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Local Commissioners Memorandum

Section 1

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To: Local District Commissioners
Issuing Division/Office: Office of Finance
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Subject: Changes to Food Stamp Employment and Training (FSET) Participant Expenditures
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Attachments: None
Attachment Available On – Line: None

Section 2

I. Purpose

The purpose of this LCM is to inform the local districts of changes made to participant reimbursement for certain expenditures.

II. Background

Food Stamp Employment and Training (FSET) participant reimbursement has been available for certain expenses (i.e., transportation, work related clothing, etc.) that enabled a recipient to participate in the FSET Program. For each FSET participant, federal reimbursement for participant expenses could not exceed \$25 per calendar month. Any amounts over the \$25 per month were non reimbursable through FSET. The federal Farm Security and Rural Investment Act of 2002, effective as of May 13, 2002, the date of enactment, has eliminated this \$25 per month limitation. There is now no spending limitation on these expenses.

FSET has provided reimbursement for dependent care that does not exceed either the actual cost of care or the market rate for such care as established by State regulation (18NYCRR 415.9).

The state budget enacted for state fiscal year 2002-2003 requires that as of April 1, 2002, any FSET dependent care expenditures made for child-care for families who are eligible for services under the Child Care Block Grant (CCBG) must be claimed as part of the CCBG program instead of the FSET program.

III. Program Implications

Effective for service dates on or after May 13, 2002, the \$25 monthly limitation on federally reimbursable expenses for transportation, work related clothing, and other work related costs has been eliminated. The local social services districts may claim FSET reimbursement for any expenditures that exceeded the \$25 monthly limitation that were paid to FSET participants retroactive for service dates to May 13, 2002. These additional costs may be claimed for reimbursement as FSET Participant Reimbursement on a supplemental Schedule D-3 "Allocation and Claiming of Administrative Costs for Employment Programs" (LDSS-2347-B-1). Instructions for the Schedule D-3 are contained in the Fiscal Reference Manual, Volume 3 (Volume 4 for NYC), Chapter 10.

Effective for services dates on or after April 1, 2002, the local social services districts must claim all dependent care costs incurred for child-care for families who are eligible for services under the Child Care Block Grant (CCBG) as CCBG program costs. The local social services districts must, retroactive for service dates to April 1, 2002, credit all payments made as child-care dependent care on the Schedule D-3. These child-care expenditures should be claimed for reimbursement on a supplemental Schedule H "Non-Title XX Services for Recipients" (LDSS-4283). Instructions for the Schedule H are contained in Volume 2, Chapter 3 of the Fiscal Reference Manual.

Supplemental claiming procedures are contained in Volume 1, Chapter 5 of the Fiscal Reference Manual.

Districts would need to review their past expenditures for FSET Participant and FSET Dependent Care and make adjustments on the BICS using the Accounts Function to adjust the dollar amounts of these claims. Using this function, the local districts can review the F2 Participant Reimbursement Payment Code for any amounts that were Non-Reimbursable (NR) since May 13, 2002, and change the funding to Federally Reimbursable (FP). The F3 Dependent Care Payment Code expenditures can be reviewed retroactive to April 1, 2002, and day-care payments can be adjusted to one of the Non-Services Day Care Payment Codes of 02, 03, 30 through 34, 36 through 38, R0 though R6 and R8. The BICS Accounts Function will automatically make the revisions and they will appear on the next supplemental composite roll used to complete the supplemental claim schedules. Instructions on completing BICS non-services adjustments are contained in the Indirect Payment Processing Sub-System Manual, Chapter 5.

Issued By the Office of Finance

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