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 | INFORMATIONAL LETTER |
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TRANSMITTAL: 91 INF-49

TO: Commissioners of
 Social Services

DIVISION: Income
 Maintenance

DATE: September 12, 1991

SUBJECT: Food Stamps Quality Control Alert: Failure to Budget
 Correct Shelter Costs for Households Reporting
 Changes in HUD Rent Subsidies

SUGGESTED

DISTRIBUTION: Food Stamp Directors
 Income Maintenance Directors
 Quality Control/Corrective Action Coordinators
 Staff Development Coordinators

CONTACT PERSON: County Food Stamp Representative at 1-800-342-3715,
 extension 4-9225

ATTACHMENTS: None

FILING REFERENCES

| Previous ADMs/INFs | Releases Cancelled | Dept. Regs. | Soc. Serv. Law & Other Legal Ref. | Manual Ref. | Misc. Ref. |
|-----------------------|-----------------------|--------------|---|-------------|------------|
| | | 387.11(c)(2) | | FSSB | |
| | | 387.17(e)(1) | | VI-B-1.1 | |
| | | (i) | | V-B-2-all | |
| | | 387.17(e)(3) | | XII-G-2 | |

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This is to inform local districts of a food stamp error prone area identified through Quality Control Data Analysis Reports and through discussions with State Quality Control staff.

A household that reports a change in its HUD Rent subsidy is not always having its case rebudgeted in accordance with the time frames for acting upon reported changes as defined in FSSB VI-B-2-all. Failure to act on such a reported change results in FS underpayments and overpayments.

A change of \$25 or more in a HUD rent subsidy payment is a change that is required to be reported by the household in accordance with FS change reporting requirements defined in FSSB VI-B-1.1. The HUD rent subsidy, when paid directly to the landlord is excluded as FS Income (FSSB XII-G-2). However, the household's change in out-of-pocket rent expense as a result of receipt of the HUD Rent Subsidy must be budgeted in accordance with the requirements for acting upon reported changes as defined in FSSB VI-B-2-all.

Oscar R. Best, Jr.
Deputy Commissioner
Division of Income Maintenance