

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814

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July 18, 1986



ALL-COUNTY LETTER NO. 86-62

TO: ALL COUNTY WELFARE DIRECTORS  
ALL COUNTY STAFF DEVELOPMENT ADMINISTRATORS  
ALL COUNTY FISCAL OFFICERS  
ALL COUNTY AUDITORS  
ALL COUNTY ADMINISTRATIVE OFFICERS

SUBJECT: COUNTY ADMINISTRATIVE EXPENSE CLAIM - EMPLOYMENT SERVICES FUNCTION

This letter will provide information related to the new Employment Services function effective July 1, 1986 which has been developed as a result of the Greater Avenues for Independence (GAIN) Program. Included in this letter are time study instructions for the new Employment Services Time Study and fiscal provisions applicable to GAIN-related contracts and interagency agreements, and staff development. This letter also addresses situations in which the counties' operation of the GAIN Program may result in split-function staff. Although only a limited number of counties are now implementing GAIN, these instructions will apply to all counties which are currently operating employment-related services programs. These instructions will be in effect as counties implement the GAIN Program.

In order to accurately distribute costs associated with the statewide implementation of employment services programs such as GAIN, a separate function and time study have been developed. The DFA 52, Employment Services Time Study, will accumulate staff time spent on employment-related activities. All time collected on the DFA 52 will be carried forward to the DFA 53, Employment Services Time Study Summary and Program Allocation Ratios. The Administrative Expense Claim has been revised to report and distribute the appropriate salaries and benefits, allocable support, and direct costs attributable to the Employment Services function. Counties will receive the revised claim forms through the normal distribution process. The following time study instructions are effective for the July - September 1986 quarter.

Employment Services Time Study - DFA 52

GAIN Program

Time study activities are separated into four major divisions: 1) Registration and Appraisal, 2) Assessment, 3) Case Management, 4) Program Operations. Within the case management and program operations divisions, time study categories are further divided into GAIN components. Employment services staff and their first-line supervisors are to charge time to each component based on the definitions provided. Do not charge any time to the GAIN Program for GAIN

services provided to General Assistance (GA) and Refugee Cash Assistance (RCA) recipients.

- A. Registration and Appraisal: This includes providing an orientation to the GAIN Program including the available job, training, and supportive services; advising the individual of his/her rights and responsibilities; completing the registration document and forms for the Targeted Jobs Tax Credit as appropriate; administering the basic skills screening tests; determining deferrals; assessing the need for supportive services; completing the basic contract and referring the participant to the initial assignment or assessment.
- B. Assessment: This includes evaluating a participant's education, employment history, and need for supportive services; identifying an employment goal and completing an employability plan; and, referring the participant to a third-party assessment.
- C. Case Management: This includes arranging for entry into a GAIN component, tracking and monitoring activities, arranging for supportive and/or job services, providing employment counseling, conducting conciliation and cause determinations, arranging for money management, coordinating grant diversion activities with the AFDC eligibility worker, preparing for and presenting information at hearings, conducting hearings, and amending the participant's contract. Time spent performing case management activities is to be charged to one of the following components:
  - 1. Job Club - This component is limited to case management activities related only to job search workshops. Do not include any job search activities.
  - 2. Job Search - This component includes all supervised and unsupervised job search case management activities.
  - 3. Basic Education
  - 4. Vocational Training
  - 5. Other Training and Education
  - 6. Preemployment Preparation
  - 7. On the Job Training - Non-grant Diversion
  - 8. Grant Diversion
  - 9. 90-Day Transitional Child Care
- D. Program Operations: This includes the actual provision of education, job, and training services by component; developing employment and training positions; and negotiating and monitoring employment and training contracts.

Time spent performing program operations activities is to be charged to one of the following components:

1. Job Club - This component is limited to program operations activities related only to job search workshops. Do not include any type of job search activities.
2. Job Search - This component includes all supervised and unsupervised job search program operations activities.
3. Basic Education
4. Vocational Training
5. Other Training and Education
6. Preemployment Preparation
7. On the Job Training - Non-grant Diversion
8. Grant Diversion

Time spent for 90-day Transitional Child Care is applicable only under Case Management.

#### Other Employment Programs

In order to provide continuity among the programs and activities associated with each function, caseworker time and administrative costs for all employment-related programs will be identified to the Employment Services function effective with the July - September 1986 quarter.

#### WIN Demonstration Program

Charge all time spent by social services staff determining deferrals, arranging for or providing supportive services, providing orientation, referring the participant to EDD, and conducting cause determinations to line E on the DFA 52.

#### Other County-Only Programs and General Relief

Charge all time spent providing employment and training services which are not linked to any other program to line F on the DFA 52. Include time spent providing GAIN services to GA or RCA recipients.

The following programs are to be identified on blank lines on the DFA 52:

#### Food Stamp Work Registration Job Search

Employment services staff are instructed to charge their time on a blank line

designated Food Stamp Work Registration Job Search. Eligibility activities associated with this program will continue to be identified on the DFA 43.

#### Food Stamp Workfare

Employment Services staff are instructed to charge their time on a blank line designated Food Stamp Workfare on the DFA 52. Eligibility activities associated with this program will continue to be identified on the DFA 43.

#### Refugee Demonstration Project (RDP)

Charge all time spent by staff performing cause determinations on a blank line designated RDP. Eligibility staff are instructed to continue charging all other RDP activities on the DFA 43.

#### Demonstration Projects

Counties that are operating pilot demonstration projects, such as the Employment Preparation Program (EPP) and Saturation Work Incentive Model (SWIM), are instructed to time study these programs on a blank line on the DFA 52.

#### Staff Development Time Study DFA 50

The DFA 50 has been revised to include the Employment Services function. Include in this function time spent:

1. By trainers when actually providing employment services training;
2. By first-line staff development supervisors actually supervising employment services training;
3. By trainers, first-line supervisors, and nonsupervisory staff development administrators on activities that can be assigned directly and wholly to employment services, e.g., course preparation for employment services - specific training.

Charge time to Employment Services - General when the training subject or the trainees can be identified exclusively to the employment services function.

#### Staff Development Costs

The regulations contained in Manual of Policies and Procedures, Chapter 14, Sections 211 and 212 apply to GAIN staff development.

#### Supportive Services

Costs for child care, transportation, and ancillary expenses for GAIN participants are to be identified by component on the DFA 325.1A, Direct Costs Detail Schedule, under the appropriate column.

### Split-Function Staff

The legislation which established the GAIN Program granted counties the flexibility to determine the type of staff used to operate the program. As a result, we anticipate that in some counties there will be large numbers of staff who will be assigned activities associated with the Employment Services function as well as either the Eligibility or Social Services functions. In these situations, the worker is required to time study to both functions in order to divide the salary and benefits between the corresponding salary pools and to ensure overhead costs are allocated to the appropriate programs.

However, given the potential widespread use of split-function staff for the GAIN Program, the Department of Health and Human Services, Division of Cost Allocation (DCA), has advised this Department that continued approval of California's County Cost Allocation Plan (CAP) will require that split-function staff time study on a continuous basis. Continuous time studies will be necessary until it can be demonstrated that the midmonth time study is representative of the entire quarter's activities. Furthermore, in order to maintain a consistent methodology for allocating administrative costs, DCA has indicated that counties having split-function GAIN staff will be required to have all casework staff begin continuous time studies effective on the first day of the quarter in which the county begins operation of the GAIN Program. It will be necessary to accumulate the total hours for the three months and develop an average which will be reported on the respective time summaries.

The time which split-function staff spend on GAIN activities is to be identified to the appropriate component line on the Employment Services Time Study. The staff's salaries and benefits must be split in proportion to the hours recorded on the time studies and claimed in the corresponding salary pools on the DFA 325.1. Additionally, the time studies must be reconciled to the salary pools on the DFA 403. The DFA 403 will be revised to incorporate the new Employment Services function.

Counties are advised that the authorization provided in this letter for case-carrying staff to perform split-function activities is limited to staff assigned to employment services activities in addition to their regularly assigned duties. For all other staff, the requirement to obtain a waiver for split-function activities specified in All-County Letter 76-48 remains in effect.

### Contracts

Counties are responsible for ensuring that a contractor's method of cost allocation is consistent with the federal cost principles provided for in 45 Code of Federal Regulations, Part 74. Contractors must maintain daily time records or time studies, or be able to certify 100 percent of their effort is devoted to GAIN, in order to substantiate the costs billed to each component and to provide an audit trail. Counties may consider requiring the use of the DFA 52 to document the contractor's time.

Contracts for GAIN direct services must stipulate that the contractor identify and bill costs by component. The costs of case management and program operations for each component must be identified separately. Supportive services costs must also be identified separately to each component. Contracts which provide services for more than one component must identify costs for each component separately. Contracts which provide for direct client services, as well as administrative services, must separate these costs.

Contract costs for the provision of direct services to the participant will be claimed on the DFA 325.1B Direct Costs Detail Schedule. Costs for the provision of pure administrative services (e.g., labor market surveys for annual updates or management of child care resource development) will be claimed on the DFA 325.1 under Allocable Support Costs, Purchase of Services. Costs for contracts which provide both types of services will be claimed on the DFA 325.1 and 325.1B based on the appropriate division of costs.

Our objective in establishing the Employment Services claiming instructions is to accurately distribute all costs and insure that unintended support costs shifts to the counties or to the state do not occur. We believe that the designations we have made of direct and allocable support activities in this ACL are in keeping with our objective. However, several potential issues associated with designation of costs for specific activities as Direct or as Allocable Support have been identified by counties and were discussed with the GAIN Fiscal Subcommittee of CWDA on July 16, 1986. At that meeting we reminded county representatives that the claiming instructions established for the GAIN Program are consistent with claiming policies currently in effect for other DSS programs. As counties review the contents of this letter and incorporate the directions in their GAIN Plans, they will undoubtedly identify concerns about specific areas of the instructions. In anticipation of this, at the July 16 meeting, DSS agreed to continue working with the GAIN Fiscal Subcommittee to resolve any issues that counties may identify with respect to these claiming instructions.

The time studies for Social Services, Eligibility, EDP, and Staff Development have been revised and will be released to the counties through the normal distribution. Instructions for all other time study changes for the July - September 1986 quarter will be released separately.

All questions concerning this letter should be directed to Karen Richardson at (916) 445-0482 or ATSS (8) 484-0482.



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Administration

cc: CWDA