

# **CalWORKs and FOOD STAMP DATA SYSTEMS DESIGN TASKFORCE Systems Maintenance Unit (SMU)**

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**TRANSMITTAL NUMBER: 02-06 (FS)**

**November 20, 2002**

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**TO: All Performance Measurement County and Field Operations  
Bureau Staff**

**SUBJECT//PURPOSE: Revised Treatment of HUD and Other Vendor Payments**

**RELATED REFERENCE: ACIN I-72-0; FNS Handbook 310 section 1161.2**

**SUPERSEDES: Transmittal 99-05 (FS)**

**EFFECTIVE DATE: May 2002 Sample Month**

## **BACKGROUND:**

HUD and other vendor payments to the Food Stamp household need no longer be reported to the County Welfare Department except at initial certification, recertification, and when the household moves. See ACIN I-72-02.

## **INSTRUCTIONS:**

Treat any change in shelter cost related to the receipt of the HUD vendor payment the same as any change in shelter cost during the certification period. Since the household is no longer required to report receipt of the vendor payment, (See Example 1), errors will only be cited if there has been a recertification or move between the time the household first began receiving the payment and the sample month. (See Example 2)

NOTE: While this transmittal discusses vendor payment in the context of HUD payments, the same Principle applies to all other vendor payments in which the funds are paid directly to a third party and are therefore considered excluded income.

## EXAMPLES

1. The household was certified in January 2002 and reported its rent was \$500. In April, it began receiving a HUD subsidy vendor payment, which lowered its rent to \$50. The household did not report this rent change to the CWD. The case was reviewed in July. There is no error in this case, and the reviewer would use the \$500 rent in the budget computation because the household is no longer required to report receipt of the vendor payment between recertification periods.

2. The ongoing case paid \$500 rent, which changed to \$50 in April when it received the housing subsidy. The change to rent of \$50 per month is not reported to the CWD when the case is recertified in June. QC reviews the case in July. In this instance, the reviewer would use the \$50 rent amount in the budget computation and an error would be cited because the household did not report this change at recertification.

**INQUIRIES:**

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