minimum wage.

- **MPP Section 42-716.111(j)(2)** specifies that the monthly limit in hours resulting from the calculation in MPP Sections 42-716.111(j)(1)(A) or (B) shall be considered to have been met by participation in a weekly average number of hours. This weekly average is determined by dividing the monthly amount by 4.33 (average number of weeks per month).

Food Stamp Work Registration Requirements:

- **MPP Section 63-407.21** specifies that unpaid community service and work experience participants under CalWORKs are exempt from the food stamp work registration requirement, pursuant to MPP Section 63-407.21(c), except as provided in MPP Section 63-407.24. This means that they will be considered to be participating in food stamp workfare, but will be subject to all CalWORKs rules, including the new rule providing for a minimum wage calculation pursuant to adoption of the SFSP and MPP Section 63-407.241.
- **MPP Sections 63-407.24 and .241** specify that participants in CalWORKs unpaid work experience and community service shall be considered to be food stamp workfare participants, but are subject to all CalWORKs WTW statutes and regulations. The only variation from the CalWORKs rules in effect prior to the adoption of these regulations is that hours of participation shall be determined in accordance with the minimum wage calculation. This new rule has been incorporated in the WTW regulations as described above.
- **MPP Section 63-407.241(a)** specifies that the minimum wage calculation shall be used when determining maximum hours of participation for participants in community service and work experience activities for households that receive both a CalWORKs grant and food stamps. Maximum hours of participation are determined by combining the value of the AU's CalWORKs grant plus the AU's portion of the food stamp allotment and dividing this figure by the higher of the state or federal minimum wage. The regulation further specifies that the monthly limit in hours resulting from the minimum wage calculation is considered to have been met by participation in a weekly average number of hours. This weekly average is determined by dividing the monthly amount by 4.33 (the average number of weeks per month). This new rule has been incorporated in the WTW regulations as described above.
- **MPP Section 63-407.242** specifies that individuals participating in CalWORKs unpaid work experience and community service activities, who are sanctioned for failing to comply with their CalWORKs WTW assignment, shall be subject to the food stamp sanction requirements in MPP Section 63-407.54.

- **MPP Section 63-407.54** specifies that an individual who is sanctioned for failing to comply with the work requirements of CalWORKs unpaid work experience and community service shall also receive a food stamp sanction.
- **MPP Section 63-407.542** clarifies that when a CalWORKs WTW or unemployment compensation sanction is imposed, the sanctioned individual does not also receive a food stamp sanction if he/she qualifies for one of the food stamp work registration exemptions in accordance with MPP Section 63-407.21. This section further clarifies that if the individual under a food stamp sanction subsequently qualifies for a work registration exemption, the food stamp sanction shall end. Handbook examples are included to illustrate these provisions. Finally, language is added to clarify that the exemption provisions in MPP Section 63-407.542 do not apply to persons sanctioned under a substitute program identified in MPP Section 63-407.23, e.g., a General Assistance program.

**SIMPLIFIED FOOD STAMP PROGRAM
GUIDELINES FOR THE CALCULATION OF
UNPAID WORK EXPERIENCE and COMMUNITY SERVICE
PARTICIPATION HOURS**

This document is a guide to help counties calculate the hours of participation in unpaid work experience (WEX) and/or community service under the Simplified Food Stamp Program (SFSP). Please note the following when assigning California Work Opportunity and Responsibility to Kids (CalWORKs) clients to unpaid WEX and/or community service, as appropriate, by determining the hours of participation via the process described in these guidelines:

- **For recipients who have not reached the 18- and 24-month time limit**, the number of hours resulting from the calculation is the maximum number of hours for which a county **may** assign these “pre-time limit” clients to unpaid WEX and/or community service, either separately or combined. However, a county has the option to refer the clients for fewer hours of participation in unpaid WEX and/or community service. The balance of the clients’ work participation requirements (an average of 32 or 35 hours per week, each month) can be met by participation in any other allowable welfare-to-work (WTW) activities (e.g., subsidized employment, adult basic education, vocational training).

Example 1: Client A is a single parent and not working. To meet her CalWORKs work requirement, she must participate in WTW activities for an average of 32 hours per week, each month. The county determines that unpaid WEX is an appropriate activity for Client A and that it can send her to this activity for a maximum of 21 hours per week (using the SFSP minimum wage calculation). The county **may** assign her to participate for the 21 hours per week in unpaid WEX and for 11 additional hours in vocational training, or any other appropriate WTW activity. The county may also assign her to less than 21 hours per week of unpaid WEX and to more hours of vocational training (e.g., 12 hours of unpaid WEX and 20 hours of vocational training).

In addition, the regulations provide for a minimum wage calculation for both unpaid community service and work experience before the 18- and 24- month time limit. In the unusual circumstance that it is necessary for an individual to concurrently participate in both unpaid community service and work experience before reaching the 18- and 24-month time limit, the amount derived from the minimum wage calculation must be the hourly limit for the two activities combined; that is, the number of hours for both activities together cannot exceed the number of hours resulting from the minimum wage calculation.

Example 2: Client B is a single parent and not working. To meet her CalWORKs work requirement, she must participate in WTW activities for an average of 32 hours per week, each month. The county determines that both unpaid WEX and community service are appropriate activities for the client and that the maximum number of hours the county can send her to these activities, using the SFSP minimum wage calculation, is an average of 21 hours per week. The unpaid WEX assignment totals 15 hours per

week. Therefore, the county can only assign Client B to unpaid community service for no more than 6 hours based on the minimum wage calculation. The county must assign Client B to other activities for the remaining 11 hours of her total WTW requirement.

- **For recipients who have reached the 18- and 24-month time limit**, the number of hours resulting from the calculation is the **required** number of hours (up to a maximum of 32 or 35 average hours per week) that the county can assign these “post-time limit” clients to unpaid community service, if the client is not participating in sufficient hours of unsubsidized employment and/or grant-based on-the-job training (OJT) community service to meet his/her CalWORKs work participation requirement.

Example 3: Client C is a single parent and working in unsubsidized employment for 8 hours per week. She is not participating in grant-based OJT. To meet her CalWORKs work requirement, she must participate in unsubsidized employment and/or community service for an average of 32 hours per week, each month. Using the SFSP minimum wage calculation, the county determines that the number of unpaid community service hours required of Client C is an average of 21 hours per week. The county **must** assign her to participate in unpaid community service for the 21 hours per week. The county must also assign Client C to other allowable WTW activities, except unpaid WEX, to make up the three-hour difference between the hours of participation in unsubsidized employment and unpaid community service hours (29 hours total) and the client’s work requirement of 32 hours per week. Client C must participate in 3 hours of additional WTW activities, other than unsubsidized employment or community service, because her unpaid community service hours which were determined by using the minimum wage calculation, were not sufficient to meet the work participation requirement.

Please see Page 5 of these guidelines, Participation In Additional Activities to Meet the Work Requirement, for additional information on hours of participation for post-time limit individuals.

Determination of Unpaid WEX and Community Service Participation Hours

To determine the number of unpaid WEX and community service participation hours, complete the steps below, as appropriate. These steps demonstrate the determination of participation hours for pre-time limit WEX or community service, or post-time limit community service. The steps also are included in the attached WTW 15, “Simplified Food Stamp Program Unpaid Work Experience (WEX) and Community Service Hours Worksheet.”

- Complete Steps 4 through 8 to determine the hours of unpaid WEX and/or community service for individuals who have not reached the 18- and 24- month time limit. Step 8 is the maximum number of average hours per week the participant can participate in these activities pre-time limit.
- Complete Steps 1 through 10 to determine the hours of unpaid community service for individuals who have reached the 18- and 24- month time limit and are not participating

in sufficient hours of unsubsidized employment and/or grant-based OJT community service to meet their work requirement. Step 9 is the required number of average hours per week of unpaid community service post-time limit. Step 10 is the number of average hours per week of additional activities required, if any.

For the purpose of performing the calculations below:

Calculation Month = month in which the hours of participation are determined.

Activity Participation Month = month following the Calculation Month in which the unpaid WEX or community service will be performed.

In the Calculation Month:

Step 1. Determine the participant's weekly work participation requirement (32 or 35 hours, as appropriate) for the Activity Participation Month.

Step 2. Estimate the number of hours of unsubsidized employment and/or grant-based on-the-job (OJT) community service, based on available information, that the participant is expected to work per week, if any, in the Activity Participation Month.

Step 3. Determine any unmet hours of participation for the Activity Participation Month by subtracting the estimated weekly number of hours of unsubsidized employment and/or grant-based OJT community service from Step 2, if any, from the total weekly number of hours of participation required (32 or 35) from Step 1.

If the result obtained in Step 3 is zero hours of participation, meaning that no unpaid community service participation is required, stop here.

If the result obtained in Step 3 is greater than zero, meaning community service is required, proceed to Step 4.

Step 4. Determine the actual cash grant for the Activity Participation Month (amount after the recoupment of penalties and overpayment adjustments. Do not include any amount to be used to subsidize grant-based OJT community service).

Step 5. Determine the actual food stamp allotment for the Activity Participation Month (amount after overissuance adjustments).

Step 6. Determine the total benefits paid for the Activity Participation Month (add together the actual cash grant in Step 4 to the actual food stamp allotment in Step 5).

Step 7. Divide the total benefits in Step 6 by the federal or State minimum wage, whichever is greater. Currently, counties must use \$6.25 per hour, the State minimum wage. Please note that the federal and State minimum wage are subject to periodic adjustments, so the amount may change.

Step 8. Convert the monthly amount in Step 7 to a **weekly** amount by dividing by 4.33 (average number of weeks per month).

Step 9. For required unpaid community service hours post time limits, determine the number of unpaid community service hours to be assigned in the Activity Participation Month by using the **lesser** of the number of hours from Step 3 (unmet hours per week) or Step 8 (minimum wage calculation amount per week).

If the amount from Step 3 (unmet hours of participation) is less than the amount from Step 8 (minimum wage calculation hours), the amount from Step 3 is the required number of unpaid community service hours post-time limit. Stop here.

If the amount from Step 8 is less than the amount from Step 3, the amount from Step 8 is the required number of unpaid community service hours post-time limit. Proceed to Step 10.

Step 10. Determine the weekly number of hours of participation in additional WTW activities, if any, necessary to meet the work participation requirement. Subtract the unpaid community service hours per week from Step 8 from the unmet hours per week in Step 3. If there is a balance, the individual must participate in additional WTW activities, except unpaid WEX, for this number of hours to meet his/her work participation requirement. Please see Page 5 of these guidelines, Participation In Additional Activities to Meet the Work Requirement.

If the result is zero, no participation in additional activities is needed.

Example 4: Client D will reach the 18- and 24- month time limit at the end of June and must begin participation in unsubsidized employment and/or community service at the beginning of July. Client D is a single parent with one child, lives in Region 1, and must participate for 32 hours per week to meet her CalWORKs work requirement.

In June (the Calculation Month), the county determines that the client will work 8 hours per week in unsubsidized employment in July (the Activity Participation Month). Her total unmet hours of participation (Step 3 above) is 24 hours per week for July. The number of hours resulting from the minimum wage calculation (Step 8) is 21 ($\$354 \text{ cash grant} + \$238 \text{ food stamp allotment} = \$592 \text{ total benefits} \div \text{minimum wage of } \$6.25 = 94 \text{ hours/month} \div 4.33 \text{ weeks/month} = 21 \text{ hours/week}$). Because 21 is less than 24, under Step 9, 21 hours is Client D's unpaid community service participation requirement.

Additionally, Client D is required to participate in WTW activities for 32 hours per week, but her unpaid community service requirement is only 21 hours per week and she is working 8 hours per week, for a total of 29 hours. Therefore, the county must assign her to 3 hours per week of participation in other activities, except unpaid WEX, to meet the WTW requirement (Step 10: $24 \text{ hours [unmet hours from Step 3]} \text{ minus } 21 \text{ hours [from Step 8]} = 3 \text{ hours}$). Please see Page 5 of these guidelines, Participation In Additional Activities to Meet the Work Requirement.

Cash Grant/Food Stamp Allotment Amount Used In Calculating Hours

When an AU's grant amount and/or food stamp allotment has been reduced due to a sanction, penalty, or overpayment, the county shall use the actual amount and allotment that the AU received, not what it otherwise would have received, to determine an individual's hours of participation in unpaid WEX or community service. When an individual is participating in grant-based OJT community service, the county shall use an AU's residual grant amount, if any, and food stamp allotment to determine the individual's hours of participation in unpaid WEX or community service. The residual cash grant amount is the amount of the cash aid payment actually received by the recipient, not including the amount used to subsidize his/her grant-based OJT community service.

The cash grant amount and food stamp allotment that are provided to the AU in the Grant Month shall be used to calculate the maximum hours of unpaid WEX or community service participation. Counties should not consider any supplemental payments or adjustments made to the grant amount or food stamp allotment after that calculation is completed.

Participation In Additional Activities to Meet the Work Requirement

In accordance with Manual of Policies and Procedures (MPP) Section 42-711.96, an individual who has reached the 18- or 24-month time limit, **and** whose hours of participation in unpaid community service are determined by using the SFSP minimum wage calculation, but whose hours are insufficient to meet his/her work participation requirement of 32/35 hours per week, must participate in other WTW activities for the balance of any hours necessary to satisfy that requirement. Under these circumstances, participation in any appropriate WTW activity, as noted in MPP Section 42-716.111, except unpaid WEX, is allowable. When unpaid community service hours are determined using the minimum wage calculation, participants cannot be assigned to unpaid WEX for the balance of any hours necessary to satisfy the weekly work participation requirement.

Example 5: Client E is an adult in a one-parent, two-person AU in Region 2 receiving CalWORKs cash assistance and food stamps, who has no hours of unsubsidized employment or grant-based OJT community service. Client E would be required to perform an average of 27 hours of community service per week ($\$495 \text{ cash grant} + \$238 \text{ food stamp allotment} = \$733 \text{ total benefits} \div \text{minimum wage of } \$6.25 = 117 \text{ hours/month} \div 4.33 \text{ weeks/month} = 27 \text{ hours/week}$). The additional five hours of participation per week that are needed by Client E to meet her work participation requirement of 32 hours per week must be met through participation in other allowable WTW activities, as noted in MPP Section 42-716.111, except unpaid WEX.

If changes in the grant amount, the food stamp allotment, and/or the individual's employment status would result in a decrease of the number of hours that he/she must participate in additional activities, including eliminating the need to participate in the additional activities altogether, the county may allow the individual to continue in these activities until a natural break occurs, e.g., the end of the school semester. However, participation in any WTW activity for more than 32/35 hours per week must be voluntary and cannot be required of any CalWORKs participant.

Mixed Households

In food stamp households with both CalWORKs-aided and non-aided individuals, only the prorated portion of the food stamp allotment for members receiving CalWORKs assistance will be used in determining the maximum number of hours that CalWORKs recipients may participate in unpaid WEX and community service activities. Counties must prorate the food stamp allotment based on the number of CalWORKs recipients in the household.

Example 6: The prorated portion of the food stamp allotment to be used in determining the maximum number of unpaid WEX and community service hours for a mixed food stamp household of five individuals, four of whom also receive CalWORKs cash aid, is \$412 ($\$515 \text{ food stamp allotment} \div 5 \text{ food stamp recipients} = \$103 \text{ per recipient} \times 4 \text{ CalWORKs cash aid recipients} = \412).

Amending the WTW plan

When a CalWORKs WTW participant reaches the 18- or 24-month time limit, the county must require the individual to sign a WTW 3, Welfare to Work Plan Activity Assignment Change, to reflect the change of his/her assignment to unpaid community service, grant-based OJT community service, and/or unsubsidized employment. To avoid the need to amend the WTW plan each time there is a change in the individual's hours of participation in community service because of fluctuations in the cash aid, food stamp allotment, estimated number of hours of unsubsidized employment and/or grant-based OJT, the county should use the following suggested language for the WTW 3:

Your required hours of participation in unsubsidized employment and/or community service are (insert 32 or 35 hours, as appropriate) per week. Your weekly hours of participation in community service may vary month by month, depending on the number of hours that you work and the amount of your cash grant. During the time when you must participate in community service, we will tell you how many hours per week you must participate in community service, if your scheduled hours for participation in community service will change, if you will need to participate in other activities, and what those other activities are, to meet your required hours of participation.

Informing Individuals of Hours of Unpaid WEX or Community Service Participation (After the Initial Calculation and Recalculations)

As soon as possible after the county completes the calculation to determine the number of hours of an individual's initial participation in unpaid WEX or community service participation, it must inform the individual, **in writing**, of his/her participation hours and other requirements pertaining to the unpaid WEX and community service assignment. To expedite the informing process, a county may wish to first provide the information to the individual verbally. However, the county must follow-up the verbal communication with an informing notice as soon as possible.

At a minimum, the following information must be given to an unpaid WEX or community service participant: 1) the required weekly number of participation hours in unpaid WEX or community service; 2) the required weekly number of participation hours in other activities, if any; 3) the required daily number of participation hours; 4) the name and location of the unpaid WEX or community service worksite; 5) the name of the person(s) at the worksite to whom the participant reports; 6) the beginning date, start time, and daily schedule of participation; and 7) the reason(s) for any changes in unpaid WEX or community service hours.

For individuals who do not work, or whose work hours and other circumstances remain the same each month, their AUs' cash grant amounts and the individuals' required unpaid WEX or community service participation hours will not change from month to month. In such cases, there is no need for the county to inform the individuals each month of their participation requirements. For individuals whose work and other circumstances vary monthly, the county must inform him/her each month of changes in required hours of participation in unpaid WEX and community service in the Activity Participation Month.

Upon learning that there is a change in circumstances that affect an individual's required hours of participation, even when the change occurs in the middle of a month, the county must recalculate the individual's participation hours. It then must inform the individual and his/her worksite of the change in participation hours, as soon as administratively possible before the change becomes effective, to provide time for the individual to make new child care and transportation arrangements, and for the worksite to make any adjustments to accommodate the changed hours. The written informing requirements mentioned earlier in this section of the guidelines also apply to notifying an individual of changes in his/her unpaid WEX or community service participation due to the recalculation of participation hours.

The change in hours of participation must be implemented as quickly as possible, so that: 1) if the recalculation results in a reduction of required hours of participation in unpaid WEX or community service for the individual, the individual will not exceed the maximum hours of participation in these activities allowed under the SFSP minimum wage calculation; and 2) if the recalculation results in the need for an increase in participation hours, the individual will be referred for the additional hours of required participation that he/she must complete to fulfill his/her CalWORKs work requirement.

Conflicts Between Unsubsidized Employment and Unpaid WEX or Community Service Schedules

If there are conflicts between an individual's unsubsidized employment schedule and his/her WEX or community service schedule, including participation in additional WTW activities, the participation requirements should be arranged to avoid any disruption of the individual's unsubsidized employment. Unsubsidized employment should always be the primary assignment and given precedence when determining an individual's participation requirement in WTW activities.

SIMPLIFIED FOOD STAMP PROGRAM UNPAID WORK EXPERIENCE (WEX) AND COMMUNITY SERVICE HOURS WORKSHEET

NOTE: Complete Lines 4 - 8 to determine hours of unpaid WEX and/or community service for individuals who have not reached the 18- and 24- month time limit. Complete Lines 1 - 10 to determine hours of unpaid community service for individuals who have reached the 18- and 24- month time limit and are not participating in sufficient hours of unsubsidized employment and/or grant-based OJT community service to meet their work requirement.

CALCULATION MONTH

ACTIVITY PARTICIPATION MONTH

PARTICIPANT'S NAME	CASE NO.
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PARTICIPATION HOURS

1. Total Hours of Participation Required Per Week. <i>(32/35 Hours)</i>	
2. Estimated Number of Unsubsidized Employment and/or Grant-Based OJT Community Service Hours Per Week Expected in the Activity Participation Month.	
3. Unmet Hours of Participation Per Week for the Activity Participation Month. <i>(Subtract line 2 from line 1)</i> If line 3 is zero, no unpaid community service is required. STOP HERE. If line 3 is greater than zero, unpaid community service is required. Proceed to line 4.	=

UNPAID WEX/COMMUNITY SERVICE HOURS DETERMINATION

4. Actual Cash Grant for the Activity Participation Month. <i>(After Penalties and Overpayment Adjustments. Do Not Include Any Amount Used to Subsidize Grant-based OJT Community Service)</i>	\$
5. Actual Food Stamp Allotment for the Activity Participation Month. <i>(After Overissuance Adjustment)</i>	+ \$
6. Total Benefits Paid for the Activity Participation Month. <i>(Total of line 4 and line 5)</i>	= \$
7. Monthly Minimum Wage Calculation Amount for the Activity Participation Month. <i>(Divide line 6 by the appropriate minimum wage)</i>	=
$\$ \frac{\text{_____}}{\text{(line 6)}} \div \$ \frac{\text{_____}}{\text{(Minimum Wage)}}$	
8. Maximum Average Unpaid WEX/Community Service Hours <i>(Pre-Time Limit)</i> or Average Weekly Minimum Wage Calculation Amount <i>(Post-Time Limit)</i> for the Activity Participation Month. <i>(Divide line 7 by 4.33)</i> <i>(Round Down)</i>	=
$\frac{\text{_____}}{\text{(line 7)}} \div 4.33$	
9. Average Unpaid Community Service Hours to be Assigned Per Week for the Activity Participation Month. <i>(Enter lesser of line 3 or line 8. If line 3 is less than line 8, STOP HERE. If line 8 is less than line 3, proceed to line 10.)</i>	
10. Additional Hours in Other Activities to Meet Work Participation Requirement for the Activity Participation Month. <i>(Subtract line 8 from line 3)</i>	

COMPLETED BY	AGENCY	DISTRICT NUMBER (IF APPLICABLE)	DATE
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Amend Sections 42-710.1, .2, and .3 to read:

42-710 18- AND 24-MONTH TIME LIMITS

42-710

- .1 Except as otherwise provided in these regulations, a parent or caretaker relative, whose beginning date of aid is in the month that the CalWORKs Welfare-to-Work Program is implemented in the county, or thereafter, is not eligible to receive aid for a cumulative period of more than 18 months, unless: 1) it is certified by the CWD that there is no job currently available for the recipient as specified in Section 42-710.5; and 2) the recipient works in unsubsidized employment and/or participates in community service activities, including grant-based OJT and activities required under Section 42-711.93, .94, and .95, for the required minimum hours in accordance with Section 42-711.4. (Continued)
- .2 Except as otherwise provided in these regulations, a parent or caretaker relative, who was receiving aid in the month prior to implementation of the Welfare-to-Work Program in the county, is not eligible to receive aid for a cumulative period of more than 24 months, unless: 1) it is certified by the CWD that there is no job currently available for the recipient as specified in Section 42-710.5; and 2) the recipient works in unsubsidized employment and/or participates in community service activities, including grant-based OJT and activities required under Section 42-711.93, .94, and .95, for the required minimum hours in accordance with Section 42-711.4. (Continued)
- .3 A parent or caretaker relative recipient who has reached the 18- or 24-month time limit, who is working in unsubsidized employment for less than the required minimum hours, and for whom no job is currently available for the required number of hours, shall remain eligible for aid by participating in community service activities, including grant-based OJT and activities required under Section 42-711.93, .94, and .95, for the additional hours number of hours necessary to meet the participation requirements in accordance with Section 42-711.4. (Continued)

Authority Cited: Sections 10533, 10554, and 10604, Welfare and Institutions Code.

Reference: Sections 10532(c)(2), 11320.1(c) and (d), 11320.3(a) and (b), 11322.6(f), 11322.9, 11325.23(c), 11327.5(c), 11454, 11454.5(a), and 11495.1, Welfare and Institutions Code.

Amend 42-711.9 to read:

42-711 WELFARE-TO-WORK PARTICIPATION REQUIREMENTS (Continued) 42-711

.9 Community Service After Time Limits

.91 The participant shall remain eligible for aid only if he or she works in unsubsidized employment and/or participates in community service activities including grant-based OJT and activities required under Section 42-711.93, .94, and .95, to meet the required minimum hours in accordance with Section 42-711.4 if, unless the Department determines that fewer hours of community service participation are required by federal law. (Continued)

.93 Participants whose assistance units include food stamp recipients shall participate in unpaid community service activities shall participate in the community service activities for the number of hours required by Section 42-711.4, less the number of hours spent in unsubsidized employment each month that is the lesser of the two following equations:

.931 The number of hours required by Section 42-711.4, less the number of hours spent in unsubsidized employment and grant-based OJT; or,

.932 The number of hours, determined collectively for the assistance unit, equal to the CalWORKs assistance unit's grant plus the assistance unit's portion of the food stamp allotment divided by the higher of the state or federal minimum wage. If all or a portion of the CalWORKs assistance unit's grant has been diverted to an employer pursuant to Section 42-701.2(g)(2) and Section 42-716.111(f), only that portion, if any, received as a grant and the assistance unit's portion of the food stamp allotment shall be used in this calculation.

.94 Participants whose assistance units do not include food stamp recipients shall participate in unpaid community service activities for the number of hours each month that is the lesser of the two following equations:

.941 The number of hours required by Section 42-711.4, less the number of hours spent in unsubsidized employment and grant-based OJT; or,

.942 The number of hours, determined collectively for the assistance unit, equal to the grant received by the CalWORKs assistance unit divided by the higher of the state or federal minimum wage. If all or a portion of the CalWORKs assistance unit's grant has been diverted to an employer pursuant to Section 42-701.2(g)(2) and Section 42-716.111(f), only that portion, if any, received as a grant shall be used in this calculation.

- ~~.9315~~ If the Department has determined that federal law precludes certain participants from participating in community service for the number of hours necessary to satisfy Participants whose hours of participation in unpaid community service activities are determined pursuant to Section 42-711.932 or .942 and do not meet the participation requirement specified in Section 42-711.4, those individuals shall participate in other welfare-to-work activities for the additional number of hours necessary to satisfy the participation requirement.
- .946 Any ~~participant~~ individual required to participate in a community service activity who fails to comply with program requirements without good cause shall be sanctioned in accordance with Section 42-721.4.
- ~~.957~~ See Section 42-710.31 for circumstances under which the CWD may require the individual to participate in welfare-to-work activities ~~rather other~~ than community services.

Authority Cited: Sections 10533, 10554, and 10604, Welfare and Institutions Code.

Reference: Sections 11253.5(b), 11320.1, 11320.15, 11320.3, 11322.6, 11322.8, 11322.9, 11324.8(a) and (b), 11325.2, 11325.21, 11325.22, 11325.23(a), (b), (c), (e), and (f), 11325.25, 11325.4, 11325.5, 11325.6, 11325.7, 11325.8, 11326, 11327.4, and 11454(a), Welfare and Institutions Code; ~~and~~ 42 U.S.C. 607(c)(1)(A), (c)(1)(B)(ii), and (c)(2)(A)(i); 7 U.S.C. 2029(a)(1); 7 U.S.C. 2035; U.S. Department of Labor guidance on FLSA, with attached U.S.D.A., Food and Nutrition Service (FNS) guidance on an SFSP, dated May 22, 1997; and Simplified Food Stamp Program approval letters from FNS to implement the provisions of an SFSP, dated May 5, 2000 and August 3, 2000.

Amend Section 42-716.111(d) to read:

42-716 WELFARE-TO-WORK ACTIVITIES (Continued)

42-716

.111 Welfare-to-work activities may include, but are not limited to, any of the following: (Continued)

(d) Work experience, as defined in Section 42-701.2(w)(1). (Continued)

(2) Hours of participation in work experience shall be limited as follows:

(A) Participants in work experience activities whose assistance units include food stamp recipients shall participate in these activities for no more than the number of hours each month, determined collectively for the assistance unit, equal to the CalWORKs assistance unit's grant plus the assistance unit's portion of the food stamp allotment divided by the higher of the state or federal minimum wage.

(B) Participants in work experience activities whose assistance units do not include food stamp recipients shall participate in these activities for no more than the number of hours each month, determined collectively for the assistance unit, equal to the CalWORKs assistance unit's grant divided by the higher of the state or federal minimum wage. (Continued)

(j) Community service, as defined in Section 42-701.2(c)(3). (Continued)

(1) Hours of participation in unpaid community service prior to the time limit specified in Section 42-710 shall be limited as follows:

(A) Participants in unpaid community service activities whose assistance units include food stamp recipients shall participate in these activities for no more than the number of hours each month,

determined collectively for the assistance unit, equal to the CalWORKs assistance unit's grant plus the assistance unit's portion of the food stamp allotment divided by the higher of the state or federal minimum wage.

(B) Participants in unpaid community service activities whose assistance units do not include food stamp recipients shall participate in these activities for no more than the number of hours each month, determined collectively for the assistance unit, equal to the CalWORKs assistance unit's grant divided by the higher of the state or federal minimum wage.

(2) Hours of participation in unpaid community service after the time limit specified in Section 42-710 shall be determined in accordance with Section 42-711.93 or .94.
(Continued)

Authority Cited: Sections 10533, 10554, and 10604, Welfare and Institutions Code.

Reference: Sections 11253.5(b), 11320.3(b)(2), 11322.6, 11322.61, 11322.7, 11322.9(a), (b), (c), (e), and (f), 11324.4, 11325.22(b)(1), 11325.7(a), (c), and (d), and 11325.8(a), (c), (d), and (f), Welfare and Institutions Code; ~~and~~ Section 8358(c)(2), Education Code; 7 U.S.C. 2029(a)(1); 7 U.S.C. 2035; U.S. Department of Labor guidance on FLSA, with attached U.S.D.A., Food and Nutrition Service (FNS) guidance on an SFSP, dated May 22, 1997; and Simplified Food Stamp Program approval letters from FNS to implement the provisions of an SFSP, dated May 5, 2000 and August 3, 2000.

Amend Sections 63-407.21, and .54; repeal Section 63-407.542; and adopt Sections 63-407.24 and .542 to read:

63-407 WORK REGISTRATION REQUIREMENTS (Continued) 63-407

.2 Work Registration Exemptions and Registration in Substitute Programs

.21 Except as specified in Section 63-407.24, the following persons are exempt from the food stamp work registration requirement: (Continued)

.24 CalWORKs Unpaid Community Service and Work Experience

Participants in unpaid community service and work experience activities under CalWORKs shall be considered to be participating in the Food Stamp Workfare Program, subject to the following:

.241 Such persons shall be subject to all CalWORKs Welfare-to-Work (WTW) Program statutes and regulations, including WTW exemptions, except that, consistent with Section 2029(a)(1) of Title 7 of the United States Code, the hours of participation shall be limited as follows:

(a) The hours of participation in unpaid community service and work experience shall be limited to the number of hours each month, determined collectively for the CalWORKs assistance unit, equal to the CalWORKs assistance unit's grant plus the assistance unit's portion of the food stamp allotment divided by the higher of the state or federal minimum wage.

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(b) The WTW Program regulations are located in MPP Chapter 42-700. See Section 42-711.9 and Section 42-716.111(j) for further instructions on hours of participation for community service. See Section 42-716.111(d) for further instructions on hours of participation for work experience.

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.242 Persons identified in Section 63-407.24 who are sanctioned for failing to comply with their CalWORKs WTW assignment shall be subject to the food stamp sanction requirements at Section 63-407.54. (Continued)

.5 Failure to Comply; Good Cause; Notification; and Sanctions (Continued)

.54 ~~When an individual who is registered for work under the programs specified in Sections 63-407.21(c) or (e), or in a substitute program as specified in Section 63-407.23, is sanctioned under that program for noncompliance with a work requirement~~ is sanctioned for failing to comply with the work requirements of a program as specified in Section 63-407.21(c) (Welfare-to-Work), Section 63-407.21(e) (Unemployment Compensation), Section 63-407.23 (Substitute Programs), or Section 63-407.24 (CalWORKs Unpaid Community Service and Work Experience), the individual shall also receive a Food Stamp sanctions in accordance with Section 63-407.5.

.541 (Continued)

.542 ~~An individual shall not be disqualified if, prior to the effective date of the sanction identified in Section 63-407.53, that individual becomes exempt in accordance with Section 63-407.21. When, for reasons including exemption, a sanction is not imposed, it will not be counted as an instance of noncompliance. When a person is sanctioned under one of the programs identified in Section 63-407.54, the following food stamp work registration exemption requirements shall apply:~~

- (a) A food stamp sanction shall not be imposed if the individual qualifies for one of the food stamp work registration exemptions at Section 63-407.21. Since no food stamp sanction is imposed, an instance of noncompliance is not counted for purposes of determining the length of future food stamp sanctions.

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Example:

In March, Sue receives a WTW sanction for failing to participate in a community service assignment. In reviewing her case record, the CWD learns that Sue is responsible for the care of a four-year old child and is exempt from food stamp work registration per MPP Section 63-407.21(d). Therefore, a food stamp sanction would not be imposed and Sue would remain eligible for food stamps while under the WTW sanction.

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- (b) When an individual does not qualify for one of the food stamp work registration exemptions at Section 63-407.21 and a food stamp sanction is imposed, the food stamp sanction shall end when the sanctioned individual subsequently qualifies for a work registration exemption.

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Example:

Sally is part of a five-person food stamp household and at the end of February, she receives a CalWORKS/food stamp sanction for failing to participate in a WTW assignment. In May, Sally begins regular participation in a drug rehabilitation program and qualifies for the food stamp work exemption at Section 63-407.21(f). At that time, the food stamp sanction would stop. For multiple person households, eligibility is reestablished for the previously sanctioned individual the first of the following month, if the individual is otherwise eligible (Section 63-504.353). Therefore, Sally would be eligible for food stamps effective June 1.

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.543 (Continued)

Authority cited: Sections 10553, 10554 and 18904, Welfare and Institutions Code.

Reference: Sections 10554 and 18904, Welfare and Institutions Code; 7 CFR 273.1(d)(2); 7 CFR 273.7; 7 CFR 273.22(f)(3); 7 U.S.C. 2014(e); 7 U.S.C. 2015(d) and (o); 7 U.S.C. 2029(a)(1); 7 U.S.C. 2029(e); 7 U.S.C. 2035; and U.S.D.A. Food and Nutrition Service Administrative Notices 94-39, 97-22, 97-65, 98-33, 98-42, 98-57 and 99-05; U.S. Department of Labor guidance on FLSA, with attached U.S.D.A., Food and Nutrition Service (FNS) guidance on an SFSP, dated May 22, 1997; and Simplified Food Stamp Program approval letters from FNS to implement the provisions of an SFSP, dated May 5, 2000 and August 3, 2000.