

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814



November 14, 2006

Regulation Package #1005-16 and
Handbook Package #1006-08

CDSS MANUAL LETTER NO. EAS-06-02

TO: HOLDERS OF THE EAS MANUAL

Regulation Package #1005-16**Effective 9/7/06****Sections 42-711, 42-716, and 44-352**

This manual letter has been posted on the Office of Regulations Development website at http://www.dss.cahwnet.gov/ord/Eligibilit_617.htm.

Senate Bill 1104, Chapter 229, Statutes of 2004, and SB 68, Chapter 78, Statutes of 2005, amended the CalWORKs Welfare-to-Work program. The CalWORKs Welfare-to-Work program is the employment and training component of CalWORKs, California's version of the federal Temporary Assistance for Needy Families (TANF) Program.

The emergency regulations enhanced the program's "work first" approach and established a universal engagement requirement that engages families as soon as possible in services they need to become economically self-sufficient. The emergency regulations eliminated the 18- or 24-month time limit on participation in specified education and training activities and required adults to participate in at least 20 hours per week in core welfare-to-work activities that will provide them with the necessary training to obtain employment. The emergency regulations were adopted effective April 3, 2006.

As a result of testimony received, minor clarity changes were made to the emergency regulations and those changes are included in this manual letter.

These regulations were considered at the public hearing held on January 18, 2006 in Sacramento, California.

Handbook Package #1006-08**Effective 10/1/06****Section 44-352**

These handbook examples of overpayment recoupment are changed to be consistent with current regulations.

Since these changes are nonsubstantive, a public hearing was not held.

FILING INSTRUCTIONS

The attached pages are to be entered in your copy of the Manual of Policies and Procedures. The latest prior manual letter containing EAS changes was EAS-06-01.

Page(s)

239.1 and 239.2
253.7 and 253.8
253.13 and 253.14
254 and 255
511 through 514

Replace(s)

Pages 239.1 and 239.2
Pages 253.7 and 253.8
Pages 253.13 and 253.14
Pages 254 and 255
Pages 511 through 514

Attachments

NH

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

- .63 A participant shall take part in one or more welfare-to-work activities for the required minimum hours as specified in Section 42-716.2, and as provided in the welfare-to-work plan.

- .64 The plan shall be written in clear and understandable language and have a simple, easy-to-read format.
 - .641 The plan shall contain at least, but is not limited to, the information provided to the individual pursuant to Sections 42-711.522(b), (c)(1) and (2), and (d)(2).

 - .642 The plan shall specify, and shall be amended to reflect changes in, the participant's welfare-to-work activities, a description of needed supportive services to be provided, and specific requirements for successful completion of assigned activities including required hours of participation.
 - (a) The plan shall also address school attendance of all children in the assistance unit for whom school attendance is compulsory, as specified in Section 40-105.5, and identify any participation required of the parent by the school to ensure the child's attendance. Such participation hours by the parent shall count toward the required hours of participation specified in Sections 42-711.411 or .421, and as non-core hours as allowed under Section 42-716.22.

 - (b) The plan shall outline how hours of participation in core and/or non-core welfare-to-work activities satisfy the participation requirements pursuant to Section 42-716.2.

- .643 Participation in activities assigned under the welfare-to-work plan may be sequential or concurrent. The CWD may require concurrent participation in the assigned activities if it is appropriate to the participant's abilities, consistent with the participant's welfare-to-work plan, and the activities can be concurrently scheduled.

- .644 If the CWD determines it to be appropriate and necessary for the removal of the participant's barriers to employment, an individual who lacks basic literacy or mathematics skills, a high school diploma or general educational development certificate, or English language skills, shall be assigned to participate in adult basic education as defined in Section 42-716.31(k).

- .645 The participant shall maintain satisfactory progress in the activities to which the participant is assigned, and the CWD shall provide the necessary supportive services as set forth in the plan.

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

- | .646 The CWD shall allow the participant three (3) working days after the completion of the welfare-to-work plan or subsequent amendments to the plan in which to evaluate, and request changes to, the terms of the plan.

- | .647 The participant has 30 days from the beginning of the initial welfare-to-work activity in which to request a change or reassignment to another activity or component of the activity.
 - (a) The CWD shall grant the participant's request for reassignment if another assignment is available and consistent with the individual's welfare-to-work plan and the CWD determines the other activity will readily lead to employment.
 - (b) This grace period will be available only once to each participant.

- | .648 If an activity to be provided under the welfare-to-work plan is not immediately available to the participant, he or she shall be assigned to job search and/or job readiness activities until the education or training activity designated in the plan is available.
 - (a) Job search activities are subject to the limits described in Section 42-711.53.

HANDBOOK BEGINS HERE

- (b) The number of weeks during which an individual's participation in job search and job readiness activities will count toward meeting the federal work participation rates is limited by federal law. See Section 42-714.3(f).

HANDBOOK ENDS HERE

| .65 A participant shall be provided written notice of the availability of paid child care, pursuant to Section 47-301.2, when he or she signs an original or amended welfare-to-work plan.

| .7 Reappraisal

- | .71 The CWD shall conduct a reappraisal of any participant who does not obtain unsubsidized employment upon completion of all activities in his or her welfare-to-work plan. The reappraisal shall evaluate whether there are extenuating circumstances, as defined by the CWD, that prevent the participant from obtaining employment within the local labor market area.
 - .711 If the CWD determines that extenuating circumstances exist, the participant shall be assigned to additional activities consistent with the appraisal.
 - .712 If extenuating circumstances do not exist, and until the CWD reverses this determination, the participant must participate in activities that are limited to the following:

42-715 DOMESTIC ABUSE PROTOCOLS AND TRAINING STANDARDS 42-715
(Continued)

NOTE: Authority cited: Sections 10553 and 10554, Welfare and Institutions Code. Reference: Sections 11454, 11495, 11495.1, 11495.15, 11495.25 and 11495.40, Welfare and Institutions Code.

42-716 WELFARE-TO-WORK ACTIVITIES 42-716

- .1 Upon the completion of job search activities, or a determination that those activities are not required as an initial activity, the participant shall be assigned to one or more welfare-to-work activities pursuant to Section 42-716.31, as needed to obtain employment.

- .11 Individuals may participate in activities pursuant to Section 42-716.2 for up to the 60-month time limit in accordance with Section 42-302, as long as participation is consistent with their assessments under Section 42-711.55 and/or in accordance with their welfare-to-work plan under Section 42-711.6, or reappraisal under Section 42-711.7.

- .2 Except for exempt individuals, individuals who are enrolled in self-initiated programs in accordance with Section 42-711.54, individuals who have been granted domestic abuse waivers in accordance with Section 42-715.5, individuals receiving family reunification services in accordance with Section 42-711.61, or 19-year-old custodial parents without a high school diploma in accordance with Section 42-711.31, to fulfill participation requirements:
 - .21 An individual must participate for a minimum average of 20 hours per week in one or more core activities, as described in Sections 42-716.31(a) through (j), (m), and (n).
 - .211 Participation in vocational education and training programs pursuant to Section 42-716.31(m) may only count as a core activity for a cumulative total of 12 months during an individual's 60-month time limit on aid.
 - (a) This 12-month limit begins on the first day of the month in which an individual begins vocational education and training as part of a welfare-to-work plan signed on or after December 1, 2004.
 - (1) A month in which an individual participates in at least an average of 20 hours of core activities per week as described in Sections 42-716.31(a) through (j), and (n), shall not count toward the 12-month limit on counting vocational education and training as a core activity, when the individual is also assigned to vocational education and training as part of a welfare-to-work plan.

42-716	WELFARE-TO-WORK ACTIVITIES (Continued)	42-716
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- .22 The remaining hours, up to 12 hours for an adult in a one-parent assistance unit pursuant to Section 42-711.411, or up to 15 hours for an adult in a two-parent assistance unit pursuant to Section 42-711.421, may be comprised of any of the welfare-to-work activities described in Section 42-716.31.

- .23 Hours spent in specified non-core activities [mental health, substance abuse, and domestic abuse services, as described in Sections 42-716.31(q), and classroom, laboratory, and internships in adult basic education, job skills training directly related to employment, satisfactory progress in a secondary school or in a course of study leading to a certificate of general educational development, and education directly related to employment, as described in Sections 42-716.31(k), (l), (o), and/or (p) respectively] in excess of those that can be accomplished within the non-core hours shall count as core hours if:
 - .231 The county has determined that the assigned participation, if any, in mental health, substance abuse, and domestic abuse services is necessary for the individual to participate in core activities; and

 - .232 The assigned participation hours, if any, in classroom, laboratory, and internship activities in adult basic education, job skills training directly related to employment, satisfactory progress in a secondary school or in a course of study leading to a certificate of general educational development, and education directly related to employment programs meet the criteria listed below:
 - (a) The program leads to a self-supporting job.

 - (b) The individual is making satisfactory progress.

 - (c) The individual does not possess a baccalaureate degree unless he or she is pursuing a California regular classroom teaching credential.

 - (d) The program is on the county list of programs that the county and local agencies agree will lead to employment in accordance with Section 42-711.543(b).
 - (1) If the program is not on the county-approved list, the county must continue to provide the individual with the opportunity to demonstrate, in accordance with Section 42-711.543(b)(1)(A), that completion of the program will lead to self-supporting employment.

- .24 Additional conditions on counting hours spent in non-core activities as core hours.

HANDBOOK BEGINS HERE

.263 Example: An adult in a one-parent AU must participate in at least 20 hours of core welfare-to-work activities per week with the balance of her 32-hour participation requirement spent in either core or non-core activities. The individual needs 16 hours of classroom, laboratory, or internship activities of which four hours is credited study time, in an “education directly related to employment” certificate program (that meets all specified criteria) to obtain a self-supporting job as an accounting technician. Because study time is credited and counts toward the certificate program, it is considered education directly related to employment. Since only 12 of the necessary 16 hours of educational activities can be accomplished as non-core participation hours, the remaining four hours are counted toward her core requirement. She is also participating in 16 hours of work-study, which is a core activity, to fulfill her 32-hour participation requirement.

	Core Hours	Non-core Hours That Count As Core Hours	Non-core Hours	Hours of Participation
Work-study	16			16
Education Directly Related to Employment		4	12	16
Total Hours of Participation				32

HANDBOOK ENDS HERE

.3 The welfare-to-work plan described at Section 42-711.6 shall include welfare-to-work activities.

.31 Welfare-to-work activities may include, but are not limited to, any of the following:

- (a) Unsubsidized employment.
- (b) Subsidized private sector employment.
- (c) Subsidized public sector employment.

42-716	WELFARE-TO-WORK ACTIVITIES (Continued)	42-716
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- (d) Work experience, as defined in Section 42-701.2(w)(3).
 - (1) Unpaid work experience shall be limited to 12 months, unless the CWD and the welfare-to-work participant agree to extend this period by an amendment to the welfare-to-work plan. The CWD shall review the work experience as appropriate.
 - (A) At the time of the assignment to the work experience activity, the CWD shall identify the job skill(s) to be developed or enhanced. The CWD shall review the work experience activity as necessary to determine the participant's progress toward reaching the training goal.
 - (B) Revisions to the welfare-to-work plan shall be made as necessary to ensure that the work experience assignment continues to be consistent with the participant's plan and is effective in preparing the participant to obtain employment.
 - (2) The maximum hours of participation in unpaid 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.

42-716	WELFARE-TO-WORK ACTIVITIES (Continued)	42-716
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- (3) The monthly limit in Sections 42-716.31(d)(2)(A) and (B) shall be considered to have been met by participation in an average weekly number of hours determined by dividing the monthly amount by 4.33 (average number of weeks per month).

- (e) On-the-job training (OJT).

- (f) Grant-based OJT, as defined in Section 42-701.2(g)(2) and pursuant to Section 42-716.7.

- (g) Supported work or transitional employment as defined in Section 42-701.2(s)(3), and pursuant to Section 42-716.7, except that only the grant or the grant savings can be diverted to the employer.

- (h) Work study.

- (i) Self-employment.

- (j) Community service as defined in Section 42-701.2(c)(3).
 - (1) At the time of the assignment to the community service activity, the CWD shall identify the job skill(s) to be developed or enhanced. The CWD shall review the community service activity as necessary to determine the participant's progress toward reaching the training goal.
 - (A) Revisions to the welfare-to work plan shall be made as necessary to ensure that the community service assignment continues to be consistent with the participant's plan and is effective in preparing the participant to obtain employment.

 - (2) Hours of participation in unpaid community service shall be limited as follows:
 - (A) A participant in unpaid community service activities whose assistance unit includes food stamp recipients may 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. If all or a portion of the CalWORKs assistance unit's grant has been diverted to an employer pursuant to Sections 42-701.2(g)(2) and 42-716.31(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.

42-716	WELFARE-TO-WORK ACTIVITIES	42-716
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- (B) A participant in unpaid community service activities whose assistance unit does not include food stamp recipients may 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. If all or a portion of the CalWORKs assistance unit's grant has been diverted to an employer pursuant to Sections 42-701.2(g)(2) and 42-716.31(f), only that portion, if any, received as a grant shall be used in this calculation.

- (3) The monthly limit in Sections 42-716.31(j)(2)(A) and (B) shall be considered to have been met by participation in an average weekly number of hours determined by dividing the monthly amount by 4.33 (average number of weeks per month).

- (4) Community service activities shall comply with the non-displacement provisions specified in Section 42-720.

- (k) Adult basic education as defined in Section 42-701.2(a)(1).
 - (1) Participants shall be referred to appropriate service providers that include, but are not limited to, educational programs operated by school districts or county offices of education that have contracted with the superintendent of public instruction to provide services to the participant, pursuant to Section 33117.5 of the Education Code.

- (l) Job skills training directly related to employment.

- (m) Vocational education and training including, but not limited to, college and community college education, adult education, regional occupational centers, and regional occupational programs.
 - (1) Any child care provider job training that is funded by either the State Department of Education or the California Department of Social Services shall include information on becoming a licensed child care provider.

44-352 OVERPAYMENT RECOUPMENT (Continued)

44-352

HANDBOOK BEGINS HERE

Handbook Section 44-352.121(a)(2)(QR) shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to Director's QR/PB Declaration.

- (QR) In the quarter designated as October/November/December 2004, the county determines through an IEVS match that an AU had income that exceeded the IRT early January 2005 (January 5). (The quarter in which the income was received was January/February/March). The AU is still receiving the same level of income in the current July/August/September 2005 quarter and has never reported the income in a mid-quarter report or on any of the QR 7s that have been submitted. The county determines that the AU should have reported this change by January 15, and should have been discontinued due to financial ineligibility effective January 31. The AU should be discontinued with a 10-day notice and an overpayment would be established beginning February 1 through the month of discontinuance.

HANDBOOK ENDS HERE

- (b) If the overpayment occurred prior to January 1, 1998, and if the overpayment is due to any earned income that the recipient failed, without good cause, to report timely, no earned income disregards shall be allowed for that individual in that month.

HANDBOOK BEGINS HERE

Earned income disregards in effect prior to January 1, 1998 were: 1) \$90 standard work expense disregard, 2) \$30 and 1/3 earned income disregard, 3) extended \$30 income disregard, and 4) child and dependent care disregard (\$200 per month for children under 2 and \$175.00 per month for older children and other dependents).

HANDBOOK ENDS HERE

- .122 Subtract the correct grant amount from the amount of aid actually paid.
- .123 Subtract any money, excluding child support recoupment, received by the county and credited against the aid payment from the aid actually paid.
- .124 The total overpayment for each month is the lesser of the amount computed in Sections 44-352.122 or .123.
- .125 The total overpayment is the sum of all amounts calculated in Section 44-352.124.

HANDBOOK BEGINS HERE

EXAMPLES

	<u>Factors</u>		<u>Computations</u>
			(.121) (.125)
	<u>Aid</u>		<u>Correct</u>
	<u>Paid</u>		<u>Grant</u> <u>Overpayment</u>
1.	Earned Income		\$1,025
	Reported Income		1,025
	Income Disregard		<u>- 225</u>
	Subtotal		800
	50% Earned Income Disregard		<u>- 400</u>
	Total Net Nonexempt Income		
	400		
	MAP for Five	\$980	\$ 980
	Total Net Nonexempt Income		<u>- 400</u>
	Aid Payment	\$980	\$ 580
	Potential Overpayment (Aid		\$ 980
	Paid Less Correct Grant)		<u>- 580</u>
			\$ 400

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HANDBOOK CONTINUES

EXAMPLES

	<u>Factors</u>		<u>Computations</u>	
			(.121)	(.125)
	<u>Aid</u>		<u>Correct</u>	
	<u>Paid</u>		<u>Grant</u>	<u>Overpayment</u>
2.	Earned Income		\$ 500	
	Reported Income		\$ 500	
	Income Disregard		- 225	
	Subtotal		275	
	50% Earned Income Disregard		- 138	
	Total Net Nonexempt Income		137	
	MAP for Three	\$723	\$ 723	
	Total Net Nonexempt Income		- 137	
	Aid Payment	\$723	586	
	Overpayment (Aid			\$ 723
	Paid Less Correct Grant)			-586
				\$ 137

HANDBOOK ENDS HERE

44-352	OVERPAYMENT RECOUPMENT (Continued)	44-352
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.2 Amount That Can Be Recovered

The amount that can be recovered is the total amount calculated under 44-352.11 or 44-352.12, with the following exceptions:

.21 Collection of overpayments shall not be demanded from any individual of the overpaid AU no longer receiving aid when:

.211 The overpayments are nonfraudulent; and

.212 The total amount of the overpayments is less than \$35.

.22 Where the nonfraudulent overpayments owed by any individual no longer receiving aid totals \$35 or more, the county shall send a demand notice for repayment. No further collection efforts shall be made if the county determines it is not cost effective to collect the overpayment (see MPP 44-350.161[b]).

.3 Priority Order For Overpayment Recoupment

Overpayments shall be recouped in the following priority order unless specifically exempted under Section 44-352.2.

.31 Caretaker Relative Recipient

When the caretaker relative was a member of the AU at the time of the overpayment, the county shall first seek recoupment from the caretaker relative recipient.

.311 Recovery

The county shall continue to seek recovery of the overpayment from the caretaker relative even when he/she:

(a) Moves to another AU, or

(b) Is no longer on aid.

.312 Members of the AU

The county shall only initiate recovery of the overpayment from the other members of the overpaid AU after all efforts to collect from the caretaker relative recipient have been exhausted, and the caretaker relative recipient: