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Local Commissioners Memorandum

Section 1

Transmittal:	08-LCM-01
To:	Local District Commissioners
Issuing Division/Office:	Center for Employment and Economic Supports
Date:	May 5, 2008
Subject:	Food Stamp Employment and Training Allocations – FFY 2008
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Attachments:	Attachment 1: FFY 2008 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) 2008 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 State or local match. Districts' 100% FSET allocations for FFY 2008 are based on work registrant caseloads.

Federal 50% FSET funds are also available to support the FSET services, along with matching State and/or local funds. Each district's 50% FSET allocation is based on claiming history.

Participant reimbursement and dependent care funding for FSET is not included in the administrative allocations and should 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 2008 FSET administrative allocations are available to reimburse costs incurred from October 1, 2007 through September 30, 2008. Once a district spends its 100% allocation, any additional claims must be submitted against the 50% allocation. Districts are encouraged to fully claim 100% funds before claiming 50% funds. All claims for FFY 2008 100% FSET reimbursement must be received no later than **February 3, 2009**.

Federal 50% FSET administrative claims, participant reimbursement and dependent care claims must be matched with State and/or local funds. Any State funds available to support FSET administration or participant reimbursement and dependent care costs are included in your Local Administration Fund allocation.

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 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 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 TANF applicants and recipients who are categorically exempt from food stamp work requirements.
- Consistent with federal regulations at 7 CFR 273.7(d)(1)(ii)(A), FSET funds may not 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 must not be used to provide services associated with retaining employment. According to USDA policy, costs related to retaining employment are beyond the mission of the FSET program, which is to assist clients in obtaining employment. While transportation costs for clients to participate in other FSET components are reimbursable, transportation expenses associated with unsubsidized employment are not allowable FSET expenses. Similarly, other support service payments necessary for an individual's unsubsidized employment such as clothing required for the job or equipment or tools required for the job are prohibited. Districts should fund such costs as a Temporary Assistance support service payment or support through the Local Administration Fund or TANF Flexible Fund Allocation for TANF-eligible individuals.
- 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 state/local funds used as a match for FSET funds for wage subsidies. Federal regulations also prohibit the use of FSET funds and state/local funds used for the match for FSET funds for the purchase of computers or internet connections. FSET assignments may not exceed 30 hours per week/120 hours per month.
- 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 57 of the Employment Policy Manual).

IV. Claiming Instructions

Districts will claim FSET expenditures through the Schedule RF-2A (Monthly Statement of Administrative Expenditures Federal and State Aid) claim package. These FSET expenditures are claimed for reimbursement as F3 functional costs. These costs would be claimed on the LDSS-2347-B1, Schedule D-3 Allocation and Claiming of Administrative Costs for Employment Programs. The instructions for both of these forms are found in the Fiscal Reference Manual, Volume 3 (Volume 4 for New York City), Chapters 10 and 19.

Note that participant reimbursement and dependent care expenditures for FSET are not part of the FSET administrative allocations and should continue to be claimed in their respective columns on the Schedule D-3.

USDA has indefinitely approved our ability to claim Safety Net Maintenance of Effort (SN-MOE) work registrants as FSET program participants. The cost of employment programs for SN-MOE work registrants is also eligible under the TANF program. Districts may include these SN-MOE cases under either the FSET program or the TANF program. The decision to claim these cases should be consistent throughout the federal fiscal year with any changes to that election being made by the December following the end of the federal fiscal year. All FFFS plans should be evaluated to determine if any shift in expenditures requires a plan revision.

The WINR 9476 Food Stamp Employability Code Report is available for districts to use in developing percentages to allocate costs to the benefiting employment programs. To assist local districts in calculating the percentages utilized in the allocation of D-3 costs, we are in the process of developing a report which will replace the WINR-9476. We will notify local districts once the report becomes available. New York City will continue to use their in-house produced Engagement Report for this purpose. The WINR 9476 report is produced on a monthly basis and is distributed during the third week of the month. Districts can contact John Hanofee at (518) 473-7567 or email at john.hanofee@otda.state.ny.us for copies of the WINR 9476.

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 2008 or FFY 2009 federal FSET 50% funds must submit a written request for an increase by August 1, 2008. The request should include both the amount of funds requested and an explanation of the reasons for the expected increase in FSET expenditures. Requests can be submitted beyond this date, but all requests will be honored only to the extent additional federal funding is available.

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

Kathryn DeBella
New York State Office of Temporary and Disability Assistance
Employment and Advancement Services Bureau
40 North Pearl Street, 11th Floor
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Issued By

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Division/Office: Center for Employment and Economic Supports