TO:       Local District Commissioners

SUBJECT: DSS-3214 "Claims Against Households" Retention Amounts

ATTACHMENTS: None

Due to Federal Welfare Reform Legislation, the retention percentages for the DSS-3214, Food Stamp Program Status of Claims Against Households report have decreased. The new retention rates are 8.75% for Intentional Program Violations (IPV) and 5% for Inadvertent Household Errors (IHE). This change was effective August 22, 1996.

The new rates must be used when preparing your reports starting with the September 1996 report. The new rates will also be applied to collections received from August 22-31, 1996. Please identify the IPV and IHE collections from August 22-31, 1996 in the following format:

<table>
<thead>
<tr>
<th>IPV</th>
<th>Date Collected</th>
<th>Collection Type</th>
<th>Dollar Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>IHE</td>
<td>Date Collected</td>
<td>Collection Type</td>
<td>Dollar Amount</td>
</tr>
</tbody>
</table>

This information must be sent to the Bureau of Local Financial Operations by February 28, 1997.

When completing the DSS-3214 report for August 1996, the old retention rates of 12.5% for IPV and 6.25% for IHE were used. We will recalculate your district's August 1996 report and advise you of the adjusted amount owed based on the new retention rates in effect on August 22, 1996. Since the September report has been submitted, we will also recalculate the adjusted amount owed for September and subsequent months.
If you have any questions, please contact the Bureau of Local Financial Operations:

Region I-IV: Roland Levie at 1-800-343-8859, extension 4-7549 or dial direct (518) 474-7549, User ID FMs001.

Region V: Marvin Gold at (212) 383-1733, User ID 0FM270.

Thaddeus Ziemba
Assistant Commissioner
Office of Financial Management