NEW YORK STATE
OFFICE OF TEMPORARY AND DISABILITY ASSISTANCE
40 NORTH PEARL STREET
ALBANY, NY 12243-0001

David A. Paterson
Governor

Local Commissioners Memorandum

Section 1

Transmittal:	10-LCM-07
To:	Local District Commissioners
Issuing Division/Office:	Center for Employment and Economic Supports
Date:	June 17, 2010
Subject:	Food Stamp Employment and Training Allocations – FFY 2010
Contact Person(s):	Kathryn DeBella: (518) 408-4972 or Employment Services Advisor Fiscal Contacts: Ed Conway (Regions 1-4), 1-800-343-8859, extension 4-7549, Edward.Conway@otda.state.ny.us; Michael Borenstein (Region 5) (212) 961-8251, Michael.Borenstein@otda.state.ny.us; Marian Borenstein (Region 6) (212) 961-8250, Marian.Borenstein@otda.state.ny.us
Attachments:	Attachment 1: FFY 2010 100% and 50% Food Stamp Employment and Training Allocations
Attachment Available On – Line:	Yes

Section 2

I.   Purpose

The purpose of this Local Commissioners Memorandum (LCM) is to provide the federal fiscal year (FFY) 2010 Food Stamp Employment and Training (FSET) 100% and 50% administrative funding allocations for each social services district. This memorandum also includes important information regarding the use of FSET funds.

II.   Background

New York State receives annual allocations from the United States Department of Agriculture (USDA) to support FSET program administration. Two funding streams are available: 100% federal funds and 50% federal funds.

The 100% federal funds are available to fully reimburse FSET administrative costs without nonfederal match. Districts' 100% FSET allocations for FFY 2010 are based on work registrant caseloads.

Federal 50% FSET funds are also available to further support the FSET services, along with matching non-federal funds. Each district's 50% FSET allocation is based on claiming history.

Participant reimbursement and dependent care funding for FSET is not included in either of the administrative allocations and must continue to be claimed separately. Districts are reminded that FSET dependent care may not be used to cover the costs of care for individuals who are eligible for services under the Child Care Block Grant (see 02 LCM-10).

Your district's FFY 2010 FSET administrative allocations are available to reimburse costs incurred from October 1, 2009 through September 30, 2010. Once a district spends its 100% FSET allocation, any additional claims must be submitted against the 50% FSET allocation. Districts are encouraged to fully claim 100% funds before claiming 50% funds. All claims for FFY 2010 100% FSET reimbursement must be received no later than **February 1, 2011.**

Federal 50% FSET administrative claims, participant reimbursement and dependent care claims must be matched with non-federal funds.

III.   **Program Implications**

FSET funds are available to support costs associated with operating the FSET program. Such costs may include those related to applicants and recipients of food stamps, including Safety Net applicants and recipients who are also receiving food stamps and assigned to a FSET activity.

Districts may continue to use FSET funds for employment-related costs associated with Safety Net families who are also FSET work registrants, including those with a child under six years of age who would otherwise be exempt, but are required to fulfill Temporary Assistance work requirements. Since individuals with a child under six years of age would be considered volunteers for FSET purposes, they would not be subject to a food stamp sanction for failure to comply.

Please refer to federal Food Stamp regulations at 7 CFR 273.7 (d)(1)(ii) and 273.7 (e)(1) and to the New York State Fiscal Reference Manual, Volume 3 (Volume 4 for New York City), Chapters 3, 5 and 10 for further information on allowable FSET activities and claiming instructions.

FSET Funding Rules

Districts are reminded of the following rules regarding use of FSET and the non-federal funds used to meet the non-federal share of the FSET funds:

- Services associated with substance abuse, including anti-drug counseling and the costs associated with monitoring a client's compliance with a treatment program are **not** allowable uses of FSET funds.

- FSET funds **cannot** be used to reimburse the cost of supervision of work experience participants (see 00 LCM-10), or to support employment services for applicants and recipients of TANF-funded assistance, who are categorically exempt from food stamp work requirements.

- FSET funds **<u>cannot</u>** be used to purchase computers or provide internet connections for FSET participants. USDA has determined that costs related to computer purchase/internet connections are not reasonable and necessary and are not directly related to participation in FSET activities.

- Consistent with federal regulations at 7 CFR 273.7(d)(1)(ii)(A), FSET funds may **<u>not</u>** be used to determine whether or not an individual is required to participate in FSET work activities. This restriction includes any costs related to the evaluation of an individual's medical condition. FSET funds must **not** be used for medical screenings, examinations or medical services of any kind.

- FSET participant reimbursement funds may be used to provide services associated with retaining employment for up to 90 days following the date an individual begins working. The individual must have been participating in another FSET activity prior to starting employment in order to qualify for the receipt of participant reimbursement funds. Allowable costs include transportation costs, clothing required for the job or equipment or tools required for the job.

- Districts may operate any work activity authorized under 18 NYCRR 385.9 that is included as part of the district's FSET program including, but not limited to, work experience, job search and job readiness activities. While subsidized employment is an allowable FSET program activity, federal regulations prohibit the use of FSET and non-federal funds used to meet the non-federal share of FSET costs for wage subsidies. The FSET funds cannot be used to subsidize a wage (payment to employer), but can be used to support the administration of a subsidized employment program (case management staff, job developers, etc.). Mandatory FSET assignments may not exceed 30 hours per week/120 hours per month. However, individuals may volunteer to participate in FSET activities for an unlimited number of hours.

- Districts are also reminded of the requirement to offer and provide a qualifying work or training opportunity if requested by an able-bodied adult without dependents (ABAWD) if needed to allow him or her to retain eligibility for food stamps beyond the three-month time limit (see Section 3, page 4 of the New York State Temporary Assistance and Food Stamp Employment Policy Manual). This provision only applies to districts that are implementing ABAWD requirements.

IV. Claiming Instructions

The Department has moved into production a Cognos employment report entitled "Individuals by Employability Code Counts." This report has replaced the current WINR-9475 and the Monthly Statistical Report on Employability (DSS-2238) for the purpose of allocating employment program costs. Using related data there is also a new Cognos report entitled the "Local District PA-FS Claiming Tool." This Claiming Tool provides needed information on the number of PA individuals who are subject to employment program work requirements and the number of NTA-FS work registrants engaged in work activities during the report month. These numbers of individuals can be used to determine the allocation claiming percentages for use on the Schedule D-3, Allocation and Claiming of Administrative Costs for Employment Programs, LDSS-2347-B1.

New York City will continue to use their in-house produced Engagement Report for this purpose. Guidelines for using the Engagement Report are contained in Chapter 10 of Volume 4 of the Fiscal Reference Manual.

The Monthly Employability Code Summary Report and Local District PA-FS Claiming Tool provide unduplicated case member counts. These reports are available on a monthly basis in Cognos 8 using the following link: http://cognos.dfa.state.nyenet/cognos8/cgi-bin/cognosisapi.dll?b_action=xts.run&m=portal/cc.xts&m_folder=i1D22C59234A84D44AB09C78D492E9CCC

Instructions for using the Claiming Tool are contained in Chapter 10 of Volume 3 of the Fiscal Reference Manual.

Districts can contact John Hanofee at (518) 473-7567 or email at john.hanofee@otda.state.ny.us for copies of the Monthly Employability Code Summary Report and the Local District PA-FS Claiming Tool.

Districts may file supplemental claims transferring dollars from the 100% category to the 50% category once they exceed their 100% FSET allocation. This will result in the district receiving these funds sooner without waiting for the State to shift the claims.

V.   Additional Information

Any district that projects it will require additional FFY 2010 or an increase in FFY 2011 federal FSET 50% funds should submit a written request for an increase by July 1, 2010. The request should include both the amount of funds requested and an explanation of the reasons for the expected increase in FSET expenditures. All FFY 2010 requests received by the July 1, 2010 deadline will be reviewed and if approved by OTDA, honored to the extent that federal 50% funding is available. Receiving requests by July 1, 2010 will permit OTDA to assess statewide funding needs and determine if additional federal funds should be requested. Requests for additional funding may be submitted beyond this date, but approval could be delayed if OTDA must secure approval from the United States Department of Agriculture.

Requests for an increase in 50% FSET funds must be submitted to:

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