

County of Los Angeles

DEPARTMENT OF PUBLIC SOCIAL SERVICES

12860 CROSSROADS PARKWAY SOUTH · CITY OF INDUSTRY, CALIFORNIA 91746  
Tel (562) 908-8400 · Fax (562) 908-0459



BRYCE YOKOMIZO  
Director

July 13, 2005

TO: Each Supervisor

A handwritten signature in black ink, appearing to read "Bryce Yokomizo", written over the "TO:" line.

FROM: Bryce Yokomizo, Director

Board of Supervisors  
GLORIA MOJINA  
First District  
YVONNE B. BURKE  
Second District  
ZEV YAROSLAVSKY  
Third District  
DON KNABE  
Fourth District  
MICHAEL D. ANTONOVICH  
Fifth District

**SUBJECT: CALIFORNIA'S HISTORICALLY LOW FOOD STAMP ERROR RATE**

I am pleased to provide your Board with an update on California's Food Stamp error rate for Federal Fiscal Year (FFY) 2004. The California Department of Social Services issued a Press Release on June 30, 2005, announcing a historic, all-time low California error rate of 6.32%. This is the lowest State error rate since the United States Department of Agriculture (USDA) implemented quality control performance measurements more than 25 years ago. The Press Release is attached.

The State successfully met the error rate target of 7.4%, or below, established by the FFY 2000-2002 Food Stamp Sanction Settlement Agreement. As a result, USDA will waive the \$12.5 million held at-risk for FFY 2004. To date, USDA has waived a total of \$146.9 million out of the \$186.8 million total sanction liability for these three federal fiscal years. Most of this sanction penalty would have been passed down to Los Angeles County.

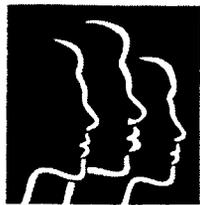
I am also pleased to report that my Department continues to make excellent progress in sustaining a low Food Stamp error rate. Through March of FY 2005, Los Angeles County has a food stamp error rate of 6.0%, and we will remain vigilant in keeping it low. As you know, we still face \$37.5 million in penalties placed on hold based on our future performance for FFYs 2005 through 2007. If the State continues to keep its error rate below 7.4% over the next three years, the entire remaining at risk sanction monies will be forgiven.

My Department is aggressively working with CDSS and other counties to pursue new county error reduction projects to ensure a sustained low error rate. I will continue to keep your Board advised with quarterly reports on issues related to the Food Stamp error rate.

BY:ps

Attachment

c: Chief Administrative Officer  
County Counsel  
Executive Officer, Board of Supervisors  
Auditor-Controller



**CDSS**

CALIFORNIA  
DEPARTMENT OF  
SOCIAL SERVICES

# NEWS RELEASE

**FOR IMMEDIATE RELEASE:**  
June 30, 2005

**CONTACT:** Shirley Washington  
Andrew Roth  
(916) 657-2268

## **CALIFORNIA ACHIEVES HISTORIC FOOD STAMP ACCURACY RATE**

***Error Rate at an All-Time Low as \$12.5 Million Federal Penalty is Waived***

SACRAMENTO — California continues to experience great success in improving food stamp accuracy rates, Dennis Boyle, director of the California Department of Social Services (CDSS), announced today.

The 2004 error rate is the lowest the state has seen since the United States Department of Agriculture (USDA) began implementing quality control performance measurements more than 25 years ago. California's food stamp error rate for 2004 stands officially at 6.32 percent, just above the national average of 5.88 percent, according to a recently released report by USDA, which oversees the nation's Food Stamp Program.

"The Schwarzenegger Administration is committed to providing a safety net to the neediest Californians," said Boyle. "California and its counties can be proud of the hard work they've done to achieve the state's best food stamp accuracy rate, which helps ensure food stamps go to those most in need."

As a result of this achievement, California will avoid a sanction penalty. USDA has also agreed to waive \$12.5 million in previous penalties because the state was successful in meeting a target error rate of 7.4 percent established in the Food Stamp Sanction Settlement Agreement between California and the federal government.

"This achievement reflects what can be accomplished when the state and counties work in tandem to ensure low-income Californians receive the benefits they need, efficiently and effectively," said Frank Mecca, director of the California Welfare Director's Association.

CDSS has worked with the federal Food and Nutrition Service to provide multiple best practices seminars and training sessions to assist counties, many of which have implemented some type of error review panel as well as automated data collection systems, in identifying errors.

The Food Stamp Program is essential to ensuring low-income families can purchase the nutritious food needed to maintain healthy lives. Food stamp error rates are calculated by the number of overpayments and underpayments made by states to program recipients. For more information, log on to <http://www.dss.cahwnet.gov/foodstamps>.

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