

DEPARTMENT OF SOCIAL SERVICES
744 P Street, Sacramento, CA 95814
(916) 445-7046



October 16, 1985

ALL-COUNTY LETTER NO. 85-107

TO: ALL COUNTY WELFARE DIRECTORS
ALL COUNTY FISCAL OFFICERS
ALL COUNTY AUDITORS
ALL COUNTY ADMINISTRATIVE SERVICE OFFICERS

SUBJECT: COUNTY WELFARE ADMINISTRATIVE EXPENSE CLAIM

This is to provide claiming instructions for the July-September 1985 quarter. Included are instructions related to: Redesign of the Administrative Expense Claim; Electronic Data Processing (EDP); Public Assistance Food Stamps; and Third Party Contracts.

The following forms are to be used for the July-September 1985 quarter claim:

<u>Form</u>	<u>Revision Date</u>	<u>Form</u>	<u>Revision Date</u>
DFA 325.1	9/85*	DFA 327.6	9/85*
DFA 325.1A	9/85*	DFA 327.7A	9/85*
DFA 325.1B	9/85*	DFA 327.7B	9/85*
DFA 327.1A	9/85*	DFA 327.8A	9/85*
DFA 327.1B	9/85*	DFA 327.8B	9/85*
DFA 327.1C	9/85*	DFA 327.9	9/85*
DFA 327.2A	9/85*	DFA 403	7/82
DFA 327.2B	9/85*	DFA 50	3/85
DFA 327.2C	9/85*	DFA 419	1/83
DFA 327.3A	9/85*	DFA 43	8/85
DFA 327.3B	9/85*	DFA 46	8/85
DFA 327.4A	9/85*	DFA 47	1/85
DFA 327.4B	9/85*	DFA 323	8/85
DFA 327.4C	9/85*	DFA 856	4/82
DFA 327.5	9/85*	DFA 48	7/85

*These forms represent the reformatted claim and have been transmitted to each County Fiscal Officer under separate cover. Detailed instructions for completing the revised forms were included with the forms package.

Administrative Expenditures Claim Redesign

Effective with the July-September 1985 quarter, the Administrative Expenditures Claim forms (DFA 325 and DFA 327 series) have been redesigned. This redesign and reformatting of the administrative claim was accomplished to incorporate changes during the past fiscal year in various federal agencies' reporting

requirements, revision of the County Cost Allocation Plan (CAP) implementing new EDP claiming guidelines, and the growing complexity of the administrative claim form. It should be noted, however, that the basic cost pools (casework, overhead, staff development, direct) remain unchanged. In addition, with the exception of EDP claiming the cost allocation methodology has not changed.

The redesigned administrative claim will hopefully provide uniformity, regardless of function or program; accommodate the addition of new statewide or county-specific programs; and provide ease of modification for both manual and automated fiscal reporting. In addition, it should eliminate the repetitive posting of expenditures, reduce the number of footnotes, and provide a logical progression of each cost pool throughout the claim format (e.g., Casework, Overhead, EDP, Staff Development and Direct Costs). This is being accomplished by the use of a spread sheet concept, which should be conducive to compilation of data at both the state and county level.

The administrative claim forms effective for the 9/85 quarter are as follows:

DFA 325 Series

Identifies the expenditures incurred by the welfare department for each quarter. The series also includes schedules that further delineate specific cost pools.

DFA 325.1 - Expenditures Schedule and Certification

Identifies and accumulates the costs of the welfare department into specific groups and subgroups in order that they may be systematically channeled through the CAP or direct charged to function or program. Included on this page is statistical data which is used for determining the distribution of allocable support costs, the federal and nonfederal persons count, and the Aid to Families with Dependent Children (AFDC) intake hours and ratios.

DFA 325.1A - Electronic Data Processing Schedule

Accumulates the EDP hours from the individual DFA 48, EDP Time Study, and the costs of EDP activities. These costs are then identified to functional category for Maintenance and Operations (M&O) and developmental projects.

DFA 325.1B - Direct Costs Schedule

Identifies costs which are allowable as direct costs to a specific program. Direct costs must be identified to the appropriate cost category (Personal Services, Operating Costs, Purchase of Service).

DFA 327 Series

Distributes costs to program and funding source. This series of forms has been assigned a function designator for each page which affects more than one

functional category (i.e., Page A - Social Services, Page B - Eligibility and Nonservices, and Page C - Welfare Fraud).

DFA 327.1 (A, B, C) - Casework/Overhead Distribution Report

Summarizes the hours from the appropriate time studies, (e.g., DFA 46 - Social Services, DFA 43 - Eligibility and Nonservices, and DFA 856 - Welfare Fraud), and distributes the casework and overhead costs to program.

DFA 327.2 (A, B, C) - EDP Distribution Report

Distributes EDP costs to benefiting programs for M&O and developmental projects by use of the EDP Schedule, DFA 325.1A.

DFA 327.3 (A, B) - Staff Development Distribution Report

Summarizes the hours from the DFA 50, Staff Development time study and distributes the costs of the staff development office to program.

DFA 327.4 (A, B, C) - Direct Cost Distribution Report

Distributes direct costs to program. In addition, the DFA 327.4(C) includes additional columns, titled Fraud Modification, which split the joint AFDC/Food Stamp (federal and nonfederal) costs to the appropriate programs.

DFA 327.5 - Adoptions/Maternity Care Modification

Reports the county collection of adoption fees and maternity care rebates.

DFA 327.6 - Nonfederal AFDC Modification

Identifies the nonfederal costs of the AFDC program and the food stamp costs associated with nonfederal AFDC cases.

DFA 327.7 (A, B) - Staff Development Fund Distribution Report

Distributes staff development costs by program to funding source.

DFA 327.8 (A, B) - All Other Fund Distribution Report

Distributes all other program costs to funding source.

DFA 327.9 - Public Assistance Food Stamps Modification

Adjusts the IV-A funding for the public assistance cases to reflect the food stamp activities/costs associated with these cases.

Forms Not in Use for 9/85 Quarter

The AFDC/NAFS Eligibility Worker and Staff Cost Distribution Report (Forms DFA 327.8A through 8D) could not be revised in time to adapt to the new administrative claim. Therefore, we are suspending county completion of this report for the September 1985 quarter. It will be completed instead by our County Administrative Expense Control Bureau. Copies of the completed report will be transmitted to counties with the audited administrative claim. We expect the report format will be revised in time for counties to resume this responsibility beginning with the December 1985 quarter.

The Total Expenditures Fund Distribution Report (DFA 327.8), previously used to accumulate the quarterly administrative expenditures by program, is not included as part of the claim package. The usage of this form is currently under review. Counties will be notified at a future date whether this information will continue to be required at the state level. If counties feel the information is needed for internal purposes, the form may be completed and maintained at the county level.

Submission of Administrative Claim

For the 9/85 quarter, counties are to submit an original full-size manual claim. Do not submit a reduced-size copy. The copy may be handwritten as long as it is legible. Recognizing that counties will need additional time for preparing the claim this quarter, the due date for submission of the 9/85 quarter claim has been extended to October 28, 1985.

Those counties which have received approval to submit an automated version of the Administrative Claim may send a print-out of the revised claim (in addition to the manual claim). New approvals will be released following review of the revised format.

Based on the information in this letter and after a review of the material sent directly to the County Fiscal Officers, we believe counties should be able to complete the revised forms without special training. However, if a significant number of counties feel additional training is necessary to prepare this quarter's claim, we will schedule workshops during mid-October.

Electronic Data Processing (EDP)

All-County Information Notice I-49-85 and All-County Letter 85-71 notified counties of changes effective July 1, 1985 in the claiming requirements for EDP costs. Clarification is provided below on a number of questions raised during this implementation period.

Primary Function

Primary function is defined as performing EDP activities, as specified in ACL 85-71, more than 50 percent of an individual CWD employee's time. One hundred percent of the salaries and benefits of "primary function" CWD-EDP

staff is to be claimed as EDP Personal Services costs on the 325.1, line Q.

Key/Data Entry Operators

1. County Welfare Department staff who perform key punch or key entry operations and meet the "primary function" criteria outlined above, are required to complete the EDP Time Study, DFA 48. The salaries and benefits of these staff are to be claimed on the 325.1, line Q, EDP Personal Services.
2. Due to the organizational structure of some CWD's, key/data entry operators are often supervised by clerical or administrative support staff who are responsible for other non-EDP duties. These supervisors are exempt from the time study requirement, and their salaries and benefits are to continue to be reported in the appropriate clerical or administrative support pools.

EDP Coordinators/EDP Liaison

1. County Welfare Department staff who coordinate EDP activities for the CWD in addition to their regularly assigned non-EDP duties are not required to complete the EDP Time Study, DFA 48. The salaries and benefits of these staff are to continue to be claimed on the DFA 325.1, line F, as administrative support costs in Allocable Support.
2. County Welfare Department staff who coordinate EDP activities for the CWD and perform specific EDP activities (e.g., systems design, computer programming, etc.) are required to complete the EDP Time Study, DFA 48. The salaries and benefits of these staff are to be claimed on the 325.1, line Q, EDP Personal Services Costs.

Public Assistance Food Stamps

All-County Letter 85-01 notified counties of the federally approved rate to be used in determining the time spent on Public Assistance Food Stamps activities. Based on the results of the special study conducted in March 1985, the rate has been revised.

Effective July 1, 1985 the rate of 21.62 percent must be applied. This rate will remain in effect until the results of the next study, to be conducted in March 1986, receives federal approval.

The revised Administrative Claim form, DFA 327.9 incorporates the new rate of 21.62 percent.

Third Party Contracts - Direct Costs (DFA 325.1B)

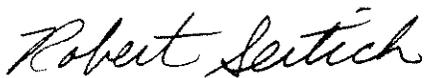
All-County Letter 85-72, dated June 28, 1985 notified counties that effective with fiscal year 1985/86, counties would be given more responsibility for contracting, by limiting the State Department of Social Services (SDSS) prior review of

most contracts and procurements. Contracts that will continue to be reviewed by SDSS are for In-Home Supportive Services, Electronic Data Processing Services, and Food Stamp Storage/Issuance Services.

Should future legislation, budget control language, or state and federal regulations require prior SDSS contract review for new or existing programs, counties will be notified.

Counties are to continue to identify purchase of service contracts separately on the Direct Cost Detail Schedule, DFA 325.1B (9/85). Costs reported against SDSS approved contracts must include the assigned contract number and fiscal year.

Any questions regarding this letter should be directed to the Fiscal Policy and Procedures Bureau at (916) 445-7046.



ROBERT T. SERTICH
Deputy Director
Administration

cc: CWDA