

January 2, 2020

CALIFORNIA DEPARTMENT OF SOCIAL SERVICES

**EXECUTIVE SUMMARY**

**COUNTY FISCAL LETTER NO. 19/20-56**

The purpose of this County Fiscal Letter is to notify the counties and other stakeholders of updates and changes to claiming instructions effective with the March 2020 quarter or the date otherwise stated. Notable updates and instructions include revised county cash claiming instructions, In-Home Supportive Services Electronic Visit Verification, California Work Opportunity and Responsibility to Kids Outcome and Accountability Review, and the county accrual form for the Supplemental Nutrition Assistance Program.



**KIM JOHNSON**  
 DIRECTOR

**GAVIN NEWSOM**  
 GOVERNOR

January 2, 2020

COUNTY FISCAL LETTER (CFL) NO. 19/20-56

TO: ALL COUNTY WELFARE DIRECTORS  
 ALL COUNTY FISCAL OFFICERS  
 ALL COUNTY AUDITOR CONTROLLERS  
 ALL COUNTY PROBATION OFFICERS

SUBJECT: COUNTY WELFARE DEPARTMENT COUNTY EXPENSE CLAIM TIME  
 STUDY AND CLAIMING INSTRUCTIONS FOR THE MARCH 2020  
 QUARTER

This CFL provides counties time study and claiming instructions for the January through March 2020 quarter, which includes information and reminders regarding the following functions/programs:

- I. Social Services**
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  - B. In-Home Support Services (IHSS) Electronic Visit Verification (EVV)..... 3**
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The Program Code Descriptions (PCDs), Support Staff Time Reporting (SSTR) instructions, and Type of Expense (TOE) code descriptions for county use during the January through March 2020 quarter are as follows:

<b><u>Section</u></b>	<b><u>Revised Quarter</u></b>
Social Services	03/20
CalWORKs	03/20
Other Public Welfare	12/18
Child Care	03/17
Non-Welfare	09/05
Staff Development	09/07
Electronic Data Processing	06/18
SSTR Instructions	06/06
Direct-to-Program/Function Support Staff Codes	06/18
Direct Service Delivery Codes	03/17
General Time Study Instructions	06/18

For the latest version of the PCD manual, please go to the California Department of Social Services (CDSS) link: [PCD Manual](#).

Please note that any changes to the PCDs and/or SSTR Instructions may be shown in bold for addition of new language and strikeout for deletion of language.

## **I. Social Services**

### **A. CFT CWD – Detention**

Effective with the March 2020 quarter, Time Study Code (TSC) 9451 (CWD CFT – Non-Federal) has been added to Program Code (PC) 945 for CWDs to capture social worker participation in youth and family-centered CFT meetings for youth who are in detention. This activity will be funded with 100 percent state general fund. The PC 945 will continue to capture costs after the Title IV-E non-federal discount rate is applied to PC 944 (CFT – Federal). Please see [CFL No. 16/17-22](#), dated October 11, 2016, and [CFL No. 17/18-09](#), dated July 31, 2017, for CFT claiming instructions.

Costs claimed in excess of the CFT allocation will be shifted to State Use Only (SUO) code 933 (SUO CWD CCR Overmatch) which is funded at 100 percent county-only. The description for TSC 9451 is as follows:

### **CODE 9451 Child Family Team (CFT) Detention – CWD Non-Federal**

This PC captures costs related to the CWD activities associated with the convening and facilitation of child, youth, and family-centered CFT meetings for youth in detention to assess, plan, identify, and monitor support and services that are needed to achieve child and public safety, permanency, and well-being. Activities include, but are not limited to:

- Providing input for the development of a child and family-centered case plan that articulates specific strategies for achieving the child, youth, and the family's goals based on addressing identified needs, including meeting related court orders when required, and building on or developing strengths.
- Providing input into the placement decision made by the CFT and the services to be provided in order to support the child or youth.
- Engaging and developing CFT members.
- Coordinating and conducting a CFT meeting.
- Participation time at the CFT meeting.
- Documenting results of the CFT.

#### **B. IHSS EVV**

Effective with the September 2019 quarter, claiming and allocation information regarding IHSS EVV implementation was released through [CFL No. 19/20-29](#), dated September 13, 2019. Revised claiming information was subsequently released through [CFL No. 19/20-29E](#), dated December 10, 2019, which informs counties that, effective with the September 2019 quarter, if a county exceeds its EVV allocation, SUO code 982 will shift those excess costs to the general IHSS administrative allocation instead of county-only funds, as was the case under the previously released guidance. If the general IHSS administrative allocation is exhausted through any combination of regular IHSS county administrative expenditures and/or EVV overmatch expenditures, those costs will be shifted to county-only funds.

## **II. CalWORKs**

#### **A. Cal-OAR – Contracted Activities**

Effective with the September 2019 quarter, CWDs may claim contracted costs associated with Cal-OAR to PC 434 (CalWORKs Outcomes and Accountability Review) using TOE code 31 (Contracted Activities – Unemployed) through Program Identifier Number (PIN) 434031. This PIN allows counties to claim the administrative costs associated with contracted consultants assisting with the

implementation of the Cal-OAR program. Due to the fact that no program services costs exist for the Cal-OAR program (all costs are administrative in nature), it is unnecessary to separately claim costs associated with unemployed and employed populations and therefore only one PIN has been provided for the purpose of claiming these contracted costs. The most recent descriptions of TOE codes may be found in [CFL No. 12/13-33](#), dated May 17, 2013 and [CFL No. 12/13-33E](#), dated October 31, 2013. Claiming information for Cal-OAR was released through [CFL No. 19/20-17](#), dated September 4, 2019.

### **III. Other Public Welfare**

#### **A. County Accrual Form - SNAP**

As a recipient of federal SNAP funding, CDSS is required to report certain costs to the United States Department of Agriculture Food and Nutrition Service (FNS) on an accrual basis. The CDSS has created a process for collecting and reporting this information to FNS in the County Accrual Form – SNAP. Effective with the September 2019 quarter, counties are required to report SNAP salaries and wages corresponding to a September pay period that are paid in October of the following Federal Fiscal Year (FFY). Counties with a CalFresh Employment and Training (E&T) Program are also required to report the dollar amount of the value of CalFresh E&T contracted goods and/or services rendered prior to September 30 that will be paid October 1 of the next FFY or later. Counties are responsible for submitting these accrual amounts (via the County Accrual Form – SNAP) and the county's pay schedule calendar annually with their September quarter CEC. Instructions for completing the County Accrual Form – SNAP and a sample image of the form were provided in [CFL No. 19/20-34](#), dated October 4, 2019.

### **IV. Child Care**

No Changes.

### **V. Non-Welfare**

No Changes.

## VI. General

### A. County Cash Claiming – Reporting

The CDSS recently issued an update to the cash claiming requirements, outlined in [CFL No. 19/20-05](#), dated September 20, 2019. Both the CEC and the CA 800 automated assistance claims operate on a cash claim basis. For a cost to be claimable as an expenditure, two conditions must be met:

- A payment must have been issued by the county either to
  - another party for goods/services, or
  - a client as a benefit, and
- The goods/services must have been received by the county or the service period/period of eligibility for which the benefit was issued to the client must have begun.

Both of these requirements must be satisfied in order for the expenditure to be considered eligible to be claimed. Costs should be claimed based on the latter of the two dates. Once an expenditure has met these criteria, counties should not defer claiming the cost and should report the cost in the quarter in which it meets the cash claiming requirements. The requirement to claim costs on a cash basis does not remove a county's responsibility to comply with Generally Accepted Accounting Principles for county financial statements that are used for purposes other than CEC claiming. Please see CFL No. 19/20-05 for additional examples of cash claiming situations.

Adjustment claims must be submitted in a timely manner to ensure the two-year limit for claiming federal funds is met. Adjustment claims should include corrections to the original quarter submission. They should not include any corrections for other quarters. The due dates for the adjustment claims are provided annually, in advance, within every March quarterly CFL. As outlined in [Manual of Policies and Procedures \(MPP\) Division 25-965.38](#), counties are required to maintain supporting documentation for all claims and must retain this documentation for three years. However, it is recommended that counties retain this documentation for a minimum of five years (refer to CFL No. 19/20-05). Fiscal records must be retained and produced in the event of a federal, state, county, or 2 Code of Federal Regulations (CFR) 200 Subpart F (formerly known as A-133) audit as outlined in [MPP Division 10-119](#) and [MPP Division 23-353](#).

## **B. Direct Charge Methodology**

The [CFL No. 00/01-74](#), dated May 21, 2001, informed counties of the discontinuance of the Direct Charge Methodology Detail Certification Form, DFA 327.9. The DFA 327.9 was replaced by a Letter of Intent to Direct Charge. The [CFL No. 04/05-34](#), dated January 6, 2005, informed counties as of July 1, 2005, CDSS no longer recognizes the DFA 327.9. The only acceptable method of notifying CDSS of your intent to direct charge support operating costs is through a Letter of Intent to Direct Charge submitted and addressed to the following address:

California Department of Social Services  
Accounting and Fiscal Systems Branch  
Attn: County Claims Unit  
744 P Street, MS 9-4-76  
Sacramento, CA 95814

Please refer to [CFL No. 00/01-74](#), dated May 21, 2001, for the required contents and sample of the letter. All state and federal laws, regulations, and guidelines with respect to claiming direct costs still apply. The CDSS required all counties to submit a new Letter of Intent by **June 15, 2020**, to direct charge for Fiscal Year (FY) 2020-21. Counties who submit their Letter of Intent after this date will not be allowed to direct charge support operating costs for the FY.

Counties can implement the methodology at the beginning of the FY or any quarter during the FY. However, the same methodology must be in effect for the entire FY or remainder of the FY depending upon the quarter of implementation. A new Letter of Intent is required annually.

## **C. Submission of the CCAP 2 CFR §200.416 (formerly known as Office of Management and Budgets A-87) Budget Units and Cover Letter for FY 2020-21**

The CCAP, as described in [2 CFR §200.416](#) must be submitted to and approved by the Office of the State Controller County Cost Plan Section on an annual basis. All counties are required to submit the CCAP Budget Units and Cover Letter before the September 2020 quarter CEC, which is due on **October 31, 2020**, to:

California Department of Social Services  
Accounting and Fiscal Systems Branch  
Attn: County Claims Unit  
744 P Street, MS 9-4-76  
Sacramento, CA 95814

The cover letter must identify the budget units as provided in the Supplemental Information Checklist (Exhibit 1303) and include the total budgeted amounts from the summary report of the approved plan (CCAP CFR 200.416). Please refer to [CFL No. 97/98-26](#), dated October 15, 1997; [CFL No. 00/01-111](#), dated June 26, 2001; and [CFL No. 02/03-68](#), dated June 13, 2003, for additional information.

**D. CEC Due Dates for FY 2020-21**

The original CEC is due to CDSS on the first working day, 30 days after the end of the quarter. The following are the due dates for FY 2020-21 original claims:

<u>Original CEC</u>	<u>Final Filing Date</u>
September 2020	October 30, 2020
December 2020	January 29, 2021
March 2021	May 3, 2021
June 2021	July 30, 2021

Adjustment CECs and the DFA 325.5 (Expenditure Certification for the CWD CEC) are to be received at CDSS by the first working day after the last day of the ninth month from the original claiming quarter. The following are due dates for FY 2018-19 adjustment quarter claims:

<u>Adjustment CEC</u>	<u>Final Filing Date</u>
September 2019	July 1, 2020
December 2019	October 1, 2020
March 2020	January 1, 2021
June 2020	April 1, 2021

**E. Late County Expense Claim Submissions**

Policy enforced by the federal Administration for Children and Families (ACF) requires CDSS to report CEC data within 45 days after the quarter ends ([TANF-ACF-PI-2014-02](#)). The ACF requires CEC data for nationwide budgeting and distribution of their federal funds. As a result, CDSS is unable to accept late CECs without jeopardizing federal funding for California. Any county requests for extensions must be received by CDSS at least two weeks



before the due date and will need to be requested in writing from the County Welfare Director. Requests for extension should be sent to:

California Department of Social Services  
Accounting and Fiscal Systems  
Attn: County Claims Unit  
744 P Street, MS 9-4-76  
Sacramento, CA 95814

#### **F. Debarment and Suspension**

Pursuant to federal regulations, CWDs must be in good standing with the federal government to receive federal funds. To ensure CWDs are not debarred or suspended from federal financial assistance programs by any federal department or agency, CDSS must verify the CWD is not listed on the federal Excluded Parties Listing System prior to issuance of any federal funds.

To ensure accuracy of the verification, CDSS requires submissions of the CWD's exact legal name of the entity and Employer Identification Number (EIN) or Tax Identification Number (TIN) as submitted to the Internal Revenue Service when applying for an EIN or a TIN. If a CWD is operating under multiple names or identification numbers, each name and identification number must be submitted. The information requested must be submitted via email on or before **July 1** annually to CDSS at [Fiscal.Systems@dss.ca.gov](mailto:Fiscal.Systems@dss.ca.gov) with "EIN or TIN for the County of (*insert county name*)" in the subject line. Counties should review the federal fund monitoring responsibilities for counties outlined in [CFL No. 18/19-86](#), dated June 28, 2019. This includes fulfilling the System for Award Management criteria stated in CFL No. 18/19-86.

#### **G. Federal Fund Monitoring Responsibilities**

As a reminder, counties have certain responsibilities for monitoring the expenditures of federal funds. Please refer to [CFL No. 18/19-86](#), dated June 28, 2019, for a description of federal requirements and a [link to the terms and conditions for each federal grant administered by CDSS](#). Updated terms and conditions will be posted to this link on an ongoing basis. Counties are responsible for following instructions stated in this CFL and shall be subject to County Fiscal monitoring reviews per requirements in [CFL No. 18/19-86](#).

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If counties have any questions regarding this CFL, please direct them to the Fiscal Policy and Analysis Bureau at [fiscal.systems@dss.ca.gov](mailto:fiscal.systems@dss.ca.gov).

Sincerely,

***Original Document Signed By***

SALENA CHOW, Chief  
Fiscal Forecasting and Policy Branch