

DEPARTMENT OF SOCIAL SERVICES  
744 P Street, Sacramento, CA 95814  
(916) 323-0267



September 28, 1981

ALL-COUNTY LETTER NO. 81-103

TO: ALL COUNTY WELFARE DIRECTORS

SUBJECT: COUNTY WELFARE DEPARTMENT ADMINISTRATIVE EXPENSE CLAIM

REFERENCE:

This is to provide claiming instructions for the July - September 1981 quarter. Included are instructions related to: Refugee Resettlement, Licensing, APSB, Emergency Loan, Food Stamp and AFDC/AFDC-FC Federal-Nonfederal Programs, In-Home Supportive Services Maximum Per Case, Respite Day Care and Limitations on Claiming.

The following claim forms are to be used for the July - September 1981 quarter claim and are being forwarded to the counties under separate cover.

Form	Revision Date	Form	Revision Date
DFA 325.1	7/81	DFA 327.8	7/81
DFA 325.1a	7/81	DFA 403	7/81
DFA 325.2	7/81	DFA 50	7/79
DFA 325.3	7/79	DFA 419	7/81
DFA 325.4	1/81	DFA 394	7/81
DFA 327.1	7/81	DFA 396	7/80
DFA 327.2	7/81	DFA 46	1/81
DFA 327.3	7/81	DFA 47	7/81
DFA 327.4	7/81	DFA 43	4/81
DFA 327.5	7/81	DFA 323	1/81
DFA 327.6	7/81	DFA 856*	10/81
DFA 327.6a	7/81		
DFA 327.7	7/81		
DFA 327.7a	(optional)		
DFA 327.7b	(optional)		

\*New Form

### Refugee Resettlement Program

ACL 81-69 notified counties of changes on the Social Services (DFA 46) Time Study consisting of separating Title XX and Non-Title XX services. This is a result of: 1) budget language which limits the amount of Title XX services that can be provided to refugees, 2) the possibility of a shortage of funds in the refugee program, and 3) the requirement to reimburse Non-Title XX services through the RFP process. However, reimbursement of Non-Title XX services based upon submission and approval of an RFP is not effective until October 1, 1981. Until that time, counties will be reimbursed through the normal process for those Non-Title XX services provided to refugees. This change has required corresponding modifications to the DFA 47 and DFA 327.1.

It has come to our attention that counties are not separately reporting purchase of services, including IHSS, provided to refugees. Therefore, pursuant to earlier instructions, counties are to ensure that services provided to refugees through a contract are reported on the DFA 325.3 - Group III. If applicable, prior quarter claims should be revised to reflect this instruction.

### Licensing Program

ACL 81-69 instructed counties to time study family day care homes separately from foster care homes. This is a result of separate allocations for family day care and foster care homes to those counties choosing to perform their own licensing. This change required corresponding modifications to the DFA 47 and DFA 327.1.

### IHSS Maximum Monthly Payments

Effective July 1, 1981, the maximum payments allowable per IHSS case are \$838 for severely impaired and \$581 for nonseverely impaired individuals. The restaurant meal allowance is increased to \$47 per month for each individual.

### Aid to Potential Self-Supporting Blind Program

As you are aware, the APSB Program was terminated as of June 30, 1981. Consequently, there should not be any time reported on the DFA 323, line F. The program will be deleted from the next quarter claim.

### Emergency Loan Program

As you know, AB 251 terminated the Emergency Loan Program effective June 30, 1981. The Department has been investigating the use of existing funding sources for those costs associated with collection activity after July 1, 1981. Based upon Government Code Section 16342 and a directive received from the State Controller's Office, there are no funding sources available for reimbursement of those costs. However, counties can still claim any costs associated with collection activities as overhead costs through the normal claiming process.

## Food Stamp Program

ACL 81-69 notified counties that DSS was awaiting federal and budget approval before implementing the increased FFP for food stamp fraud. We have now received approval effective July 1, 1981.

As a result, several revisions have been made on the administrative expense claim. The revised claim forms are effective beginning with the July - September 1981 quarter.

The claim changes are the result of decisions made in order to enhance efforts and provide fiscal incentives for food stamp fraud investigation and prosecution activity. Therefore, the following claiming process was developed.

The welfare fraud claiming format is similar to the procedures in effect for eligibility and social services in that: 1) a separate salary pool has been established for welfare fraud investigators; 2) welfare fraud investigators shall time study in the same fashion as casework staff; 3) indirect costs associated with welfare fraud is allocated along with their salaries to the appropriate program. In accordance with policy set by DHS, time spent by an investigator on Medi-Cal fraud is an unallowable cost.

Other changes consist of: 1) indirect costs associated with district attorney investigators (previously not reimbursed) are now eligible for the 75 percent federal funding for NAFS and 50 percent federal funding for AFDC; 2) NAFS prosecution activities (previously unallowable) along with the appropriate indirect costs are now eligible for the 75 percent federal reimbursement; and 3) the food stamp portion of PA cases is now broken out and funded at the 75 percent level from FNS.

The new sharing ratios will be 12.5 percent state and 12.5 percent county. However, the availability of all funds are subject to individual county cost allocations.

Because of the major changes the claiming instructions have been broken into the following sections:

1. Welfare Fraud Investigator Time Study Instructions
2. Reconciliation of Time Studies
3. Accumulation of Expenditures for the DFA 325
4. Distribution of Expenditures through the DFA 327

### 1. Welfare Fraud Time Study DFA 856

With the implementation of 7CFR, Part 277 (increased FFP for food stamp fraud) a new time study form, DFA 856, has been developed. In accordance with SB 1447, Chapter 1340, and federal regulations, investigations activities are to be performed by county welfare or District Attorney fraud investigators only. See ACIN 1-113-80 for further clarification. Therefore, completion of the DFA 856 is limited to those investigators performing fraud investigation functions (i.e. activities directly related to clarifying an allegation of fraud against the Food Stamp Program including, but not

limited to interviewing suspects and witnesses, surveillance, review of case files and financial documents, warrant and subpoena service, preparation of reports and attendance in court and hearings). The Welfare Fraud Time Study, DFA 856, is effective October 1, 1981.

2. Reconciliation of Time Studies DFA 403

The purpose of this form is to ensure a time study has been submitted for any person whose salary is included in Group 1A, Allocable Services or Group 1B Allocable Eligibility/Nonservice. The form has now been expanded to include a reconciliation of Welfare Fraud time studies to Group 1C, Allocable Welfare Fraud salaries.

3. Accumulation of Expenditures for the DFA 325

Several changes have been made in the substance and format of the DFA 325 pages. These are identified below.

A. Group I - Casework Costs

There have been no changes for the Social Service or Eligibility/Nonservice salary pools. A third pool, line C, Allocable Welfare Fraud, has been added to this group to include the salaries of welfare department investigators who perform welfare fraud functions and are required to time study.

B. Group II - Allocable Support Costs

These costs are now allocated to a third activity. Welfare Fraud modifications to the DFA 325.1, Group II Computations have been made to accommodate this change. This change has also been carried forward through several DFA 327 pages.

C. Group II Computations

Group II Computations (Overhead and EDP) have been modified to include Welfare Fraud overhead and Welfare Fraud EDP. Welfare fraud EDP is to be allocated based upon the number of cases contained in a system dedicated solely to welfare fraud. If EDP is not being used for the Welfare Fraud Program, it is not to be allocated to that program.

D. Group III Direct Costs

Welfare Fraud

A third category has been added to Group III, Direct Costs to include direct charges which benefit only the Welfare Fraud Program. These charges include costs of interagency agreements with appropriate courts and law-enforcement officials. See ACL 81-69 for information on cooperative agreements. Do not include CWD fraud investigator salaries or benefits. These are to be included in Group IC on the DFA 325.1.

4. Distribution of Expenditures through the DFA 327

Welfare Fraud Time Summary, Function Allocation Ratios and Cost Distribution  
DFA 327.3

The DFA 327.3 has been revised to include a time summary, function allocation ratio and cost distribution for welfare fraud. As a result, the remaining DFA 327 series have new page numbers in addition to claiming changes.

For the July - September 1981 quarter, total allocable hours are to be accumulated from the appropriate functions on the DFA 43 and transferred to the summary page, DFA 327.3, Part I. Beginning with the October - December 1981 quarter, total allocable hours are to be accumulated from the appropriate functions on the DFA 856.

Ratios are to be determined by dividing the Total Allocable Hours for each program by the Total Allocable Hours, line G.

Since FNS provides financial participation in 50 percent of food stamp fraud activity and prosecution activity of a joint AFDC/FS case, Part B, has been designed to equally allocate time spent on those cases.

DFA 327.7

Because of the different sharing ratios and the need to charge welfare fraud costs against the appropriate programs, the DFA 327.7 (previously 327.6) has been revised. Specifically, the time spent on any fraud activity under any program shall be included into the fund distribution report.

Claiming Form Changes

The changes are detailed below:

1. DFA 325.1 - Expenditure Schedule and Certification - Adds a line for 1) Allocable Welfare Fraud, 2) Nonallocable EDP - Fraud Function, 3) Percent of Fraud Overhead and 4) Percent of Fraud EDP.
2. DFA 325.1a - Identification of EDP Costs for Systems Development and Improvement - Adds a section for Fraud Function - Nonallocable.
3. DFA 325.2 - Direct Cost Section - Adds a section for Welfare Fraud Direct Costs.
4. DFA 47 - Social Service Time Study Summary and Program Allocations Ratios - Reflects modified time study instructions for the Refugee Resettlement and Licensing Programs.
5. DFA 394 - Review of Social Services Contracts and Other Direct Costs - Deletes Indochinese and adds Refugee Resettlement Program.

6. DFA 403 - Reconciliation of Time Studies to allocable Salary Pools - Adds Section C - Allocable Welfare Fraud Investigators.
7. DFA 419 - Claim Summary Sheet - Adds lines under Section 1, Allocable Welfare Fraud, Section 2, Allocable Support Costs, Welfare Fraud and Section 3, Direct Costs, Welfare Fraud.
8. DFA 327.1 - Social Services Program Distribution - Reflects modified time study instructions for the Refugee Resettlement and Licensing Programs.
9. DFA 327.2 - Eligibility and Nonservices Program Distribution - Reflects footnote changes as a result of including welfare fraud as a separate function.
10. DFA 327.3 - Services Modification Worksheet - Has been renamed Welfare Fraud Time Summary, Function - Allocation Ratios and Cost Distribution.
11. DFA 327.4 - Eligibility and Nonservice Modification Sheet - Has been renamed Services Modification Worksheet.
12. DFA 327.5 - Social Services and Staff Development Fund Distribution Report has been renamed Eligibility and Nonservice Modification Sheet.
13. DFA 327.6 - Eligibility and Nonservice, Nonfederal Fund Distribution Report has been renamed Social Services and Staff Development Fund Distribution Report and reflects modified time study instructions for the Refugee Resettlement and Licensing Programs.
14. DFA 327.6a - Family Reunification and Protection Program Summary was previously the DFA 327.5a for use by demonstration counties under the Family Protection Act.
15. DFA 327.7 - Total Expenditures Fund Distribution Report has been renamed the Eligibility and Nonservice, Nonfederal Fund Distribution Report and the footnotes reflect changes in welfare fraud.
16. DFA 327.8 - Total Expenditures Fund Distribution Report reflects footnote changes relevant to welfare fraud.

#### Respite Day Care

All-County Letter (ACL) 81-81 dated July 31, 1981, informed counties of the one-year agreement with the State Department of Education to secure additional funding for Child Protective Services (CPS) respite day care. This is to advise you that the claiming instructions contained in ACL 81-81, have been revised as follows:

Since this additional funding is not available for the administrative costs or for the staff activities associated with the arrangement of this

CPS respite day care, counties are advised to charge this time to Title XX, Line C-6 or Title IV-B, Line H, on the Social Worker Time study (DFA 46).

Counties are to claim the direct CPS Respite Day Care costs that meet the conditions set forth in ACL 81-81, on the DFA 325.2, Group VI, Extraneous, identified as "Respite Day Care." Counties are to then enter the quarterly "Respite Day Care" costs on a GEN 215. The GEN 215 is to be certified and submitted to DSS with the county's Administrative Expense Claim.

This will enable DSS to separately account for these costs and provide the 100 percent state reimbursement within the county's "Respite Day Care" allocation. However, reimbursement for expenditures will not be available until final execution of the agreement with SDE, at which time DSS will notify the county in writing of its approved allocation.

#### Claiming Limitations

ACL No. 81-32 provided counties with instructions for claiming expenditures incurred prior to October 1, 1979 (PL 96-272). However, it appears that only those claims for expenditures made on or after September 30, 1978 and before October 1, 1979 will be subject to reimbursement by the Federal Government.

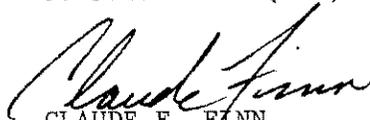
This is a result of notice to DSS from the U.S. Department of Health and Human Services (DHHS) that PL 96-272 appears inconsistent with the conditions governing the use of funds available to DHHS for FY 1981.

Specifically, the first and second continuing resolutions for FY 1981 (PL 96-369 and PL 96-536) state that funds available under those resolutions are subject to the same authority and conditions as funds appropriated for FY 1980. The FY 1980 appropriations prohibit the use of funds under Titles IV-A, IV-B, IV-E, XIX and XX of the Social Security Act to reimburse any expenditure incurred in these programs before September 30, 1978 unless the claim for reimbursement was filed within one year of the expenditure. Since PL 96-369 and PL 96-536 were enacted subsequent to PL 96-272 they override the latter's provision to use FY 1981 funds to pay pre-September 30, 1978 claims.

#### AFDC/AFDC-FC Federal-Nonfederal Programs

As indicated in ACL 81-68, the Department of Health and Human Services has refused to continue to approve California's Cost Allocation Plan. This Department submitted a cost plan counterproposal. We have now received official notice rejecting our counterproposal. Counties will be advised of any action required on their part.

All questions concerning this letter should be directed to your fiscal consultant at (916) 323-0270 or ATSS (8) 473-0270.

  
 CLAUDE E. FZNN  
 Deputy Director  
 Administration