



**NEW YORK STATE
OFFICE OF TEMPORARY AND DISABILITY
ASSISTANCE
40 NORTH PEARL STREET
ALBANY, NY 12243-0001
Andrew M. Cuomo
Governor**

Local Commissioners Memorandum

Section 1

Transmittal:	11-LCM-06
To:	Local District Commissioners
Issuing Division/Office:	Center for Employment and Economic Supports
Date:	August 2, 2011
Subject:	Food Stamp Employment and Training Allocations – FFY 2011
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Attachments:	Attachment 1: FFY 2011 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) 2011 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 2011 are based on each district's share of the FFY 2011 funding for local district allocations as compared to their FFY 2010 100% allocations.

Federal 50% FSET funds are also available to reimburse 50% of the FSET eligible service expenditures with the remainder supported with local non-federal funds. Each district's 50% FSET allocation is based on claiming history.

USDA also reallocates other states' unexpended 100% funds to states that request and justify the need for the funds. New York requested additional FFY 2011 FSET 100% funds and was awarded an additional \$1.9 million. These funds are included in the 100% allocations.

Participant reimbursement and dependent care funding for FSET is not included in either of the 100% or 50% FSET administrative allocations made available by this LCM and must continue to be claimed separately as an FSET participant reimbursement. Unlike prior year State Budgets which did not allow the use of FSET participant reimbursement funds (50% federal) to support dependent care costs for families that were eligible under the Child Care Block Grant, the enacted SFY 2011-12 State Budget permits the reimbursement of dependent care costs which are necessary for a FSET work registrant to participate in FSET work activities consistent with a plan approved by the Office of Temporary and Disability Assistance (OTDA), the Office of Children and Family Services and the Division of the Budget. A separate LCM will be issued to provide guidance on the use of FSET funds to support dependent care costs.

Your district's FFY 2011 FSET administrative allocations are available to reimburse FSET eligible costs incurred from October 1, 2010 through September 30, 2011. 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 2011 100% FSET reimbursement must be received no later than **February 1, 2012**.

Federal 50% FSET administrative claims, participant reimbursement and dependent care claims which are 50% federally reimbursed 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 (case types 16 and 17) 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 generally 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), Section 3 of the OTDA Employment Policy Manual 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 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. Any non-federal funds used in this regard cannot be used to meet the non-federal share of FSET costs.
- FSET funds and the non-federal funds used to meet the non-federal share of FSET costs **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 (case type 11 or 12), who are categorically exempt from food stamp work requirements.
- FSET funds and the non-federal funds used to meet the non-federal share of FSET costs **cannot** 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 and the non-federal funds used to meet the non-federal share of FSET costs 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. Food Stamp administrative funds may be used to support these costs.
- FSET participant reimbursement funds may be used to provide services associated with retaining employment for **up to 90 days only** following the date an individual begins a job. The individual must have been participating in another FSET activity prior to starting employment 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 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 her or him 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 imposing ABAWD requirements.
- Districts are also reminded of the ability to exempt individuals from participation in FSET work activities based on several personal characteristics or situations. These exemptions are in addition to the regulatory exemptions required by federal and State requirements (See 18 NYCRR § 385.3.) The exemptions can be found on the Welfare-To-Work Caseload Management System under the Evaluation Employability Plan function. The number of individuals may not exceed ten (10) percent of the total work registrant population statewide. The district must reevaluate an individual's personal exemption status at each recertification for food stamps or at any time the district has reason to believe that circumstances have changed. ABAWDs may not be exempted under categorical exemptions and existing Temporary Assistance (TA) exemption criteria would apply when determining participation by any TA individual in a TA work program. Following are the characteristics or situations that would justify exempting an individual who would otherwise be required to participate:
 - Lack of child care – Districts must determine if a parent or caretaker of a child has made reasonable efforts to secure necessary child care. This may include referrals by the district to available day care providers. If the district determines that such efforts were reasonable and the recipient still lacks necessary child care, the recipient may be exempted from participation in FSET work activities.
 - Substantial barriers to employment – Districts may exempt work registrants with substantial barriers to employment that would make them very difficult to place. These barriers include medical problems, language problems, family problems including domestic violence issues and transportation problems. Victims of domestic violence must be determined to be exempt from participation in work activities by the district's domestic violence liaison.
 - Job-attached persons – Individuals on a temporary layoff expecting to return to work within 60 days may be exempted from participation in FSET work activities by the district. This includes school employees during summer break as long as the job to which the individual is returning provides employment of 30 hours per week or more or earning at least 30 times the federal minimum wage per week.
 - Migrant and seasonal farm workers – The district may exempt migrant and seasonal farm workers from participation in FSET work activities.
 - Pregnant (within 30 days of medically verified date of delivery) – Pregnant women who submit medical documentation of the pregnancy and delivery date may be exempted from participation in FSET work activities 30 days prior to the expected

date of delivery.

IV. Claiming Instructions

OTDA provides a Cognos employment report entitled "Individuals by Employability Code Counts." This report has replaced the WINR-9475 and the Monthly Statistical Report on Employability (DSS-2238) for the purpose of allocating employment program costs. There is also a 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. Instructions for completing the Schedule D-3 can be found in the Fiscal Reference Manual (FRM) Volume 3, Chapter 10.

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 FRM, Volume 4, Chapter 10.

Fiscal Reference Manuals (FRM) are available at:

FRM Vol. 3 – http://otda.state.nyenet/bfdm/finance/FRM_Vol3_Manual.asp

FRM Vol. 4 – http://otda.state.nyenet/bfdm/finance/FRM_Vol4_Manual.asp

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

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 2011 or an increase in FFY 2012 federal FSET 50% funds should submit a written request for an increase by July 1, 2011. The request should include both the amount of funds requested, the year for which the funds are requested and an explanation of the reasons for the expected increase in FSET expenditures. All FFY 2011 requests received by the July 1, 2011 deadline will be reviewed and if approved by OTDA, honored to the extent that federal 50% funding is available. Receiving requests by July 1, 2011 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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Employment and Advancement Services Bureau
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