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General Fund Maintenance of Effort Adjustment

DESCRIPTION:

Public Law (P.L.) 104-193, the federal welfare reform legislation, established the Temporary Assistance for Needy Families (TANF) program and a TANF block grant to replace the Aid to Families with Dependent Children (AFDC) program. For Fiscal Year (FY) 2007-08, an adjustment has been made to reflect that California met the federal work participation rate (WPR) for the California Work Opportunity and Responsibility to Kids (CalWORKs) program in Federal Fiscal Year (FFY) 2006. California is not expected to meet the federal WPR in FFY 2007 and FFY 2008. When the state meets this rate, the MOE level falls from 80 percent to 75 percent. In addition, adjustments are made to the MOE as a result of Tribal TANF. Therefore, with the WPR and Tribal TANF MOE Adjustments, the final MOE level is $2.8 billion in FY 2008-09 and FY 2009-10.

IMPLEMENTATION DATE:

This premise implemented October 1, 1996.

METHODOLOGY:

To determine the General Fund (GF) MOE adjustment, projected state and county expenditures countable toward the MOE are compared to the state's MOE level. This determines the amount of expenditures necessary to meet the state's MOE level.

The specific methodology used to determine the GF MOE adjustment involves identifying projected California Department of Social Services' (CDSS) local assistance expenditures that are TANF-eligible and calculating their costs by total, federal, state, county, and reimbursement funds. Projected federal TANF expenditures for CDSS state support are then added to the total funds amount. Other state department or county expenditures for TANF eligibles, which meet the MOE requirements, are also added to the CDSS state and county TANF costs. This total is then compared to the state's MOE level. The amount of projected expenditures above or below the MOE level is shifted to or from federal TANF funds. The GF MOE adjustment does not change the total funding available.

Both the Current Year (CY) and the Budget Year (BY) projections include projected GF expenditures within other state departments that are assumed countable toward fulfilling the TANF MOE requirement. Separate premise descriptions for each of these items are provided in the "Estimate Methodologies" section of this binder.

FUNDING:

The GF MOE adjustment transfers costs to meet the state's base MOE level. The transfer is offset by a corresponding reverse adjustment to federal TANF funds. There is no change in the total funds available.

General Fund Maintenance of Effort Adjustment

CHANGE FROM THE APPROPRIATION:

The decrease in the CY is due to a combined effect of an increase in the county share in the CalWORKs program and an overall increase in GF costs in CalWORKs employment services to allow for the Employment Training Fund to cover a portion of the costs.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase in the BY is due to a decrease in GF spending in the CalWORKs program as a result of the modified safety net budget balancing reduction.

EXPENDITURES:

(in 000's)

	2008-09 Grant	2009-10 Grant
Total	$0	$0
Federal	-1,093,906	-1,361,575
State	1,093,906	1,361,575
County	0	0
Reimbursements	0	0

Two-Parent Families

DESCRIPTION:

A two-parent family is defined as an assistance unit (AU) that includes two aided nondisabled, natural or adoptive parents of the same aided or Supplemental Security Income/State Supplementary Payment minor child (living in the home), unless both parents are aided minors and neither is the head-of-household. Beginning in October 1999, two-parent families were funded with state maintenance of effort (MOE) funds. However, as a result of the Federal Deficit Reduction Act of 2005, all MOE funded programs providing assistance are subject to inclusion in the federal Work Participation Requirement (WPR) calculation. Therefore, effective October 1, 2006, California Work Opportunity and Responsibility to Kids (CalWORKs) cash assistance, Welfare to Work (WtW) services, and administrative services for two-parent families are funded with Temporary Assistance for Needy Families (TANF) funds. Child care services will continue to be funded with General Fund (GF) as these families must participate a minimum of 55 hours per week in WtW activities to be eligible for federally funded child care.

IMPLEMENTATION DATE:

This premise implemented on October 1, 1999.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10553.
- The grant costs for two-parent families are based on the percentage of two-parent families in the Current Year (CY) and the Budget Year (BY) caseload projections.
- The employment services and Stage One child care costs for two-parent families are based on actual expenditure data from Fiscal Year (FY) 2007-08.
- The ratio for two-parents participating in the CalWORKs Mental Health program is 12.56 percent and 14.99 percent in the Substance Abuse program and is based on CalWORKs Welfare-To-Work Monthly Activity Report (WtW 25/25A) caseload data for FY 2007-08.

METHODOLOGY:

The total cost or savings associated with two-parent families was determined by multiplying the appropriate percentage of two-parent families by the total cost or savings. Refer to the auxiliary table for the “Two-Parent Families” for more detailed information.

Two-Parent Families

FUNDING:

- CalWORKs grants for two-parent families are funded 97.5 percent TANF and 2.5 percent county funds.
- Administration and employment services are funded with 100 percent TANF.
- Child care is funded with 100 percent GF.

CHANGE FROM THE APPROPRIATION:

- The CY increase for CalWORKs grant costs is due to a higher CalWORKs projected caseload than used in the Appropriation.
- The CY services costs increase is due to an increase in the two-parent services' expenditures to the overall CalWORKs' expenditures ratio.
- The CY administrative costs increase is due to the increase to the overall CalWORKs caseload.
- The CY child care costs have increased due to an increase in the cost per child and a higher CalWORKs projected child care caseload than used in the Appropriation.

REASON FOR YEAR-TO-YEAR CHANGE:

- The BY decrease for CalWORKs grant costs is due to increased savings due to the "Previous CalWORKs Reform Efforts" premise, the "Ten Percent Grant Reduction" premise and the "Self Sufficiency Review" premise.
- The BY increase for CalWORKs service is due to an increase in the services caseload.
- The BY decrease in administrative costs is primarily due to the implementation of the "Ten Percent Grant Reduction" premise and an increase to the "PA to NA Fund Shift".
- The BY increase in child care cost is primarily due to the increase in the projected child care caseload from the CY to the BY.

Two-Parent Families

CASELOAD:

	2008-09	2009-10
Average Monthly Caseload	37,832	38,181

EXPENDITURES:

(in 000's)

ITEM 101 - Total	2008-09 Total	2009-10 Total
Total	$429,483	$412,636
Federal	400,308	382,204
State	21,674	23,313
County	7,501	7,119
Reimbursements	0	0

ITEM 101 - CalWORKs Grants	2008-09 Grant	2009-10 Grant
Total	$300,056	$284,773
Federal	292,555	277,654
State	0	0
County	7,501	7,119
Reimbursements	0	0

Two-Parent Families

EXPENDITURES (CONTINUED):

(in 000's)

ITEM 101 - CalWORKs Services	2008-09 Services	2009-10 Services
Total	$66,784	$68,986
Federal	66,784	68,986
State	0	0
County	0	0
Reimbursements	0	0

ITEM 101 - CalWORKs Administration	2008-09 Admin.	2009-10 Admin.
Total	$40,969	$35,564
Federal	40,969	35,564
State	0	0
County	0	0
Reimbursements	0	0

ITEM 101 - CalWORKs Stage One Child Care	2008-09 Child Care	2009-10 Child Care
Total	$21,674	$23,313
Federal	0	0
State	21,674	23,313
County	0	0
Reimbursements	0	0

CalWORKs – Basic Grants

DESCRIPTION:

This premise reflects the basic costs of providing cash aid to eligible families. Basic costs have been adjusted to reflect the annual cost-of-living adjustment (COLA) for Social Security (OASDI) benefits. The OASDI COLA increases the benefit level, reducing grant costs. The basic costs have also been adjusted for the impact of specific premises that are in the trend caseload but are also shown as separate premises. These adjustments are necessary in order to avoid budgeting the impact twice. This premise also includes an adjustment for Proposition L, which raised the minimum wage level for people working in San Francisco County.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 11450.
- For Fiscal Year (FY) 2008-09, a total of 11,188,037 All Other Families (AF) personmonths and 1,744,773 Two-Parent (TP) personmonths are anticipated. For FY 2009-10, 11,977,333 AF personmonths and 1,867,897 TP personmonths are projected.
- For both the Current Year (CY) and the Budget Year (BY), AF cases consist of 2.35 persons and TP cases consist of 3.89 persons.
- Adjustments are made for the estimated costs of current premises which are already included in the base period. These premises include: “Cal Learn Bonuses,” “Cal Learn Sanctioned Grants,” “Recent Noncitizen Entrants (RNEs).” Also, an adjustment is made for the costs associated with new tribes establishing Tribal Temporary Assistance for Needy Families (TANF) programs.
- Costs are included for the Diversion Program. Based on the most recent California Work Opportunity and Responsibility to Kids (CalWORKs) Cash Grant Caseload Movement Reports (CA 237) and CalWORKs Expenditure Reports (CA 800D), the average monthly diversion caseload is estimated at 50 for the CY and 53 for the BY with an average cost per case of $2,445 for the both years.
- The estimated cost per person is based on an average of the actual cost per person from July 2008 to September 2008.
- The AF cost per person is $228.16 for the CY and BY. The TP cost per person is $170.80 for the CY and BY.
- The AF and TP basic costs are adjusted for the OASDI COLA. The Consumer Price Index (CPI)-W COLAs are 2.3 percent effective January 1, 2008, 5.8 percent effective January 1, 2009 and is projected to be -1.1 percent effective January 1, 2010. Due to the negative CPI there is assumed to be no impact to OASDI payments in January 2010.
- The OASDI COLA adjustment reflects the impact of the projected CPI COLAs on the average Social Security Benefits received by CalWORKs cases, resulting in a FY 2008-09 reduction in cash grants of $3,219,621 and a FY 2009-10 reduction of $5,892,289.
- Effective January 2005, Proposition L provides a minimum wage increase every January for San Francisco County based on the current CPI-U. This will result in approximately $22,681 in grant savings in FY 2008-09, and $95,385 in grant savings in FY 2009-10. Approximately 406 recipients in the CY and 432 in the BY will receive additional earnings. The CPI-U is 2.9 percent for Calendar Year 2009 and 2.7 for Calendar Year 2010.

CalWORKs – Basic Grants

KEY DATA/ASSUMPTIONS (CONTINUED):

- The CY and the BY reflect a shift of funds from the RNE program associated with persons in mixed cases that are TANF-eligible and are reflected in the separate RNE premise.

METHODOLOGY:

- The personmonths are multiplied by the cost per person to determine AF and TP basic costs.
- AF and TP basic costs are reduced for the OASDI COLA adjustment.
- Diversion costs are calculated by multiplying the average monthly caseload by the cost per case, and the annual Diversion costs are added to the basic grant costs.
- The total AF and TP basic costs are reduced by the amounts of the costs for "Cal Learn Bonuses," "Cal Learn Sanctioned Grants," "RNEs," new tribes establishing Tribal TANF programs, and Proposition L to reflect the basic grant costs.

DATA COMPARISON CHART:

FY 2008-09	AF	TP
Projected Personmonths	11,188,037	1,744,773
Projected Casemonths	4,761,000	448,839
Persons Per Case	2.35	3.89

FY 2009-10	AF	TP
Projected Personmonths	11,977,333	1,867,897
Projected Casemonths	5,097,386	480,347
Persons Per Case	2.35	3.89

FUNDING:

The CY and the BY reflect a shift of funds from the RNE program associated with persons in mixed cases that are TANF-eligible. These cases are funded with General Fund (GF) in this premise.

The funding in the CY and BY is 96.28 percent TANF, 1.22 percent GF, and 2.5 percent county.

CHANGE FROM THE APPROPRIATION:

The caseload and persons per case have been updated using the most current available data.

The CalWORKs caseload was previously projected to increase 0.8 percent in the CY. The caseload is now projected to increase approximately 6.0 percent in the CY.

REASON FOR YEAR-TO-YEAR CHANGE:

The caseload is projected to increase by 6.9 percent from the CY to the BY.

CalWORKs – Basic Grants

CASELOAD:

	2008-09	2009-10
Average Monthly Caseload	434,153	464,811
Average Monthly Persons	1,077,734	1,153,769

EXPENDITURES:

(in 000's)

	2008-09 Grant	2009-10 Grant
Total	$2,801,689	$3,000,107
Federal	2,697,475	2,888,568
State	34,172	36,537
County	70,042	75,002
Reimbursements	0	0

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Previous CalWORKs Reform Efforts

DESCRIPTION:

This premise combines two former premises into one: the Welfare Reform/Work Participation premise associated with the implementation of Senate Bill (SB) 1104 (Chapter 229, Statutes of 2004), and the Temporary Assistance for Needy Families (TANF) Reauthorization premise associated with the implementation of Assembly Bill (AB) 1808 (Chapter 75, Statutes of 2006). The implementation of these two bills has significantly changed the California Work Opportunity and Responsibility to Kids (CalWORKs) Welfare-to-Work (WTW) program from its original structure mandated by AB 1542 (Chapter 270, Statutes of 1997). Changes to the CalWORKs WTW program were intended to further increase self-sufficiency and personal responsibility by increasing the number of individuals who work or participate in work-related activities while maintaining critical services, and to also meet the federal work participation rate (WPR) and other requirements in the federal Deficit Reduction Act (DRA) of 2005.

SB 1104

SB 1104 amended Welfare and Institutions Code (W&IC) section 11454 to eliminate the 18- or 24-month time limit. Prior to this change, individuals were allowed to participate in the full range of WTW activities intended to lead to employment, based on an individual assessment, up to an 18- or 24-month time period from the signing of their WTW plan, depending on their beginning date of aid and personal circumstances. After this period, individuals were required to meet the 32- or 35-hour per week work participation requirement solely through work or community service activities.

SB 1104 also amended W&IC sections 11325.21 and 11322.8 to require universal engagement for nonexempt individuals, and the implementation of the core/non-core activity structure. Universal engagement means that within 90 days of receipt of aid, nonexempt individuals, with certain exceptions, must sign a WTW plan. Prior to SB 1104, there was no timeframe in which a WTW plan had to be signed. In addition, to meet the 32- or 35-hour work participation requirement, SB 1104 requires that individuals participate a minimum of 20 hours per week in core (work or work-related) activities, and may participate up to 12 hours per week for one parent families and up to 15 hours per week for two-parent families, in non-core (education and/or mental health, substance abuse, and domestic abuse services) activities necessary to obtain or retain employment. Amendments were also made to W&IC section 11322.8 to specify circumstances under which certain non-core activities, in excess of the 12- or 15-hour limitation, may count toward the core-hour requirement.

AB 1808

Changes to the CalWORKs program were also made in AB 1808 in response to the TANF Reauthorization provisions of the DRA. Changes made in the DRA result in a need for California to significantly increase the number of recipients participating in activities that count toward the WPR requirements of 50 percent for all families and 90 percent for two-parent families. Based on the provisions contained in AB 1808 (including requirements for county CalWORKs Plan Addenda, Penalty Pass-On, Data Publishing/Data Master Plan, and County Peer Reviews) there is a renewed focus on work participation to increase California's WPR.

IMPLEMENTATION DATE:

SB 1104 implemented on December 1, 2004 and AB 1808 implemented on July 12, 2006.

Previous CalWORKs Reform Efforts

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC sections 10533, 10534, 10540.6,10544, 11322.8, 11325.21.
- As a result of the reform efforts, this estimate assumes an increase in the WPR of four percent in Federal Fiscal Year (FFY) 2008 and an additional six percent increase in FFY 2009 for a total of 10 percent. Based on historical experience between FFY 1997 and FFY 1999, the WPR increased 12 percent. Because of the renewed focus on participation resulting from the provisions of AB 1808, it is assumed that the state will experience a similar increase in work participation.
- Excluding Safety Net, Sanctioned, and Child Only cases, in Fiscal Year (FY) 2008-09 and FY 2009-10 there are 224,238 and 221,978 cases, respectively, with an aided adult.
- Based on the FFY 2007 CalWORKs Characteristics Survey (Q5), 42 percent of the cases with an aided adult are currently participating in work activities, and 25.2 percent of the cases are fully meeting the federal WPR.
- The impact of previous welfare reform efforts are assumed to be phased in over a 15-month period beginning July 2007.
- In order to reach the total projected WPR increase of ten percent in FFY 2010, it is assumed that 34,452 current recipients will either need to increase their hours of participation or begin participating by June 2009
- In order to maintain the total projected WPR increase of ten percent in FFY 2010, it is assumed that on average, a total of 29,219 current recipients will have increased their hours of participation.
- It is assumed that of those cases that are expected to increase their work or participation hours, 68 percent will do so through increased work and 32 percent will do so through non-work activities.
- Because of the renewed focus on participation, it is assumed that cases working or participating less than 20 hours per week will increase weekly work or participation hours by between 10 and 20 hours per week. It is assumed that newly working cases will work 32 hours per week.
- The average monthly grant savings achieved for those cases that increase work hours is approximately $246.
- The impact of Quarterly Reporting/Perspective Budgeting (QR/PB) results in a delay of grant savings due to employment. QR/PB assumes that one-third of individuals will be required to report earnings in the month employment is obtained, one-third in the second month after employment is obtained, and the remaining one-third in the third month after employment is obtained
- Based on historical child care utilization rates, it is estimated that approximately 2,422 cases will receive child care services in the Current Year (CY) and 2,547 cases in the Budget Year (BY).
- On average, there are 1.9 children per case with an average child care cost per child of $807.53 in CY and BY.

Previous CalWORKs Reform Efforts

KEY DATA/ASSUMPTIONS (CONTINUED):

- Based on historical transportation and ancillary services utilization rates, it is estimated that in the CY approximately 1,360 cases each month will receive transportation services and 4,286 cases on average in the BY. It is estimated that 276 cases will receive ancillary services in the CY and 836 in the BY.
- The cost per case for transportation is $72.53 and the cost per case for ancillary services is $83.17.
- Due to the elimination of the 18- or 24-month time limit, administrative savings are achieved by eliminating the staff time required to track cases that are pre 18- or 24-months. Based on WTW 25 data reports, there is an average of 0.63 percent of the total cases in assessment per month.
- By eliminating the 18- or 24-month time limit, it is assumed one hour of case management time and one-quarter hour of orientation/appraisal time would be saved for each case. The average hourly cost for staff to conduct an assessment is $57.57.
- Based on the November 2008 projected total CalWORKs caseload used for this estimate and accounting for an accumulating 15-month phase in beginning July 2007, an average of 3,043 cases per month are projected to be in assessment in the CY and 3,091 in the BY.
- Pursuant to AB 1808, the Budget includes an additional $90 million in federal TANF block grant funds for the CalWORKs program to assist the counties in improving their WPR. This estimate assumes full expenditure of the $90 million in employment services in the CY and assumes an additional $90 million in the BY.
- It is assumed that the FY 2007-08 impact to CalWORKs grants is now reflected in the CalWORKs' Assistance Basic. The savings in this premise have been adjusted to reflect this shift in funds (approximately $49.7 million) in the CY and the BY.
- Based on information received from the Office of Systems Integration, the automation costs will be $1.6 million in the BY. These funds are to reprogram existing systems to implement the provisions of CalWORKs Previous Reform Efforts. The funding for the automation costs is 100 percent federal/TANF.

METHODOLOGY:

- Total grant savings for the CY were determined by multiplying the number of cases that are assumed to increase work hours (23,463 cases assuming a 15-month phase in) by 68 percent (the number of individuals who will participate by working). This caseload is multiplied by the estimated average monthly grant savings. (23,463 *0.68 *$357*12)
- The grant savings is then adjusted to account for the impact of savings from FY 2007-08 to CalWORKs Assistance Basic.
- Total grant savings for the BY were determined by multiplying the number of cases that need to fully participate by 68 percent (the number of individuals who will participate by working). This caseload is multiplied by the estimated average monthly grant savings. (29,219 *0.68 * $357*12)

Previous CalWORKs Reform Efforts

METHODOLOGY (CONTINUED):

- Total child care costs were determined by multiplying the monthly caseload projected to receive child care, the average number of children per case, and the cost per child, by 12 months. For the BY: (2,547 *1.9 *$807.53 *12)
- Total services costs were determined by multiplying the monthly caseload projected to receive transportation and ancillary services, by the cost per case, by 12 months. For the BY: (4,286 *$72.5*12) + (836 *$83.17*12)
- The projected cases in assessment is multiplied by the average cost for staff time, the amount of time saved by eliminating the 18- or 24-month time clock, and then by the number of impacted months. For the BY (approximately 3,091 x 57.57 x 1.25 hours x 12 = $2,,668,961).
- Services costs are offset by $2.6 million in assessment savings in the CY and $2.7 million in the BY.

FUNDING:

- The grant funding for the CalWORKs program in the CY is 95.75 percent TANF, 1.75 percent General Fund (GF), and 2.5 percent county. The grant funding in the BY is 95.54 percent TANF, 1.96 percent GF and 2.5 percent county.
- The funding for transportation and ancillary costs in the CY is 99.3 percent TANF and 0.7 percent GF. The BY is 99.27 percent TANF and 0.73 percent GF.
- The funding for child care in the CY is 96.16 percent TANF and 3.84 percent GF and the BY is 96.47 percent TANF and 3.53 percent GF. Child care funding for two-parent families continues to be funded with GF.

CHANGE FROM THE APPROPRIATION:

The decrease in grant savings is due to a portion of the savings associated with increased work participation reflected in the current CalWORKs expenditure trends used to develop the CalWORKs Basic Assistance premise. The decrease in the CY services and child care costs is due to a decrease in the projected number of newly participating recipients necessary to meet the four and ten percent increase in the WPR. There is no change to the automation costs.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase in grant savings, services costs, and child care costs are due to twelve months of full program implementation in the BY. The reprogramming of existing systems to implement the provisions of CalWORKs Previous Reform Efforts will be completed in the CY.

Previous CalWORKs Reform Efforts

EXPENDITURES:

101 – CalWORKs Basic Grants	2008-09	2009-10
	Grant	Grant
Total	-$17,843	-$35,478
Federal	-17,084	-33,895
State	-313	-696
County	-446	-887
Reimbursement	0	0

101 – CalWORKs Services	2008-09	2009-10
	Services	Services
Total	$91,169	$91,620
Federal	90,529	90,951
State	640	669
County	0	0
Reimbursement	0	0

101 – CalWORKs Stage One Child Care	2008-09	2009-10
	Child Care	Child Care
Total	$13,743	$14,453
Federal	13,215	13,943
State	528	510
County	0	0
Reimbursement	0	0

Previous CalWORKs Reform Efforts

EXPENDITURES (CONTINUED):

141-TANF Reauthorization	2008-09	2009-10
(AB 1808) – Automation		
Total	$1,581	$0
Federal	1,581	0
State	0	0
County	0	0
Reimbursements	0	0

NET TOTAL	2008-09	2009-10
Total	$88,650	$70,595
Federal	48,241	70,999
State	855	483
County	-446	-887
Reimbursement	0	0

Maximum Aid Payment – 2008 COLA

DESCRIPTION:

This premise reflects the cost of adding a cost-of-living adjustment (COLA) to the California Work Opportunity and Responsibility to Kids (CalWORKs) maximum aid payment (MAP). The COLA is based on the changes determined by the Department of Finance in the California Necessities Index (CNI), which are the weighted average changes for food, clothing, fuel, utilities, rent and transportation for low-income consumers. In accordance with Welfare and Institutions Code (W&IC) section 11453, the 2008 MAP COLA has been suspended,

IMPLEMENTATION DATE:

This premise was to impliment October 2008

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 11453.
- The FY 2008-09 COLA has been suspended.
- Assuming the July 2008 CNI of 5.26 percent and the implementation of the special session reductions the cost avoidance from suspending the COLA for FY 2008-09 is approximately $179 million annually (includes the county share).

METHODOLOGY:

No costs were budgeted for this premise due to suspension of the 2008 MAP COLA.

FUNDING:

There is no funding due to the suspension of the 2008 MAP COLA.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Maximum Aid Payment – 2008 COLA

EXPENDITURES:

(in 000's)

	2008-09 Grant	2009-10 Grant
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

Maximum Aid Payment – 2009 COLA

DESCRIPTION:

This premise reflects the cost of adding a cost-of-living adjustment (COLA) to the California Work Opportunity and Responsibility to Kids (CalWORKs) maximum aid payment (MAP). The COLA is based on the changes determined by the Department of Finance in the California Necessities Index (CNI), which are the weighted average changes for food, clothing, fuel, utilities, rent and transportation for low-income consumers. In accordance with Welfare and Institutions Code (W&IC) section 11453, the effective date of the COLA is July 1, 2009.

IMPLEMENTATION DATE:

This premise will implement on July 1, 2009.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 11453.
- For Fiscal Year (FY) 2009-10, the Administration proposes to suspend the 2009 COLA. In order to implement this proposal, statutory changes are required.
- Assuming the July 2009 CNI of 2.94 percent and the implementation of the special session reductions the cost avoidance for suspending the FY 2009-10 is approximately $81 million (includes the county share).

METHODOLOGY:

No costs were budgeted for this premise due to the decision to suspend the COLA.

FUNDING:

There is no funding due to the decision to suspend the COLA.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Maximum Aid Payment – 2009 COLA

EXPENDITURES:

(in 000's)

	2008-09 Grant	2009-10 Grant
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

CalWORKs Resources (AB 2466)

DESCRIPTION:

This premise reflects the costs associated with the provisions of Assembly Bill (AB) 2466 which excludes the principal and interest of certain assets, such as 401(k) plans, 403(b) plans, Individual Retirement Accounts (IRA), 457 plans, 529 college savings plans, or Coverdell Education Savings Accounts (ESA), from being considered as property when redetermining eligibility for California Work Opportunity and Responsibility to Kids (CalWORKs) recipients. Prior to the passage of AB 2466, some of these accounts were excluded from consideration when determining applicant eligibility. This bill no longer allows for this exclusion and these resources will be considered when determining eligibility for new applicants.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2007.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 11155.6.
- It is assumed that one percent of the cases that are discontinued due to excess resources will no longer be discontinued.
- Since 401(k) plans, 403(b) plans, IRA, 457 plans, 529 college savings plans, and Coverdell ESAs are now excluded from consideration for recipients, it is assumed the number of discontinuances will decrease by two cases per month.
- The average monthly recipient caseload is 25 for the CY and the BY.
- It is assumed that there will be a 0.5 percent increase in cases that are denied due to excess resources.
- It is assumed one new case per month will be denied for excess resources because these accounts are considered property for applicants.
- The average monthly applicant caseload is 13 in the CY and the BY.
- The average monthly grant per case is $536.
- The mid-quarter activities monthly cost per case is $8.63 and $24.95 for quarterly activities.
- The average monthly child care cost per child is $808. The utilization rate is 32.4 percent and the average number of children per case is 1.9.
- The intake cost per case is $197.75.
- The cost of employment services is anticipated to increase by 0.004 percent associated with cases that would have been discontinued from CalWORKs due to excess resources.

METHODOLOGY:

CalWORKs Grants

The grant costs associated with cases that are no longer discontinued is offset by the grant savings associated with new denials due to excess resources. The net grant cost is approximately $80,000 in the CY and the BY.

CalWORKs Resources (AB 2466)

CalWORKs Services

- The costs for administration, child care, and employment services programs are combined and are included in the services premise line.
- The net impact to administration costs associated with cases that are no longer discontinued and cases that are denied due to excess resources is approximately $5,000 in the CY and the BY.
- The net impact to employment services costs associated with cases that are no longer discontinued and cases that are denied due to excess resources is approximately $31,000 in the CY and the BY.
- The net impact to child care costs associated with cases that are no longer discontinued and cases that are denied due to excess resources is approximately $46,000 in the CY and the BY.

FUNDING:

- The grant funding is 97.5 percent federal and 2.5 percent county.
- The services funding is shared 100 percent federal.

CHANGE FROM THE APPROPRIATION:

The decreased grant cost is due to a decrease in the cost per case.

The increase in employment services cost is due to updated child care data and an increase in the overall CalWORKs employment services cost.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

CalWORKs Resources (AB 2466)

EXPENDITURES:

(in 000's)

101-CalWORKs
Basic Grants

	2008-09 Grant	2009-10 Grant
Total	$80	$80
Federal	78	78
State	0	0
County	2	2
Reimbursements	0	0

101-CalWORKs
Employment Services

	2008-09 Services	2009-10 Services
Total	$82	$82
Federal	82	82
State	0	0
County	0	0
Reimbursements	0	0

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CalWORKs Resources (AB 1078)

Description:

This premise reflects the costs associated with the provisions of Assembly Bill (AB) 1078 which modified some of the provisions included in AB 2466. Prior to the passage of AB 2466, certain investment accounts were excluded from consideration as resources when determining applicant eligibility for California Work Opportunity and Responsibility to Kids (CalWORKs) benefits. As a provision of AB 2466, these resources were no longer excluded when determining applicant eligibility. [Please see the separate premise description for CalWORKs Resources (AB 2466) for more details.] AB 1078 reversed this provision in AB 2466, resulting in the exclusion of these resources for determining applicant eligibility.

IMPLEMENTATION DATE:

This premise will implement on January 1, 2008.

KEY DATA/ASSUMPTIONS:

- Authorizing statutes: Welfare and Institutions Code sections 11155.6.
- It is assumed that one new case per month will be granted CalWORKs due to the exclusion of certain investment accounts as resources.
- The average monthly grant cost per case is $536.
- The employment services utilization rate is 67.4 percent.
- The employment services caseload is expected to increase by 0.008 percent due to this premise.
- The employment services cost for the entire caseload is $771.5 million.
- Based on updated CalWORKs data, 32 percent of the AB 1078 caseload will utilize child care. There are an estimated 1.9 children per case. The average child care cost is $808 per month.

METHODOLOGY:

CalWORKs Grants

- The grant cost is calculated by multiplying the number of cases by the cost per case. (Budget Year: 150 cases x $536 x 12 months).

CalWORKs Services

- The costs for administration, childcare, and employment services programs are combined and are included in the services premise line.
- The employment services cost is calculated by multiplying the anticipated 0.008 percent increase by the total caseload's employment services cost (0.008 percent x $771.5 million).
- The administration costs are calculated by multiplying the total casemonths by the administration cost per case, which includes the mid-quarter activities cost and the quarterly reporting cost (150 x $8.63 + 150 x $24.95).
- The child care costs are calculated by multiplying the number of children that will receive child care by the cost per child (150 cases x 67.4 percent services utilization x 32.4 percent child care rate x 1.9 children per case x $808).

CalWORKs Resources (AB 1078)

FUNDING:

CalWORKs grants are funded with 97.5 percent federal funds and 2.5 percent county funds.

Employment services costs are fund with 100 percent federal funds.

CHANGE FROM THE APPROPRIATION:

The decrease in Grants is due to a decrease in the cost per case.

The increase in employment services is due to updated child care data and an increase in the overall CalWORKs employment services expenditures.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Expenditures:

(in 000's)

ITEM 101 - CalWORKs Assistance Payments	2008- 2009 Grant	2009-2010 Grant
Total	$80	$80
Federal	78	78
State	0	0
County	2	2
Reimbursements	0	0

ITEM 101 - CalWORKs Services	2008-2009 Services	2009-2010 Services
Total	$82	$82
Federal	82	82
State	0	0
County	0	0
Reimbursements	0	0

Subsidized Employment (AB 98)

DESCRIPTION:

This premise provides funding to counties outside of the California Work Opportunity and Responsibility to Kids (CalWORKs) program single allocation to pay 50 percent of a CalWORKs Welfare-to-Work (WTW) participant's wage subsidy while participating in public or private sector subsidized employment pursuant to Assembly Bill 98 (Chapter 589, Statutes of 2007). The state's participation in the wage subsidy is limited to a maximum of six months for each WTW participant, up to 50 percent of the maximum aid payment for the family.

IMPLEMENTATION DATE:

This premise implemented January 1, 2008.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 11322.63.
- The net cost of the program is approximately $4.5 million in the Current Year (CY) and $3.7 million in the Budget Year (BY). These costs only reflect the incremental increase associated with the additional state share of the subsidy payment, offset by associated grant savings. This estimate does not account for any increased costs associated with the establishment of additional subsidized employment slots. It is assumed that any additional costs of this program will be funded through the county CalWORKs single allocation.
- Based on an October 2008 survey of counties, it is assumed that approximately 313 monthly cases statewide will participate in public or private subsidized employment.
- This premise implemented in January 2008, allowed three months to secure subsidized employment slots, and began a six month phase-in in April 2008. The full 313 new monthly participants are assumed to have been achieved in September 2008.
- Based on Los Angeles County's employment training program, 23 percent or 73 participants will not complete the subsidized employment program. It is assumed that each group of participants will experience an attrition of 11.7 percent in the second month of the subsidized employment program. Another 11.7 percent will enroll in the program but will not complete the program due to various reasons.
- It is assumed the average wage subsidy cost is $723 per month per participant and the state's share of the subsidy is $362.
- Based on the Federal Fiscal Year 2007 CalWORKs Characteristics Survey (Q5) data, approximately two-thirds of individuals who are currently participating do so through work activities and the remaining one third participate in non-work activities.
- Without regard to the subsidized employment program, approximately two-thirds of individuals would have participated in employment and one-third in non-work activities.
- The cost of the subsidy is partially offset by grant savings for the one-third that would not have otherwise worked resulting in a net cost of $113.00 per case per month.
- Based on Los Angeles County's statistics from Fiscal Year (FY) 2006-07, 77 percent of subsidized employment cases, or 239 participants per month will fully complete the program. Of those that completed the program, 56 percent or 134 participants will enter unsubsidized employment with an average hourly wage of $9.28.

Subsidized Employment (AB 98)

KEY DATA/ASSUMPTIONS (CONTINUED):

- Current budgetary assumptions (associated with Previous CalWORKs Reforms) regarding increased work participation and the associated fiscal implications impact grant savings from unsubsidized employment. It is assumed that approximately two-thirds of the population would have otherwise participated through work activities at an average of $8.00 per hour and assumes an average of 20 hours per week of unsubsidized employment
    - Of those that enter unsubsidized employment after completion of the subsidized work program, approximately two-thirds would have increased hourly earnings of $1.28 per hour and approximately one-third are newly employed, earning $9.28 per hour.
- The impact of Quarterly Reporting/Perspective Budgeting (QR/PB) results in a delay of grant savings due to employment (subsidized or unsubsidized). QR/PB assumes that one-third of individuals will be required to report earnings in the month employment is obtained, one-third in the second month after employment is obtained, and the remaining one-third in the third month after employment is obtained.
- This premise does not include additional costs for child care and other services. Child care and services costs for all program activities are included in the Previous CalWORKs Reforms premise.

METHODOLOGY:

Beginning April 2008, the population assumed to participate in the subsidized employment program is phased in over a six-month period, with each group remaining in the subsidized employment program for six months. The Subsidized Employment population is divided into two groups; one that represents the grant savings and subsidized employment costs associated with the approximate two-thirds employment population, and one that represents the grant savings and subsidized employment costs associated with the one-third non-work population. The net cost is $4.5 million in FY 2008-09 and $3.7 million in FY 2009-10.

Wage Subsidy Cost

- Wage Subsidy costs associated with the approximate two-thirds employment population are $3.88 million in FY 2008-09 and $4.76 million in FY 2009-10.
- Wage Subsidy costs associated with the approximate one-third employment population are $2.09 million in FY 2008-09 and $2.57 million in FY 2009-10.

Grant Savings

- Wage Subsidy savings associated with the approximate two-thirds employment population are $0.07 million in FY 2008-09 and $0.55 million in FY 2009-10.
- Wage Subsidy savings associated with the approximate one-third employment population are $1.39 million in FY 2008-09 and $3.13 million in FY 2009-10.

Subsidized Employment (AB 98)

FUNDING:

The funding for the CalWORKs grant savings is 96.5 percent Temporary Assistance for Needy Families (TANF), one percent General Fund (GF), and 2.5 percent county. The funding for the wage subsidy is 99 percent TANF and one percent GF.

CHANGE FROM THE APPROPRIATION:

The estimate previously applied Los Angeles County's data statewide to determine the number of subsidized employment slots. The revised estimate uses a statewide survey to determine the number of subsidized employment slots. The decrease reflected in net grant savings and services costs is associated with a lower number of employment slots than anticipated in the appropriation.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase in net grant savings and services costs is associated with the completion of the caseload phase in, which began in April 2008.

EXPENDITURES:

(in 000's)

101 – CalWORKs Grants	2008-09	2009-10
	Grants	Grants
Total	$-1,462	-$3,676
Federal	-1,410	-3,547
State	-15	-37
County	-37	-92
Reimbursements	0	0

101 – CalWORKs Services	2008-09	2009-10
	Services	Services
Total	$5,963	$7,331
Federal	5,907	7,262
State	56	69
County	0	0
Reimbursements	0	0

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Prospective Budgeting

DESCRIPTION:

This premise reflects the administrative savings and grant/coupon costs associated with implementing a quarterly reporting system using prospective budgeting in determining benefits based on projected income over a three-month period for the California Work Opportunity and Responsibility to Kids (CalWORKs), Food Stamps (FS), California Food Assistance Program (CFAP) and Refugee Cash Assistance (RCA) programs.

Assembly Bill (AB) 444 (Chapter 1022, Statutes of 2002) required the replacement of the current monthly reporting/retrospective budgeting system with a Quarterly Reporting/ Prospective Budgeting (QR/PB) system for the CalWORKs program. This bill also required the state to adopt the QR/PB system in the FS program to the extent permitted by federal law, regulations, waivers and directives. The Code of Federal Regulations (7 CFR) Section 273.21 requires states to determine FS eligibility using either a prospective or retrospective budgeting methodology consistent with the state's Temporary Assistance for Needy Families (TANF) program unless a waiver is granted by the United States Department of Agriculture (USDA) Food and Nutrition Services (FNS).

Under the QR/PB system, recipients' eligibility and benefits for a three-month period are based on information provided on the Quarterly Eligibility Report Form (QR 7) and are determined using prospective budgeting and income averaging rules. Recipients have mandatory mid-quarter reporting requirements during the quarter. All CalWORKs recipients with earnings are required to report: income that exceeds the Income Reporting Threshold (IRT) which is the greater of the CalWORKs eligibility limit, or 130 percent of the Federal Poverty Level (FPL) for the family size; drug felony convictions; fleeing felon status; parole/probation violations; and address changes. FS recipients are only required to report address changes in mid-quarter. Certain non-assistance FS (NAFS) recipients are also required to report changes in work hours that could affect eligibility.

Recipients have the option to report changes that would result in increased grant/coupon benefits when they occur. To determine whether the change results in increased benefits mid-quarter, currently reported income and reasonably expected income for the rest of the quarter will be averaged for the current and the remaining months and subsequent benefits are adjusted accordingly.

Households that are currently not required to submit monthly reports may have their benefits determined on either a prospective or retrospective basis at the state agency's option, unless specifically excluded from retrospective budgeting.

IMPLEMENTATION DATE:

The implementation of this premise varied by counties between November 1, 2003, through June 30, 2004.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: 7 CFR Section 273.21(b), and Welfare and Institutions Code sections 11265.1-11265.3 and 11450.1-11450.3.
- The California Department of Social Services received a USDA-FNS waiver approval to implement QR/PB for the FS program.

Prospective Budgeting

KEY DATA/ASSUMPTIONS (CONTINUED):

- The estimated grant/coupon costs and administrative savings are based on comparing statistical information from the previous Monthly Retrospective Reporting Budgeting (MRRB) system to the current QR/PB reporting system.
- The Current Year (CY) costs and savings are based on 5,923,621 CalWORKs casemonths; 7,583,739 NAFS casemonths; and 118,527 CFAP casemonths.
- The Budget Year (BY) costs and savings are based on 6,333,728 CalWORKs casemonths; 8,679,872 NAFS casemonths; and 132,263 CFAP casemonths.
- It is assumed that 10.4 percent of the total NAFS/CFAP cases are currently subject to nonmonthly/change reporting based on the FS Characteristics Survey. The remaining cases, 6,795,030 NAFS cases and 106,200 CFAP cases in the CY; and 7,777,165 NAFS cases and 118,508 CFAP cases in the BY, are subject to quarterly reporting.
- Based on actual caseload and expenditure data, the cost for on-going activities for CalWORKs cases under monthly reporting was $42.75 per month per case and $25.01 per month per case for NAFS.
- The CalWORKs eligibility worker cost per hour is $57.57.
- Based on county time study data collected during October and November 2005, the amount of time needed for CalWORKs continuing case activities under QR/PB is 26 minutes per month at a cost of $24.95 per case.
- Based on county time study data collected during October and November 2005, the amount of time needed to process CalWORKs mid-quarter activities averages nine minutes per month per case at a cost of $8.63 per case.
- Based on county time study data collected during March 2005, the NAFS/CFAP on-going case activities under QR/PB are at a cost of $39.33 per case.
- Based on county time study data collected during March 2005, the NAFS/CFAP mid-quarter case activities under QR/PB are estimated to cost $28.23 per case.
- Mid-quarter administrative activities for CalWORKs and NAFS/CFAP cases include voluntary and mandatory mid-quarter reporting and county initiated contact.
- CalWORKs mid-quarter activities also include IRT reporting.
- The current cost for mailing a monthly report form to a recipient is $0.78. It is assumed that the cost for mailing the quarterly report is $0.78 per household/case.
- It is assumed that only one-third of the total CalWORKs, NAFS, CFAP, and RCA cases will report each month under QR/PB. The remaining two-thirds of the cases will only report outside their normal quarterly report month in certain circumstances. Based on the CalWORKs Report on Reasons for Discontinuances of Cash Grant, (CA 253 CW), 8.73 percent of CalWORKs cases are discontinued each month, and 12.39 percent of the cases are discontinued due to income exceeding CalWORKs eligibility limits under MRRB. Under QR/PB some of these cases will experience a delay in being discontinued until their quarterly report month.

Prospective Budgeting

KEY DATA/ASSUMPTIONS (CONTINUED):

- CalWORKs recipients with unearned income only are exempt from mid-quarter reporting when their income exceeds the IRT. This group of recipients accounts for 0.55 percent of the CalWORKs caseload under MRRB. It is assumed that 50 percent of these cases will receive one month of additional benefits and 50 percent will receive two months of additional benefits before being discontinued when their quarterly report is filed.
- Due to the difference in income level between the CalWORKs eligibility limit and the IRT, it is assumed that 40.04 percent of the CalWORKs cases currently are discontinued due to excess earned income. It is assumed that 50 percent of these cases will receive one month of additional benefits and 50 percent will receive two months of additional benefits before being discontinued when a quarterly report is filed.
- Based on data from the Fraud Investigation Activity Report (DPA 266) for Fiscal Year (FY) 2007-08, fraud cases account for 2.46 percent of total CalWORKs cases. Fifty percent of the cases will result in an overpayment for one month and 50 percent of the cases will result in a two-month overpayment. Based on fraud overpayment collection experience, it is assumed that 50 percent of the overpayments will be recovered after a six-month period.
- Based on the Employment Development Department wage data, prior to becoming ineligible due to excess income, the average CalWORKs case receives a grant of $206.50 and the average CFAP household receives a benefit of $85.00.
- Based on a county survey regarding Reduced Income Supplemental Payments (RISPs) applications, it is estimated that 2.72 percent of the total caseload will have decreased earnings and will report the decrease during the non-quarterly report months.
- Under monthly reporting rules recipients may receive supplemental payments equal to 80 percent of the grant increase. Under QR/PB, CalWORKs recipients will receive a grant adjustment equal to 100 percent of the grant increase associated with reported decrease in income. The average CalWORKs grant impact for cases that would report decreased income in non-quarterly report months is estimated at $116.67.
- CFAP cases will receive a supplemental payment equal to the increase; under monthly reporting, these cases do not receive a supplemental payment. The average CFAP benefit for cases that would report decreased income in non-quarterly report months is $53.03. Based on the CA 253, FY 2007-08, 0.86 percent of CalWORKs monthly cases would become ineligible for the following reasons: no eligible child, excess resources, and no deprivation. It is assumed that 50 percent of these cases will continue to receive one additional full month of the grant and 50 percent will continue to receive two additional months of the full grant before being discontinued.
- Based on data from the CA 253, FY 2002-03 reports, 4.73 percent of CalWORKs and CFAP cases were discontinued each month for not submitting a Monthly Eligibility Report (CW 7) under the monthly reporting system. It is assumed that 25 percent of these cases now delay discontinuance for one or two months under the quarterly reporting system. It is assumed that 50 percent of the remaining cases will continue to receive one additional full month of grant and 50 percent will continue to receive two additional full months of grant before being discontinued.

Prospective Budgeting

KEY DATA/ASSUMPTIONS (CONTINUED):

- The average CalWORKs monthly grant is $539.57 based on the CA 800 CalWORKs expenditure reports for the period from July 2008 to September 2008.
- The average CFAP benefit per case is $$225.61 based on the DFA 256 Reports the period from October 2007 to June 2008.
- It is estimated that four CFAP cases per month in the CY and five CFAP cases per month in BY that otherwise would have discontinued due to income exceeding eligibility limits will not be discontinued until their quarterly report month. It is assumed that 50 percent of these cases will continue to receive one additional full month of grant and 50 percent will continue to receive two additional full months of grant before being discontinued.
- It is estimated that 26 CFAP cases per month in the CY and 29 CFAP cases per month in BY that would have otherwise had their benefits discontinued due to increased income will continue to receive additional benefits. It is assumed that 50 percent of these cases will continue to receive one month of increased benefits and 50 percent will continue to receive two additional months of increased benefits.
- The costs and savings under QR/PB are compared to MRRB. Assuming one-third of the income increases occur in each month, the result is one month of costs, one month of savings, and one month of no cost or savings to the CalWORKs and CFAP programs. The net effect is zero in those cases with increased income of all ranges of non-reporting.
- Based on a county survey, 4.47 percent of the NAFS/CFAP caseload will report a change of address, change in household composition, or shelter cost that will result in mid-quarter administrative activity. An additional 0.69 percent of the NAFS/CFAP caseload will be subject to a county initiated action during mid-quarter months.Able-Bodied Adults Without Dependents (ABAWDs) are required to report during the quarter when they are not meeting the work requirement. Based on the Stat 47, Food Stamp Program Work Registrant, ABAWD, and Food Stamp Employment and Training (FSET) program Caseload Report, for calendar year 2007, 0.09 percent of the monthly NAFS/CFAP caseload for non-waiver counties (4,284,526 in CY and 4,903,799 in BY) experience a reduction in work hours causing them to become ineligible for the FS program.

METHODOLOGY:

Administration

- The CalWORKs, NAFS, CFAP and RCA prospective budgeting administrative costs are calculated by adding the administrative costs to process the quarterly reports and mid-quarter changes.
- The CalWORKs administrative costs are held to the Appropriation.
- The CalWORKs administrative savings associated with continuing case activities under monthly reporting are calculated by multiplying the monthly continuing case cost by the total casemonths [CalWORKs BY: ($42.75 x 6,333,728)].

Prospective Budgeting

METHODOLOGY (CONTINUED):

- The CalWORKs administrative costs associated with continuing case activities under QR/PB are calculated by multiplying the monthly continuing case cost by the casemonths of those required to report on a quarterly basis [CalWORKs BY: ($24.95 x 6,333,728)].
- The CalWORKs administrative costs to process mid-quarter changes are calculated by multiplying the casemonths by the cost per month [CalWORKs BY: ($8.63 x 6,333,728)].
- The NAFS and CFAP administrative savings associated with no longer processing monthly reports are calculated by multiplying the monthly cost to process a continuing case by the total casemonths [NAFS BY: ($25.01 x 7,777,165)].
- The NAFS and CFAP administrative costs to process quarterly reports are calculated by multiplying the quarterly cost to process a continuing case by the casemonths of those required to report on a quarterly basis [NAFS BY: ($39.33 x 7,777,165 x 33 percent)].
- The NAFS and CFAP administrative costs to process a change resulting in increased benefits are calculated by multiplying the number of cases that would report their reduced earnings outside the quarterly reporting months by the cost per case [NAFS BY: (7,777,165 x 2.72 percent x $28.23)].

  The NAFS and CFAP administrative costs to process a change of address, change in household composition, or shelter costs during non-quarterly report months are calculated by multiplying the number of cases that would report the changes outside the quarterly reporting months by the cost per case [NAFS BY: (7,777,165 x 4.47 percent x $28.23)].
- The NAFS and CFAP administrative costs to process a county initiated actions is calculated by multiplying the number of cases that would report the changes outside the quarterly reporting months by the cost per case [NAFS BY: (7,777,165 x 0.69 percent x $28.23)].
- The administrative cost to process discontinuances for ABAWDs who do not meet the work requirements is calculated by multiplying the number of cases that would report outside the quarterly report month and are not exempted from the ABAWD waivers by the cost per case [NAFS BY: (4,903,799x 0.09 percent x $28.23)].
- The CalWORKs, NAFS, and CFAP administrative cost to mail quarterly reports is calculated by multiplying the annual casemonths by one-third to determine the number of cases in a quarter; then multiplying by the mailing cost which is determined based on the monthly number of mid-quarter reports x $0.78 [NAFS BY: (7,777,165x 33 percent x $0.78), for CalWORKs (BY: 6,333,728x 33 percent x $0.78)].
- The CalWORKs, NAFS, and CFAP administrative savings due to not mailing monthly reports is calculated by multiplying the number of cases reporting monthly by the mailing cost [NAFS BY: (7,777,165 x $0.78), for CalWORKs BY: (6,333,728 x $0.78)].
- CalWORKs grant and CFAP coupon costs associated with noncompliance cases who do not submit their monthly reports are calculated by multiplying the average monthly grant/coupon per case by the impacted casemonths, assuming 50 percent receive one month of additional grant and 50 percent receive two months of additional grant [CalWORKs BY: ($539.57 x 78,664 x 50 percent) + (($539.57 x 78,664 x 50 percent x 2)].

Prospective Budgeting

METHODOLOGY (CONTINUED):

Grants/Benefits

- CalWORKs grant and CFAP coupon costs associated with not discontinuing ineligible cases until the quarterly report month are calculated by multiplying the monthly average grant/coupon per case by the impacted casemonths, assuming 50 percent receive one month of additional grant and 50 percent receive two months of additional grant [CalWORKs BY: [($539.57 x 43 x 50 percent) + ($539.57 x 43 x 50 percent x 2)].
- CalWORKs grant costs for not discontinuing cases with income over the CalWORKs eligibility limit but under the IRT until the quarterly report are calculated by multiplying the impacted casemonths by the average grant per case assuming 50 percent receive one month of additional grant and 50 percent receive two months of additional grant [CalWORKs BY: ($206.50 x 587 x 50 percent) + ($206.50 x 587 x 50 percent x 2)]. CalWORKs grant costs for those cases exempt from reporting when their income exceeds the IRT because they have unearned income only, are calculated by multiplying the impacted casemonths by the associated average grant per case, assuming 50 percent receive one month of additional grant and 50 percent receive two months of additional grant [CalWORKs BY: ($206.50 x 14,314 x 50 percent) + ($206.50 x 14,314 x 50 percent x 2)].
- CalWORKs grant costs for increasing the benefits of those cases reporting a decrease in income during mid-quarter months are calculated by multiplying the impacted casemonths by the average grant increase of $116.67 [CalWORKs BY: ($116.67 x 159,505 x 50 percent) + ($116.67 x 159,505 x 50 percent x 2)].
- Overpayments for those cases that will not report income exceeding the IRT are calculated by multiplying the average grant per case by the impacted casemonths of those that will not report, assuming that 50 percent receive one additional monthly grant and 50 percent receive two additional monthly grants, and 50 percent of the overpayments will be recovered after a six-month period [CalWORKs in BY: [($206.50 x 36 x 50 percent) x 50 percent] + ($206.50 x 36 x 50 percent x 2 x 50 percent)].
- Under QR/PB CFAP coupon costs for not discontinuing cases with income over the eligibility limit are calculated by multiplying the impacted casemonths by the average grant per case assuming 50 percent receive one month of additional grant and 50 percent receive two months of additional grant [CFAP BY: ($85.00 x (29 + 5) x 50 percent) + ($85.00 x (29 + 5) x 50 percent x 2)].
- CFAP coupon costs for those cases reporting a decrease in income during mid-quarter months are calculated by multiplying the impacted casemonths by the average coupon increase [CFAP BY: ($53.03 x 3,220) + ($53.03 x 3,220 x 50 percent)].
- CFAP coupon costs for not decreasing benefits for cases that have an increase in income are calculated by multiplying the impacted casemonths by the average increased coupon amount times two months [CFAP BY: ($53.03 x 3,220 x 2)].

Prospective Budgeting

FUNDING:

CalWORKs

The funding for CalWORKs grants for the CY is 86.18 percent TANF, 11.32 percent General Fund (GF) and 2.5 percent county. For the BY, funding is 85.58 percent TANF, 11.92 percent GF, and 2.5 percent county.

The funding for CalWORKs administration for the CY is 88.39 percent TANF, 11.61 percent GF and 2.5 percent county. The funding for the BY is 87.77 percent TANF and 12.23 percent GF.

NAFS and CFAP

For the CY and BY, the FS funding is 50 percent federal, 35 percent GF, and 15 percent county funds. CFAP costs are 100 percent GF with 22.85 percent being Maintenance of Effort eligible.

CHANGE FROM THE APPROPRIATION:

CalWORKs

The CY CalWORKs grant costs and administrative savings reflect an increase to the CalWORKs caseload over what was projected in the Appropriation.

NAFS and CFAP

The increase in NAFS administrative savings is due to an increase in caseload. The increases in CFAP administrative savings and grant costs are associated with a higher than expected caseload growth.

REASON FOR YEAR-TO-YEAR CHANGE:

The CalWORKs grant costs and administrative savings reflect an increase to the CalWORKs caseload over the CY.

The BY increase in NAFS administrative savings reflects an increase in projected caseload over the CY.

The BY increase in CFAP administrative savings reflects an increase in projected caseload over the CY.

Prospective Budgeting

EXPENDITURES:

(in 000's)

ITEM 101 – CalWORKs Grants	2008-09	2009-10
	Grant	Grant
Total	$92,054	$98,438
Federal	79,331	84,239
State	10,422	11,738
County	2,301	2,461
Reimbursements	0	0

ITEM 101 – CalWORKs Administration	2008-09	2009-10
	Admin.	Admin.
Total	-$57,436	-$61,412
Federal	-50,766	-53,901
State	-6,670	-7,511
County	0	0
Reimbursements	0	0

(in 000's)

ITEM 101 – CFAP Grants	2008-09	2009-10
	Grant	Grant
Total	$1,008	$1,125
Federal	0	0
State	1,008	1,125
County	0	0
Reimbursements	0	0

Prospective Budgeting

EXPENDITURES (CONTINUED):

ITEM 141 – Food Stamp Administration	2008-09	2009-10
	Admin.	Admin.
Total	-$69,930	-$80,037
Federal	-34,965	-40,018
State	-24,475	-28,013
County	-10,490	-12,006
Reimbursements	0	0

ITEM 141- CFAP Administration	2008-09	2009-10
	Admin.	Admin.
Total	-$1,089	-$1,215
Federal	0	0
State	-1,089	-1,215
County	0	0
Reimbursements	0	0

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Recent Noncitizen Entrants

DESCRIPTION:

This premise reflects the cost of providing aid to Recent Noncitizen Entrants (RNEs). The federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), Public Law 104-193, excluded most legal immigrants entering the United States (U.S.) after the date of enactment (August 22, 1996) from receiving Temporary Assistance for Needy Families (TANF) program benefits for the first five years they are in the country. PRWORA does provide exceptions for certain noncitizens:

1. Refugees, asylees, or those granted withholding of deportation for their first five years in the U.S.
2. Veterans, current military personnel, spouses and dependents.
3. Cuban-Haitian noncitizens: Cuban-Haitian entrants are eligible for Refugee Assistance and Refugee Education Assistance.

The California Work Opportunity and Responsibility to Kids (CalWORKs) program continued aid to certain groups of noncitizens that became ineligible with the implementation of PRWORA. These include: (1) Parolees; (2) Conditional Entrants; (3) Legal Permanent Residents; (4) Permanently Residing in the United States Under Color of Law; and, (5) Battered Noncitizens.

IMPLEMENTATION DATE:

This premise implemented in September 1996.

KEY DATA/ASSUMPTIONS:

- Based on the Calendar Year 2007 Summary Report of Assistance Expenditures (CA 800L and CA 800M), the projected average monthly persons that are not TANF eligible is 18,608 for the Current Year (CY) and 19,897 for the Budget Year (BY).
- The overall CalWORKs caseload is projected to increase by 5.9 percent in CY and 6.9 percent in BY.
- Based on the Fiscal Year (FY) 2007-08 CA 800L and CA 800M reports, the average grant per person is $156.60.
- Cal Learn Bonuses and Sanction grant costs for RNE recipients is projected to be $52,571 in the CY and $55,626 in the BY.
- Iraqi Special Immigrant Visa (SIV) grant costs for RNE recipients is projected to be $42,321 in the CY and $76,390 in the BY.
- Based on claims from the counties for FY 2007-08, the administration cost for RNEs was approximately $7.5million.
- The percentage of persons that are TANF eligible is 50.27 percent.
- The services costs are based on actual expenditure data from FY 2007-08.
- The funds associated with persons that are TANF eligible are reflected in the Basic premises for grants, childcare, and administration and employment services.

Recent Noncitizen Entrants

KEY DATA/ASSUMPTIONS (CONTINUED):

- Of the total amount of $13.6 million for RNE employment services from FY 2007-08, $6.8 million are TANF eligible and are shifted to the "CalWORKs Basic" premise (refer to the CalWORKs Basic premise for more detailed information regarding services).
- For CalWORKs child care, the cost is 0.46 percent of the "CalWORKs Stage One Child Care" cost, which amounts to approximately $2.8 million in the CY and $3.05 million in the BY (refer to the CalWORKs Stage One Child Care premise for more detailed information). The percentage is based upon actual expenditures from FY 2007-08. Of the $2.8 million in CY, $1.4 million are TANF eligible and are shifted to the "CalWORKs Basic" premise. For BY, of the $3.05 million, $1.53 is TANF eligible and is shifted to the "CalWORKs Basic" premise.
- For Cal Learn, the RNE costs in the BY reflect 1.5 percent of the Cal Learn cost which is reflected in the "Cal Learn" premise. The percentage is based upon actual expenditures from FY 2007-08.

METHODOLOGY:

- The grant costs were calculated by multiplying the projected monthly recipients by the average grant per person by 12 months (BY; 19,897 x 156.60 x 12 months). This total is then added to the Cal-Learn bonuses, sanctioned grants and Iraqi SIV grants.
- The administration costs for the RNEs are based on actual expenditures from FY 2007-08 that have been adjusted for projected caseload growth. Of the total costs, 50.27 percent represent federal households and remains in the CalWORKs basic Administration, funded with General Fund (GF). The remaining portion of RNEs is reflected in this premise.
- The child care costs for the RNEs is 0.46 percent based on Stage One expenditures from FY 2007-08. Of the 0.46 percent, 50.27 percent represent federal households and remains in the Stage One Basic Program, funded with GF. The remaining portion of RNEs is reflected in this premise.
- The services costs for the RNEs are based on actual expenditures from FY 2007-08. Of the total cost, 50.27 percent represent federal households and remain in CalWORKs Employment Services Basic, funded with GF. The remaining portion of RNEs is reflected in this premise.

FUNDING:

The grant costs are funded with 95 percent GF and five percent county funds. The administrative costs, employment services, and child care costs are 100 percent GF. The total funding is countable toward the State's TANF maintenance of effort requirement.

CHANGE FROM THE APPROPRIATION:

The CY increase in grant costs is due to an increase in the RNE caseload over what was projected in the appropriation.

The increase in child care is due to an increase in the overall CalWORKs child care expenditures.

The CY increase in RNE administrative costs is due to higher expenditures than previously anticipated.

Recent Noncitizen Entrants

REASON FOR YEAR-TO-YEAR CHANGE:

The increase in grants cost and RNE administrative costs are due to an increase in the RNE caseload from CY to BY.

There is no change in the employment services expenditures.

The increase in child care is due to an increase in the projected overall Stage One child care expenditures.

EXPENDITURES:

(in 000's)

ITEM 101 - CalWORKs Grants	2008-09 Grant	2009-10 Grant
Total	$35,062	$37,522
Federal	0	0
State	33,309	35,646
County	1,753	1,876
Reimbursements	0	0

ITEM 101 - CalWORKs Services	2008-09 County Services	2009-10 County Services
Total	$6,766	$6,766
Federal	0	0
State	6,766	6,766
County	0	0
Reimbursements	0	0

Recent Noncitizen Entrants

EXPENDITURES (CONTINUED):

(in 000's)

ITEM 101 -	2008-09	2009-10
CalWORKs Administration	Admin.	Admin.
Total	$4,389	$4,693
Federal	0	0
State	4,389	4,693
County	0	0
Reimbursements	0	0

ITEM 101 -	2008-09	2009-10
CalWORKs Stage One Child Care	Child Care	Child Care
Total	$1,390	$1,520
Federal	0	0
State	1,390	1,520
County	0	0
Reimbursements	0	0

CalWORKs Modified Safety Net

DESCRIPTION:

Safety Net families are families who have exceeded their 60-month assistance time limit but continue to be eligible for California Work Opportunity and Responsibility to Kids (CalWORKs). Currently in the program, a Safety Net family can receive aid for the eligible children (until these children reach 18 years of age) without having to participate in welfare-to-work activities. Aid to Safety Net families is not a requirement under federal Temporary Assistance for Needy Families (TANF) and most states do not aid this population. Safety Net benefits are funded with General Fund (GF) dollars which are countable toward the Maintenance of Effort (MOE) in the TANF program. As a result of TANF Reauthorization, Safety Net families are now included in the federal work participation rate (WPR) calculation.

In order to move more CalWORKs families off aid and out of poverty, it is critical to encourage families' progress toward self-sufficiency by increasing their participation. This proposal would create an incentive for Safety Net families to fully participate, encourage self-sufficiency through participation, and help increase the WPR, bringing the state closer to meeting federal WPR requirements in Federal Fiscal Year (FFY) 2009.

The Modified Safety Net proposal creates an incentive for families to fully participate by rewarding working families who are fully participating in federally allowable work activities with continued maximum Safety Net benefits, while eliminating benefits for families that do not meet work participation requirements.

This premise is necessitated by the above circumstances and the special session proposal.

IMPLEMENTATION DATE:

This premise assumes a February 1, 2009 enactment of Legislation with a May 1, 2009 implementation date.

KEY DATA/ASSUMPTIONS:

- In order to implement this proposal, statutory changes are required.
- Recipients who do not meet the WPR will be impacted by this policy change with the cases being discontinued effective May 2009.
- Based on trend projections from the CalWORKs Cash Grant Caseload Movement Report (CA 237) the Current Year (CY) caseload is projected to be 48,605. The Budget Year (BY) caseload is projected to be 52,051.
- The projected impact to the Services Caseload is based on the CalWORKs Welfare-To-Work Monthly Activity Report (WTW 25/25A).
- Based on the FFY 2006 CalWORKs Characteristics Survey (Q5) data, it is assumed that 31 percent of the Safety Net caseload will meet the federal WPR through work and non-work related activities and will remain eligible for assistance.
- The average monthly grant for Safety Net cases that participate in work, but less than 17 hours a week is $456.

CalWORKs Modified Safety Net

KEY DATA/ASSUMPTIONS (CONTINUED):

- The average monthly grant for Safety Net cases that do not work is $584.
- Based on FFY 2006 Q5 data, 19 percent of the current Safety Net caseload works sufficient hours to meet the WPR.
- Based on FFY 2006 Q5 data, 9 percent of the Safety Net caseload works more than 17 hours a week, but less than 30 hours a week.
- It is assumed that as a result of this program change, 70 percent of the 9 percent will increase their work hours to avoid being discontinued from the Safety Net program.
- Based on FFY 2006 Q5 data, 11 percent of the Safety Net caseload are cases that work less than 17 hours a week. It is assumed that these cases will not increase hours sufficient to remain in the Safety Net program.
- Based on FFY 2006 Q5 data, 2.27 percent of the Safety Net caseload are cases that participate in non-work activities and meet the WPR.
- Based on FFY 2006 Q5 data, 3.88 percent of the Safety Net caseload are cases that participate in non-work activities and partially meet the WPR.
- It is assumed that as a result of this program change, 70 percent of the 3.88 percent will increase their hours to avoid being discontinued from the Safety Net program.
- Based on FFY 2006 Q5 data, 54.7 percent of the Safety Net caseload are not participating in work activities and will not meet the WPR.
- The total number of cases expected to be discontinued for not meeting the WPR is 33,491 in CY and 35,865 in BY.
- Based on FFY 2006 Q5 data, 67 percent of the current Safety Net cases receiving services will continue receiving services as a result of this policy change.
- The funding for services in the BY is projected to be $6,379,000.
- The funding for administration costs in the BY is projected to be $35,539,028.
- Based on actual expenditures from the county expense claims, the administration cost for Safety Net cases represents 11 percent of the total CalWORKs eligibility expenditures.

METHODOLOGY:

- In the CY and BY, grant savings are calculated by multiplying the projected Safety Net caseload that will discontinue due to this proposal by the cost per case.
- The employment services savings are calculated by subtracting the cost of Safety Net cases that will meet the WPR from the Safety Net services total.

CalWORKs Modified Safety Net

METHODOLOGY (continued):

The administration savings are calculated by subtracting the administration costs associated with the cases remaining on Safety Net from the BY total Safety Net administration costs.

FUNDING:

The Safety Net savings associated with CalWORKs grants is 97.5 percent GF/MOE and 2.5 percent county funds. The Safety Net savings associated with employment services and administration are 100 percent GF.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

Due to the May 1, 2009 implementation date, costs for the CY reflect two months of savings while the BY costs reflect 12 months of savings.

EXPENDITURES:

(in 000's)

ITEM 101 - CalWORKs Grants	2008-09 Grants	2009-10 Grants
Total	-$37,353	-$240,150
Federal	0	0
State	-36,419	-234,146
County	-934	-6,004
Reimbursements	0	0

ITEM 101 - CalWORKs Services	2008-09 Services	2009-10 Services
Total	$0	-$2,109
Federal	0	0
State	0	-2,109
County	0	0
Reimbursements	0	0

CalWORKs Modified Safety Net

EXPENDITURES (CONTINUED):

(in 000's)

ITEM 101 - CalWORKs Administration	2008-09 Admin.	2009-10 Admin.
Total	$0	-$24,488
Federal	0	0
State	0	-24,488
County	0	0
Reimbursements	0	0

CalWORKs Child Only Time Limit

DESCRIPTION:

Under current California Work Opportunity and Responsibility to Kids (CalWORKs) regulations, child only cases include eligible children of families whose adult parent/caregiver relative(s) are undocumented non-citizens, drug felons or fleeing felons, recipients of Social Security Insurance (SSI), or have reached their 60-month time limit. In these cases the adult parent/caregiver relative is ineligible for CalWORKs assistance or services, but the children receive aid until they reach age 18.

This proposal establishes a 60-month time limit on the receipt of aid for children whose parent or caretaker relative(s) is an undocumented non-citizen, a drug felon or a fleeing felon.

This premise is necessitated by the special session proposal.

IMPLEMENTATION DATE:

This premise assumes a February 1, 2009 enactment of Legislation with a May 1, 2009 implementation date.

KEY DATA/ASSUMPTIONS:

- In order to implement this proposal, statutory changes are required.
- Child-only cases where the unaided adult is an undocumented non-citizen, drug felon, or fleeing felon that have been on aid for 60 or more months will be impacted by this policy change with the first cases being discontinued effective May 2009.
- Based on trend projections from the CalWORKs Cash Grant Caseload Movement Report (CA 237) the Current Year (CY) caseload is projected to be 493,635. The Budget Year (BY) caseload is projected to be 527,811.
- Based on Federal Fiscal Year (FFY) 2006 CalWORKs Characteristics Survey (Q5) information, 0.56 percent of the CalWORKs caseload are child only cases with a drug felon adult.
- Based on FFY 2006 Q5 information, 0.03 percent of the CalWORKs caseload are child only cases with a fleeing felon adult.
- Based on FFY 2006 Q5 information, 19.4 percent of the CalWORKs caseload are child only cases with an undocumented non-citizen adult.
- Based on Q5 and Medi-Cal Eligibility Data Systems (MEDS) data, approximately 40.56 percent of child only cases with an undocumented non-citizen, drug felon, or fleeing felon adult have been on aid for 60 or more months, resulting in approximately 40,064 cases affected by this policy change in the CY and 42,837 cases in the BY.
- The average monthly grant that these cases receive is $491.

CalWORKs Child Only Time Limit

KEY DATE/ASSUMPTIONS (CONTINUED):

- The monthly administrative cost per case is $24.95 and the mid-quarter administrative cost equates to $8.63 per case per month.

METHODOLOGY:

- In the CY, the discontinuance of 40,064 cases will result in grant savings of approximately $39 million and approximately $251 million in the BY.
- In the BY, the discontinuance of 42,837 cases will result in administrative savings of $17 million.

FUNDING:

The funding for the CalWORKs grants is 97.5 percent Temporary Assistance for Needy Families (TANF), and 2.5 percent county funds. Funding for CalWORKs administration is 100 percent TANF.

CHANGE FROM THE APPRORIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

Due to the May 1, 2009 implementation date, costs for the CY reflect two months of savings while the BY costs reflect 12 months of savings.

EXPENDITURES:

(in 000's)

101-Grants	2008-09	2009-10
Total	-$39,359	-$250,739
Federal	-38,375	-244,471
State	0	0
County	-984	-6,268
Reimbursements	0	0

CalWORKs Child Only Time Limit

EXPENDITURES (CONTINUED):

101-Admin

	2008-09	2009-10
Total	$0	-$17,262
Federal	0	-17,262
State	0	0
County	0	0
Reimbursements	0	0

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Ten Percent Grant Reduction

DESCRIPTION:

This premise reflects the implementation of a ten percent Maximum Aid Payment (MAP) reduction to the California Work Opportunity and Responsibility to Kids (CalWORKs) Program. This reduction is necessary to address the state's fiscal situation.

IMPLEMENTATION DATE:

This premise assumes a February 1, 2009 enactment of legislation with a May 1, 2009 implementation date.

KEY DATA/ASSUMPTIONS:

- Statute needs to be enacted to implement this premise.
- The MAP levels for non-exempt and exempt Assistance Units (AUs) are reduced by ten percent. The reduced MAP levels will be used to calculate the grant amount for CalWORKs recipients.
- Depending on the amount of grant each CalWORKs case currently receives, the actual percentage of reduction to their grant would be different. Based on Federal Fiscal Year 2006 CalWORKs Characteristic Survey (Q5) Data, the percentage of reduction to the CalWORKs average cost per case is approximately 11.1 percent.
- It is anticipated that approximately 15,410 CalWORKs cases will lose eligibility and become discontinued as a result of this MAP reduction.
- Administrative costs for mid-quarter activities are $8.63 per case per month and for quarterly activities are $24.95 per case per month.
- The administrative savings is a result of cases that will discontinue due to excess income.

METHODOLOGY:

- The grant savings is calculated by multiplying the decrease in the average CalWORKs grant by the impacted caseload.
- The administrative savings from caseload reduction is calculated by multiplying the average monthly number of cases impacted by the average monthly cost per case.

FUNDING:

The CalWORKs grants are 85.58 percent Temporary Assistance for Needy Families (TANF) funded, 11.92 percent General Fund (GF) and 2.5 percent county funded in the Current Year (CY) and in the Budget Year (BY).

The CalWORKs administrative savings are 87.77 percent TANF funds and 12.23 percent GF in the BY.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

Ten Percent Grant Reduction

REASON FOR YEAR-TO-YEAR CHANGE:

Due to the May 1, 2009 implementation date, costs for the CY reflect two months of savings while the BY costs reflect 12 months of savings.

EXPENDITURES:

(in 000's)

Item 101 – CalWORKs (TANF) Grant Savings	2008-09	2009-10
	Grant	Grant
Total	-$46,311	-$295,076
Federal	-39,631	-252,946
State	-5,522	-34,828
County	-1,158	-7,302
Reimbursements	0	0

Item 101 – CalWORKs (TANF) Administrative Savings	2008-09	2009-10
	Admin.	Admin.
Total	$0	-$6,210
Federal	0	-5,450
State	0	-760
County	0	0
Reimbursements	0	0

Self Sufficiency Review

DESCRIPTION:

This premise reflects the impact associated with implementing a face-to-face self-sufficiency review requirement. Currently California Work Opportunity and Responsibility to Kids (CalWORKs) recipients report quarterly on changes that may affect eligibility by sending a QR7 form to report on specific eligibility factors that have changed from the prior quarter, such as income, family composition, or property. This is primarily a paper review process. On an annual basis, the county re-determines eligibility via a mandated face-to-face interview, where all eligibility factors are evaluated and major program requirements are reviewed with the client including time on aid and reporting rules.

Under this proposal, in addition to the QR7 process, at the six-month interval, a self-sufficiency review would be conducted by the county worker. This review would be conducted via a face-to-face interview and would assess what services or resources may be necessary for the aided adult(s) to increase their work participation hours or to remove the barriers that are preventing participation. For child-only cases, the review would determine what services or resources may be needed to reduce their dependence on public assistance. This review would be required for continued eligibility, but families where the aided adults are fully meeting work requirements or are working full-time would not be required to attend this self-sufficiency review. Non needy caretaker relatives of foster children are also excluded from this requirement.

IMPLEMENTATION DATE:

This premise assumes a February 1, 2009 enactment of Legislation and notification with a May 1, 2009 implementation date.

KEY DATA/ASSUMPTIONS:

- Statute needs to be enacted to implement this premise.
- The percentage of the total CalWORKs caseload meeting the federal work participation rates (WPR) is projected to be on average 13.17 percent from May 2009 through June 2010.
- This premise reflects the impacts of the Modified Safety Net, Child Only Time Limit and Previous CalWORKs Reform premises that decrease the population subject to the face-to-face review (approximately 107,000 cases).
- It is assumed that the total caseload impacted will be phased in from May 2009 to July 2009. It is assumed that one-third of this caseload will be reviewed each month.
- It is anticipated that 5 percent of the cases that are subject to the review will discontinue for failing to complete the review.
- The average grant savings for cases that discontinue is projected to be $584 per month.
- The total CalWORKs caseload after considering the above items is on average 320,327 from May 2009 through July 2009.
- An administrative savings of $33.58 per case will result as cases discontinue due to not complying with the self-sufficiency review requirement.
- It is assumed that it will take 30 minutes for an eligibility worker to complete the self-sufficiency review.

Self Sufficiency Review

KEY DATA/ASSUMPTIONS (CONTINUED):

- The administrative cost to complete the self-sufficiency review is assumed to be $28.78 per 30 minute review.

METHODOLOGY:

- CalWORKs grant savings are calculated by multiplying together the average monthly discontinued cases, the cost per case and the total number of months.
- CalWORKs administrative savings are calculated by multiplying together the average monthly discontinued cases, the cost per case and the total number of months.
- CalWORKs administrative costs are included for a 30 minute semiannual review for all cases subject to the self-sufficiency review.

FUNDING:

The CalWORKs grant funding is 97.5 percent Temporary Assistance for Needy Families (TANF) funding and 2.5 percent county funds.

The CalWORKs administrative funding is 100 percent TANF.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year reflects a full year of impact of the premise.

EXPENDITURES:

(in 000's)

ITEM 101- CalWORKs Grants	2008-09	2009-10
	Grant	Grant
Total	-$9,410	-$112,254
Federal	-9,175	-109,448
State	0	0
County	-235	-2,806
Reimbursements	0	0

Self Sufficiency Review

EXPENDITURES (CONTINUED):

(in 000's)

ITEM 101-CalWORKs Administration	2008-09	2009-10
	Administration	Administration
Total	$5,635	$12,222
Federal	5,635	12,222
State	0	0
County	0	0
Reimbursements	0	0

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Employment Training Fund

DESCRIPTION:

This premise reflects the Employment Training Fund (ETF) amount used to offset the cost of providing employment services to recipients of the California Work Opportunity and Responsibility to Kids (CalWORKs) program.

ETF funds are derived from employer contributions and administered by the Employment Development Department. The ETF funds meet federal criteria to be counted toward the Temporary Assistance for Needy Families program maintenance of effort (MOE) requirements.

IMPLEMENTATION DATE:

This premise originally implemented July 11, 1994. No funding was appropriated for Fiscal Years (FY) 1997-98 through FY 1998-99. This premise reimplemented July 1, 1999.

KEY DATA/ASSUMPTIONS:

It is assumed $35 million will be available from the ETF in FY 2008-09. No ETF funds will be available in FY 2009-10.

METHODOLOGY:

Once the total cost of providing CalWORKs employment services is calculated, it is reduced by the ETF amount appropriated to the California Department of Social Services by the Legislature.

FUNDING:

This premise is funded with ETF funds, which are MOE countable.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

No ETF funds will be available in FY 2009-10.

EXPENDITURES:

(in 000's)	2008-09	2009-10
	County Admin.	County Admin.
Total	-$35,000	0
Federal	0	0
State	-35,000	0
County	0	0
Reimbursements	0	0

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Drug and Alcohol Prevention and Treatment Fund

DESCRIPTION:

This premise reflects the Drug and Alcohol Prevention and Treatment (DAPT) Fund amount used to offset the cost of providing Substance Abuse Services to recipients of the California Work Opportunity and Responsibility to Kids (CalWORKs) program.

Alcohol excise taxes are proposed to be raised by five cents per drink to be used for substance abuse prevention and treatment programs. The DAPT funds meet federal criteria to be counted toward the Temporary Assistance for Needy Families program maintenance of effort (MOE) requirements.

IMPLEMENTATION DATE:

This premise will implement on July 1, 2009.

KEY DATA/ASSUMPTIONS:

It is assumed that DAPT funding available for use in the CalWORKs program will equal the total cost of the CalWORKs Substance Abuse Services program. Please see the Substance Abuse Services premise description for an explanation of how the costs are calculated.

METHODOLOGY:

It is assumed that DAPT funding available for use in the CalWORKs program will equal the total cost of the CalWORKs Substance Abuse Services program. Please see the Substance Abuse Services premise description for an explanation of how the costs are calculated.

FUNDING:

This premise is funded with DAPT funds, which are MOE countable.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a new premise.

EXPENDITURES:

(in 000's)	2008-09	2009-10
	County Admin.	County Admin.
Total	$0	-$54,087
Federal	0	0
State	0	-54,087
County	0	0
Reimbursements	0	0

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California Work Opportunity and Responsibility to Kids (CalWORKs) Program Basic

DESCRIPTION:

This premise reflects the cost of providing employment and training services to individuals in the CalWORKs Welfare-to-Work (WTW) program. Employment services provided to WTW participants include a wide variety of work, educational, and training activities designed to assist individuals in obtaining and retaining employment.

IMPLEMENTATION DATE:

This premise implemented January 1, 1998.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 15204.3(a), amended by Assembly Bill (AB) 1111, Senate Bill (SB) 1104, and SB 68.
- The base funding for CalWORKs Services Basic is $737.9 million for Fiscal Year (FY) 2008-09.
- The FY 2008-09 employment services caseload is projected to grow 11.9 percent above the FY 2006-07 base caseload.
- The FY 2009-10 employment services caseload is projected to grow 19.4 percent above the FY 2006-07 base caseload, which also includes the most recent upward trend of the CalWORKs caseload.
- Although, the employment services caseload has been increasing over the past several years, this premise has not been adjusted due to the $90 million augmentation approved in the 2006 Budget Act. The $90 million augmentation is equivalent of an increase in caseload of 12.2 percent over FY 2006-07.
- The FY 2008-09 increase does not exceed the 12.2 percent increase.
- The FY 2009-10 increase exceeds the 12.2 percent increase funded under AB 1808 and SB 1104.
- Based on FY 2006-07 employment services expenditures, one percent of FY 2006-07 expenditures is equivalent approximately $7.3 million.
- Staff development costs in FY 2008-09 are $6.8 million, based on FY 2007-08 actual expenditures.
- The Wagner-Peyser reimbursement amount is $2.7 million for Current Year (CY) and Budget Year (BY).
- Time limit savings are $161.1 million for CY and BY.
- In CY and BY, $13.6 million of the CalWORKs Services Basic expenditures are for Recent Noncitizens Entrant (RNEs). Of the $13.6 million, $6.8 million reflects the costs for federally eligible recipients in mixed households and are funded with General Fund (GF) in this premise.
- Cal Learn RNEs are funded with GF in the amount of $243,476 in CY and $257,388 in BY.
- Contract costs are projected to be $3.9 million in CY and BY.
- A single allocation adjustment amount of $191.9 million (previously budgeted in a separate premise) is now included in this premise for both CY and BY.

California Work Opportunity and Responsibility to Kids (CalWORKs) Program Basic

KEY DATA/ASSUMPTIONS (continued):

- There is a shift in funding for the Employment Training Fund (ETF) from TANF to GF for the amount of $35 million in the CY. No ETF funds are expected to be available in FY 2009-10.

METHODOLOGY:

The basic funding for CY and BY is adjusted to reflect staff development expenditures, time limit savings, single allocation adjustment, Cal Learn RNE costs, contract costs, and the Wagner-Peyser reimbursement. Funds for Temporary Assistance for Needy Families (TANF) ineligible RNEs were subtracted and shifted to the RNE premise.

In addition, $46.7 million is included in BY to reflect the additional caseload that is projected to exceed 12.2 percent of the caseload from FY 2006-07.

FUNDING:

- The costs for RNE families are 100 percent GF. All other costs are 100 percent TANF.
- The GF is countable toward the state's maintenance of effort requirement.

CHANGE FROM THE APPROPRIATION:

The CY increase is due to an increase in staff development costs. The increase in state funds is due to a shift in Employment Training Funds from GF to TANF needed for accounting purposes. The Appropriation also included a shift from GF to TANF for the employment services augmentation that is not included in the Governor's Budget.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY increase is due to an increased caseload from FY 2006-07. The increase exceeds the 12.2 percent increase over FY 2006-07 that was funded under AB 1808 and SB 1104.

EXPENDITURES:

(in 000's)	2008-09	2009-10
	County Admin.	County Admin.
Total	$771,532	$824,504
Federal	729,379	817,337
State	42,153	7,167
County	0	0
Reimbursements	0	0

CalWORKs Safety Net Program

DESCRIPTION:

This premise reflects the cost of continued assistance and services for the Safety Net program. The California Work Opportunity and Responsibility to Kids (CalWORKs) program, established by Assembly Bill 1542 (Chapter 270, Statutes of 1997), mandates that an adult may only receive a maximum of 60 months of CalWORKs assistance, but that children may continue to receive aid until they reach 18 years of age. In accordance with Welfare and Institutions Code (W&IC) section 11320.15, adults who have received aid for a total of 60 months are removed from the assistance unit for the purpose of calculating aid. At county option, however, these adults may continue to receive post 60-month time limit employment services which may include, but are not limited to, transportation, ancillary, and case management services. In addition, former recipients who are working or participating in an approved welfare-to-work (WTW) activity after leaving aid are eligible for up to two years of transitional child care.

IMPLEMENTATION DATE:

This premise implemented January 1, 2003.

KEY DATA/ASSUMPTIONS:

- Authorizing Statute: W&IC sections 11320.15, 11450.13, and 11454.5.
- Individuals began reaching their CalWORKs 60-month time limit in January 2003.
- The data sources used to determine the impacted caseload for the Current Year (CY) and the Budget Year (BY) are the CA 237 for grants, WTW 25/25A for services, and the CW 115/115A for child care.
- The cases that reach the time limit and are working or participating in WTW activities are eligible to receive up to 24 months of transitional child care and, at county option, up to 12 months of job retention services.

Grants

- The average monthly grant ($459.38) for Safety Net cases is calculated using actual data reported on the July 2008 to September 2008 CA 800 and CA 237 reports.
- The average monthly Safety Net caseload is 48,605 in the CY.
- The average monthly Safety Net caseload is 52,051 in the BY.

Services

- The Safety Net employment services caseload is projected to increase an approximate four percent from FY 2007-08 to CY and an additional four percent from CY to BY.
- The FY 2007-08 cost of providing Safety Net employment services was approximately $5.9 million based on the County Expense Claim (CEC).

Administration

- The Safety Net caseload was approximately 11 percent of the CalWORKs All Family caseload.
- The funding for the CY and BY is based on actual expenditures from FY 2007-08.

CalWORKs Safety Net Program

KEY DATA/ASSUMPTIONS (CONTINUED):

Child Care

- The CY and BY projected monthly Stage One Safety Net caseload (children) is projected to increase by approximately five percent from FY 2007-08 to CY and an additional seven percent from CY to BY.
- The FY 2007-08 Safety Net child care cost was approximately $3.76 million based on actual Safety Net expenditures.

METHODOLOGY:

Grants

- For the CY and BY, Safety Net grant costs are calculated by multiplying the average monthly Safety Net cases by the cost per case (BY: 52,051 x $459.38 x 12).

Services

- In the CY and BY, the employment services costs are calculated by increasing the prior year employment services costs by the projected Safety Net employment services growth (BY: $6.1 million + $6.1 million x 4 percent).

Administration

- In the CY and BY, the administration costs are calculated by increasing the prior year administration costs by the projected Safety Net growth (BY: $33.3 million + $33.3 million x 7 percent).

Child Care

- In the CY and BY, the child care costs are calculated by increasing the prior year child care costs by the projected Safety Net growth (BY: $3.95 million + $3.95 million x seven percent).

FUNDING:

The Safety Net cost associated with CalWORKs grants is 97.5 percent General Fund (GF)/Maintenance of Effort and 2.5 percent county funds. The Safety Net costs associated with employment services, administration, and child care are 100 percent GF.

CHANGE FROM THE APPROPRIATION:

The grant, administration, and child care costs have increased due to the caseload growing faster in the CY than was projected in the Appropriation.

The employment services costs have decreased from Appropriation based on the most recent actual expenditures.

CalWORKs Safety Net Program

REASON FOR YEAR-TO-YEAR CHANGE:

The increase in Safety Net grants, employment services, administration costs, and child care costs reflects an increase in the projected caseload.

EXPENDITURES:

(in 000's)

ITEM 101 - CalWORKs Grants	2008-09 Grants	2009-10 Grants
Total	$267,938	$286,932
Federal	0	0
State	261,240	279,759
County	6,698	7,173
Reimbursements	0	0

CalWORKs Services	Services	Services
Total	$6,136	$6,379
Federal	0	0
State	6,136	6,379
County	0	0
Reimbursements	0	0

ITEM 101 - CalWORKs Administration	2008-09 Admin.	2009-10 Admin.
Total	$33,332	$35,539
Federal	0	0
State	33,332	35,539
County	0	0
Reimbursements	0	0

CalWORKs Safety Net Program

ITEM 101 -	2008-09	2009-10
CalWORKs Stage One Child Care	Child Care	Child Care
Total	$3,957	$4,219
Federal	0	0
State	3,957	4,219
County	0	0
Reimbursements	0	0

Substance Abuse Services

DESCRIPTION:

This premise reflects the cost to provide substance abuse services for California Work Opportunity and Responsibility to Kids (CalWORKs) Welfare-to-Work program participants. Assembly Bill (AB) 1542 (Chapter 270, Statutes of 1997) mandated the implementation of the CalWORKs program. In addition, the bill mandated counties to provide for the treatment of substance abuse that may limit or impair a participant's ability to make the transition from welfare to work or retain long-term employment. The county welfare departments and county alcohol and drug departments are required to collaborate to ensure an effective system is available to provide evaluations and substance abuse treatment.

IMPLEMENTATION DATE:

This premise implemented on January 1, 1998.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 11322.6 and 11325.8.
- Total Substance Abuse expenditures for Fiscal Year (FY) 2005-06 were $46,496,883.
- Total Substance Abuse expenditures for FY 2006-07 were $47,451,438.
- Total Substance Abuse expenditures for FY 2007-08 were $50,140,926.

METHODOLOGY:

- The estimate is calculated by taking the average annual percentage change differences for the previous two fiscal years and applying it to project Current Year (CY) and Budget Year (BY) expenditures.
    - The percentage increase in expenditures from FY 2005-06 to FY 2006-07 was 2.05 percent.
    - The percentage increase in expenditures from FY 2006-07 to FY 2007-08 was 5.67 percent
    - The average annual increase from FY 2005-06 to FY 2007-08 was 3.86 percent.
- The FY 2008-09 budgeted amount is calculated as follows:
    - $50.1 million (FY 2007-08 expenditures) x 1.0386 (percent increase) = $52.1 million
- The FY 2009-10 budgeted amount is calculated as follows:
    - $52.1 million (estimated FY 2008-09 expenditures) x 1.0386 (percent increase) = $54.1 million

FUNDING:

Funding for this premise for CY is payable from the state general fund. Funding in BY is payable from the Drug and Alcohol Prevention and Treatment Fund.

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Substance Abuse Services

CHANGE FROM THE APPROPRIATION:

The increase reflects the change in methodology to project costs based on previous expenditures rather than caseload projections

REASON FOR YEAR-TO-YEAR CHANGE:

The increase from CY to BY is associated with an increase in the estimated expenditure levels.

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	County Services	County Services
Total	$52,077	$54,087
Federal	0	0
State	52,077	54,087
County	0	0
Reimbursements	0	0

Mental Health Services

DESCRIPTION:

This premise provides necessary mental health services, including case management and treatment, to California Work Opportunity and Responsibility to Kids (CalWORKs) program Welfare-to-Work participants in need of these services to obtain or retain employment. Assembly Bill 1542 (Chapter 270, Statutes of 1997) mandated the implementation of the CalWORKs program. In addition, it mandated that counties provide a plan for the treatment of mental or emotional difficulties that may limit or impair a participant's ability to make the transition from welfare to work or retain long-term employment.

IMPLEMENTATION DATE:

This premise implemented on January 1, 1998.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 11322.6.
- Total Mental Health expenditures for Fiscal Year (FY) 2005-06 were $57,965,411.
- Total Mental Health expenditures for FY 2006-07 were $60,901,989.
- Total Mental Health expenditures for FY 2007-08 were $63,713,002.

METHODOLOGY:

- The estimate is calculated by taking the average annual percentage change differences for the previous two fiscal years and applying it to project the Current Year (CY) and Budget Year (BY) expenditures.
    - The percentage increase in expenditures from FY 2005-06 to FY 2006-07 was 5.07 percent.
    - The percentage increase in expenditures from FY 2006-07 to FY 2007-08 was 4.62 percent
    - The average annual increase from FY 2005-06 to FY 2007-08 was 4.84 percent.
- The FY 2008-09 budgeted amount is calculated as follows:
    - $63.7 million (FY 2007-08 expenditures) x 1.0484 (percent increase) = $66.8 million
- The FY 2009-10 budgeted amount is calculated as follows:
    - $66.8 million (estimated FY 2008-09 expenditures) x 1.0484 (percent increase) = $70.0 million

FUNDING:

The funding for this premise is 100 percent General Fund and is countable toward the Temporary Assistance for Needy Families maintenance of effort requirement.

Mental Health Services

CHANGE FROM THE APPROPRIATION:

The increase reflects the change in methodology to project costs based on previous expenditures rather than caseload projections.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase from CY to BY is associated with an increase in the estimated expenditure levels.

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	County Services	County Services
Total	$66,797	$70,031
Federal	0	0
State	66,797	70,031
County	0	0
Reimbursements	0	0

Mental Health/Substance Abuse Services for Indian Health Clinics

DESCRIPTION:

This premise reflects the cost to provide mental health and/or substance abuse services to Native Americans by providing a clinician in each of the 36 Indian health clinics. Services provided are necessary to obtain or retain employment, or to participate in county or Tribal Temporary Assistance to Needy Families (TANF) welfare-to-work (WTW) activities.

The services may include: (a) outreach and identification of individuals who are receiving, or may be eligible for, California's Work Opportunity and Responsibility to Kids (CalWORKs) program assistance; (b) screening of individuals for substance abuse and/or mental health issues; (c) ensuring that individuals have transportation to the county welfare department (CWD) to apply for CalWORKs or to participate in WTW activities; (d) accompanying individuals to the evaluation for mental health and/or substance abuse services; (e) providing individual or group services, or making referrals to more intensive treatment services offered by the CWD; and (f) facilitating the integration of individuals into the CalWORKs WTW program.

IMPLEMENTATION DATE:

Twenty-seven clinics implemented this program in Fiscal Year (FY) 2001-02. Nine additional clinics implemented in FY 2002-03.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 11322.6.
- The Legislature appropriated $1.9 million for mental health and substance abuse services in Indian health clinics for FY 2008-09.

FUNDING:

This premise is funded with 100 percent General Fund, which is countable toward the TANF maintenance of effort requirement. These funds will remain with the California Department of Social Services for distribution.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Mental Health/Substance Abuse Services for Indian Health Clinics

EXPENDITURES:

(in 000's)

	2008-09	2009-10
Total	$1,943	$1,943
Federal	0	0
State	1,943	1,943
County	0	0
Reimbursements	0	0

County Performance Incentives

DESCRIPTION:

This premise reflects the costs to provide fiscal incentive payments to counties for case exits due to employment, grant reductions due to earnings, and the diversion of applicants, as specified by the California Work Opportunity and Responsibility to Kids (CalWORKs) legislation, Assembly Bill (AB) 1542 (Chapter 270, Statutes of 1997), and AB 2876 (Chapter 108, Statutes of 2000). The counties receive an annual performance incentive allocation beginning Fiscal Year (FY) 1997-98, subject to the amounts appropriated in the annual Budget Act. The California Department of Social Services (CDSS) began advancing incentive payments to counties as they were earned, but prior to their expenditure. The incentive allocations to counties are for use in either the federal Temporary Assistance for Needy Families (TANF) program or the CalWORKs program.

In 2001, the United States Department of Health and Human Services advised CDSS that the advancement of performance incentives was inconsistent with the federal Cash Management Improvement Act regulations, and that the unexpended funds must be recouped for redistribution. By June 30, 2002, CDSS had recouped the unspent performance incentive funds from the counties in accordance with the federal Cash Management Improvement Act. In view of the pressures to California's TANF block grant in FY 2002-03 and beyond, CDSS used part of the recoupment to fund the CalWORKs program in FY 2002-03. The remainder of the recouped funding was allocated to the counties in FY 2003-04. Unexpended funds as of June 30, 2007, are reappropriated in the Current Year (CY).

IMPLEMENTATION DATE:

This premise implemented January 1, 1998.

KEY DATA/ASSUMPTIONS:

- Authorizing Statute: Welfare and Institutions Code sections 10544.1 and 10544.2.
- Section 10544.2 provides that incentive funds shall be available for encumbrance and expenditure by counties without regard to fiscal year until all funds are expended Based on the latest expenditure information reported by the counties, as of November 2008, the unexpended performance incentive balance was $4.564 million.

METHODOLOGY:

It is anticipated that the balance available in FY 2008-09 will be $4.564 million. There will be no remaining funds available in FY 2009-10.

FUNDING:

This premise is funded with 100 percent TANF block grant funds.

County Performance Incentives

CHANGE FROM THE APPROPRIATION:

Based on updated expenditure data, fewer funds remain unspent than was projected in the Appropriation.

REASON FOR YEAR-TO-YEAR CHANGE:

It is projected that there will be no remaining funds available in FY 2009-10.

EXPENDITURES:

(in 000's)

	2008-09 Services	2009-10 Services
Total	$4,564	$0
Federal	4,564	0
State	0	0
County	0	0
Reimbursements	0	0

Pay for Performance

DESCRIPTION:

Pay for Performance is an investment strategy to encourage counties to achieve critical California Work Opportunity and Responsibility to Kids (CalWORKs) program outcomes. The original proposal established a three-year pilot project to ensure that counties invest resources in activities that are most effective and efficient in achieving the desired outcomes.

Subject to an appropriation, payments for the Pay for Performance program were scheduled to begin in Fiscal Year (FY) 2006-07. However, funds were not set aside for the Appropriation in FY 2006-07 and the program was delayed.

In accordance with Assembly Bill (AB) 1808 (Chapter 47, Statutes of 2006) and AB 1078 (Chapter 622, Statutes of 2007), the California Department of Social Services is required to periodically publish the county-specific outcomes measured by the Pay for Performance program. A total of $40 million was shifted from the Temporary Assistance for Needy Families (TANF) reserve from FY 2006-07 to fund incentives in FY 2007-08 for counties that meet or exceed program outcome goals. County performance will be evaluated based on the following outcome measures:

- Employment rate of county CalWORKs cases.
- Modified federal participation rate that accounts for State allowable activities of county CalWORKs cases.
- Percentage of county CalWORKs cases that have earned income three months after ceasing to receive assistance.
- Effective January 1, 2008, the percentage of county CalWORKs cases, and cases that have left aid, that have earned income equal to or in excess of the maximum income level for the Earned Income Tax Credit.

IMPLEMENTATION DATE:

This premise implemented July 1, 2005.

KEY DATA/ASSUMPTIONS:

FY 2008-09 funds have been suspended by legislative action for the 2008 Budget. The Administration has proposed to suspend the funding for FY 2009-10.

The cost avoidance for suspending the FY 2009-10 Pay for Performance funding is $40 million.

FUNDING:

This program is 100 percent federally funded.

Pay for Performance

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

101 – CalWORKs Services	2008-09	2009-10
	Services	Services
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

Effect of EDD Wagner-Peyser Reimbursement

DESCRIPTION:

This premise reflects the amount of the Wagner-Peyser funds provided by the State Employment Development Department (EDD) to offset the California Work Opportunity and Responsibility to Kids (CalWORKs) program. As required in Assembly Bill 2580 (Chapter 1025, Statutes of 1985), 50 percent of the available federal Wagner-Peyser funds are directed to provide for job services for CalWORKs Welfare-to-Work program participants.

IMPLEMENTATION DATE:

This is an ongoing premise based on an annual appropriation.

METHODOLOGY:

Funding amounts are identified and provided by EDD.

FUNDING:

EDD receives federal funds for this program and transfers a portion to the California Department of Social Services (CDSS) as a funding source for the CalWORKs program. The availability of these federal funds reduces CDSS' cost of the CalWORKs program.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	County Admin.	County Admin.
Total	$2,735	$2,735
Federal	0	0
State	0	0
County	0	0
Reimbursements	2,735	2,735

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Base Veto

DESCRIPTION:

This premise represents the Governor's veto of $60 million from the CalWORKs' Single Allocation reflected in the 2008 Budget Act.

IMPLEMENTATION DATE:

This premise implemented with the passing of the 2008 Budget Act.

KEY DATA/ASSUMPTIONS:

The state's current fiscal situation necessitates a $60 million reduction to the CalWORKs' Single Allocation.

METHODOLOGY:

Fiscal Year (FY) 2008-09 and FY 2009-10: Reduction of $60 million to the CalWORKs' Single Allocation.

FUNDING:

The funding is 100 percent Temporary Assistance for Needy Families (TANF).

CHANGE FROM THE APPROPRIATION:

The appropriation reflected the savings in this premise as General Fund. The savings in this premise is actually federal TANF funds which, all else being equal, results in a like amount of General Fund savings in the General Fund Maintenance of Effort Adjustment premise.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	County Admin.	County Admin.
Total	-$60,000	-$60,000
Federal	-60,000	-60,000
State	0	0
County	0	0
Reimbursements	0	0

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TANF Pass-Through for State Agencies

DESCRIPTION:

This premise reflects the cost to provide Temporary Assistance for Needy Families (TANF) program block grant funds to other state agencies that provide employment and educational services to California Work Opportunity and Responsibility to Kids (CalWORKs) Welfare-to-Work (WTW) program participants.

These state agencies include the California Community Colleges (CCC), the California Department of Education (CDE), and the California Department of Public Health (CDPH).

The purpose of the CCC pass-through is to reimburse CCC for the federal share of costs of educational services provided to participants of the WTW program. The purpose of the CDE pass-through is to reimburse CDE for the federal share of costs of average daily attendance hours, including CalWORKs WTW hours that exceed each school district's cap. The CDPH pass-through is for Community Challenge Grant projects aimed at reducing adolescent and unwed pregnancies, and encouraging father-child involvement by linking community-based organizations, schools, health educators, social service providers, parents, and youth.

IMPLEMENTATION DATE:

This premise implemented on July 1, 1992. Beginning in Fiscal Year (FY) 1997-98, these contracts were funded under TANF rather than Title IV-F funds.

KEY DATA/ASSUMPTIONS:

The contracted amounts of TANF funds provided to these agencies are:

	FY 2008-09	FY 2009-10
CCC	$ 8.39 million	$ 8.39 million
CDE	$ 9.98 million	$ 9.98 million
CDPH	$20.00 million	$20.00 million

METHODOLOGY:

The California Department of Social Services (CDSS) entered into interagency agreements that specified the amounts of TANF funds to be transferred from CDSS to the contracting departments.

FUNDING:

This premise is funded with 100 percent TANF funds

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

TANF Pass-Through for State Agencies

EXPENDITURES:

(in 000's)

	2008-09 Services	2009-10 Services
Total	$38,374	$38,374
Federal	38,374	38,374
State	0	0
County	0	0
Reimbursements	0	0

Cal Learn

DESCRIPTION:

This premise reflects the cost of providing intensive case management, supportive services, and fiscal incentives and disincentives to eligible teen recipients who are pregnant or parenting and participating in the Cal Learn program. The Cal Learn program was authorized by Senate Bill (SB) 35 (Chapter 69, Statutes of 1993) and SB 1078 (Chapter 1252, Statutes of 1993). Assembly Bill 2772 (Chapter 902, Statutes of 1998) changed the status of the Cal Learn program from a five-year federal demonstration project to a permanent program.

The Cal Learn program provides services to encourage teen parents to stay in high school or an equivalent program and earn a diploma. Case management activities must meet the standards and scope of the Adolescent Family Life program. Those standards include case management activities such as arrangement and management of supportive services, development and review of the report card schedule, exemption and deferral recommendations, and recommendations for bonuses and sanctions.

This premise includes the identification of cases, initial informing notices, and referrals to orientation. Also included is the administrative time to process supportive services payments and county mandated activities performed by the county welfare department. Those required activities include the final determination of deferrals, exemptions, bonuses and sanctions, good cause determinations, and activities associated with fair hearings.

Effective March 31, 1999, the federal waivers for the Cal Learn program expired. Without waiver authority, sanctioned Cal Learn teen parents are not Temporary Assistance for Needy Families (TANF) program-eligible. This sanctioned caseload is funded with General Fund (GF).

IMPLEMENTATION DATE:

This premise implemented April 1, 1994.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 11331.7.
- The projected average monthly caseload for Cal Learn is 9,305 in Fiscal Year (FY) 2008-09 and 9,864 in FY 2009-10.
- Cal Learn incentives include a $100 bonus per report card period for satisfactory progress and a $500 bonus upon graduation. The disincentive is a $100 sanction per report card period for failure to submit a report card or to make adequate progress.
- The sanctioned caseload (335 in FY 2008-09 and 355 in FY 2009-10) represents 3.6 percent of the projected Cal Learn caseload. This is based on the actual sanctioned caseload compared to the total Cal Learn caseload as reported on the monthly Stat 45 Reports from FY 2007-08.
- The sanctioned grant cost is $484 per month. These rates are based on the Maximum Aid Payment (MAP) for an assistance unit (AU) of two minus the $100 sanction.
- Based on the actual FY 2007-08 caseload as reported on the Stat 45 Reports, it is assumed that 5.3 percent of the Cal Learn participants receive the $100 bonus and one percent receives the $500 bonus.

Cal Learn

KEY DATA/ASSUMPTIONS (CONTINUED):

- The average hourly eligibility worker (EW) cost is $57.57.
- It is assumed the EW requires one hour of administrative time per month for each case.
- The case management cost is $2,657 per case per year for all activities performed by the case manager. The rate is based on FY 2007-08 case management expenditures divided by the total Cal Learn caseload.
- It is assumed that 19.6 percent of the total Cal Learn caseload will utilize transportation services at a cost of $32.64 per month per participant. The utilization rate is based on the FY 2007-08 caseload as reported on the monthly Stat 45 Reports. The cost is based on FY 2007-08 county transportation expenditure claims.
- It is assumed that 2.5 percent of the total Cal Learn caseload will utilize ancillary services at a cost of $116.49 per month per participant. The utilization rate is based on FY 2007-08 caseload as reported on the monthly Stat 45 Reports. The cost is based on FY 2007-08 county ancillary expenditure claims.
- Subsidized child care is available for Cal Learn participants attending high school. Please refer to the "CalWORKs Child Care - Stage One Services and Administration" premise for the assumptions and methodology used to develop the estimate.
- The funding for FY 2008-09 for Services and Administration costs are based on the following key data/assumptions:
  - Automation costs for Cal Learn tracking is approximately $173,625.
  - The Recent Noncitizen Entrants (RNE) caseload of 140 in FY 2008-09 represents 1.5 percent of the projected Cal Learn caseload and is funded with GF.
  - The sanctioned caseload of 335 in FY 2008-09 represents 3.6 percent of the projected Cal Learn caseload and is funded with GF.
- The funding for FY 2009-10 for Services and Administration costs are based on the following key data/assumptions:
  - Automation costs for Cal Learn tracking is approximately $173,625.
  - The Recent Noncitizen Entrants (RNE) caseload of 148 in FY 2009-10 represents 1.5 percent of the projected Cal Learn caseload and is funded with GF.
  - The sanctioned caseload of 355 in FY 2009-10 represents 3.6 percent of the projected Cal Learn caseload and is funded with GF.

METHODOLOGY:

- For FYs 2008-09 and 2009-10, the case management cost was multiplied by the projected Cal Learn caseload to determine the annual cost.
- The EW cost of $57.57 per hour was multiplied by the Cal Learn caseload, and then multiplied by 12 months to determine the annual county administration cost.

Cal Learn

METHODOLOGY (CONTINUED):

- The transportation cost was determined by multiplying the Cal Learn caseload by the transportation utilization rate of 19.6 percent, multiplied by the transportation cost per case of $32.64, and then multiplied by 12 months to determine the annual cost.
- The ancillary service cost was determined by multiplying the Cal Learn caseload by the ancillary utilization rate of 2.5 percent, multiplied by ancillary cost per case of $116.49, and then multiplied by 12 months to determine the annual cost.
- The utilization rates for the $100 and $500 bonuses were each multiplied by the total caseload, then multiplied by 12 to determine the annual costs. The 1.5 percent of bonuses for RNE cases are backed out and displayed in a separate premise.
- The State-only (sanctioned) rate was multiplied by the total caseload to determine the sanctioned caseload, multiplied by the MAP for an AU of two minus $100 to determine the sanctioned grant costs.

FUNDING:

Cal Learn costs are 100 percent TANF, except for grants and services for the sanctioned caseload and the costs associated with the RNE caseload, which are 100 percent GF and are countable toward the TANF maintenance of effort requirement.

CHANGE FROM THE APPROPRIATION:

The increase in services and admin costs is related to an increase in case management costs and an increase in caseload. The increase in grant bonus costs is related to an increase in caseload, and an increase in the percentage of people receiving the $100 and $500 bonuses. There is a small decrease in the sanction grant costs which is related to the increase in caseload offset by a decrease in the percentage of people in sanction status.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase in bonuses, sanctioned grants, and services costs is due to a projected six percent caseload increase in the BY.

CASELOAD:

	2008-09	2009-10
Average Monthly Caseload	9,305	9,864

Cal Learn

EXPENDITURES [1]:
(in 000's)

101 – CalWORKs Bonuses	2008-09	2009-10
	Grant	Grant
Total	$1,133	$1,201
Federal	1,133	1,201
State	0	0
County	0	0
Reimbursement	0	0

101 – CalWORKs Sanctioned Grants	2008-09	2009-10
	Grant	Grant
Total	$1,946	$2,062
Federal	0	0
State	1,946	2,062
County	0	0
Reimbursement	0	0

101 – CalWORKs Services & Administration	2008-09	2009-10
	Services	Services
Total	$32,120	$34,040
Federal	30,720	32,557
State	1,400	1,483
County	0	0
Reimbursement	0	0

[1] - The recent noncitizen entrant costs are a subset of these expenditures and are displayed in the "Recent Noncitizen Entrants" premise.

TANF/CalWORKs Administrative Costs – Basic

DESCRIPTION:

This premise reflects the administrative costs for the Temporary Assistance for Needy Families (TANF)/California Work Opportunity and Responsibility to Kids (CalWORKs) program. The basic costs include the costs for general administration, coordination and overhead for the programs such as the salaries and benefits of staff performing activities related to eligibility determination, preparation of budgets, monitoring programs, fraud units, services related to accounting, litigation, payroll and personnel, and costs for the goods and services required for the administration of the program such as supplies, equipment, utilities, and rental and maintenance of office space.

Historically, the budget for county administration was based on counties' administrative budget requests made through a Proposed County Administrative Budget (PCAB) process, modified by a cost containment system consistent with Welfare and Institutions Code (W&IC) section 14154. Beginning with Fiscal Year (FY) 2001-02, the PCAB process was suspended and the last PCAB process, FY 2000-01, established the base from which future year costs are established. Adjustments for caseload changes and other factors are made during each subvention process.

IMPLEMENTATION DATE:

This premise implemented January 1, 1998.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 14154.
- The FY 2007-08 base funding which was held to the FY 2006-07 funding level for CalWORKs County Administrative Basic was approximately $642 million.
- The CY estimate reflects a projected increase of 7.36 percent, which represents caseload growth from FY 2006-07 to FY 2008-09 and the BY reflects growth of 6.92 percent in FY 2009-10 over the FY 2008-09 caseload level.
- Staff development costs in FY 2008-09 and FY 2009-10 are projected to be $16.4 million based on actual expenditures from FY 2007-08.
- Statewide Automated Welfare System (SAWS) development and testing interface costs are $129,000 in FY 2008-09 and FY 2009-10.
- Administrative costs related to the Merced Automated Global Information Control (MAGIC) automation system are $272,000 in FY 2008-09 and FY 2009-10.
- Electronic Benefit Transfer (EBT) savings are $10.6 million in FY 2008-09 and $11.3 million in FY 2009-10.
- Homeless Assistance costs are projected to be $0.3 million in FY 2008-09 and FY 2009-10.
- Time limit savings are $40 million in FY 2008-09 and FY 2009-10.
- Legacy Systems savings are $12.1 million in FY 2008-09 and FY 2009-10.
- Contract costs are $4.1 million for FY 2008-09 and FY 2009-10.

TANF/CalWORKs Administrative Costs – Basic

KEY DATA/ASSUMPTIONS (CONTINUED):

- In FY 2008-09, $8.8 million of the CalWORKs Administrative Basic expenditures are for Recent Noncitizens Entrants (RNEs). Of the $8.8 million, $4.4 million reflects the federally eligible recipients in mixed households.
- In FY 2009-10, $9.4 million of the CalWORKs Administrative Basic expenditures are for Recent Noncitizens Entrants (RNEs). Of the $9.4 million, $4.8 million reflects the federally eligible recipients in mixed households.

METHODOLOGY:

The basic funding from FY 2007-08 is adjusted to reflect the projected increase in caseload, staff development expenditures, savings for EBT, Homeless Assistance, time limits, and Legacy Systems, the MAGIC system, the SAWS development and testing, and contract costs. Funds for TANF ineligible RNEs were subtracted and shifted to the RNE premise. (For more information see separate RNE premise.)

FUNDING:

- The costs for RNE families are 100 percent General Fund (GF).
- All other costs are 100 percent TANF.
- The GF is countable toward the state's maintenance of effort requirement (MOE).

Note: W&I Code section 15204.4 requires an MOE from the counties based on expenditures during FY 1996-97. Please reference the "County MOE Adjustment" premise.

CHANGE FROM THE APPROPRIATION:

The CY change reflects a projected increase in the CalWORKs caseload.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY change reflects a projected increase in the CalWORKs caseload.

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	County Admin.	County Admin.
Total	$643,305	$683,553
Federal	638,867	678,808
State	4,438	4,745
County	0	0
Reimbursements	0	0

Restore California Work Opportunity and Responsibility to Kids (CalWORKs) Administration Costs

DESCRIPTION:

This premise reflects the restoration of $140 million for county CalWORKs administration pursuant to Assembly Bill 1801, (Chapter 47, Statutes of 2006) which restores funding to the actual Fiscal Year (FY) 2005-06 spending level. The counties will utilize these funds consistent with single allocation spending.

IMPLEMENTATION DATE:

This premise implemented July 1, 2006.

KEY DATA/ASSUMPTIONS:

The county CalWORKs single allocation will be increased by $140 million in Temporary Assistance for Needy Families (TANF) funds.

METHODOLOGY:

The funding for CalWORKs Administration will be increased by $140 million to restore funding to the actual FY 2005-06 spending level.

FUNDING:

The funds are 100 percent TANF.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

101- CalWORKs Administration	2008-09	2009-10
Total	$140,000	$140,000
Federal	140,000	140,000
State	0	0
County	0	0
Reimbursements	0	0

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Single Allocation Reduction

DESCRIPTION:

Section 15204.2 of the Welfare and Institutions Code provides that state and federal funds shall be appropriated in a single allocation to county welfare departments (CWDs) for the support of administrative activities undertaken by the CWDs to provide benefit payments to California Work Opportunity and Responsibility to Kids (CalWORKs) recipients and to provide work activities and supportive services to efficiently and effectively carry out the purposes of the CalWORKs program. Due to pressures on Temporary Assistance for Needy Families (TANF) block grant funding and the overall General Fund budget, the single allocation has been reduced by $20.6 million in Fiscal Year (FY) 2008-09.

IMPLEMENTATION DATE:

This premise implemented with passage of the 2008 Budget Act.

KEY DATA/ASSUMPTIONS:

- The CalWORKs single allocation was reduced by $20.6 million TANF funds in FY 2008-09.
- In FY 2008-09, it is assumed that 50 percent of the prior year's (PY) county performance incentive funds and fraud recovery incentive funds will remain unspent and will be used to backfill the single allocation reduction in FY 2008-09.
- Pursuant to language contained in the 2008 Budget Act the single allocation shall be restored to the extent that the county performance and fraud recovery incentive funds available as of June 30, 2008 are less than $20.6 million.

METHODOLOGY:

Based on updated expenditure information, available PY county performance incentive funds available and unspent are $4.6 million and PY fraud recovery incentive funds available and unspent are $3.1 million for a total of $7.7 million.

Based on updated expenditure information the single allocation reduction will be $7.7 million for FY 2008-09, therefore resulting in a restoration of $12.9 million.

FUNDING:

This reduction will be 100 percent TANF funds.

CHANGE FROM THE APPROPRIATION:

The decrease is due to the most recent expenditure information reflecting only $7.7 million unspent PY performance incentive and fraud recovery incentive funds.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a Current Year item only.

Single Allocation Reduction

EXPENDITURES:

(in 000's)

101 – CalWORKs	2008-09	2009-10
Administration		
Total	-$7,697	$0
Federal	-7,697	0
State	0	0
County	0	0
Reimbursements	0	0

Work Verification

DESCRIPTION:

This premise provides an ongoing allocation to counties to comply with enhanced documentation and verification of work participation data mandated by the federal Deficit Reduction Act (DRA) of 2005. One of the key goals of the DRA is to improve work participation information for the Temporary Assistance for Needy Families program through the uniform and consistent collection of data. The DRA also requires improved verification and oversight of work participation. Each state was required to establish and must maintain work verification procedures and internal controls to ensure compliance with the procedures. The verification and oversight procedures are described in California's federally-approved Work Verification Plan (WVP), which explains procedures for:

- Determining whether activities may be counted as work activities
- Counting and verifying reported hours of work
- Determining who is a work-eligible individual
- Establishing internal controls to ensure compliance with the procedures

The WVP requires counties to document and verify all reported hours of participation, as well as hours that are counted as excused absences. Counties must also document and verify disability and school attendance, if applicable. In addition to increasing verification requirements, the DRA requires California to collect, document, and verify participation data on individuals that were previously excluded from federal reporting requirements in the calculation of participation rates. These changes pose a significant additional workload for county staff.

IMPLEMENTATION DATE:

This premise implemented July 1, 2008.

KEY DATA/ASSUMPTIONS:

- The Current Year (CY) funding has been held to the Appropriation.
- Funding may be used by counties to hire additional staff, retrain existing staff, and/or pay for staffs' additional workload to document and verify work participation required by federal law. Clearly documenting and verifying an individual's participation will enhance California's ability to meet the federal work participation rates and avoid penalties associated with inadequate documentation and verification of the data used in calculating the rates.
- The total projected number of pre 60-month time limit, non-exempt cases with an adult who are subject to work verification requirements is 211,855 in Fiscal Year (FY) 2009-10.
- The total projected sanctioned/noncompliant/unengaged/good cause less than 60 days caseload in FY 2009-10 is 106,371.
- Based on the Federal Fiscal Year 2007 California Work Opportunity and Responsibility to Kids (CalWORKs) Characteristics Survey (Q5) data, 68 percent of individuals who are currently participating do so through work activities and the remaining 32 percent participate in non-work activities.
- Approximately 72,085 cases are currently participating through work activities per Q5 data.

Work Verification

KEY DATA/ASSUMPTIONS (CONTINUED):

- Based on information from the County Welfare Directors Association of California, of the cases that are currently participating through work activities in FY 2009-10, 80 percent or 57,668 cases have pay stubs that fulfill work verification requirements (documented hours for which the individual was paid); 20 percent or 14,417 cases will require additional documentation by the county.

- It is assumed that 100 percent of the cases that participate through non-work activities will require additional documentation by the county.

- The total projected number of post 60-month time limit or safety net cases subject to work verification requirements in FY 2009-10 is 48,605.

- Per Q5, 26 percent of the safety net caseload is projected to participate either partially or fully through work activities. Five percent are projected to fully participate through non-work activities.

- The average hourly eligibility worker (EW) cost is $57.57. It is assumed that it will take ten minutes ($9.60) of administrative time per month to verify participation for cases that participate through work, and 15 minutes ($14.39) of administrative time per month for cases that participate through non-work activities.

METHODOLOGY:

Pre 60-Month Time Limit:

- It is assumed that, for FY 2009-10, 105,484 non-exempt cases with an adult will be subject to work verification requirements in FY 2008-09. (211,855 non-exempt cases with an adult minus 106,371 sanctioned/noncompliant/unengaged less than 60 days cases.)

- Per Q5, 68 percent or 72,085 cases will participate through work activities and the remaining 32 percent or 34,234 cases will participate in non-work activities in FY 2009-10.
    - In addition to the 72,085 cases projected to work, 1,802 cases are estimated to become newly working in FY 2009-10 due to the Previous CalWORKs Reform premise.
        - All of the 1,802 newly working cases will require additional documentation by the county resulting in administration costs of approximately $1.87 million in FY 2009-10.
    - In addition to the 34,234 cases projected to participate through non-work, approximately 835 cases are estimated to participate in non-work activities in FY 2009-10 due to the Previous CalWORKs Reform premise. One-hundred percent of the cases participating through non-work activities will require additional documentation by the county resulting in administration costs of approximately $5.9 million in FY 2009-10.

Work Verification

METHODOLOGY (CONTINUED):

Post 60-Month Time Limit:

- Per Q5, approximately 12,691 safety net cases will participate through work activities and 2,425 cases will participate through non-work activities in FY 2009-10.
    - One hundred percent of these cases will require additional documentation by the county resulting in administration costs of approximately $1.9 million in FY 2009-10. ($1.5 million in administration costs for cases that participate through work activities and $0.4 million for cases that participate through non-work activities.)

FUNDING:

This premise is 100 percent federally funded for pre 60-month time limit cases and 100 percent General Fund for post 60-month time limit cases.

CHANGE FROM THE APPROPRIATION:

The CY has been held to the Appropriation

REASON FOR YEAR-TO-YEAR CHANGE:

The decreased costs reflect the exclusion of good cause cases from work verification.

EXPENDITURES:

(in 000's)

ITEM 101-
CalWORKs Administration

	2008-09 Admin.	2009-10 Admin.
Total	$11,149	$9,660
Federal	8,736	7,780
State	2,413	1,880
County	0	0
Reimbursements	0	0

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Fraud Recovery Incentives

DESCRIPTION:

This premise reflects the incentive payments made annually to counties for the detection of fraud. Assembly Bill (AB) 1542 (Chapter 270, Statutes of 1997) provided that each county shall receive 25 percent of the actual share of savings, including federal funds under the Temporary Assistance for Needy Families (TANF) Program block grant, resulting from the detection of fraud. This statute, amended by AB 444 (Chapter 1022, Statutes of 2002), now provides that each county shall receive 12.5 percent of the actual amount of aid repaid or recovered by a county resulting from the detection of fraud. These savings/recoveries have been defined as the amounts collected on client-caused (non-administrative error) overpayments. County incentives paid with TANF monies must be used for purposes prescribed under the federal Personal Responsibility and Work Opportunity Act of 1996 (Public Law 104-193).

IMPLEMENTATION DATE:

This premise implemented on January 1, 1998.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 11486(j).
- Based on the FNS 209 Status of Claims Against Households, client-caused overpayments represent 55.7 percent of all collections.
- The total overpayment collections were $67.1 million for Fiscal Year (FY) 2007-08.
- The total estimated overpayment collections are $68.6 million for FY 2008-09.
- Based on the amount of overpayment collections, incentive payments are made annually to the counties in arrears.
- Effective with the passage of AB 444, the counties receive 12.5 percent of the savings due to client-caused overpayments.
- Overpayments are assumed to be funded 97.5 percent TANF/maintenance of effort and 2.5 percent county.

METHODOLOGY:

The county incentive payment is the product of the total collections multiplied by the TANF share of collections (97.5 percent), multiplied by the percentage of client-caused errors (55.7 percent), and multiplied by the county incentive (12.5 percent).

FUNDING:

The costs are 100 percent TANF.

Fraud Recovery Incentives

CHANGE FROM THE APPROPRIATION:

The increase is associated with a higher level of CalWORKs overpayment collections than previously expected.

REASON FOR YEAR-TO-YEAR CHANGE:

The increased amount of CalWORKs overpayment collections is expected to continue in FY 2009-10.

EXPENDITURES:

(in 000's)

	2008-09	2009-10
ITEM 101 – TANF	County Admin.	County Admin.
Total	$4,557	$4,657
Federal	4,557	4,657
State	0	0
County	0	0
Reimbursements	0	0

TANF and NAFS Programs – PA to NA Fund Shift

DESCRIPTION:

This premise reflects an allocation of costs to Food Stamp (FS) administration for FS recipients receiving California Work Opportunity and Responsibility to Kids (CalWORKs) benefits. Eligibility and ongoing costs for FS recipients that receive CalWORKs are charged as CalWORKs administrative costs. The federal share of administrative costs for FS activities for Temporary Assistance for Needy Families (TANF) program cases is funded by the United States Department of Agriculture, Food and Nutrition Service (USDA-FNS).

The Department of Health and Human Services Division of Cost Allocation directed the California Department of Social Services to distribute costs for the eligibility determination activity among the benefiting programs. The methodology develops ratios based upon CalWORKs and Public Assistance Food Stamp (PAFS) caseload and administrative expenditure data to determine the portion of the Eligibility, Case Management, and Program Integrity activity costs in CalWORKs that benefit the FS program. The PAFS allocation for common intake costs is also included in the cost shift.

IMPLEMENTATION DATE:

This premise implemented in March of 1984.

KEY DATA/ASSUMPTIONS:

- Based on Fiscal Year (FY) 2007-08 data, the amount of ongoing eligibility costs shifted to the Food Stamp (FS) program was $152.6 million.
- In FY 2008-09, PAFS caseload will increase by 5.94 percent over FY 2007-08 levels.
- In FY 2009-10, PAFS caseload will increase by 6.92 percent over FY 2008-09 levels.
- The eligibility worker common intake administrative costs are divided equally among CalWORKs, PAFS and Medi-Cal. The PAFS share of the common intake costs is $57.7 million in FY 2008-09 and $61.7 million in FY 2009-10.

METHODOLOGY:

The FY 2008-09 and FY 2009-10 PAFS shift was calculated by adjusting the FY 2007-08 ongoing eligibility costs shifted to the FS program for projected caseload growth. The PAFS share of the common intake costs was then added to determine the total fund shift.

FY 2008-09:

	FY 2007-08 eligibility costs	$152.6 million
+	5.94 percent caseload growth	$ 9.1 million
=	FY 2008-09 eligibility costs	$161.7 million
+	FY 2008-09 common intake costs	$ 57.7 million
=	Total PA to NA Fund Shift	$219.4 million

TANF and NAFS Programs – PA to NA Fund Shift

METHODOLOGY (CONTINUED):

FY 2009-10:

	FY 2008-09 eligibility costs	$161.7 million
+	6.92 percent caseload growth	$ 11.2 million
+	FY 2009-10 common intake costs	$ 61.7 million
=	Total PA to NA Fund Shift	$234.6 million

FUNDING:

Non-Assistance FS (NAFS) costs are shared 50 percent federal funds (USDA-FNS), 35 percent General Fund, and 15 percent county funds. The CalWORKs costs shifted are 100 percent federal funds.

CHANGE FROM THE APPROPRIATION:

Eligibility costs were updated to reflect FY 2007-08 expenditures rather than Calendar Year 2007 expendtures. The updated costs were $2 million less than Calendar Year 2007, however, the amount shifted from CalWORKs Administration for FY 2008-09 increased due to higher than expected PAFS caseload growth.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase in funds shifting from CalWORKs Administration to FS Administration is due to an increase in the CalWORKs caseload in FY 2009-10.

TANF and NAFS Programs – PA to NA Fund Shift

EXPENDITURES:

(in 000's)

	2008-09	2009-10
ITEM 101 – TANF	County Admin.	County Admin.
Total	-$219,371	-$234,559
Federal	-219,371	-234,559
State	0	0
County	0	0
Reimbursements	0	0

ITEM 141 – Food Stamps	2008-09	2009-10
	County Admin.	County Admin.
Total	$219,372	$234,559
Federal	109,686	117,279
State	76,780	82,096
County	32,906	35,184
Reimbursements	0	0

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Medi-Cal Services Eligibility / Common Costs

DESCRIPTION:

This premise reflects the savings associated with shifting eligibility costs from the California Work Opportunity and Responsibility to Kids (CalWORKs) program to the Medi-Cal program. The Medi-Cal Services Eligibility program was authorized by Welfare and Institutions Code section 14154 which mandates the California Department of Social Services to instruct counties to modify the eligibility determination process so that eligibility for Medi-Cal is determined prior to eligibility for the Temporary Assistance for Needy Families (TANF) program.

IMPLEMENTATION DATE:

This premise implemented July 1, 1998.

KEY DATA/ASSUMPTIONS:

- The initial eligibility determination expenditures were $163.4 million in Fiscal Year (FY) 2007-08.
- The Medi-Cal, CalWORKs, and Food Stamp programs each share one third of the initial eligibility determination common costs.
- The CalWORKs county administrative cost for FY 2007-08 is $882.6 million, which includes common costs for the Food Stamp and Medi-Cal programs.
- In FY 2008-09, CalWORKs caseload is expected to increase 5.94 percent over FY 2007-08 levels.
- In FY 2009-10, CalWORKs caseload is expected to increase 6.92 percent from FY 2008-09 levels.

METHODOLOGY:

Estimates are based on FY 2007-08 initial eligibility determination expenditures of $163.4 million. The Medi-Cal portion of this amount represents one-third of the eligibility expenditures ($54.5 million). The FY 2008-09 estimate is calculated by increasing this amount by the anticipated CalWORKs caseload growth of 5.94 percent ($54.5 million x 1.0594 = $57.7 million). The FY 2009-10 estimate is calculated by increasing the $57.7 million by the anticipated CalWORKs caseload growth of 6.92 percent ($57.7 million x 1.0692 = $61.7 million). As these represent Medi-Cal costs paid by the CalWORKs program during eligibility determination, the amounts are shifted over to the Medi-Cal program.

FUNDING:

The funds are 100 percent TANF.

CHANGE FROM THE APPROPRIATION:

Initial eligibility determination expenditures were updated with FY 2007-08 expenditures, which were lower than Calendar Year 2007 expenditures previously used. However, the CalWORKs caseload is projected to grow at a higher rate than previously projected, which results in an increase in costs shifted to Medi-Cal.

Medi-Cal Services Eligibility/Common Costs

REASON FOR YEAR-TO-YEAR CHANGE:

FY 2009-10 reflects an increase in the CalWORKs caseload.

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	County Admin.	County Admin.
Total	-$57,718	-$61,714
Federal	-57,718	-61,714
State	0	0
County	0	0
Reimbursements	0	0

CalWORKs Administrative Cap Adjustment

DESCRIPTION:

This premise reflects an adjustment to ensure California does not exceed the 15 percent administrative cap required under the Temporary Assistance for Needy Families (TANF) program. Under TANF, states may not spend more than 15 percent of either their federal TANF funds or State maintenance of effort (MOE) dollars on administrative costs. Administrative costs are defined as costs necessary for the proper administration of the TANF or separate state programs. Expenditures in excess of the 15 percent federal cap are considered a misuse of funds which may result in a reduction of federal TANF funds.

IMPLEMENTATION DATE:

This premise implemented October 1, 1999.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Title 45, Code of Federal Regulations, sections 263.0 and 263.13.
- The administrative cap is applied on a statewide basis rather than county specific.
- Administrative activities include, but are not limited to, eligibility determinations, administrative costs incurred by contractors, automation costs not related to tracking and monitoring of TANF requirements, preparation of program plans, procurement, property management, and costs of fraud and abuse units.

METHODOLOGY:

- Actual State and federal administrative expenditures from the first three quarters of Federal Fiscal Year (FFY) 2008 were added to a projected final quarter and then compared to the net annual TANF grant and the required State MOE for FFY 2008.
- Administrative expenditures were adjusted between federal TANF (9.02 percent) and State MOE (9.02 percent) until the administrative cost percentages were at the lowest common rate.

FUNDING:

The administrative cap adjustment consists of a shift from federal funds to the General Fund (GF) or GF to federal funds, whichever is necessary to keep the percentages at the lowest common rate.

CHANGE FROM THE APPROPRIATION:

The FFY 2008 State MOE expenditures in the appropriation included funds for the two parent program. However, as of FY 2006-07 the two parent program has been funded with TANF. This premise has been updated to reflect this shift in funding.

REASON FOR YEAR-TO-YEAR CHANGE:

The increased shift is due to an increase in the FFY 2009 projected Tribal TANF funding.

CalWORKs Administrative Cap Adjustment

EXPENDITURES:

(in 000's)

	2008-09 County Admin.	2009-10 County Admin.
Total	$0	$0
Federal	-141,000	-141,275
State	141,000	141,275
County	0	0
Reimbursements	0	0

Court Cases

DESCRIPTION:

This premise reflects settlement costs and attorney fees relating to the Temporary Assistance for Needy Families (TANF), Foster Care (FC), Food Stamp, and Adoption Assistance Programs (AAP). The costs result from the settlement of lawsuits related to local assistance in accordance with Budget Letter 98-22, and instructions from the Department of Finance.

KEY DATA/ASSUMPTIONS:

Item 101 – TANF Administration

- A total of $720,000 is budgeted in Fiscal Year (FY) 2008-09 for attorney fees and settlement costs associated with small court cases expected to be resolved in the Current Year (CY).
- A total of $550,000 is budgeted in FY 2009-10 for attorney fees and settlement costs associated with small court cases expected to be resolved in the Budget Year (BY).

Item 141 – FC, AAP, and Food Stamp Administration

- A total of $2,298,000 is budgeted in FY 2008-09 for attorney fees and settlement costs associated with small court cases expected to be resolved in the CY.
- A total of $2,238,000 is budgeted in FY 2009-10 for attorney fees and settlement costs associated with small court cases expected to be resolved in the BY.

METHODOLOGY:

Item 101 – TANF Administration

The estimate is based on actual and projected attorney fees, settlement costs, and miscellaneous writs to be paid in FY 2008-09 and FY 2009-10.

Item 141 – FC, AAP, and Food Stamp Administration

The estimate is based on actual and projected attorney fees, settlement costs, and miscellaneous writs to be paid in FY 2008-09 and FY 2009-10.

FUNDING:

Item 101 –TANF Administration

The funding is 100 percent TANF.

Item 141 – FC, AAP, and Food Stamp Administration

Attorney fees associated with federally-eligible cases are shared 50 percent federal and 50 percent General Fund (GF). Attorney fees associated with nonfederally-eligible cases are funded 100 percent GF. Court settlement costs are shared at the same ratios as the respective programs (i.e. AAP and AFDC-FC).

Court Cases

CHANGE FROM THE APPROPRIATION:

The increase in the CY TANF administration court case costs is due to cases, which were expected to settle in the Prior Year being pushed into the CY.

The increase in the CY FC, AAP, and Food Stamp court costs is due to cases, which were expected to settle in the Prior Year being pushed into the CY. Also, there are several new AAP cases expected to settle in the CY

REASON FOR YEAR-TO-YEAR CHANGE:

The BY TANF administrative court costs reflect a decrease due to a large number of cases that are expected to settle in the CY and will not carry into the BY.

The decrease in the BY FC, AAP, and Food Stamp court costs is due to fewer food stamp cases expected to be settled than there was in the CY.

EXPENDITURES:

(in 000's)

ITEM 101 –	2008-09	2009-10
TANF Administration	County Admin.	County Admin.
Total	$720	$550
Federal	720	550
State	0	0
County	0	0
Reimbursements	0	0

ITEM 141 –	2008-09	2009-10
FC, AAP, and Food Stamp Administration	County Admin.	County Admin.
Total	$2,298	$2,238
Federal	1,149	1,119
State	1,149	1,119
County	0	0
Reimbursements	0	0

State/County Peer Review

DESCRIPTION:

This premise reflects the costs associated with the provisions in Assembly Bill (AB) 1808 that require the California Department of Social Services (CDSS) to conduct a pilot of State/County Peer Reviews in Fiscal Year (FY) 2006-07 with statewide implementation by July 1, 2007. CDSS staff and staff from two county welfare departments (CWDs) will visit other CWDs to review their California Work Opportunity and Responsibility to Kids (CalWORKs) program policies, procedures, and data to improve performance outcomes. The primary purpose of these collaborative visits is to identify and share best practices between the CWDs and provide an opportunity for the identification of potential obstacles that may prevent CWDs from achieving the outcomes required by federal law. Since the Peer Reviews are mandatory under AB 1808, it is necessary to provide CWDs with appropriate funding to participate in these visits. This premise reflects the costs associated with backfilling, travel, and per diem costs for the participating county staff.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2007.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10533.
- There will be 18 peer reviews in FY 2008-09 and FY 2009-10.
- Each peer review will take approximately five days (eight hours per day) to complete. One additional eight hour day is required for preparation and training in the host county for staff from the visiting counties.
- Two staff persons from each of the two visiting counties will travel to the host county for the Peer Review. One manager and two staff persons from the host county will participate in the Peer Review.
- The travel and per diem costs for each person from the visiting counties is $1,336 per visit.
- This estimate includes the costs for county staff backfill for four county staff; one staff person from each of the two visiting counties and two staff persons from the host county. No backfill is assumed for managers.
- The hourly salary and benefits for a worker is $35.80.

METHODOLOGY:

- The cost for travel and per diem for one manager and one staff person from each visiting county for two peer reviews is $96,192 in FY 2008-09 and FY 2009-10.
- The average backfill cost for each county staff for 48 hours is $1,718.
- The total backfill cost for four county staff for 18 peer reviews is $123,725 in FY 2008-09 and FY 2009-10.

State/County Peer Review

METHODOLOGY (CONTINUED):

- The total cost for travel, per diem and county staff backfill is $219,917 in FY 2008-09 and FY 2009-10.

FUNDING:

This premise is funded with 100 percent Temporary Assistance for Needy Families funds.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2008-09 County Admin.	2009-10 County Admin.
Total	$220	$220
Federal	$220	220
State	0	0
County	0	0
Reimbursements	0	0

Research and Evaluation

DESCRIPTION:

This premise reflects the costs to develop a research design to ensure a thorough evaluation of the direct and indirect effects of the California Work Opportunity and Responsibility to Kids (CalWORKs) program. Research and evaluation of the CalWORKs program was authorized by Welfare and Institutions (W&I) Code sections 11520 through 11521.7. The statute specifies that an independent evaluator or evaluators shall conduct the statewide evaluation and that the outcomes derived from these evaluations will be provided through discrete reports issued at regular intervals and will include information regarding process, impacts, and analyses of the costs and benefits of the CalWORKs program.

In addition, statute specifies that the California Department of Social Services will ensure that county demonstration projects and other innovative county approaches to CalWORKs program implementation are rigorously evaluated and that the findings are reported to the Legislature in a timely fashion. The evaluation of a county-specific program shall be developed in conjunction with the county and other appropriate agencies responsible for the local program.

IMPLEMENTATION DATE:

This premise implemented on July 1, 1997.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&I Code sections 11520 through 11521.7.
- Assembly Bill 1542 (Chapter 270, Statutes of 1997) mandated the evaluation of the CalWORKs program and county demonstration projects.

METHODOLOGY:

The funding in Fiscal Year (FY) 2008-09 and FY 2009-10 has been held at the Budget Act of 2007 Appropriation level.

FUNDING:

This premise is funded with 100 percent Temporary Assistance for Needy Families funds.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Research and Evaluation

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	County Admin.	County Admin.
Total	$4,000	$4,000
Federal	4,000	4,000
State	0	0
County	0	0
Reimbursements	0	0

County Maintenance of Effort Adjustment

DESCRIPTION:

This premise reflects the costs counties are required to expend from their general funds or from the social services account of the County Health and Welfare Trust Fund to support the administration of programs providing services to needy families, and the administration of food stamps. Welfare and Institutions Code (W&IC) section 15204.4 authorized the county maintenance of effort (MOE).

IMPLEMENTATION DATE:

This premise implemented July 1, 1997.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 15204.4.
- The individual county requirement for spending is equal to that amount which was expended by the county for comparative activities during Fiscal Year (FY) 1996-97. Failure to meet this required level will result in a proportionate reduction in funds provided as part of the California Work Opportunity and Responsibility to Kids program single allocation.
- Actual county expenditures in FY 1996-97 were $140,540,757. This amount represents the ongoing county MOE requirement. In FY 1996-97, county expenditures were made in the following programs: Temporary Assistance for Needy Families; Non-Assistance Food Stamps; Greater Avenues for Independence (GAIN); Cal Learn, Health & Safety (for child care); Transitional Child Care Administration; and Non-GAIN Education & Training program.
- The estimated county expenditures for the administration of the Food Stamp (FS) program for FY 2008-09 is $112,894,359.
- The estimated county expenditures for the administration of the FS program for FY 2009-10 is $125,097,471.

METHODOLOGY:

The funds reflected in this premise are the total statewide expenditures for FY 1996-97 minus the estimated county expenditures for the administration of the Food Stamp (FS) program.

FY 2008-09:

$140,540,757 - $112,894,359= $27,646,398

FY 2009-10:

$140,540,757 - $125,097,471= $15,443,286

FUNDING:

This is a shift from federal to county funds.

County Maintenance of Effort Adjustment

CHANGE FROM THE APPROPRIATION:

The increase in the amount shifted in the CY is due to a decrease in the county share of cost in the FS program. Even though caseload is increasing more than previously expected, there is no county share of overmatch projected for FY 2008-09. Previously, the county share of FS overmatch projected for FY 2008-09 was assumed to be $37.8 million.

REASON FOR YEAR-TO-YEAR CHANGE:

The decreased amount shifted in the BY is due to an increase in the county share of cost in the FS program. The increase in the cost of the FS program can be attributed to the projected caseload increase.

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	County Admin.	County Admin.
Total	$0	$0
Federal	-27,646	-15,444
State	0	0
County	27,646	15,444
Reimbursements	0	0

CalWORKs Child Care - Stage One Services and Administration

DESCRIPTION:

This premise reflects the cost for Stage One Child Care to the California Work Opportunity and Responsibility to Kids (CalWORKs) program families who are working or participating in work activities while on aid, former CalWORKs recipients who are unable to transfer to Stage Two due to the lack of available slots, and eligible teen parents participating in the Cal Learn program. Child care services are available to CalWORKs families with children under 13 years of age.

Assembly Bill (AB) 1542 (Chapter 270, Statutes of 1997) authorized CalWORKs Stage One Child Care. Child care services for Cal Learn participants were authorized by Senate Bill (SB) 35 (Chapter 69, Statutes of 1993) and SB 1078 (Chapter 1252, Statutes of 1993).

The CalWORKs Child Care program is administered in three stages. Stage One is administered by the California Department of Social Services (CDSS). Stage Two, administered by the California Department of Education (CDE), serves individuals determined to be in a more stable situation, either working or participating in work activities while on aid, and participants transitioning off of aid. Stage Three is also administered by CDE and serves participants who have been off of aid for two years.

As a result of Temporary Assistance for Needy Families (TANF) Reauthorization, two-parent families will no longer be funded with Maintenance of Effort (MOE) for CalWORKs Grants, Services, and Administration. However, CalWORKs child care for two-parent families will continue to be funded with General Fund (GF) as these families must work or participate a minimum of 55 hours per week in welfare-to-work activities to be eligible for federally funded child care.

Total Stage One costs are reduced by five percent and are reflected in the Stage One Holdback premise.

IMPLEMENTATION DATE:

This premise implemented January 1, 1998.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Education Code sections 8350, 8351, 8352 and Welfare and Institutions Code section 11331.7.
- The cost of providing CalWORKs child care is based on the following:
  - The projected monthly caseload (children) for the Current Year (CY) is 63,223 and the Budget Year (BY) is 69,151 based on a regression analysis projection using actual caseload from Fiscal Year (FY) 2007-08 as reported on the Child Care Monthly Report - CalWORKs Families (CW 115) and Child Care Monthly Report - Two-Parent Families (CW 115A).

CalWORKs Child Care - Stage One Services and Administration

KEY DATA/ASSUMPTIONS (continued):

- The monthly cost of CalWORKs child care for FY 2008-09 is $727.30 per child. This is based on child care expenditures and caseload as reported on the County Expense Claims and the CW 115 and CW 115A reports from FY 2007-08 and increased by a cost of doing business equivalent to the July 2008 Consumer Necessities Index of 5.26 percent.
- The CalWORKs child care administrative ratio is 11.03 percent and is based on the actual administrative expenditures compared to services expenditures for FY 2007-08.
- The child care cost for two-parent families is 2.88 percent based on Stage One expenditures from FY 2007-08.
- The child care costs for the Recent Noncitizen Entrants (RNEs) is 0.46 percent based on Stage One expenditures from FY 2007-08.
- The child care cost for sanctioned teens for State-Only Cal Learn Child Care is 0.03 percent based on Stage One expenditures from FY 2007-08.
- It is assumed $193.3 million in the CY and $167.5 million in the BY in Temporary Assistance for Needy Families (TANF) funds are transferred to Title XX and used to fund Stage One.
- The Stage One holdback is $32 million in the CY and approximately $34.5 million in the BY. This amount is based on five percent of Stage One child care basic costs, including Safety Net and the RMR impact. Refer to the “Child Care Stage One Holdback” premise description for more information.

- Based on historical percentages of the employment services and child care caseloads to the total CalWORKs caseload a $9.8 million caseload supplement equivalent to an additional 963 cases has been provided for FY 2009-10 to account for the overall expected growth in the CalWORKs caseload.
- In FY 2008-09, the net need after adjustments for Recent Noncitizen Entrants (RNE) and State-Only Cal Learn is approximately $611 million. In FY 2009-10, the net need after adjustments for Recent Noncitizen Entrants (RNE) and State-Only Cal Learn is approximately $678.1 million

METHODOLOGY:

- The Stage One child care services costs are calculated by multiplying the caseload by the cost per child multiplied by 12 months.
- The Stage One child care administrative costs are calculated by multiplying the services costs by the administrative ratio.
- The Stage One Child Care basic costs, Safety Net, and the RMR impact are reduced by five percent and placed in the Stage One Holdback.
- The caseload supplement is then added to the Stage One Child Care basic costs.

CalWORKs Child Care - Stage One Services and Administration

• METHODOLOGY (continued):

- The Stage One two-parent child care costs are calculated by multiplying the total Stage One child care costs by 2.88 percent.
- The RNE caseload represents 0.46 percent of Stage One Child Care costs.
- Federally eligible members of mixed RNE households represent 50.27 percent and remain in the Stage One Basic Program, funded with GF. The remaining portion of the RNE child care cost is reflected on the RNE premise line. Refer to the "Recent Noncitizen Entrants Services/Administration" premise description for more information.
- Sanctioned teens for State-Only Cal Learn Child Care represent 0.03 percent of Stage One Child Care Costs. These funds are reflected in the "State-Only Cal Learn Child Care" premise, funded with GF.

FUNDING:

Stage One Child Care for single parents is funded with 100 percent TANF. Child Care for two-parent families and RNEs is funded with 100 percent GF, which is countable toward the state's TANF MOE requirement.

CHANGE FROM THE APPROPRIATION:

The increased CY costs reflect an increased caseload over what was projected in the Appropriation (63,223 vs. 59,728).

REASON FOR YEAR-TO-YEAR CHANGE:

The increase in services and administration costs in the BY reflects an approximate 10.9 percent increase in the projected caseload.

CASELOAD:

	2008-09	2009-10
Average Monthly Children	63,223	70,114

CalWORKs Child Care - Stage One Services and Administration

EXPENDITURES:

101 – CalWORKs Child Care

(in 000's)

	2008-09 Services	2009-10 Services
Total	$522,861	$581,681
Federal	504,420	561,510
State	18,441	20,171
County	0	0
Reimbursements	0	0

	2008-09 Administration	2009-10 Administration
Total	$57,681	$63,090
Federal	55,647	60,865
State	2,034	2,225
County	0	0
Reimbursements	0	0

RMR Impact to the 85th Percentile March 2009

DESCRIPTION:

This premise reflects the cost impact to California's subsidized child care system from the updated Regional Market Rate (RMR) Ceilings. RMR ceilings are the maximum amount child care providers can be reimbursed from the state for subsidized child care. California Work Opportunity and Responsibility to Kids (CalWORKs) participants that are receiving CalWORKs Stage One and Stage Two child care will be affected by these RMR updates.

IMPLEMENTATION DATE:

This premise will implement in March 2009.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Education Code sections 8357 and 8447.
- For FY 2008-09 and FY 2009-10, this premise reflects the implementation of the new regional market rates at the 85th percentile, effective March 2009 (Based on the 2007 Survey).
- This premise reflects the March 2009 RMR impact from the following premises: Stage One Child Care Services and Administration; Previous CalWORKs Reform Efforts; Safety Net; Recent Noncitizen Entrants Services and Administration; State-Only Cal Learn Child Care;
- Five percent of the costs associated with the March 2009 RMR updates are reflected in the Stage One Child Care Holdback.

METHODOLOGY:

A weighted cost per case at the 85th percentile for centers, family child care homes and exempt providers was determined based on the 2005 and 2007 RMR surveys. The categories were then combined and another weighted average was computed based on the percentage of CalWORKs cases in each category. The 2007 RMR at the 85th percentile is 10.42 percent higher than the 2005 RMR at the 85th percentile. A portion of this increase (5.26 percent) is included in the "Child Care Basic" costs as it is assumed to be the natural impact of cost of doing business increases incurred by the providers.

FUNDING:

Stage One Child Care for single parents is funded with 100 percent Temporary Assistance for Needy Families (TANF). Child Care for two-parent families is funded with 100 percent General Fund, which is countable toward the state's TANF maintenance of effort requirement.

RMR Impact to the 85th Percentile March 2009

CHANGE FROM THE APPROPRIATION:

The Appropriation assumed that the 2007 RMR would be implemented at the 75th percentile in January 2009. The administration has proposed to implement the 2007 RMR at the 85th percentile beginning March 2009. This change in methodology results in a decrease in the RMR cost in the Current Year (CY). In addition to the change in methodology, the CY net decrease reflects the elimination of the Full Family Sanction proposal, which was included in the Appropriation.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY reflects a full year impact of the updated RMR at the 85th percentile.

EXPENDITURES:

(in 000's)

	2008-09	2009-10
Total	$10,133	$32,203
Federal	9,775	31,067
State	358	1,136
County	0	0
Reimbursements	0	0

RMR Impact to the 75th Percentile July 2009

DESCRIPTION:

This premise reflects the cost impact to California's subsidized child care system from the updated Regional Market Rate (RMR) Ceilings. RMR ceilings are the maximum amount child care providers can be reimbursed from the state for subsidized child care. California Work Opportunity and Responsibility to Kids (CalWORKs) participants that are receiving CalWORKs Stage One and Stage Two child care will be affected by these RMR updates. This premise reflects the savings associated with decreasing the Regional Market Rate (RMR) from the 85th percentile to the 75th percentile in July 2009.

IMPLEMENTATION DATE:

This premise will implement on July 1, 2009.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: This proposal will require statutory changes to Education Code section 8357.
- This premise reflects the July 2009 RMR impact from the following premises: Stage One Child Care Services and Administration; Previous CalWORKs Reform Efforts; Safety Net; Recent Noncitizen Entrants Services and Administration; State-Only Cal Learn Child Care.
- Five percent of the savings associated with the July 2009 RMR changes are reflected in the Stage One Child Care Holdback.

METHODOLOGY:

To determine the cost of the 75th percentile of the 2007 RMR survey, the similar methodology used to determine the cost at the 85th percentile was used (see the RMR Impact to the 85th Percentile Mar 2009 premise for more information).

To determine the savings from lowering the RMR to the 75th percentile, the cost of the RMR at the 75th percentile is subtracted from the cost of the RMR at the 85th percentile.

FUNDING:

Stage One Child Care for single parents is funded with 100 percent Temporary Assistance for Needy Families (TANF). Child Care for two-parent families is funded with 100 percent General Fund, which is countable toward the state's TANF maintenance of effort requirement.

CHANGE FROM THE APPROPRIATION:

This is a Budget Year (BY) premise only.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a BY premise only.

RMR Impact to the 75th Percentile July 2009

EXPENDITURES:

(in 000's)

	2008-09	2009-10
Total	$0	-$30,926
Federal	0	-29,835
State	0	-1,091
County	0	0
Reimbursements	0	0

State-Only Cal Learn Child Care

DESCRIPTION:

This premise reflects the costs of providing child care services to sanctioned teen parents participating in the Cal Learn program. The Cal Learn program, including child care services, was authorized by Senate Bill (SB) 35 (Chapter 69, Statutes of 1993) and SB 1078 (Chapter 1252, Statutes of 1993). Assembly Bill 2772 (Chapter 902, Statutes of 1998) changed the status of the Cal Learn program from a five-year federal demonstration project to a permanent program.

Federal law (Public Law 104-193) prohibits the use of Temporary Assistance for Needy Families (TANF) funds to teen parents who do not participate in school or another approved activity. Cal Learn teen parents who do not attend school, do not turn in a report card, or receive poor grades are subject to a $100 sanction. Because the Cal Learn program operated under a five-year federal waiver as a California Work Pays Demonstration Project, the program was not affected by the federal rules. However, effective March 31, 1999, the federal waivers for the Cal Learn program expired. In order to provide support services to sanctioned teens, the cost for the State-Only Cal Learn Child Care program is funded with General Fund (GF).

IMPLEMENTATION DATE:

This premise implemented on April 1, 1999.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 11331.7.
- For Fiscal Year (FY) 2008-09 and FY 2009-10, 0.03 percent of the California Work Opportunity and Responsibility to Kids (CalWORKs) Stage One Child Care caseload represent sanctioned teens receiving services under the State-Only Cal Learn Child Care.
- Refer to the “Stage One Services and Administration” premise for more information regarding the Cal Learn Child Care estimate.

METHODOLOGY:

The sanction rate for the FY 2008-09 and FY2009-10 was applied to the total Stage One Child Care cost to determine the State-Only Cal Learn Child Care need.

FUNDING:

This premise is funded with 100 percent GF and is countable toward the state’s maintenance of effort under the TANF federal requirements.

State-Only Cal Learn Child Care

CHANGE FROM THE APPROPRIATION:

The change reflects a decrease in the percentage of CalWORKs sanctions to the overall CalWORKs caseload.

REASON FOR YEAR-TO-YEAR CHANGE:

The change from the Current Year to the Budget Year reflects an increase in the Child Care Stage One caseload and expenditures.

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	County Admin.	County Admin.
Total	$164	$179
Federal	0	0
State	164	179
County	0	0
Reimbursements	0	0

Child Care – Trustline

DESCRIPTION:

This premise reflects the costs for providing a state-mandated registration program that includes fingerprinting of certain child care providers and applicants as well as searching the California Criminal History System and the California Child Abuse Central Index. The Trustline program was authorized by Assembly Bill (AB) 2053 (Chapter 898, Statutes of 1994), AB 2560 (Chapter 1268, Statutes of 1994), and AB 1542 (Chapter 270, Statutes of 1997). Senate Bill (SB) 933 (Chapter 311, Statutes of 1998) mandated that a second set of fingerprints is required to search the records of the Federal Bureau of Investigation (FBI). In addition, SB 933 required fingerprint and search requirements to be funded for certain fee-exempt providers. AB 1659 (Chapter 881, Statutes of 1999) added certain categories of licensed fee-exempt providers for FBI background checks.

Trustline registration is required for child care providers in Stage One Child Care compensated by the California Work Opportunity and Responsibility to Kids (CalWORKs) program. This premise also includes the reimbursement cost for processing applications referred by the California Department of Education (CDE).

The Community Care Licensing Division (CCLD) is responsible for processing the applications pursuant to AB 753 (Chapter 843, Statutes of 1997). CCLD contracts with the Department of Justice (DOJ) and the California Child Care Resource and Referral (R&R) Network to process the fingerprint and index search file activities. Additionally, CCLD contracts with Identix Identification Services, LLC, a private vendor, for the Live Scan fingerprinting. The Live Scan fingerprint process is an electronic technology that transfers images of fingerprints and personal information to the DOJ.

IMPLEMENTATION DATE:

The initial program implementation was September 1, 1995. The implementation for the FBI clearance was January 1, 1999.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Health and Safety Code sections 1596.60 through 1596.68, Health and Safety Code section 1596.67, and Welfare and Institutions Code section 11324.
- Providers for CalWORKs participants who are currently licensed, or who are an aunt, uncle or grandparent of the child, are exempt from Trustline requirements.
- Voluntary applicants pay fees to cover all costs associated with their Trustline registration.
- For voluntary applicants using Live Scan, this premise includes only the R&R Network costs. These applicants pay a fee directly to Identix to cover Live Scan and DOJ charges.

Child Care – Trustline

KEY DATA ASSUMPTIONS (CONTINUED):

- For Fiscal Year (FY) 2008-09 and FY 2009-10, the cost of providing for the Trustline for the California Department of Social Services (CDSS), CDE, and voluntary applicants is based on the following key data and assumptions:
    - The projected number of Trustline applications for CDE, CDSS, and voluntary is 26,824 in the Current Year (CY) and 29,663 in the Budget Year (BY). This is based on a regression analysis projection using the number of actual applications for Trustline fingerprinting from FY 2007-08. The estimate assumes the effects of the Previous CalWORKs Reform Efforts and Undocumented Citizens (SB 1569), premises. As more adults begin to work or participate in work activities, there would be a greater need for child care; therefore, the number of Trustline applications would increase.
    - This estimate assumes that 0.50 percent of CDSS and CDE caseloads use Cardscan and 99.50 percent use Live Scan.
    - This estimate assumes that 100 percent of voluntary cases use Live Scan.
    - The county administration cost per case is $91 based on actual county expenditures divided by the number of DOJ applications for FY 2007-08.
- The Trustline Automated Registration Process (TARP) pilot implemented in October 2006, with statewide implementation completed in twenty counties as of July 1, 2008 (Alameda, Butte, Contra Costa, Fresno, Kern, Orange, Placer, Sacramento, San Bernardino, San Diego, San Francisco, San Joaquin, San Luis Obispo, San Mateo, Santa Barbara, Shasta, Siskiyou, Solano, Tehama, and Ventura). Los Angeles County implemented on August 1, 2008. The projected caseload is 23,503 in the CY and 25,990 in the BY. TARP costs are reflected in the Identix contract.
- Included in the Identix contract is a $35,000 maintenance fee for the Live Scan machines.
- The R &R Network increased its application fee from $25 to $35 in July 2008.

Child Care – Trustline

KEY DATA ASSUMPTIONS (CONTINUED):

- The fees for the contracted services are as follows:

	FY 2008-09	FY 2009-10
DOJ Fingerprinting/Criminal History File	$32	$32
DOJ California Child Abuse Central Index	$15	$15
DOJ FBI Fingerprints	$19	$19
R&R Network Application Fee	$35	$35
R&R Network Incomplete Application Fee	$15	$15
Identix Cardscan Fee[1]	$10	$10
Identix Live Scan[1]	$16	$16
TARP	$5	$5

[1] The Cardscan Fee is not charged for the cases utilizing Live Scan.

METHODOLOGY:

- The cost of each contract was calculated by multiplying the projected number of Trustline applications by the cost per activity.
- The county administration cost was calculated by multiplying the projected number of CDSS Trustline applications by the county administration cost per case.
- The breakout of funding is as follows:

	FY 2008-09	FY 2009-10
DOJ	$1,596,474	$1,763,718
R&R Network	$995,006	$1,087,994
Identix [2]	$538,808	$591,709
County Administrative Costs	$1,404,001	$1,696,676

[2] TARP costs are included in the Identix contract.

FUNDING:

The states share reflects the percentage of child care costs for two-parent families, Safety Net, state portion of Recent Noncitizen Entrants, and state-only Cal Learn and is countable toward the state's maintenance-of-effort requirement. The federal Temporary Assistance for Needy Families program share reflects the cost for all other families. All costs associated with services to applicants referred by CDE are funded by reimbursements from CDE. Costs for voluntary applicants are paid from the General Fund.

Child Care – Trustline

CHANGE FROM THE APPROPRIATION:

The increased CY costs reflect an increase in the CDSS caseload.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase in the BY reflects an increase in the projected caseload.

CASELOAD:

	2008-09	2009-10
Average Monthly CDSS Trustline Caseload	1,284	1,492
Average Monthly CDE Trustline Caseload	725	734
Average Monthly Voluntary Trustline Caseload	220	245

Expenditures:

(in 000's)

	2008-09 County Admin.	2009-10 County Admin.
Total	$4,534	$5,140
Federal	3,293	3,851
State	223	258
County	0	0
Reimbursements	1,018	1,031

Self-Certification

DESCRIPTION:

This premise reflects the administrative costs associated with assuring that license-exempt child care providers self-certify that they meet the minimum health and safety standards required by Assembly Bill (AB) 2053 (Chapter 898, Statutes of 1994), AB 2560 (Chapter 1268, Statutes of 1994), and AB 1542 (Chapter 270, Statutes of 1997). Effective October 1, 1998, license-exempt providers must also meet the following minimum standards: the prevention and control of infectious diseases, building and physical premises standards, and minimum health and safety training appropriate to the provider setting. License-exempt child care providers who are aunts, uncles, and grandparents are excluded from these requirements.

IMPLEMENTATION DATE:

This premise implemented on October 1, 1996.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Health and Safety Code sections 1596.60 through 1596.68, Health and Safety Code section 1596.67, and Welfare and Institutions Code section 11324.
- The projected cost of self-certification is based on the following key data and assumptions:
  - The projected number of Trustline applications for the California Department of Social Services is 15,488 in the Current Year (CY) and 17,907 in the Budget Year (BY), based on a regression analysis projection using the number of applications for Trustline fingerprinting from Fiscal Year (FY) 2007-08. The estimate assumes the effects of the Previous California Work Opportunity and Responsibility to Kids Reform Efforts, Undocumented Citizens (Senate Bill 1569), and Homeless Assistance (AB 1808) premises.
  - The statewide cost of self-certification ($128) is based on actual county expenditures divided by total Trustline applications processed in calendar year 2007.

METHODOLOGY:

The administrative costs for notification of new recipients were developed utilizing the average statewide cost of self-certification multiplied by the total number of Trustline fingerprinting applications.

For the CY: $128 x 15,488 = $1.9 million

For the BY: $128 x 17,907 = $2.3 million

FUNDING:

The state share reflects the percentage of child care costs for two-parent families, Safety Net, state portion of Recent Noncitizen Entrants, and state-only Cal Learn and is countable toward the state's maintenance of effort requirement. The federal Temporary Assistance for Needy Families program share reflects the cost for all other families.

Self-Certification

CHANGE FROM THE APPROPRIATION:

The CY reflects a projected caseload increase.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY reflects a projected caseload increase.

CASELOAD:

	2008-09	2009-10
Average Annual Caseload	15,488	17,907

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	County Admin.	County Admin.
Total	$1,983	$2,292
Federal	1,893	2,188
State	90	104
County	0	0
Reimbursements	0	0

Child Care
Stage One Holdback

DESCRIPTION:

This premise reflects the amount of Temporary Assistance for Needy Families (TANF) program funds established in reserve to be used for Stage One California Work Opportunity and Responsibility to Kids (CalWORKs) program child care. The reserve of TANF funds is authorized by the annual Budget Act. The CalWORKs Child Care program was authorized by Assembly Bill (AB) 1542 (Chapter 270, Statutes of 1997).

The CalWORKs Child Care program is administered in three stages. Stage One is administered by the California Department of Social Services (CDSS). Stage Two is administered by the California Department of Education (CDE) and serves individuals that the county welfare departments determine to be in a more stable situation, either working or participating in a work activity while on aid, and participants transitioning off aid due to increased employment. Stage Three is also administered by CDE and serves participants that have been off aid for two years and the working poor.

IMPLEMENTATION DATE:

This premise implemented on July 1, 1998.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Education Code sections 8350, 8351, 8352, and 8353.
- In Fiscal Year (FY) 2008-09, the net need for Stage One Basic and Safety Net is $640.2 million.
- In Fiscal Year (FY) 2009-10, the net need for Stage One Basic and Safety Net is $689 million.
- In FY 2008-09 and FY 2009-10, a total of five percent from Stage One will be held in the reserve.

METHODOLOGY:

- In FY 2008-09, the total holdback is five percent of Stage One ($32.0 million).
- In FY 2009-10, the total holdback is five percent of Stage One ($34.5 million).

FUNDING:

Funds are 100 percent TANF. TANF funds will be transferred from the reserve as needed for Stage One Child Care.

CHANGE FROM THE APPROPRIATION:

The overall FY 2008-09 child care costs have increased over what was projected in the Appropriation.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year reflects an increase in the overall child care costs.

Child Care
Stage One Holdback

EXPENDITURES:

(in 000's)	2008-09	2009-10
	Grant	Grant
Total	$32,008	$34,451
Federal	32,008	34,451
State	0	0
County	0	0
Reimbursements	0	0

Tribal TANF

DESCRIPTION:

This premise reflects the General Fund (GF) cost to operate Tribal Temporary Assistance for Needy Families (TANF) programs in California. Assembly Bill (AB) 1542 (Chapter 270, Statutes of 1997) allowed GF to be provided for tribes to administer a Tribal TANF program. The California Department of Social Services has established a memorandum of understanding with the following: 1) California Tribal TANF Partnership (CTTP), representing the tribal members in Amador, Butte, Colusa, Del Norte, Glenn, Humboldt, Lake, Lassen, Modoc, Napa, Plumas, Solano, San Joaquin, Sutter, Trinity, and Yuba counties; 2) Hoopa, representing tribal members in Humboldt County; 3) Morongo, representing tribal members in Riverside County; 4)North Fork Rancheria (NFR), representing the tribal members in Fresno, Madera, Mariposa, and Merced counties; 5) Owens Valley Career Development Center (OVCDC), representing the tribal members in Fresno, Inyo, Kern, Kings, and Tulare counties; 6) Tule Reservation Scott's Valley, representing the tribal members in Contra Costa county; 7) Southern California Tribal Chairman Association (SCTCA), representing tribal members in Santa Barbara and San Diego counties; 8) Soboba, representing tribal members in Riverside County; 9) Torres-Martinez Tribal TANF (TMTT), representing tribal members in Los Angeles and Riverside counties; 10) Washoe Tribe of Nevada and California (WTNC), representing tribal members in Alpine, Alameda, El Dorado, Nevada, Placer, Sacramento, San Francisco, San Joaquin, San Mateo, Santa Clara, and Santa Cruz counties; and 11) Yurok, representing tribal members in Del Norte and Humboldt counties. Federal welfare reform legislation allows for each Indian tribe that has an approved Tribal Family Assistance Plan to receive a Tribal Family Assistance Grant (TFAG) based on Federal Fiscal Year (FFY) 1994 actual expenditures. The administrative authority to operate a TANF program is transferred to the tribes, together with federal and state funding based on FFY 1994 levels. Transferred funds include monies to meet grant costs and administrative costs related to cash aid and Welfare to Work (WTW) services. The GF costs are based on the estimated participation rates of reimbursement for the counties during FFY 1994, in which the tribal organizations are located.

Previously under Senate Bill 1104 (Chapter 229, Statutes of 2004) state funding for existing tribal TANF programs was based on actual program caseloads, including assistance and service only cases effective July 1, 2005, through June 30, 2006. The state funding did not exceed the original state share designated for the tribal TANF program in the original negotiation of 1994 caseload counts. Those programs that had received funding for less than three years did not have their state funding adjusted.

Pursuant to AB 1808 (Chapter 75, Statutes of 2006) beginning July 1, 2006, state funding for tribal TANF programs is based on the caseload used to develop the TFAG negotiated with the federal Administration for Children and Families and the state. The state funding will not exceed the original state share designated for the tribal TANF program in the original negotiation of 1994 caseload counts.

Tribal TANF

IMPLEMENTATION DATE:

- The original CTTP tribes implemented in July 2003. CTTP Phase II consisting of tribes in Amador, Butte, Colusa, Del Norte, Humboldt, Lake, Modoc, and Trinity counties implemented in July 2004. CTTP Phase III-A in San Joaquin County implemented in June 2006. CTTP Phase III-B in Calaveras, Tehama, and Yolo counties are pending approval of a Memorandum of Understanding (MOU) for their December 2008 implementation date.
- The Graton tribe that represents tribal members from Marin and Sonoma counties implemented in May 2008.
- The original Hoopa tribe in Humboldt implemented in October 2004.
- The Karuk tribe that represents tribal members from Siskiyou and Humboldt is seeking approval of an MOU for their August 2008 implementation date.
- The Morongo Band of Mission Indians in Riverside County implemented in March 2006.
- The original tribes in NFR implemented in August 2003. NFR-Phase II in Fresno County implemented in July 2007.
- The original OVCDC tribes in Inyo and Kern implemented in May 2001 and October 2001, respectively. The OVCDC tribe expansion in Tule River Reservation and Tulare County implemented in July 2002. Additional OVCDC tribes in Fresno and Kings counties implemented in January 2004 with a portion of Fresno Cases withdrawing in July 2007. Mono and Ventura counties are seeking approval of an MOU for their October 2008 implementation.
- The Pinoleville Band of Indians that represents tribal members from Sonoma, Lake Mendocino and Napa counties is seeking approval of an MOU for their September 2008 implementation.
- The Redding Rancheria Band of Indians that represents tribal members from Shasta and Trinity counties is seeking approval of an MOU for their September 2008 implementation.
- The Round Valley Band of Indians that represents tribal members from Mendocino County is seeking approval of an MOU for their September 2008 implementation.
- The Scotts Valley Band of Pomo Indians that represents tribal members from Contra Costa County implemented in January 2008.
- The original SCTCA tribes implemented in March 1998. Seventeen additional tribes in San Diego County implemented in May 1999. Another tribal expansion in San Diego County implemented in June 2006.
- The Soboba Band of Luiseno Indians in Riverside County implemented in October 2005.
- The original TMTT tribes in Los Angeles and Riverside counties implemented in May 2001. The TMTT tribal service area expansion in nine additional cities in Riverside implemented in April 2002 and September 2008. Additional TMTT tribes in Imperial, Orange, and San Bernardino counties are seeking approval of an MOU for their December 2008 implementation.

Tribal TANF

IMPLEMENTATION DATE (CONTINUED):

- The original Washoe tribe implemented in January 2003. Washoe Phase II implemented in July 2005. Washoe Phase III was not implemented in California because it included two counties in the State of Nevada and was therefore negotiated with Nevada. Phase IV was not implemented because it included counties that were already covered by other Tribes and were not available to Washoe. Washoe Phase V is seeking approval of an MOU for their September 2008 implementation for Monterey, San Benito, San Luis Obispo, and Sierra counties and October 2008 implementation for Amador county.

- The Yurok tribe in Del Norte and Humboldt counties implemented on August 1, 2006.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10553.25.
- TANF transferred directly to the tribes and the state participation rates for FFY 1994 are estimated based on the following:
  - The average monthly cash aid cost of $211.34 per person is based on the average cash aid expenditure amount per person for FFY 1994.
  - The average monthly number of cash aid cases is 22,000 in the Current Year (CY) and 23,970 in the Budget Year (BY).
  - The average persons per case is 2.9.
  - The average monthly number of cases receiving Welfare-to-Work (WTW) services is 2,432 in the CY and 2,658 in the BY.
  - The average monthly WTW services cost per person is $206.36.
  - The average monthly administrative cost per case is $50.73.

METHODOLOGY:

TANF transferred directly to the tribes and the state participation rates for FFY 1994 are calculated as follows:

- The grant costs were derived by multiplying the average number of persons per case by the number of cases to determine the total number of persons. The total number of persons was then multiplied by the cash aid cost per person.
- The WTW services costs were derived by multiplying average monthly number of persons receiving WTW services by the average monthly WTW services cost per person.
- The administrative costs were derived by multiplying the average number of cash aid cases by the average monthly administrative cost per case.

Tribal TANF

METHODOLOGY (CONTINUED):

The state funded grants, county admin and WTW services for Tribal TANF are as follows:

2008-09			2009-10		
Grants	WTW Services	County Admin.	Grants	WTW Services	County Admin.
$76,939	$2,314	$5,048	$83,965	$2,532	$5,515

FUNDING:

The GF amount will be counted toward the state's maintenance of effort (MOE) requirement. The GF share of grant costs is 47.5 percent. The GF share of administrative and WTW services costs is based on the applicable state percentage that was reimbursed during FFY 1994 in those counties in which the tribal organizations are located. The counties are not funding their normal 2.5 percent share of grant costs or their MOE share of the costs. The direct distribution of TANF funds to the tribal organizations reduces both the TANF block grant available to the state and the state's MOE requirement. The state's MOE has been reduced in the same proportion as the reduction in the block grant.

CHANGE FROM THE APPROPRIATION:

The CY costs were updated to reflect revised implementation dates and updated caseload figures.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY costs reflect full-year costs for tribes that implemented in part of the CY.

EXPENDITURES:

(in 000's)

	2008-09 Grant	2009-10 Grant
Total	$84,302	$92,011
Federal[1]	0	0
State	84,302	92,011
County	0	0
Reimbursements	0	0

[1] The federal share of the above costs was deducted from the TANF block grant to show the transfer of funds to the tribal organizations, a total of $90.6 million in FY 2008-09 and $98.9 million in FY 2009-10.

TANF Transfer for Student Aid Commission

DESCRIPTION:

This premise reflects a shift of federal Temporary Assistance for Needy Families (TANF) program funds from the California Work Opportunity and Responsibility to Kids (CalWORKs) program to the California Student Aid Commission (CSAC) to fund Cal Grants

Cal Grants are awarded through CSAC to assist students with paying college expenses. The Cal Grants awards are paid with state funded grants for students attending public or private colleges and universities. The CSAC is the principal state agency responsible for administering financial aid programs for students attending public and private universities, colleges, and vocational schools in California. The Cal Grants awards have been used to help middle-and low-income students finance their unmet financial needs for college.

There are two components of the Cal Grants awards used for this premise:

Cal Grant A can be used for tuition and fees at public and private colleges as well as some occupational and career colleges.

Cal Grant B provides low-income students with a living allowance and assistance with tuition and fees.

IMPLEMENTATION DATE:

This premise will implement July 1, 2009.

KEY DATA/ASSUMPTIONS:

Authorizing statute: Title 45, Code of Federal Regulations, sections 263.2 and 263.4.

METHODOLOGY:

For Fiscal Year 2009-10, the estimate reflects the TANF transferred to CSAC.

FUNDING:

This program is 100 percent federally funded.

CHANGE FROM THE APPROPORIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

This premise implements in the Budget Year.

TANF Transfer for Student Aid Commission

EXPENDITURES:

(In 000's)

	2008-09 Grant	2009-10 Grant
Total	$0	$192,564
Federal	0	192,564
State	0	0
County	0	0
Reimbursements	0	0

Kinship Guardianship Assistance Payment Program

DESCRIPTION:

This premise reflects the costs and savings associated with the Kinship Guardianship Assistance Payment (Kin-GAP) program. The Kin-GAP program is authorized by Senate Bill (SB) 1901 (Chapter 1055, Statutes of 1998) and modified by Assembly Bill (AB) 1111 (Chapter 147, Statutes of 1999).

The Kin-GAP program is intended to enhance family preservation and stability by recognizing that many foster children are in long-term, stable placements with relatives and that these placements are the permanent plan for the child. Accordingly, a dependent child who has been living with a relative for at least twelve months may receive a subsidy if the relative assumes guardianship and the dependency is dismissed. Once dependency is dismissed, there is no need for continued governmental intervention in the family life through ongoing, scheduled court and social services supervision of the placement.

Kin-GAP rates are equal to 100 percent of the basic foster care rate for children placed in a licensed or approved home as specified at subdivisions (a) to (d), of Welfare and Institutions Code (W&IC) section 11461. In addition, when a child is living with a minor parent for whom a Kin-GAP payment is made, the payment shall include an amount for the care and supervision of the child. AB 1111 changed the effective date of the Kin-GAP program to January 1, 2000.

Pursuant to AB 1808 (Chapter 75, Statutes of 2006), enhanced benefits to the Kin-GAP program became effective October 1, 2006. Provisions of AB 1808 increased the basic Kin-GAP rate to include all clothing allowances and specialized care increments (SCI) the child would have been eligible for while in Foster Care (FC).

IMPLEMENTATION DATE:

The Kin-GAP program implemented on January 1, 2000. Kin-GAP enhancements implemented on October 1, 2006.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC sections 11360 through 11380.
- The Kin-GAP rate equals 100 percent of the basic foster care rate for children placed in a licensed or approved foster family home, including all clothing allowances and SCIs received while in FC, as specified in statute.
- Caseload based on actual cases reported on the CA 800 KG (federal) and CA 800 KG (nonfederal), Summary Report of Expenditures for the Kin-GAP Program, through June 2008.
- A State-Only Kin-GAP program is available for those cases that are not eligible for the California Work Opportunity and Responsibility to Kids (CalWORKs) program but would be eligible for the Kin-GAP program. Based on the caseload reported on the CA 800 KG, nonfederal cases represent an insignificant percentage of the total caseload.
- The average Kin-GAP basic grant payments are based on the most recent actual expenditures and cases reported on the CA 800 KG through June 2008. The average federal Kin-GAP basic grant payment is $586.81 and the average nonfederal Kin-GAP basic grant payment is $563.22 for both existing and new caseloads.
- It is assumed a total of 236 new cases per month will move from FC to Kin-GAP, beginning July 1, 2008, through December 31, 2009.

Kinship Guardianship Assistance Payment Program

KEY DATA/ASSUMPTIONS (CONTINUED):

- The average Temporary Assistance for Needy Families (TANF) portion of the Kin-GAP rate is $347 but will no longer be federally funded and will be replaced with General Fund (GF).
- Based on actual expenditures through June 2008, the cost of ongoing county Kin-GAP administrative functions is $36.71 per case per month.
- State and county expenditures associated with all cases are considered to be eligible for the state's TANF maintenance of effort requirement.
- This estimate assumes no Title IV-E funding.
- Based on data from all counties, the average initial clothing allowance provided to new cases is $220, and $99 annually thereafter.
- All cases will also receive an annual supplemental clothing allowance of $100.
- Savings to FC grants and administration, CalWORKs grants and administration, and Child Welfare Services (CWS) administration based on new cases transferring from FC to Kin-GAP as a result of the enhanced benefits are displayed as separate premises titled "Enhanced Kin-GAP Savings" under the appropriate Budget Item.
- FC grant savings for Fiscal Year (FY) 2008-09 and FY 2009-10 will be realized as a result of cases exiting FC and are based on the Kin-GAP grant each child will receive.
- CWS administrative savings of $354 per long term placement case each month will be realized as a result of cases exiting the FC and CalWORKs programs. In addition, eligibility worker savings of $57.11 per case per month will be realized as a result of cases exiting the FC program.
- CalWORKs administrative savings of $33.58 per case per month will be realized as a result of cases exiting the CalWORKs program.
- Due to the impact of the Title IV-E Waiver, the estimated savings to FC grants, FC Administration and CWS will not be reflected for Los Angeles County and Alameda County. Federal funding will not be reduced below the federal Title IV-E Waiver capped amount.

METHODOLOGY:

To estimate the cost of the Kin-GAP program, the total number of projected existing and new casemonths are multiplied by the average Kin-GAP rate which includes the basic rate plus enhancements. Kin-GAP administrative costs are calculated by multiplying the projected casemonths by the monthly administrative cost per case.

FUNDING:

The Kin-GAP basic rate was paid utilizing the applicable regional per-child CalWORKs grant from federal funds received as part of the TANF block grant. This portion will now be funded with GF. The balance of the Kin-GAP basic and SCI rate is paid with 50 percent GF and 50 percent county funds. For State-Only Kin-GAP cases, grant and administrative costs are shared 50 percent GF and 50 percent county.

Kinship Guardianship Assistance Payment Program

FUNDING (CONTINUED):

The annual clothing allowance costs are shared 50 percent GF and 50 percent county. The supplemental clothing allowance will be paid with 100 percent GF.

CHANGE FROM THE APPROPRIATION:

The Current Year decrease is based on a lower average monthly caseload than was projected in the May 2008 Revise, offset by an increase to the average grant.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year increase is based on projected caseload growth of 16.7 percent.

CASELOAD:

	2008-09	2009-10
Average Monthly Caseload (Existing)	14,289	14,519
Average Monthly Caseload (New)	1,534	3,953
Average Monthly Caseload (Total)	15,823	18,472

EXPENDITURES:

(in 000's)

Item 101 –	2008-09	2009-10
Kin-GAP Basic Costs	Grant	Grant
Total	$111,409	$130,063
Federal	0	0
State	88,555	103,375
County	22,854	26,688
Reimbursements	0	0

Kinship Guardianship Assistance Payment Program

EXPENDITURES (CONTINUED):

(in 000's)

Item 101 – Kin-GAP Administration	2008-09	2009-10
	County Admin.	County Admin.
Total	$6,971	$8,138
Federal	0	0
State	6,961	8,126
County	10	12
Reimbursements	0	0

Kin-GAP Enhancements	2008-09	2009-10
	Grant	Grant
Total	$20,115	$36,125
Federal	0	0
State	10,719	18,994
County	9,396	17,131
Reimbursements	0	0

Item 101 – CalWORKs Savings	2008-09	2009-10
Total	-$27	-$70
Federal	-14	-35
State	-9	-25
County	-4	-10
Reimbursements	0	0

Item 101 – CalWORKs Admin Savings	2008-09	2009-10
	County Admin.	County Admin.
Total	-$3	-$7
Federal	-1	-4
State	-2	-3
County	0	0
Reimbursements	0	0

Kinship Guardianship Assistance Payment Program

EXPENDITURES (CONTINUED):

(in 000's)

Item 101 – Foster Care Savings	2008-09	2009-10
Total	-$8,697	-$23,105
Federal	-4,365	-11,248
State	-1,721	-5,016
County	-2,611	-6,841
Reimbursements	0	0

Item 141 – Foster Care Admin Savings	2008-09	2009-10
	County Admin.	County Admin.
Total	-$459	-$1,182
Federal	-229	-591
State	-161	-414
County	-69	-177
Reimbursements	0	0

Item 151 – CWS Admin Savings	2008-09	2009-10
	County Admin.	County Admin.
Total	-$4,053	-$5,472
Federal	-2,026	-2,736
State	-1,419	-1,915
County	-608	-821
Reimbursements	0	0

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Kinship Guardianship Assistance Payment Program Dual Agency Rate

DESCRIPTION:

The purpose of this premise is to amend the Kinship Guardianship Assistance Payment Program (KinGAP) statute, to allow children receiving the Aid to Families with Dependent Children-Foster Care (AFDC-FC) rate under Welfare and Institutions Code (W&IC) Section 11464 while in foster care to be eligible for that rate when the children transition into the KinGAP program. The rate paid under KinGAP for children who are regional center clients will be paid by the state and counties in the same ratio as currently paid under the KinGAP program. Under the proposed statute change, children currently in KinGAP who are regional center clients would be eligible for the dual agency rate retroactive to July 1, 2007.

Senate Bill (SB) 84 (Chapter 177, Statutes of 2007), created a new rate structure and rate setting process for children who are consumers of regional center services and recipients of either AFDC-FC or Adoption Assistance Program benefits. This legislation established a new rate of $2,006 for the care and supervision of dual agency children three years of age and older. The legislation also established a new supplement to the $2,006 rate not to exceed $1,000 for dual agency children three years of age and older with extraordinary care and supervision needs. SB 84 legislation for the new dual agency rates omitted a KinGAP provider's eligibility to the new dual agency rate thereby creating a barrier for children in foster care who are regional center clients, and would otherwise be eligible to a guardianship placement, permanency with a relative, and dismissal of dependency.

IMPLEMENTATION DATE:

This premise implemented July 1, 2007.

KEY DATA/ASSUMPTIONS:

- All estimates are based on children residing in a Foster Family Home or Relative out-of-home placements.
- The estimate assumes that sixty percent of the eligible FC children living with a relative and receiving regional center services would transfer to KinGAP over a 24 month period.
- The estimate assumes that all FC children receiving regional center services transferring to KinGAP are currently receiving the Dual Agency Grant of $898 for children under age three and $2,006 for children over age three.

<u>Caseloads and Grants</u>

- It is estimated that 209 under age three FC children receive Regional Center Services and have been living in a stable placement with a Relative for more than one year. Of these, 60 percent or 125 cases would be eligible for KinGAP and will phase in over a 24 month period starting July 1, 2008.
- It is estimated that 305 over age three FC children receive Regional Center Services and have been living in a stable placement with a Relative for more than one-year. Of these, it is estimated that 60 percent or 183 cases would be eligible for KinGAP and will phase in over a 24 month period starting July 1, 2008.

Kinship Guardianship Assistance Payment Program Dual Agency Rate

KEY DATA/ASSUMPTIONS (CONTINUED):

- It is estimated that a total of 1,003 casemonths in Budget Year will be applied to FC and Child Welfare Services Savings (CWS) and KinGAP administrative costs.
- Under the proposal, children under three years of age, will receive the same grant of $898, but instead of the FC sharing ratios of 50 percent federal, 20 percent state, and 30 percent county the cost is based on current sharing ratio law for KinGAP.
- Under the proposal, children over three years of age, will receive the same grant of $2,006, but instead of the FC sharing ratios of 50 percent federal, 20 percent state, and 30 percent county the cost is based on current sharing ratio law for KinGAP.

METHODOLOGY:

Item 101

- KinGAP 101 grant costs for children under age three are calculated by multiplying the number of casemonths (408) for FC children transferring to KinGAP in Fiscal year (FY) 2009-10 by $898. There is no federal participation for costs in KinGAP, so the state assumes 100 percent of the initial $347 of the $898 payment and the remaining $551 is split 50 percent General Fund (GF) and 50 percent county fund.
- KinGAP 101 grant costs for children over age three are calculated by multiplying the number of casemonths (595) for FC children transferring to KinGAP in FY 2009-10 by $2,006. There is no federal participation for costs in KinGAP, so the state assumes 100 percent of the initial $347 of the $2,006 payment and the remaining $1,659 is split 50 percent GF and 50 percent county fund.
- KinGAP 101 administrative costs are based on 1,003 casemonths of cases entering KinGAP multiplied by the average KinGAP administrative cost per month of $36.71. The cost is 100 percent GF.
- FC 101 grant savings for children under age three are calculated by multiplying the number of casemonths (408) leaving FC and entering KinGAP in FY 2009-10 by $898. The normal FC sharing ratios were applied of 50 percent federal, 20 percent GF and 30 percent county fund.
- FC 101 grant savings for children over age three are calculated by multiplying the number of casemonths (595) leaving FC and entering KinGAP in FY 2009-10 by $2,006. The normal FC sharing ratios were applied of 50 percent federal, 20 percent GF and 30 percent county fund.

Item 141

- FC 141 administrative savings are based on 1,003 casemonths of cases leaving FC multiplied by the average FC administrative cost of $36.71. The cost is shared 50 percent federal, 35 percent GF, and 15 percent county funds.

Item 151

- CWS 151 savings are based on 1,003 casemonths of cases no longer receiving CWS multiplied by the average Long Term Foster Care (Permanent Placement) cost per month of $354. The cost is shared 50 percent federal, 35 percent GF, and 15 percent county funds.

Kinship Guardianship Assistance Payment Program Dual Agency Rate

FUNDING:

Item 101

Foster Care - Federal funding is provided by Title IV-E of the Social Security Act, with the amount of Federal Financial Participation (FFP) based on the Federal Medical Assistance Percentage (FMAP) for those cases meeting eligibility criteria. Funding for the nonfederal program and the nonfederal share of federal program costs is 40 percent GF and 60 percent county.

Items 141 and 151

FC 141 and CWS 151 costs are shared 50 percent federal, 35 percent GF, and 15 percent county.

CHANGE FROM THE APPROPRIATION:

This is a new premise and does not impact Current Year.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a new premise.

EXPENDITURES:

(In 000's)

KinGAP – 101 – Basic Costs	2008-09	2009-10
Total	$0	$1,559
Federal	0	0
State	0	953
County	0	606
Reimbursements	0	0

KinGAP- 101 – Administrative Costs	2008-09	2009-10
Total	$0	$37
Federal	0	0
State	0	37
County	0	0
Reimbursements	0	0

Kinship Guardianship Assistance Payment Program Dual Agency Rate

EXPENDITURES (CONTINUED):

(In 000's)

FC- 101 - Savings	2008-09	2009-10
Total	$0	-$1,558
Federal	0	-779
State	0	-312
County	0	-467
Reimbursements	0	0

FC- 141 - Savings	2008-09	2009-10
Total	$0	-$57
Federal	0	-28
State	0	-21
County	0	-8
Reimbursements	0	0

CWS- 151 - Savings	2008-09	2009-10
Total	$0	-$356
Federal	0	-178
State	0	-125
County	0	-53
Reimbursements	0	0

Dual Agency – Supplement to the Rate

DESCRIPTION:

This premise reflects the cost to provide a supplemental rate to the existing Adoption Assistance Program (AAP) and the federal Aid to Families with Dependent Children-Foster Care (AFDC-FC) program. The California Department of Social Services (CDSS) and the California Department of Developmental Services (CDDS) have developed a rate-setting methodology for the care and supervision of foster and adoptive children receiving services from both county welfare departments and regional centers. An established rate of $2,006 for AAP and the federal AFDC-FC program for children over the age of three was approved in Senate Bill (SB) 84 (Chapter 177, Statutes of 2008). SB 84 also established a workgroup consisting of multiple state and county departments, advocacy groups, the legislative analyst office, and regional centers to develop the criteria for children with "extraordinary needs" that will be eligible for a supplement to that rate. In that process, it was agreed that the supplement to the rate is to be comprised of four payment categories - $250, $500, $750, and $1,000. The supplement to the rate is to be paid retroactively back to July 1, 2007 for eligible children. The SB 84 workgroup criteria for children eligible for the supplement to the rate and the instructions to administer the program were released in the All County Letter 08-54 on December 1, 2008. The estimates are based on the below assumptions until actual data from counties can be analyzed.

IMPLEMENTATION DATE:

This premise implemented retroactively to July 1, 2007.

KEY DATA/ASSUMPTIONS:

- Authorizing Statute: Senate Bill 84 (Chapter 177, Statutes of 2008).
- All estimates are based on children receiving AAP benefits or children receiving AFDC-FC benefits residing in a Relative Home (RH) or Foster Family Home (FFH).
- It is assumed that currently no Kinship Guardianship Assistance Payment (Kin-GAP) program cases receive regional center services. Pending legislation allows for children over three years of age living in an AFDC-FC placement with a relative for more than a year to be eligible for not only the dual agency rate (see dual agency Kin-GAP premise) of $2,006, but the supplement to the rate as well. This estimate costs out the supplement to the rate.

<u>AAP Caseload</u>

- As a result of a data match between CDSS and CDDS, it is estimated that total of 1,784 adoption cases over the age of three receive AAP payments and Regional Center Services. Additionally, it is estimated that 225 new cases will enter over a 12 month period in both Fiscal Year (FY) 2008-09 and FY 2009-10.
- Cases presumed to be eligible for the federal AAP make up 87 percent of the total AAP payment caseload, based on data through June 2008 as reported on the CA 800 claim forms.
- Based on a Regional Center Survey – Alternative Residential Model (ARM) Level Analysis Summary - the estimate assumes that 58 percent of children residing in an adoption placement will receive a supplement to the rate. Of these, 25 percent will receive a supplement of $250, 18 percent will receive a supplement of $500, 18 percent will receive a supplement of $750, and 39 percent will receive a supplement of $1,000.

Dual Agency – Supplement to the Rate

KEY DATA/ASSUMPTIONS (CONTINUED):

Foster Care (FC) Caseload

- As a result of a data match between CDSS and CDDS, it is estimated that total of 1,070 FFH and RH cases over the age of three receive FC grants and Regional Center Services. Additionally, it is estimated that 63 cases will enter in both FY 2008-09 and FY 2009-10.
- Federal cases are projected to account for 73 percent of total placements.
- Based on a Regional Center Survey - ARM Level Analysis Summary - the estimate assumes that 58 percent of children residing in a FFH or RH placement will receive a supplement to the rate. Of these, 25 percent will receive a supplement of $250, 18 percent will receive a supplement of $500, 18 percent will receive a supplement of $750, and 39 percent will receive a supplement of $1,000.

KinGAP Caseload

- It is estimated that 305 FC children over the age of three receive Regional Center Services and have been living in a stable placement with a relative for more than one-year. Of these, it is estimated that sixty percent or 183 cases would be transition to KinGAP and will phase in over a 24 month period starting July 1, 2008.
- Based on a Regional Center Survey - ARM Level Analysis Summary - the estimate assumes that 58 percent of children transitioning from a RH placement to KinGAP will receive a supplement to the rate. Of these, 25 percent will receive a supplement of $250, 18 percent will receive a supplement of $500, 18 percent will receive a supplement of $750, and 39 percent will receive a supplement of $1,000.

Child Welfare Services (CWS) Caseload

- In the Current Year (CY), it is estimated that a total of 2,854 cases (1,784 adoption and 1,070 foster care) are in dual agency status, and will require additional social worker activities.
- It is estimated that 528 new cases will enter dual agency status and require additional social worker activities in Budget Year (BY).
- The estimate assumes an average of 4.75 hours of social worker time to complete the 'Supplement to the Rate – Questionnaire' and 'Supplement to the Rate – Eligibility Form'.

METHODOLOGY:

AAP

- It is estimated that 26,532 cumulative AAP casemonths will be paid in FY 2008-09 including payments back to July 1, 2007. Of these, 6,633 casemonths are expected to receive $250, 4,776 will receive $500, 4,776 will receive $750, and 10,347 will receive $1,000. The standard AAP sharing ratios will apply.
- It is estimated that 13,986 AAP casemonths will be paid in FY 2009-10. Of these, 3,497 casemonths are expected to receive $250, 2,517 will receive $500, 2,517 will receive $750, and 5,455 will receive $1,000. The standard AAP sharing ratios will apply.

Dual Agency – Supplement to the Rate

METHODOLOGY (CONTINUED):

FC

- It is estimated that 15,374 cumulative FC casemonths will be paid in FY 2008-09 including payments back to July 1, 2007. Of these, 3,844 casemonths are expected to receive $250, 2,767 will receive $500, 2,767 will receive $750, and 5,996 will receive $1,000. The standard FC sharing ratios will apply.
- It is estimated that 7,888 FC casemonths will be paid in FY 2009-10. Of these, 1,972 casemonths are expected to receive $250, 1,420 will receive $500, 1,420 will receive $750, and 3,076 will receive $1,000. The standard FC sharing ratios will apply.

KinGAP

- It is estimated that 166 cumulative KinGAP casemonths will be paid in FY 2009-10. Of these, 42 casemonths are expected to receive $250, 30 will receive $500, 30 will receive $750, and 65 will receive $1,000. The standard KinGAP sharing ratios of 50 percent General Fund (GF) and 50 Percent county funds will apply. The $347 100 percent GF is included in the basic dual agency grant of $2,006, and will not be applied to the supplement to the rate.

CWS

- For CWS, the caseload is multiplied by the hours required to fill out additional forms, multiplied by the hourly cost of a social worker: (CY=2,854 cases x $72.60 x 4.75 hours; BY= 528 cases x $72.60 x 4.75 hours).

FUNDING:

Item 101

FC Federal funding is provided by Title IV-E of the Social Security Act, with the amount of Federal Financial Participation (FFP) based on the Federal Medical Assistance Percentage (FMAP) for those cases meeting eligibility criteria. Funding for the nonfederal program and the nonfederal share of federal program costs is 40 percent GF and 60 percent county.

CWS Item 151

After the foster care federal discount rate of 73 percent is applied, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 70 percent GF and 30 percent county.

Adoption Assistance Program

Federal funding is provided by Title IV-E of the Social Security Act for those cases meeting eligibility criteria, with the amount of FFP based on the FMAP rate. Funding for the nonfederal costs and the costs of the nonfederal program are shared 75 percent GF and 25 percent county.

Dual Agency – Supplement to the Rate

CHANGE FROM THE APPROPRIATION:

The Budget Act of 2008 did not contain an appropriation for this premise. CY includes retroactive payments to July 2007.

REASON FOR YEAR-TO-YEAR CHANGE:

The KinGAP costs commence in the BY. The FC, AAP and CWS decrease in costs reflect on-going costs and do not contain the impact of retroactive costs budgeted in the CY.

EXPENDITURES:

(In 000's)

KinGAP - 101	2008-09	2009-10
Total	$0	$236
Federal	0	0
State	0	118
County	0	118
Reimbursements	0	0

Foster Care - 101	2008-09	2009-10
Total	$10,416	$5,108
Federal	3,906	1,886
State	2,604	1,289
County	3,906	1,933
Reimbursements	0	0

AAP- 101	2008-09	2009-10
Total	$17,976	$9,475
Federal	7,820	4,122
State	7,617	4,015
County	2,539	1,338
Reimbursements	0	0

Dual Agency – Supplement to the Rate

EXPENDITURES (CONTINUED):

(In 000's)

CWS- 151	2008-09	2009-10
Total	$985	$182
Federal	359	66
State	438	81
County	188	35
Reimbursements	0	0

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Title IV-E Child Support Collections/Recovery Fund

DESCRIPTION:

This premise reflects the estimated federal share of Foster Care (FC) child support collections as determined by the California Department of Child Support Services (DCSS). The DCSS is responsible for transferring to the Recovery Fund the federal share of FC collections as reported to the federal government. The FC child support collections offset the Title IV-E share of FC expenditures.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2000.

KEY DATA/ASSUMPTIONS:

- Authorizing Statute: Social Security Act section 457(6)(e)(1)
- The estimated federal share of FC collections is provided by DCSS based on the most recent budget process.
- The level of federal financial participation (FFP) is assumed to be 50 percent based on the Federal Medical Assistance Percentage (FMAP) rate.

METHODOLOGY:

The estimates are provided by DCSS.

FUNDING:

The FC child support collections will offset the Title IV-E share of FC expenditures.

CHANGE FROM THE APPROPRIATION:

The Current Year decrease in collections reflects updated actual FC collections.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year decrease in collections reflects updated actual FC collections.

Title IV-E Child Support Collections/Recovery Fund

Offset Collections:

(in 000's)

	2008-09 Grant	2009-10 Grant
Total	-$10,353	-$7,751
Federal	-10,353	-7,751
State	0	0
County	0	0
Reimbursements	0	0

Recovery Fund:

(in 000's)

	2008-09 Grant	2009-10 Grant
Total	$10,353	$7,751
Federal	10,353	7,751
State	0	0
County	0	0
Reimbursements	0	0

Foster Family Home – Basic Costs

DESCRIPTION:

This premise reflects expenditures associated with children eligible for foster care payments who are placed in foster family homes (FFHs) for the 56 non-Title IV-E Waiver counties. Funds for the Waiver counties are included in Item 153, Title IV-E Waiver.

The federal Aid to Families with Dependent Children-Foster Care (AFDC-FC) program provides funds for out-of-home care on behalf of otherwise eligible children removed from the custody of a parent or guardian as a result of a judicial order with requisite findings or a voluntary placement agreement. The state AFDC-FC program also provides out-of-home care on behalf of otherwise eligible children, including those who are residing with a nonrelated legal guardian, relinquished for the purposes of adoption, or placed pursuant to the Indian Child Welfare Act.

FFHs provide 24-hour care and supervision in a family environment for children who cannot live in their own home. FFHs have a capacity of six or less and are either homes licensed by state or county community care licensing agencies or are approved homes of relatives or nonrelated legal guardians. FFH reimbursement rates are based on the age of the child in placement and range from $446 to $627 per month. A specialized care increment may be paid to a family home in addition to the basic rate on behalf of an AFDC-FC child requiring specialized care because of health and/or behavioral problems. A clothing allowance may also be paid in addition to the basic rate on behalf of an AFDC-FC eligible child.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 11461.
- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.
- The caseload presumed to be eligible for federal and nonfederal Foster Care (FC) program benefits is based on a 12 month period, ending June 2008 as reported by the counties on the FC Caseload Movement and Expenditures Report (CA 237 FC). Federal cases are projected to account for 70.2 percent of total FFH placements.
- Federal and nonfederal average grant computations utilized caseload and expenditure data reported by the non-Title IV-E Waiver counties on the CA 237 FC during the most recent six month period ending June 2008. The projected federal grant is $694.43 and the nonfederal grant is $734.31.
- The percentage of federally-eligible expenditures is based on actual county expenditure data.
- The amount of federal financial participation (FFP) is based on the Federal Medical Assistance Percentage (FMAP) rate of 50 percent.

METHODOLOGY:

FFH basic costs are the product of projected federal and nonfederal case months and average grant, as identified above.

FUNDING:

Federal funding is provided for by Title IV-E of the Social Security Act, with the amount of FFP based on the FMAP for those cases meeting eligibility criteria. Funding for the nonfederal program and the nonfederal share of federal program costs is 40 percent General Fund and 60 percent county.

Foster Family Home – Basic Costs

CHANGE FROM THE APPROPRIATION:

The Current Year decrease reflects lower caseload, offset by increased average grants based on actual expenditures.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year decrease reflects a projected caseload decline.

CASELOAD:

	2008-09	2009-10
Average Monthly Caseload	23,698	23,106
Federal Caseload	16,803	16,384
Nonfederal Caseload	6,895	6,722

EXPENDITURES:

(in 000's) **FFH – Basic Costs**	2008-09 Grant	2009-10 Grant
Total	$200,777	$195,763
Federal	61,697	60,156
State	55,632	54,243
County	83,448	81,364
Reimbursements	0	0

Foster Family Home – Basic Costs

EXPENDITURES (CONTINUED):

FFH – Federal	2008-09 Grant	2009-10 Grant
Total	$140,024	$136,527
Federal	61,697	60,156
State	31,331	30,548
County	46,996	45,823
Reimbursements	0	0

FFH – Nonfederal	2008-09 Grant	2009-10 Grant
Total	$60,753	$59,236
Federal	0	0
State	24,301	23,695
County	36,452	35,541
Reimbursements	0	0

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Group Home – Basic Costs

DESCRIPTION:

This premise reflects the costs associated with children eligible for foster care payments who are placed in group homes (GH) for 56 non-Title IV-E Waiver counties. Funds for the Waiver counties are included in Item 153, Title IV-E Waiver.

The federal Aid to Families with Dependent Children-Foster Care (AFDC-FC) program provides funds for out-of-home care on behalf of otherwise eligible children removed from the custody of a parent or guardian as a result of a judicial order with requisite findings or a voluntary placement agreement. The state AFDC-FC program also provides out-of-home care on behalf of otherwise eligible children, including those who are residing with a nonrelated legal guardian, relinquished for the purposes of adoption, or placed pursuant to the Indian Child Welfare Act.

GHs are private, nonprofit, nondetention facilities that provide services in a group setting to children in need of care and supervision. GHs are the most restrictive out-of-home placement alternative for children in foster care, providing an option for children with significant emotional or behavioral problems who would otherwise require more restrictive environments. GH programs are reimbursed based on classification levels within a standardized schedule of rates. The reimbursement for rate classification levels (RCL) 1 through 14 ranges from $1,486 to $6,694 per month.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 11462.
- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.
- The caseload presumed to be eligible for federal and nonfederal Foster Care (FC) program benefits is based on a 12 month period, ending June 2008, as reported by the counties on the FC Caseload Movement and Expenditures Report (CA 237 FC). Federal cases are projected to account for 60.2 percent of total GH placements.
- The federal and nonfederal average grant computations utilized caseload and expenditure data reported on the CA 237 FC during the most recent six month period ending June 2008. The projected federal grant is $5,147.06 and the nonfederal grant is $5,816.96.
- The percentage of federally-eligible expenditures is based on actual county expenditure data.
- The amount of federal financial participation (FFP) is based on the Federal Medical Assistance Percentage (FMAP) rate of 50 percent.

METHODOLOGY:

The basic costs are the product of federal and nonfederal casemonths and average grant, as identified above. Federal, state and county sharing ratios are based on county expenditure data.

FUNDING:

Federal funding is provided by Title IV-E of the Social Security Act, with the amount of FFP based on the FMAP for those cases meeting eligibility criteria. Funding for the nonfederal program and the nonfederal share of federal program costs is 40 percent General Fund and 60 percent county.

Group Home – Basic Costs

CHANGE FROM THE APPROPRIATION:

The Current Year decrease reflects lower caseload, offset by higher average grants based on actual expenditures.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year decrease reflects a projected caseload decline.

CASELOAD:

	2008-09	2009-10
Average Monthly Caseload	6,851	6,631
Federal Caseload	4,127	3,994
Nonfederal Caseload	2,724	2,637

EXPENDITURES:

(in 000's)	2008-09	2009-10
GH – Basic Costs	Grant	Grant
Total	$445,080	$430,788
Federal	112,305	108,700
State	133,110	128,835
County	199,665	193,253
Reimbursements	0	0

Group Home – Basic Costs

EXPENDITURES (CONTINUED):

(in 000's)

GH – Federal	2008-09 Grant	2009-10 Grant
Total	$254,882	$246,698
Federal	112,305	108,700
State	57,031	55,199
County	85,546	82,799
Reimbursements	0	0

GH – Nonfederal	2008-09 Grant	2009-10 Grant
Total	$190,198	$184,090
Federal	0	0
State	76,079	73,636
County	114,119	110,454
Reimbursements	0	0

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Foster Family Agency – Basic Costs

DESCRIPTION:

This premise reflects the costs associated with children eligible for foster care payments who are placed with foster family agencies (FFAs) for 56 non-waiver counties. Funds for the waiver counties are included in Item 153, Title IV-E Waiver.

The federal Aid to Families with Dependent Children-Foster Care (AFDC-FC) Program provides funds for out-of-home care on behalf of otherwise eligible children removed from the custody of a parent or guardian as a result of a judicial order with requisite findings or a voluntary placement agreement. The State AFDC-FC Program also provides out-of-home care on behalf of otherwise eligible children, including those who are residing with a nonrelated legal guardian, relinquished for the purposes of adoption, or placed pursuant to the Indian Child Welfare Act.

FFAs are nonprofit agencies licensed to recruit, certify, train and support foster parents for children needing placement. FFAs primarily serve children who would otherwise require group home care. FFA treatment rates are established by using a basic rate similar to the foster family home rate plus a set increment for the special needs of the child, an increment for social work activities, and a percentage for administration, recruitment and training. Treatment rates are based on the age of the child in placement and range from $1,589 to $1,865 per month. Reimbursement rates for FFAs participating in the Intensive Treatment Foster Care Program are based on the level of services provided to the child and range from $2,985 to $4,476. A clothing allowance may also be paid in addition to the FFA rate for an AFDC-FC eligible child.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 11463 and 18358.3.
- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.
- The caseload presumed to be eligible for federal and nonfederal FC Program benefits are based on a 12 month period ending June 2008, as reported by the counties on the FC Caseload Movement and Expenditures Report (CA 237 FC). Federal cases are projected to account for 82.5 percent of total FFA placements.
- Federal and nonfederal average grant computations utilized caseload and expenditure data reported by the counties on the CA 237 FC during the most recent 12 month period ending June 2008. The projected federal grant is $1,719.79 and the nonfederal grant is $2,009.45.
- The percentage of federally-eligible expenditures is based on actual county expenditure data.
- The amount of federal financial participation (FFP) is based on the Federal Medical Assistance Percentage (FMAP) rate of 50 percent.

METHODOLOGY:

The basic costs are the product of federal and nonfederal casemonths and average grant, as identified above. Federal, State and county sharing ratios are based on county expenditure data.

Foster Family Agency – Basic Costs

FUNDING:

Federal funding is provided by Title IV-E of the Social Security Act, with the amount of FFP based on the FMAP for those cases meeting eligibility criteria. Funding for the nonfederal program and the nonfederal share of federal program costs is 40 percent General Fund and 60 percent county.

CHANGE FROM THE APPROPRIATION:

The Current Year decrease reflects lower caseload, and lower average grants based on actual expenditures.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year decrease reflects projected caseload decline.

CASELOAD:

	2008-09	2009-10
Average Monthly Caseload	12,648	12,520
Federal Caseload	10,439	10,333
Nonfederal Caseload	2,209	2,187

EXPENDITURES:

(in 000's)	2008-09	2009-10
FFA – Basic Costs	Grant	Grant
Total	$268,709	$265,985
Federal	94,924	93,960
State	69,514	68,810
County	104,271	103,215
Reimbursements	0	0

Foster Family Agency – Basic Costs

EXPENDITURES (CONTINUED):

(in 000's)

FFA– Federal	2008-09 Grant	2009-10 Grant
Total	$215,435	$213,248
Federal	94,924	93,960
State	48,204	47,715
County	72,307	71,573
Reimbursements	0	0

FFA – Nonfederal	2008-09 Grant	2009-10 Grant
Total	$53,274	$52,737
Federal	0	0
State	21,310	21,095
County	31,964	31,642
Reimbursements	0	0

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Seriously Emotionally Disturbed Children Basic Costs

DESCRIPTION:

This premise reflects the out-of-home board and care costs associated with children placed in accordance with the Seriously Emotionally Disturbed (SED) Program. Assembly Bill (AB) 3632 (Chapter 1747, Statutes of 1984) and AB 882 (Chapter 1274, Statutes of 1985) authorized the SED Program as a separate out-of-home care component. Eligible participants are children designated as SED by the California Department of Education (CDE).

Senate Bill 485 (Chapter 722, Statutes of 1992) modified the program by eliminating any California Department of Social Services participation in funding “for profit" facilities, shifting responsibility for the cost of children in those facilities to the CDE and local education agencies.

Payments may be made on behalf of SED children placed in privately operated residential facilities licensed in accordance with the Community Care Facilities Act, and shall be based on foster care rates established in accordance with Welfare and Institutions (W&I) Code sections 11460 to 11467, inclusive. Most SED children are placed in group home psychiatric peer group Rate Classification Levels 12 through 14; however, some children are placed in foster family homes or foster family agencies. As there is no court adjudication, these children are eligible only for nonfederal foster care program benefits.

IMPLEMENTATION DATE:

This premise implemented on July 1, 1987.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&I Code sections 18350-18356.
- Casemonths are based on trend caseload projections.
- Average grants are based on actual expenditure and caseload data for the most recent eighteen months ending in June 2008. The projected average grant for Los Angeles County is $5,370.15. The projected average grant for the remaining counties is $5,727.77.

METHODOLOGY:

SED costs are the product of projected casemonths and the computed average grant. Program costs are the aggregate of separate projections for Los Angeles County and the remaining 57 counties.

FUNDING:

SED costs are shared 40 percent General Fund and 60 percent county funds.

Seriously Emotionally Disturbed Children
Basic Costs

CHANGE FROM THE APPROPRIATION:

The Current Year increase reflects higher caseload.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year increase reflects projected caseload growth.

CASELOAD:

	2008-09	2009-10
Average Monthly Caseload	2,013	2,202

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	Grant	Grant
Total	$135,482	$148,190
Federal	0	0
State	54,193	59,276
County	81,289	88,914
Reimbursements	0	0

Supplemental Clothing Allowance

DESCRIPTION:

This premise reflects expenditures associated with an augmentation of $100 per child to the existing clothing allowance program for children placed in foster family homes (FFHs) or certified family homes of foster family agencies (FFAs) for 56 non-Title IV-E Waiver counties. Funds for the waiver counties are included in Item 153, Title IV-E Waiver.

Currently, counties have the authority to provide a clothing allowance, in addition to the basic foster care rate paid on behalf of eligible foster children. This premise reflects an augmentation to the current program funding level, allowing for an annual supplemental clothing allowance of $100 per child with no county share of cost.

Counties that currently have clothing allowance expenditures are expected to maintain their current level of funding in the program. The additional state and federally funded clothing allowance is intended to supplement not supplant current spending levels.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2000.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 11461(f) (4) and 11463(g).
- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.
- The statewide annual supplemental clothing allowance will be $100 per child.
- All FFH and FFA placements are eligible for the clothing allowance. The average monthly projected caseload is 36,346 for Fiscal Year (FY) 2008-09, and 35,626 for FY 2009-10.
- All cases shifting to the Kin-GAP Program are presumed to receive the clothing allowance prior to exiting foster care.
- The amount of federal financial participation (FFP) is based on the Federal Medical Assistance Percentage (FMAP) rate of 50 percent.

METHODOLOGY:

The counties expenditures for the statewide supplemental clothing allowance are a product of the projected cases and the $100 allowance.

Supplemental Clothing Allowance

FUNDING:

Federal funding is provided by Title IV-E of the Social Security Act for those cases meeting eligibility criteria, with the amount of FFP based on the FMAP rate. Funding for the nonfederal share of federal program costs and for those cases not meeting federal eligibility criteria is 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

The Current Year reflects lower caseload growth.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year decrease reflects a projected decline in caseload.

EXPENDITURES:

(in 000's)	2008-09	2009-10
	Grant	Grant
Total	$3,635	$3,563
Federal	1,362	1,336
State	2,273	2,227
County	0	0
Reimbursements	0	0

Title XX Funding

DESCRIPTION:

This premise reflects the Title XX Social Services Block Grant awarded to the state as well as the Temporary Assistance for Needy Families (TANF) funds that are transferred to Title XX. This funding is provided under Title XX of the federal Social Security Act as amended by the federal Omnibus Budget Reconciliation Act of 1981. Federal funding for social services has been given to states under Title XX since October 1981. In order to qualify for these funds, a state must prepare an expenditure plan prior to the start of the state fiscal year that is consistent with the five Title XX goals:

1. Achieving or maintaining economic self-support to prevent, reduce, or eliminate dependency.
2. Achieving or maintaining self-sufficiency, including reduction or prevention of dependency.
3. Preventing or remedying neglect, abuse or exploitation of children or adults unable to protect their own interests; or preserving, rehabilitating or reuniting families.
4. Preventing or reducing inappropriate institutional care by providing for community-based care, home-based care, or other forms of less intensive care.
5. Securing referral or admission for institutional care when other forms of care are not appropriate or providing services to individuals in institutions.

Through Fiscal Year (FY) 1992-93, Title XX funds were used exclusively to fund the In-Home Supportive Services (IHSS) program. With the implementation of the Title XIX Personal Care Services Program in 1993, a portion of the Title XX funds was shifted to other eligible programs. Those funds now support the following programs:

- Foster Care services (goal 3);
- Child Welfare Services (CWS) (goals 3 and 4);
- Deaf Access Program (goals 1 and 2); and,
- Community Care Licensing (CCL) (goals 3 and 4).

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 13000 through 13008.
- State legislation permits Title XX funds to be used in CWS and Foster Care to supplant the state share without affecting county funds.
- The Title XX funding awarded to California is $ 206.1 million for Federal Fiscal Year (FFY) 2008 and $205.9 million for FFY 2009. $364.3 million in TANF grant dollars in FFY 2008-09 and $363.5 million in TANF grant dollars in FFY 2009-10 will be transferred to Title XX.
- The FFY awards are adjusted to conform to FY funding needs.

Title XX Funding

METHODOLOGY:

- In the Current Year (CY) $31.5 million in TANF grant dollars will be transferred into the Title XX Block Grant to fund services for children residing in group homes in non-Title IV-E Waiver counties. The funds decrease to $31.0 million in the Budget Year (BY) for the non-Title IV-E Waiver counties. In the CY and the BY $16.9 million in TANF grant dollars will be transferred into the Title XX Block Grant to fund services for children residing in group homes in the Title IV-E Waiver counties.
- For FY 2008-09 and FY 2009-10, $147.9 million in Title XX funds are being shifted to the Department of Developmental Services (DDS).
- TANF funds are transferred to Title XX for the following purposes: $32.5 million in FY 2008-09 and $33.7 million in FY 2009-10 for non-Title IV-E Waiver counties and $24.2 million for each FY for the Title IV-E Waiver counties to supplant a portion of the state share of CWS eligible expenditures in the California Department of Social Services (CDSS), and $56.0 million and $80.3 million for the CY and the BY respectively are added to the Title XX funds shifted to DDS.
- In the Deaf Access Program, $3.0 million and $ 3.0 million respectively for the CY and the BY in Title XX funds will reduce General Fund (GF) in an otherwise 100 percent GF program.
- For Community Care Licensing (CCL), State Support, $55.2 million in Title XX funds will be used in CCL for both the CY and the BY.
- In the CY and the BY, $20.0 million of TANF funds may be transferred to Title XX for child care: $10 million for CDSS' Stage One Child Care program and $10 million for the California Department of Education's child care programs, in order to broaden access to Child and Adult Care Food Program (CACFP) benefits for low-income children in proprietary child care centers. The CY and BY reflects an additional TANF Title XX amount of $183.3 million and $157.5 million respectively to fund Stage One Child Care.

FUNDING:

Title XX is a federal block grant that does not require a state or county match.

CHANGE FROM THE APPROPRIATION:

The Title XX transfer from TANF for Foster Care has decreased to reflect actual expenditures. For FY 2008-09, the Title XX transfer from TANF to Stage One Child Care has increased due to an increase in Title XX-eligible costs.

Title XX Funding

REASON FOR YEAR-TO-YEAR CHANGE:

The net change in the Title XX transfer was due to a reduction in the amount of TANF that can be transferred to Title XX. The TANF Title XX funds shift to DDS has increased in the BY due to an increase in eligible costs. This has resulted in a commensurate reduction in the amount of TANF Title XX available to fund Stage One Child Care.

EXPENDITURES:

(in 000's)

	2008-09 Grant	2009-10 Grant
Total Title XX	**$570,392**	**$569,391**
Title XX Grant	206,071	205,852
TANF Transfer In	364,321	363,539
Foster Care (Transfer from TANF)	$0	$0
Item 101		
Federal	31,506	30,989
State	-31,506	-30,989
Item 153		
Federal	16,858	16,858
State	-16,858	-16,858
CWS		
(Item 151)		
CWS Transfer to DDS	$203,903	$ 228,173
CWS (Title XX Transfer to DDS)	147,903	147,903
Federal	147,903	147,903
State	0	0
CWS (Transfer from TANF)		
For Transfer to DDS		
Federal	56,000	80,270
State	0	0

Title XX Funding

EXPENDITURES (CONTINUED):

(in 000's)

	2008-09 Grant	2009-10 Grant
For CWS (Transfer from TANF)	$56,634	$57,860
Item 151		
Federal	32,484	33,710
State	-32,484	-33,710
Item 153		
Federal	24,150	24,150
State	-24,150	-24,150
Deaf Access (Item 151)	$0	$0
Federal	2,996	2,996
State	-2,996	-2,996
CCL (Item 151)	$0	$0
Federal	0	0
State	0	0
CCL (State Support)	$0	$0
Federal	55,172	55,172
State	-55,172	-55,172
CalWORKs Child Care (Transfer from TANF)		
	$203,323	$177,514
Federal	203,323	177,514
State	0	0

Supportive Transitional Emancipation Program

DESCRIPTION:

This premise reflects the cost to provide financial support to emancipating foster youth up to age 21 if participating in an educational or training program or any activity consistent with their "transitional independent living plan." These payments are authorized by Assembly Bill 427 (Chapter 125, Statutes of 2001) which added Section 11403.1 to the Welfare and Institutions Code (W&IC). This premise also reflects the administrative costs for updating the Transitional Independent Living Plan (TILP) and determining the eligibility of applicants for the Supportive Transitional Emancipation Program (STEP).

IMPLEMENTATION DATE:

This premise was effective on January 1, 2002; however no counties have implemented the program.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 11403.1
- There are no counties planning to participate in the program at this time.
- Trailer bill language limits participation in this program subject to the availability of funds in the current Budget Act.

METHODOLOGY:

There are no counties planning to participate in the program at this time.

FUNDING:

There are no counties planning to participate in the program at this time.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Supportive Transitional Emancipation Program

EXPENDITURES:

(in 000's)

101 – Assistance Payments – STEP	2008-09 Grant	2009-10 Grant
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

Item 141 – STEP Eligibility	2008-09 County Admin.	2009-10 County Admin.
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

Item 151 – STEP Plan Activity	2008-09 County Admin.	2009-10 County Admin.
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

Emergency Assistance Program

DESCRIPTION:

This premise reflects the costs associated with the Emergency Assistance (EA) Foster Care (FC) and General Assistance (GA) programs, which provide funding for benefits and services granted to children and families in emergency situations. Eligibility is restricted to one episode in any 12-month period. The EA-FC Welfare program provides support payments for dependents and voluntary FC placements not otherwise eligible for federal Title IV-E benefits. The "Child Welfare Services-Emergency Assistance" premise discusses additional program components.

Public Law (P.L.) 104-193 eliminated Title IV-A funding for the EA program but permitted use of Temporary Assistance for Needy Families (TANF) dollars for EA funding. Although P.L. 104-193 allowed TANF funding for this portion of the EA program, the Budget Act of 1997 replaced the TANF funding with General Fund (GF). Based on interpretation of the final TANF regulations, that EA GF expenditures are not countable towards the TANF maintenance of effort requirement, effective October 1, 1999, the GF was replaced with TANF funding.

The EA-GA program provides funding for qualified aliens and other cases that do not qualify for federal or state FC. Only those "qualified aliens" who entered the country before August 22, 1996, are eligible for TANF-funded services.

IMPLEMENTATION DATE:

The EA-FC Welfare program became effective September 1, 1993.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10101.
- Based on actual expenditure and caseload data through June 2008, the projected average grant for EA-FC cases is $1,485.65, and the projected average grant for EA-GA cases is $1,969.34.
- EA casemonths are projected using a 24-month linear trend forecast based on actual caseload data. EA-FC and EA-GA caseloads are projected separately.
- The Current Year (CY) EA administrative costs are held to the Budget Act of 2008 Appropriation.
- Foster children receiving EA benefits are eligible to receive the $100 supplemental clothing allowance.

METHODOLOGY:

- **Item 101** – EA-FC and EA-GA costs are the product of projected casemonths and the computed average grant, plus the cost of the supplemental clothing allowance for each case.
- **Item 141** - Costs for administrative activities performed by County Welfare Department staff are based upon actual expenditures and adjusted for caseload growth in both Fiscal Years (FYs) 2008-09 and 2009-10. Administrative costs also include $35,000 added to the federal share for reimbursements to the California Department of Health Services for data processing activities associated with the Assistance to Children in Emergency System, which enables tracking of EA cases currently receiving assistance.

Emergency Assistance Program

FUNDING:

EA funding was used in the TANF block grant calculation and, therefore, is part of the TANF funding schedule.

Effective October 1, 1999, the EA-FC component is funded 70 percent TANF, 30 percent county; the EA-GA component is funded 50 percent TANF, 50 percent county; and, the EA administrative costs are funded 85 percent TANF and 15 percent county.

The supplemental clothing allowance component is funded 100 percent with TANF.

CHANGE FROM THE APPROPRIATION:

The CY grant estimate decrease reflects lower caseloads than were projected in the May 2008 Revise. The CY administrative costs are held to the appropriation.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year (BY) grant estimate reflects a projected decrease in caseloads. The BY administrative costs are updated based on actual expenditures. TANF was used in BY to fund both grants and county administrative costs.

CASELOAD:

	2008-09	2009-10
Average Monthly Caseload	3,364	3,267

EXPENDITURES:

(in 000's)

ITEMS 101 & 141 – EA	2008-09		2009-10	
	Grant	County Admin.	Grant	County Admin.
Total	$60,481	$7,526	$58,735	$5,681
Federal	0	0	41,080	4,834
State	42,305	6,402	0	0
County	18,176	1,124	17,655	847
Reimbursements	0	0	0	0

Expansion Intensive Treatment Foster Care (ITFC) Program (SB 1380)

DESCRIPTION:

This premise reflects the savings associated with expanding the number of children eligible for the Intensive Treatment Foster Care (ITFC) program in the 56 non-waiver counties, by including youth with serious behavioral problems.

Senate Bill (SB) 1380 authorizes the expansion of eligibility of children and services for the ITFC program by increasing the types of services that Foster Family Agencies would be required to provide or arrange for under the program. The overall purpose of ITFC is to provide a home-like placement alternative for children and youth with significant behavior challenges. This premise will also require revisions to eligibility, operational, reporting, and foster parent training components of the ITFC Program.

This premise seeks to improve outcomes for foster youth by providing less restrictive environments for children, and allows the counties to determine which children from the expanded eligible population in Group Homes with Rate Classification Levels (RCLs) 9-11 will be placed in ITFC programs.

This premise limits the number of children who would be able to participate in the ITFC program to 1,000 in the first three years (excluding counties participating in the Title IV-E Waiver Demonstration Project). The limitation will allow time to determine if the expansion of eligibility, pursuant to this premise, will produce the desired outcome of reducing the group home population, in keeping with the state's public policy goals.

IMPLEMENTATION DATE:

This premise will implement on January 1, 2009.

KEY DATA/ASSUMPTIONS:

Authorizing statute: SB 1380 (Chapter 486, Statutes of 2008)

- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.
- The cases currently presumed to be eligible for Expansion ITFC Program benefits are currently set at a maximum of 300.
- 30 cases are assumed for the initial monthly caseload, beginning January 1, 2009.
- 30 additional cases are added each successive month, up to the maximum of 300 monthly cases.
- The following rates of $5,091 for the average of RCLs 9-11 and $4,101 for the average of ITFC Rates A-C are used to calculate potential savings.

METHODOLOGY:

The estimated savings are the product of casemonths multiplied by the difference between the average rate based on ITFC Rates A-C less the average rate for RCL 9-11 cases.

Expansion Intensive Treatment Foster Care (ITFC) Program (SB 1380)

FUNDING:

The program funding is based on Fiscal Year 2009-10 Foster Family Agency sharing ratios of 35.33 percent federal, 25.87 percent state, and 38.80 percent county.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a new premise. The Budget Year reflects a full year savings.

EXPENDITURES:

(in 000's)

	2008-09	2009-10
Total	-$624	-$3,386
Federal	-221	-1,196
State	-161	-876
County	-242	-1,314
Reimbursements	0	0

Foster Care Overpayments

DESCRIPTION:

This premise reflects the costs associated with Title IV-E Foster Care Overpayments. The federal Department of Health and Human Services (DHHS) Region IX has notified the California Department of Social Services (CDSS) that the federal share of Title IV-E overpayments identified through state audits performed on group homes and the share of Title IV-E overpayments identified through county overpayments have not been returned immediately once the overpayment has been identified as required by federal regulations. The current practice has been to repay the federal share upon recoupment from foster care providers. Therefore, DHHS has issued a demand for repayment for the federal share of all state and county overpayments identified regardless of whether or not CDSS collects the overpayment.

IMPLEMENTATION DATE:

Adjustments to federal claim began in Fiscal Year (FY) 2006-07.

KEY DATA/ASSUMPTIONS:

- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties from July 1, 2007.
- The federal share of additional identified retrospective overpayments from January 2007 to June 2008 (Prior Year) has been budgeted for FY 2008-09.

METHODOLOGY:

- For county overpayments, the estimate reflects ongoing costs as determined by calculating an annual average based on actual claims.
- For state audit overpayments, the estimate reflects ongoing costs as determined by calculating an annual average based on actual claims.

FUNDING:

Senate Bill 84 (Chapter 177, Statutes of 2007) requires that General Fund (GF) will pay the full federal share of all uncollected overpayments until January 1, 2009, after which counties will be required to share at the normal non-federal foster care sharing ratios. Funding for the repayment of the federal Title IV-E overpayments will be 40 percent GF and 60 percent county.

CHANGE FROM THE APPROPRIATION:

The Current Year (CY) increased costs are a result of retroactive payments from January 2007 to June 2008 combined with the CY on-going costs.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year reflects estimated actual on-going overpayment expenditures.

Foster Care Overpayments

EXPENDITURES:

(in 000's)

ITEM 101 – FC Payments	2008-09 Grant	2009-10 Grant
Total	$6,820	$2,595
Federal	0	0
State	6,080	1,115
County	740	1,480
Reimbursements	0	0

Title IV-E Foster Parent Child Care Program

DESCRIPTION:

This premise provides the state the budgetary authority to pass through federal Title IV-E funds to counties for the implementation of a child care program for foster parents. Senate Bill 1612 (Chapter 845, Statutes of 2004) permits the pass through of federal Title IV-E funds, subject to federal approval, for the purpose of implementing a child care program in participating counties. There will be no General Fund (GF) participation, and the 50 percent match will be provided by participating counties. Under Title IV-E foster care maintenance costs, states have the option to offer subsidized child care to foster parents when the need is related to non-ordinary parental duties such as foster parents who must work and school activities outside the home. On March 17, 2005, the Federal Department of Health and Human Services provided a policy clarification that allows states to implement a child care program, in some or all jurisdictions of the state, and that a State Plan Amendment is not necessary to implement this maintenance payment option.

IMPLEMENTATION DATE:

This premise was implemented on July 1, 2005.

KEY DATA/ASSUMPTIONS:

- Title IV-E is a federal funding source for children placed in out-of-home care who are eligible to receive Aid to Families with Dependent Children-Foster Care (AFDC-FC). Title IV-E funds provide the state and counties with matching funds for out-of-home placement costs, e.g. foster care which now includes child care. Federal financial participation is available at the Federal Medical Assistance Payment (FMAP) rate of 50 percent. Counties will be responsible for providing the 50 percent match.
- This program is open to all counties statewide. The counties currently participating in the Title IV-E child care program include Butte, Orange, San Francisco, San Mateo, Santa Clara, Siskiyou, and Yolo.

METHODOLOGY:

The estimate was produced by averaging the actual expenditures from the three most recent months of claims from the participating counties, and then projecting the Current Year (CY) and Budget Year (BY) estimates.

FUNDING:

This premise is funded with 50 percent federal funds, 50 percent county funds. There is no GF share.

CHANGE FROM THE APPROPRIATION:

The CY decrease is updated based on actual expenditures.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Title IV-E Foster Parent Child Care Program

EXPENDITURES:

(in 000's)	2008-09	2009-10
Total	$ 6,324	$6,324
Federal	3,162	3,162
State	0	0
County	3,162	3,162
Reimbursements	0	0

Foster Care Supplemental Security Income/State Supplementary Payment (SSI/SSP) Application

DESCRIPTION:

This premise reflects the costs and savings pursuant to Assembly Bill (AB) 1331 (Chapter 465, Statutes of 2007) that requires counties to screen all foster youth in its care aged 16 ½ and older to determine if they are eligible for federal SSI benefits utilizing the best practice guidelines developed pursuant to AB 1633 (Chapter 641, Statues of 2005). AB 1331 requires that an application be submitted for any child who is screened as being likely to be eligible for SSI benefits. Under current federal law and regulations, in order to apply for SSI benefits a child may not be receiving federally funded Aid to Families with Dependent Children – Foster Care (AFDC-FC) benefits in the month of application or depending on the timing of the application, the month after the application is filed. Therefore, AB 1331 requires counties to move foster youth receiving federal AFDC-FC benefits to the state AFDC-FC program for one month to allow the youth to be eligible to apply for SSI benefits.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2008.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: AB 1331 (Chapter 465, Statutes of 2007).

Foster Care Grants

- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.

  Fiscal Year (FY) 2008-09 Caseload

  - There are 4,437 children in foster care aged 16 ½ through 17 ½ that will require an SSI/SSP screening each FY based on caseload data from June 2008. Upon implementation in FY 2008-09, there will be a back-log of an additional 1,331 children that did not receive a screening in the prior year for a total of 5,768 screenings
  - Of the 5,768 children aged 16 ½ through 17 ½ in FY 2008-09, 4,072 are receiving federal foster care that will require an SSI/SSP screening. It is estimated that 15 percent or 610 cases will receive an application for SSI. Of these, 233 are estimated to be in Foster Family Homes (FFH), 163 are estimated to be in Foster Family Agencies (FFA), and 214 are estimated to be in Group Homes (GH).

  FY 2009-10 Caseload

  - It is assumed that an on-going caseload of 4,437 children in foster care aged 16 ½ through 17 ½ will require an SSI/SSP screening each FY based on caseload data from June 2008.
  - Of the 4,437 children aged 16 ½ through 17 ½ in FY 2009-10, 3,132 are receiving federal foster care that will require an SSI/SSP screening. It is estimated that 15 percent or 470 cases will receive an application for SSI. Of these, 179 are estimated to be in FFH, 126 are estimated to be in FFA, and 165 are estimated to be in GH.

Foster Care Supplemental Security Income/State Supplementary Payment (SSI/SSP) Application

KEY DATA/ASSUMPTIONS (CONTINUED):

Grants

- Federal foster care cases receiving an application for SSI for one month will not receive federal participation for the maintenance payment, and will receive state and county funds at the normal sharing ratios
- Due to the additional screenings, it is estimated that 107 state only cases in the Current Year (CY) which includes backlog cases and 56 state only cases in Budget Year (BY) will receive an SSI grant instead of a state only foster care grant.
- The FFH BY federal grant amount is estimated at $694.
- The FFA BY federal grant amount is estimated at $1,720.
- The GH BY federal grant amount is estimated at $5,147.

SSI/SSP

- The average monthly number of state only FC cases found eligible for SSI/SSP after screening will be 92 cases in FY 2008-09 and FY 2009-10.
- The average monthly number of federal FC cases found eligible for SSI/SSP after screening and that have a FC grant less than the applicable SSI/SSP grant is seven cases in FY 2008-09.
- The average monthly SSI grant is $637 and was effective January 2008, increasing to $674 in January 2009, and will remain at $674 in January 2010.
- The average monthly SSP grant will be $412 per case from July 2008 through May 2010. The SSP grant will increase to $444 effective June 1, 2010.
- The average SSI/SSP administrative cost per case is estimated to increase from $9.95 to $10.14 per case effective October, 1, 2008, and is estimated to increase to $10.29 per case effective October 1, 2009.

Foster Care Admin.

- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.
- Each screening will require 30 minutes of social worker time.
- The screening cost utilizes the social worker salary rate of $57.57 per hour.

Foster Care Supplemental Security Income/State Supplementary Payment (SSI/SSP) Application

Child Welfare Services (CWS)

FY 2008-09

- The estimate has been held to the Budget Act of 2008 Appropriation.

FY 2009-10

- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.
- There are 4,437 children in foster care aged 16 ½ through 17 ½ that will require an SSI/SSP screening each FY based on caseload data from June 2008.
- Each screening will require 30 minutes of social worker time.
- Fifteen percent of those screened (666) will have an SSI/SSP application submitted which will require eight hours of social worker time. Fifty percent of applications submitted (333) will be initially denied and then appealed, requiring an additional six hours of social worker time.
- The average statewide social worker hourly cost is $72.60.

METHODOLOGY:

Foster Care Grants

Foster Care Grant costs are estimated by multiplying the foster care grant amounts by 15 percent of the federal caseload projected to receive an application for SSI/SSP.

SSI/SSP

SSI/SSP program costs are estimated by multiplying the projected monthly caseload by the SSP average grant and administrative cost per case.

Foster Care Admin.

Foster Care Administration costs are estimated by multiplying the projected total yearly caseload by the administrative cost per case.

CWS

CWS Administration costs are estimated by multiplying the caseload by the number of social worker hours, multiplied by the hourly cost.

Foster Care Supplemental Security Income/State Supplementary Payment (SSI/SSP) Application

FUNDING:

The FC program, SSI/SSP program, FC Administration and CWS Administrative costs/savings are shared at the same ratios as in their respective programs.

CHANGE FROM THE APPROPRIATION:

The CY change in the Foster Care Item 101 estimate and the SSI/SSP Item 111 estimate are based on updated caseload and grants. The Foster Care Item 141 and CWS Item 151 estimates have been held to the Budget Act of 2008 Appropriation.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY increase in the Foster Care Item 101 savings and the SSI/SSP Item 111 costs reflect the cumulative impact of ongoing costs. The decrease in the Foster Care Item 141 and Item CWS 151 estimates reflect ongoing annual costs which exclude the impact of the backlogged cases budgeted in CY.

EXPENDITURES:

(in 000's)

ITEM 101 – Foster Care Grant Costs	2008-09 Grant	2009-10 Grant
Total	-$765	-$2,164
Federal	-785	-652
State	8	-610
County	12	-902
Reimbursements	0	0

Foster Care Supplemental Security Income/State Supplementary Payment (SSI/SSP) Application

EXPENDITURES (CONTINUED):

(in 000s)

ITEM 111 –	2008-09	2009-10
SSI/SSP Costs	Grant	Grant
Total	$1,749	$3,518
Federal	1,069	2,157
State	680	1,361
County	0	0
Reimbursements	0	0

ITEM 141 –	2008-09	2009-10
Foster Care Admin	County Admin.	County Admin.
Total	$171	$128
Federal	60	45
State	111	83
County	0	0
Reimbursements	0	0

ITEM 151 –	2008-09	2009-10
CWS Admin Costs	County Admin.	County Admin.
Total	$929	$693
Federal	339	253
State	590	440
County	0	0
Reimbursements	0	0

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Foster Care Infant Rate (SB 500 Amended by SB 720)

DESCRIPTION:

This premise reflects the cost associated with the implementation of Senate Bill (SB) 500 (Chapter 630, Statutes of 2005) and SB 720 (Chapter 475, Statutes of 2007). SB 500 made changes in the way foster care providers are paid for teen parents in placement with their child. It allows for a separate full foster care payment to be paid for the care of a child living in the same foster care facility as that child's minor parent, provided federal financial participation is available and both the child and parent are dependents of the court and receiving reunification services. It creates a new placement option called "whole family foster home," in which care and supervision are provided to dependent teen parents and their non-court dependent children, to ensure the teen parents develop skills necessary to provide a safe, stable, and permanent home for their children. It requires the development of a written "shared responsibility plan" to be created by the foster caregiver and the teen parent in a whole family foster home, and would provide a $200 monthly payment above the current infant supplement for the added care and supervision provided by the foster caregiver to the teen parent and child, pursuant to the shared responsibility plan. SB 720 clarifies that Group Homes will receive the infant supplemental rate for both dependent and non dependent infants who are placed with their dependent mothers rather than a full Group Home rate for the infant. SB 720 also allows infants and mothers living with Non-Related Legal Guardians and related guardians in the KinGAP program to be eligible for the increased benefits established in SB 500.

IMPLEMENTATION DATE:

SB 500 was implemented January 1, 2006. SB 720 which amends SB 500 implemented on January 1, 2008.

KEY DATA/ASSUMPTIONS:

- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.
- The estimated number of teen moms who are in placement with their children is 408.
- The estimated number of non-dependent infant cases is 265.
- The Foster Family Agency and Foster Family Homes infant supplement rate will change from $391 to $425.
- SB 500 allows for an additional $200 above the infant supplemental rate for non-dependent infants.
- Under the provisions of SB 500, the average grant for Group Homes is $5,413 with a current infant supplement rate of $848 for non-dependent infant and a rate of $5,413 for dependent infant. Effective January 1, 2008, the rate for a dependent infant to be placed with a dependent mother for reunification purposes will be the infant supplemental rate.
- It is estimated that Group Home providers are currently receiving a full Group Home grant for 22 infants placed with their mothers. The estimate assumes that the infant grant will be reduced to the current infant supplement rate in Group Homes of $848 as of January 1, 2008.

Foster Care Infant Rate (SB 500 Amended by SB 720)

KEY DATA/ASSUMPTIONS (CONTINUED):

- Effective January 1, 2008, SB 720 allows payment of the increased benefits provided in SB 500 to be extended to an estimated 36 infants living with Non-related legal guardian (NRLG) providers and 3 infants receiving a Kinship Guardianship Assistance Payment (Kin-GAP)
- For Child Welfare Services (CWS) it is assumed that an additional two hours of social work time would be required to develop the written "shared responsibility plan." The caseload for the non-Title IV-E Waiver counties is estimated at 146 cases. The social worker cost per hour is $72.60.

FUNDING:

Item 101

Federal funding is provided by Title IV-E of the Social Security Act, with the amount of Federal Financial Participation based on the Federal Medical Assistance Percentage for those cases meeting eligibility criteria at the 50 percent rate. Funding for the nonfederal cases is 40 percent General Fund (GF) and 60 percent county.

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For the non-Title IV-E Waiver counties, after applying the foster care federal discount rate of 73 percent for each fiscal year (FY), costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are shared 70 percent GF and 30 percent county.

CHANGE FROM THE APPROPRIATION:

The Current Year increased savings reflects an update to average grants based on actual expenditures.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

ITEM 101 – FC Payments	2008-09	2009-10
	Grant	Grant
Total	-$709	-$709
Federal	-257	-257
State	-180	-180
County	-272	-272
Reimbursements	0	0

Foster Care Infant Rate (SB 500 Amended by SB 720)

EXPENDITURES (CONTINUED):

ITEM 151 – Child Welfare Services	2008-09 County Admin.	2009-10 County Admin.
Total	$22	$22
Federal	8	8
State	10	10
County	4	4
Reimbursements	0	0

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Multi-Treatment Foster Care (MTFC) Program Rates

DESCRIPTION:

The MTFC premise is an evidence-based model of treatment foster care for children with severe emotional and behavioral disorders and/or severe delinquency. This model aims to create opportunities for youths to successfully live in families rather than in group or institutional settings. The California Department of Social Services (CDSS) has endorsed this model as a best practice for providing foster children with permanency and child/family well-being. The CDSS is encouraging development of this model as part of the Department's Program Improvement Plan (PIP).

SB 1380 provides counties the authority to pursue MTFC programs and to work with shareholders to establish MTFC rates. Currently, implementation of the MTFC model is hampered by the challenges associated with setting appropriate MTFC rates. Several counties are currently utilizing the Intensive Treatment Foster Care (ITFC) rates to fund care and supervision for their MTFC programs, because the ITFC rate offers a higher payment for the foster parent to compensate for the extra care and supervision required by foster care providers. Counties must find additional funding beyond Aid to Families with Dependent Children–Foster Care (AFDC-FC) and Medi-Cal to close the gap between allowable AFDC-FC fundable activities and the funding necessary to pay for activities that are part of the MTFC model. Typically, the population served in MTFC is children who are usually placed in group home Rate Classification Level (RCL) 12 or above and have a myriad of behavioral disorders and require an intense level of care and supervision from the foster parent.

IMPLEMENTATION DATE:

This premise implements on July 1, 2009.

KEY DATA/ASSUMPTIONS:

- This estimate reflects cost/savings for only the 56 non-Title IV-E Waiver counties.
- The cases presumed to be eligible for federal and nonfederal MTFC Program benefits are based on a maximum of 335 children from Group Home Rate Classification Levels (RCLs) 12, 13, and 14.
- 28 new cases per month are phased in to the program, beginning January 1, 2010.
- The following rates of RCL 12, $5,891, RCL 14, $6,634, and ITFC Range A, $4,476, are used to calculate costs/savings.
- Federal and nonfederal case costs not covered by Title IV-E are estimated at $350 per case per month.

METHODOLOGY:

The basic costs are the product of federal and nonfederal casemonths multiplied by the rates associated with RCL levels 12 and 14; then compared to the identical casemonths multiplied by the rates associated with the existing ITFC Range A rate. Additional federal and nonfederal case services/costs not covered under Title IV-E funding are calculated on the overall number of cases to offset the savings calculated between ITFC Range A rates and RCL rates.

Multi-Treatment Foster Care (MTFC) Program Rates

FUNDING:

Federal funding is provided by Title IV-E of the Social Security Act, with the amount of Federal Financial Participation (FFP) based on the Federal Medical Assistance Percentage (FMAP) for those cases meeting eligibility criteria. Funding for the nonfederal program and the nonfederal share of federal program costs is 40 percent General fund and 60 percent county.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a new premise. The Budget Year reflects a half year of savings.

EXPENDITURES:

(in 000's)

	2008-09	2009-10
Total	$0	-$699
Federal	0	-272
State	0	-171
County	0	-256
Reimbursements	0	0

Adoption Assistance Program – Basic Costs

DESCRIPTION:

This premise reflects the basic cost of providing financial support to families adopting a child with special needs under the Adoption Assistance Program (AAP).

Children eligible for AAP benefits have one of the following characteristics that are barriers to adoption: mental, physical, medical or emotional handicap; ethnic background, race, color, or language; over three years of age; member of a sibling group to be adopted by one family; or adverse parental background (e.g., drug addiction, mental illness). To be eligible to receive federal benefits, the child shall have been otherwise eligible to receive aid under the federal Aid to Families with Dependent Children-Foster Care Program. The amount of the AAP payment is based on the child's needs and the prospective family's circumstances, with eligibility reassessed every two years. Pursuant to Assembly Bill 390 (Chapter 547, Statutes of 2000), the statewide median income guideline shall not be used for negotiations between the prospective adoptive family and the adoption agency to determine the amount of the payment to be received.

The AAP benefit shall not exceed the age-related, foster family home care rate for which the child would otherwise be eligible. The AAP payment may include the value of a specialized care increment that would have been paid on behalf of a child due to health and/or behavioral problems. Payments may continue until the child attains the age of 18 unless a mental or physical handicap warrants the continuation of assistance until the child reaches the age of 21.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 16115 through 16123.
- Cases presumed to be eligible for the federal AAP make up 86.3 percent of the total AAP payment caseload, based on data through June 2008 as reported on the CA 800 claim forms.
- Caseload and expenditure data extracted from the CA 800 provide the basis for caseload and average grant projections.
- The federal and nonfederal average grants are $779.34 and $795.09 for Fiscal Year (FY) 2008-09 and $794.35 and $785.86 for FY 2009-10, based on a 12-month linear trend analysis.
- The amount of federal financial participation (FFP) is based on the Federal Medical Assistance Percentage (FMAP) rate of 50 percent.

METHODOLOGY:

AAP basic costs are the product of projected federal and nonfederal casemonths and the respective average grant, as identified above.

Adoption Assistance Program – Basic Costs

FUNDING:

Federal funding is provided by Title IV-E of the Social Security Act for those cases meeting eligibility criteria, with the amount of FFP based on the FMAP rate. Federal case costs ineligible for FFP and the costs of the nonfederal program are shared 75 percent General Fund and 25 percent county.

CHANGE FROM THE APPROPRIATION:

The Current Year reflects an increase in the average grant offset by a decrease in the average monthly caseload.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year increase reflects a projected caseload increase and an increase to the average grant.

CASELOAD:

	2008-09	2009-10
Average Monthly Caseload	80,469	84,607

EXPENDITURES:

(in 000's)

	2008-09 Grant	2009-10 Grant
Total	$754,970	$805,306
Federal	315,950	338,422
State	329,265	350,163
County	109,755	116,721
Reimbursements	0	0

Refugee Cash Assistance – Basic Costs

DESCRIPTION:

This premise reflects the costs for the Refugee Cash Assistance (RCA) Program. The RCA Program provides cash grants to refugees during their first eight months in the United States (U.S.) if they are not otherwise eligible for other categorical welfare programs.

KEY DATA/ASSUMPTIONS:

- Section 1522 of Title 8 of the United States Code (U.S.C.) authorizes the federal government to provide grants to the states to assist refugees who resettle in the U.S.
- Sections 13275 through 13282 of the Welfare and Institutions Code authorize the Department to administer the funds provided under Title 8 of the U.S.C. It also provides the Department authority to allocate the federal funds to the counties.
- The average grant cost for RCA recipients is $298.78, which reflects actual expenditures through June 2008.
- The average monthly caseload for Fiscal Years (FYs) 2008-09 and 2009-10 is estimated at 1,900 cases.

METHODOLOGY:

The RCA average grant is multiplied by the estimated caseload to arrive at total RCA costs for each fiscal year.

FUNDING:

The program is 100 percent federally funded with the Cash, Medical and Administration Grant through the Office of Refugee Resettlement.

CHANGE FROM THE APPROPRIATION:

The Current Year program costs have increased due to a higher average monthly caseload than previously projected offset by a lower average grant cost based on actual expenditures.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Refugee Cash Assistance – Basic Costs

EXPENDITURES:

(in 000's)

	2008-09 Grant	2009-10 Grant
Total	$6,812	$6,812
Federal	6,812	6,812
State	0	0
County	0	0
Reimbursements	0	0

Emergency Food Assistance Program Fund

DESCRIPTION:

This premise reflects expenditures from contributions designated on state income tax returns for the Emergency Food Assistance Program (EFAP). Assembly Bill 2366 (Chapter 818, Statutes of 1998) established an EFAP fund which, upon appropriation by the Legislature, is allocated to the State Franchise Tax Board (FTB) and State Controller's Office (SCO) for reimbursement for their costs associated with administering the fund. The balance of the fund is directed to the California Department of Social Services for allocation to EFAP.

As a result of Senate Bill 1101 (Chapter 203, Statutes of 2008) this Fund will be shown as the "Emergency Food for Families Fund" on future state income tax forms.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2000.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Revenue and Taxation Code Sections 18851 through 18855.
- Funds available in the Current Year (CY) include the actual amount of contributions made to the EFAP fund from June 2007 through May 2008 of $426,777, unexpended funds of $27,003 from prior years, and interest of $19,884. Estimated expenditures are limited to the Budget Act appropriation of $449,000.
- The Budget Year (BY) reflects the estimated amount of contributions to be made to the EFAP fund from June 2008 through May 2009 of $447,000, unexpended funds of $17,011 from the prior year, and estimated interest of $20,000.
- The estimated annual administrative costs for FTB and SCO are $7,653 in both the CY and BY.
- These funds are provided to supplement, and not supplant, existing program funds.

METHODOLOGY:

The CY reflects the actual amount available for expenditure in Fiscal Year 2008-09. The BY reflects the estimated amount of contributions to the EFAP fund in the state income tax year, plus accrued interest and unspent funds from prior years, less the annual administrative costs for FTB and SCO.

FUNDING:

The costs are 100 percent from the EFAP fund.

CHANGE FROM THE APPROPRIATION:

There is no change.

Emergency Food Assistance Program Fund

REASON FOR YEAR-TO-YEAR CHANGE:

The BY reflects increases in the estimated taxpayer contributions and interest earnings.

EXPENDITURES:

(in 000's)

	2008-09 Grant	2009-10 Grant
Total	$449	$476
Federal	0	0
State	449	476
County	0	0
Reimbursements	0	0

California Food Assistance Program

DESCRIPTION:

This premise reflects the coupon and administrative costs associated with the California Food Assistance Program (CFAP) for eligible noncitizens. The Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193, provided that legal noncitizens who entered the United States (U.S.) on or after August 22, 1996, were ineligible for federal food stamp benefits unless they were exempt under certain refugee categories. Federal food stamp benefits for the ineligible legal noncitizens were terminated in August 1997. CFAP serves legal noncitizens over 18 and under 65 years of age, who were legally in the U.S. prior to August 22, 1996, and met all federal food stamp eligibility criteria except for their immigration status and legal noncitizens that entered the country on or after August 22, 1996, and are otherwise eligible.

The Food Stamp Reauthorization Act of 2002 (H.R. 2646 Farm Bill) restored federal food stamp eligibility to legal noncitizens who are disabled, effective October 2002; noncitizens who have been in the U.S. for five years or more, effective April 2003; and all noncitizen children, effective October 2003.

Annual coupon costs are reduced by costs for Prospective Budgeting as these costs are reflected on a separate premise. Administrative costs are increased to reflect the impact of Simplification Options.

IMPLEMENTATION DATE:

This premise originally implemented on September 1, 1997.

The H.R. 2646 Farm Bill implemented on October 1, 2002.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 18930.
- For Fiscal Year (FY) 2008-09 and 2009-10, CFAP costs are based on the following key data/assumptions:
- It is assumed that the trend in the total number of CFAP recipients resembles the monthly fluctuations in the California Work Opportunity and Responsibility to Kids (CalWORKs) and Non-Assistance Food Stamp (NAFS) trend forecasts.
- The total number of CFAP recipients is projected by applying the CalWORKs and NAFS trend forecast to actual June 2008 recipients.
- The projected average monthly number of CFAP recipients is 24,792 for FY 2008-09 and 27,665 for FY 2009-10.
- The projected average monthly number of CFAP households is 9,877 for FY 2008-09 and 11,022 for FY 2009-10.
- The average coupon value per person is $96.76 for FY 2008-09 and $102.48 in FY 2009-10. These coupon values account for the annual Cost of Living Adjustments of 8.51 percent on October 1, 2008 and 5.11 percent on October 1, 2009.

California Food Assistance Program

KEY DATA/ASSUMPTIONS (CONTINUED):

- The processing fee charged by the Food and Nutrition Service for Electronic Benefit Transfer is $314 per $1 million.
- The average monthly administrative cost per case is $25.01.
- The ratio between public assistance (PA) and nonassistance (NA) is 22.85 percent PA and 77.15 percent NA.
- The PA costs are considered eligible expenditures for the state's maintenance of effort (MOE) requirement. The NA costs are not considered MOE eligible.

METHODOLOGY:

- The coupon costs are calculated by multiplying the average coupon value per person ($96.76 for FY 2008-09 and $102.48 in FY 2009-10) by the projected average monthly number of recipients (24,792 for FY 2008-09 and 27,665 for FY 2009-10) and then by the number of months.
- The coupon costs increase due to the processing fees that are added to the coupon total. These are calculated by multiplying the total coupon value times one percent and then by $314.
- The coupon costs increase due to the Standard Utility Allowance adjustment of $309,454 in FY 2008-09 and $454,002 in FFY 2009-10.
- Annual coupon costs are reduced to account for the savings that come from Prospective Budgeting. These savings are $1,008,193 in FY 2008-09 and $1,125,034 in FY 2009-10.
- Administrative costs are calculated by multiplying the average administrative cost per case ($25.01) by the projected monthly number of cases (9,877 for FY 2008-09 and 11,022 for FY 2009-10) and then by the number of months.

FUNDING:

The expenditures are 100 percent General Fund. The PA portion of the costs is eligible to be counted towards the MOE requirement.

CHANGE FROM THE APPROPRIATION:

The Current Year increase in costs is associated with a higher than expected caseload growth.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year reflects an increase in caseload and higher coupon costs associated with the October 2009 COLA.

California Food Assistance Program

CASELOAD:

	2008-09	2009-10
Average Monthly Number of Recipients	24,792	27,665

EXPENDITURES:

(in 000's)

	2008-09		2009-10	
	Coupon	County Admin.	Coupon	County Admin.
Total	$28,122	$2,973	$33,379	$3,336
Federal	0	0	0	0
State	28,122	2,973	33,379	3,336
County	0	0	0	0
Reimbursement	0	0	0	0

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Expanded Categorical Eligibility Food Stamp Program

DESCRIPTION:

As required under Assembly Bill (AB) 433, this premise reflects the impact of a program of categorical eligibility for food stamps to improve nutrition and promote the development and retention of assets and resources for needy households who meet all other Food Stamp Program (FSP) eligibility requirements. This bill would extend categorical eligibility for the FSP to individuals who are members of households eligible to receive, Temporary Assistance for Needy Family (TANF)-funded benefits. AB 433 requires the categorical eligibility program to be established no later than July 1, 2009, and be available for new applicants of food stamps by January 1, 2010.

IMPLEMENTATION DATE:

This premise will implement on July 1, 2009.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 18901.5.
- This premise allows applicants who meet income-eligibility requirements but have resources that exceed the eligibility limits to become eligible for the FSP by providing a TANF-funded service to these households.
- A May 2007 Mathematica Policy Research study indicated that the 4.51 percent of applicants who would have otherwise been eligible for the FSP, were denied due to their assets.
- It is assumed that the FSP caseload would increase by 4.51 percent with the implementation of this categorical eligibility program.
- This caseload increase is slightly offset by the implementation of the asset waiver included in the 2008 Farm Bill.
- It is assumed that the overall increase to the FSP caseload will be 31,895 households.
- It is assumed that this caseload increase will phase in over six months beginning July 1, 2009, resulting in an average monthly FSP increase in Fiscal Year (FY) 2009-10 of 25,250.
- Based on Federal Fiscal Year (FFY) 2006 Food Stamp Characteristics Survey Data (Q5), and accounting for Cost of Living Adjustments, it is assumed that the average benefit for this group is $290.36 per household.
- It is assumed that the intake cost for an Eligibility Worker (EW) to process a Non Assistance Food Stamp (NAFS) case is $51.00 per case.
- It is assumed that the cost for an EW to process NAFS continuing cases on a quarterly basis is $39.33 per case.
- It is assumed that 7.20 percent of the new cumulative caseload would be subject to mid-quarter reporting.
- It is assumed that the administrative cost for an EW to process a mid-quarter report is $28.23.
- Based on historical experience it is assumed that California Food Assistance Program (CFAP) benefit and administration costs consist of approximately one percent of FSP costs.

Expanded Categorical Eligibility Food Stamp Program

KEY DATA/ASSUMPTIONS (CONTINUED):

- The Public Assistance Food Stamps costs (approximately 23 percent) are considered eligible expenditures for the state's maintenance of effort (MOE) requirement. The NAFS costs (approximately 77 percent) are not considered MOE eligible.

METHODOLOGY:

- The average monthly increase in the number of FS households is 25,250, which equates to an increase of approximately $88 million in federally funded food stamp benefits.
- The increase in state funded CFAP benefits is one percent of this total, which equals $880,000.
- Each new case must go through the intake process with a one-time cost of $51. This applies to the 31,895 new expected cases and to four percent of the caseload monthly to account for caseload movement, resulting in a cost of $2 million.
- Assuming a phased in implementation results in quarterly administration costs of $3.1 million.
- Assuming a phased in implementation results in mid-quarter reporting costs of $0.6 million.
- Total Food Stamp admin associated with this premise is $5.7 million and is calculated as follows:
    - $0.6 million (mid-quarterly reporting cost) + $3.1 million (quarterly reporting costs) + 2.0 million (intake costs) = $5.7 million
- The increase in state funded CFAP administrative costs is one percent of this total, which equals $57,000.

FUNDING:

The CFAP administration and benefit costs are 100 percent General Fund (GF). FS administration costs are shared 50 percent federal and 50 percent GF. The GF portion of these costs, are funded with reimbursement funds from the Food Stamp Nutrition Education (FSNE)/California Nutrition Network pass through plan. Please see the FSNE shift to the California Department of Social Services premise for a more detailed description of this transfer.

The FS benefit costs are 100 percent federally funded.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

This premise implements in FY 2009-10.

Expanded Categorical Eligibility Food Stamp Program

EXPENDITURES:

(in 000's)

ITEM 101 – CFAP Grants	2008-09	2009-10
	Grant	Grant
Total	$0	$880
Federal	0	0
State	0	880
County	0	0
Reimbursements	0	0

ITEM 141 – Food Stamp Administration	2008-09	2009-10
	Admin.	Admin.
Total	$0	$5,704
Federal	0	2,852
State	0	2,852
County	0	0
Reimbursements	0	0

ITEM 141 – CFAP Administration	2008-09	2009-10
	Admin.	Admin.
Total	$0	$57
Federal	0	0
State	0	57
County	0	0
Reimbursements	0	0

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Food Conservation and Energy Act of 2008

DESCRIPTION:

The Food Conservation and Energy Act of 2008 (Farm Bill) includes mandatory federal changes that will increase benefits and administrative costs of the California Food Assistance Program (CFAP) and the Federal Food Stamp Program (FSP). The following are provisions of the Farm Bill that will increase the average food stamp benefit and administrative costs: raising the minimum standard deduction for households with one to three members from $134 to $144; eliminating the cap on the deduction for dependent care expenses which allows families eligible for the deduction to deduct the entire amount of dependent care expenses when calculating benefit levels; excluding retirement and tax preferred education accounts (i.e. IRAs, 529s) from countable resources in determining eligibility; and increasing the minimum benefit for one and two person households from $10 to $14. The provision to exclude retirement and tax preferred education accounts from countable resources in determining benefit eligibility will increase FSP and CFAP caseload, thereby increasing administration costs.

IMPLEMENTATION DATE:

This premise implemented on October 1, 2008.

KEY DATA/ASSUMPTIONS:

- The projected number of average monthly food stamp (FS) households based on the caseload trend is 991,348 in Fiscal Year (FY) 2008-09 and 1,084,083 in FY 2009-10.
- The projected number of average monthly CFAP households is 9,877 in FY 2008-09 and 11,022 in FY 2009-10.
- Based on Federal Fiscal Year (FFY) 2007 Food Stamps Characteristics Data (Q5), 78.29 percent of food stamp households claimed a standard deduction. The average monthly number of FS households that will claim a standard deduction is 776,123 in FY 2008-09 and 848,725 in FY 2009-10.
- Based on a typical three-person household with average shelter deductions, every additional one-dollar increase in deductions would result in a fifty-cent increase in benefits. Therefore, it is assumed that every household claiming a standard deduction will receive a five dollar increase in benefits.
- Based on FFY 2007 Q5 data, 0.58 percent of households claimed a dependent care deduction and had actual costs exceeding the $175 / $200 cap. The average monthly number of FS households that will claim a dependent care deduction is 5,786 in FY 2008-09 and 6,327 in FY 2009-10.
- Given the removal of the $175 and $200 cap on dependent care deductions, the average monthly increased benefit amount for households claiming this deduction will be $39.
- Based on a May 2007 Mathematica Policy Research study it is assumed that the overall food stamp participation rate in California of eligible households is 44.7 percent.
- Based on the same Mathematica study, 48.6 percent of households that were ineligible based on assets hold a retirement or tax preferred education account. Additionally, 90.7 percent of those who hold a retirement or tax preferred education account also hold another asset that would still keep them ineligible for the FSP.

Food Conservation and Energy Act of 2008

KEY DATA/ASSUMPTIONS (CONTINUED):

- It is assumed that 8,024 new households will become eligible and begin receiving benefits in October 2008 because of the asset exclusion provisions. A four percent attrition and intake, or 318 households, is anticipated beginning in November 2008.
- Based on actual data reported from the counties for June 2008, the average benefit per household was $270.57. Effective October 1, 2008, an 8.51 percent Cost of Living Adjustment (COLA) is applied increasing the average benefit level to $293.45. Effective October 1, 2009, a 5.11 percent COLA is applied increasing the average benefit level to $308.45.
- Based on FFY 2007 Q5 data, the number of one and two person FS households that would have otherwise received a minimum benefit between $10 and $13 is 4,461 in FY 2008-09 and 4,878 FY 2009-10.
- It is assumed that the average benefit increase for these households will be four dollars.
- It is assumed that the intake cost for an Eligibility Worker (EW) to process new Non Assistance Food Stamps (NAFS) and CFAP cases is $51 per case.
- It is assumed that the cost for an EW to process NAFS and CFAP continuing cases on a quarterly basis is $39.33 per case.
- It is assumed that 7.20 percent of the new cumulative caseload would be subject to mid-quarter reporting.
- It is assumed that the administrative cost for an EW to process a mid-quarter report is $28.23.

METHODOLOGY:

- The estimated increase in federal FS benefits due to the standard deduction is calculated by multiplying the FS households that will claim a standard deduction times the increase in benefits (five dollars) and the number of months (nine months in FY 2008-09 and 12 months in FY 2009-10).
- The estimated increase in federal FS benefits due to eliminating the cap on dependent care deduction is calculated by multiplying the FS households that claim the dependent care deduction and had actual costs exceeding the $175 / $200 cap times the increase in benefits ($39) and the number of months (nine months in FY 2008-09 and 12 months in FY 2009-10).
- The estimated increase in federal FS benefits due to the exclusion of retirement and tax preferred education accounts is calculated by multiplying the households that will become eligible and begin receiving benefits due to of the asset exclusion provisions times the average benefit ($293.45 for FFY 2009 and $308.45 for FFY 2010) and the number of months (nine months in FY 2008-09 and 12 months in FY 2009-10).
- The estimated increase in federal FS benefits due to increasing the minimum benefit is calculated by multiplying the FS households that would have otherwise received a minimum benefit between $10 and $13 times the increase in benefits ($4.00) and the number of months (nine months in FY 2008-09 and 12 months in FY 2009-10).
- The increase in CFAP benefits is calculated by taking approximately one percent of the estimated FSP increases.

Food Conservation and Energy Act of 2008

METHODOLOGY (CONTINUED):

- The monthly administrative costs associated with processing the new cases is calculated by multiplying the new monthly cases by the EW cost ($51) and then by the number of months (nine months in FY 2008-09 and 12 months in FY 2009-10).
- The administrative costs to process quarterly reports are calculated by multiplying the quarterly cost ($39.33) by the number of households, the percentage of cases required to report on a quarterly basis (33.3 percent) and the number of months (nine months in FY 2008-09 and 12 months in FY 2009-10).
- The administrative costs to process mid-quarter reporting are calculated by multiplying the cost per case ($28.23) by the number of new cases, by the percent of cases that would report mid-quarter (7.2 percent) and the number of months (nine months in FY 2008-09 and 12 months in FY 2009-10).
- The FY 2008-09 increase in CFAP admin is calculated by taking approximately one percent of the admin totals.

FUNDING:

The CFAP administration and benefit costs are 100 percent General Fund. FS administration costs are shared 50 percent federal, 35 percent General Fund, and 15 percent county. FS benefit costs are 100 percent federally funded.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year reflects a full year of expenditures, caseload growth in FS households and higher benefit costs associated with the October 2009 COLA.

EXPENDITURES:

(in 000's)

ITEM 101 – CFAP Grants	2008-09	2009-10
	Grant	Grant
Total	$583	$838
Federal	0	0
State	583	838
County	0	0
Reimbursements	0	0

Food Conservation and Energy Act of 2008

EXPENDITURES (CONTINUED):

ITEM 141 – Food Stamp Administration	2008-09	2009-10
	Admin.	Admin.
Total	$1,302	$1,654
Federal	651	827
State	456	579
County	195	248
Reimbursements	0	0

ITEM 141 – CFAP Administration	2008-09	2009-10
	Admin.	Admin.
Total	$13	$17
Federal	0	0
State	13	17
County	0	0
Reimbursements	0	0

California Food Assistance Program - Elimination

DESCRIPTION:

This premise reflects savings associated with eliminating the California Food Assistance Program (CFAP). The Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193, provided that legal noncitizens who entered the United States (U.S.) on or after August 22, 1996, were ineligible for federal food stamp benefits unless they were exempt under certain refugee categories. CFAP provides food stamp benefits to legal noncitizens over 18 and under 65 years of age, who were legally in the U.S. prior to August 22, 1996, and met all federal food stamp eligibility criteria except for their immigration status, and legal noncitizens that entered the country on or after August 22, 1996, and are otherwise eligible.

This premise is necessitated by the budget balancing reductions.

IMPLEMENTATION DATE:

This premise assumes a July 1, 2009 elimination of the CFAP program.

KEY DATA/ASSUMPTIONS:

- The CFAP elimination will require a change in state statute and emergency regulations.
- The projected average monthly number of CFAP recipients is 27,665 for FY 2009-10.
- The projected average monthly CFAP benefit per person for is $102.48 for FY 2009-10.
- The ratio between public assistance (PA) and nonassistance (NA) is 22.85 percent PA and 77.15 percent NA.
- The PA costs are considered eligible expenditures for the state's maintenance of effort (MOE) requirement. The NA costs are not considered MOE eligible.

METHODOLOGY:

All premises associated with CFAP, including Expanded Categorical Eligibility, Prospective Budgeting, Face-to-Face Waiver and the Farm Bill of 2008, total $38.7 million.

FUNDING:

This program is funded 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

This premise implements in FY 2009-10.

California Food Assistance Program - Elimination

EXPENDITURES:

(in 000's)

	2008-09		2009-10	
	Coupon	County Admin.	Coupon	County Admin.
Total	$0	$0	-$36,526	-$2,213
Federal	0	0	0	0
State	0	0	-35,646	-2,156
County	0	0	0	0
Reimbursement	0	0	-880	-57

Undocumented Citizens (SB 1569)

DESCRIPTION:

This premise represents the costs associated with extending social services and benefits to noncitizen victims of human trafficking, domestic violence, and other serious crimes. Pursuant to provisions contained in Senate Bill (SB) 1569 (Chapter 672, Statutes of 2006), these individuals are eligible for services and benefits to the same extent as persons who are eligible under the federal Refugee Act of 1980, including, but not limited to, refugee cash assistance, refugee medical assistance, employment social services, and Healthy Families Program benefits.
SB 1569 requires victims of human trafficking to file for a T visa with the appropriate federal agency, to prepare to file an application for federal status, or to show evidence that they are taking steps to meet the conditions for federal benefits eligibility to qualify for state public social services. Victims of domestic violence and other serious crimes must file a formal application for a U visa with the appropriate federal agency to qualify. In order to remain eligible for benefits and services, victims of trafficking must show evidence that they have applied for the T visa within one year from the date of application for state public social services.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2007.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 18945.
- Based on an annual report from the federal Attorney General's Office entitled "US Government Activities to Combat Trafficking in Persons" (updated June 2007) to the United States Congress, an estimated 17,500 undocumented trafficking victims are in the United States.
- Based on a published news article by the San Diego Tribune, the federal government has received 3,011 U visa applications over a four year period (2001 to 2005).
- Based on a publication by the Census Bureau published in 2000, an estimated 32 percent of undocumented citizens are in California. Assuming 50 percent of these undocumented citizens apply for a visa, approximately 3,200 people will be eligible for services and benefits.
- Based on historical data trends on social services and benefits to the refugee population, it is estimated that one person will be eligible for Cash Assistance Program for Immigrants (CAPI), 16 persons for Refugee Cash Assistance (RCA), 435 persons for California Work Opportunity and Responsibility to Kids (CalWORKs), and 389 persons for other services.

CalWORKs

- It is assumed that recipients who apply for U visas are adults who are added to existing CalWORKs cases. These cases receive additional CalWORKs benefits and services associated with adding one person to the existing Assistance Unit (AU). Recipients who apply for T visas are more likely to be single and would not be eligible for CalWORKs.
- Recipients are required to apply for a U visa to become eligible for CalWORKs. Until the U visa application is approved or denied, these recipients can continue to receive CalWORKs benefits and services.

Undocumented Citizens (SB 1569)

KEY DATA/ASSUMPTIONS (CONTINUED):

- Between January and June 2007, actual data reported from the counties show 70 adults have been added to existing CalWORKs cases under SB 1569. An additional 365 adults are projected to be added to existing CalWORKs cases by the end of the Current Year (CY).
- The cost of adding an adult to an existing AU is $139 per case.
- It is assumed these recipients are not legally able to work to receive earned income to offset the monthly grant.
- The average monthly number of new cases for the CY is 15. The caseload is assumed to be completely phased in for the entire Budget Year (BY).
- The provisions of SB 1569 state these recipients are subject to the same welfare-to-work (WtW) requirements and exemptions as other participants, provided that compliance with these requirements is authorized by law. The county will assist these recipients to engage in work activities once these recipients achieve legal residency.
- For the CY and the BY, it is assumed that there are 1.9 children per case and assumed that 32.4 percent of the cases that are required to participate in WtW activities utilize child care services.
- The child care cost per case is $807 in the CY and the BY.
- The average number of children who will receive services is 217 in the CY and 268 in the BY.

California Food Assistance Program (CFAP)

- The average monthly number of CFAP recipients is 350 in the CY and 0 in the BY. This includes unduplicated persons estimated to receive benefits for CalWORKs, CAPI, and RCA.
- Based on actual data reported from the counties, the average coupon value per person from July 2008 through September 2008 is $90.96.
- Effective October 1, 2008, an 8.51 percent Cost of Living Adjustment (COLA) is applied to the $90.96 average. The average coupon value will increase to $98.70 per person from October 2008.
- An estimated 7.2 percent of the new cumulative caseload will be subject to mid-quarter reporting.
- The administrative costs include one-time intake cost of $51.00 for new cases, ongoing costs of $13.11 per case per month, and mid-quarter costs of $28.23 per case per month.
- CFAP will be discontinued beginning in July 2009.

RCA

- Recipients will receive benefits for no more than eight months.
- Cases were phased in starting in July 2007.

Undocumented Citizens (SB 1569)

KEY DATA/ASSUMPTIONS (CONTINUED):

- The projected average monthly number of RCA recipients is 16 in the CY and the BY.
- Based on actual data reported by the counties, the average combined RCA grant and administrative cost per case is $373.92.

CAPI

- Cases were phased in beginning in June 2007.
- The projected average monthly number of CAPI recipients is one in the CY and the BY.
- Based on actual data reported by the counties, the average combined CAPI grant and administrative cost per case for the CY is $973.03. The average grant will increase due to a 5.8 percent federal COLA effective January 1, 2009. The average grant will remain at the 2009 level in 2010 to reflect a -1.1 percent federal COLA and will increase due to a 2.94 percent state COLA effective June 1, 2010.

Refugee Employment Social Services (RSS)

- The projected average monthly number of RSS recipients is 389 in the CY and the BY.
- Based on the level of RSS funding currently provided for refugees under the federal program, the average monthly RSS cost per case is $79.26.

METHODOLOGY:

CalWORKs

- The grant cost is calculated by multiplying the average monthly number of cases by the cost per case.
- The employment services costs include case management, transportation, and ancillary costs. The average monthly number of cases for the CY is 351 and the BY is 435, which is multiplied by the utilization rate for each service and the corresponding cost per case. The utilization rates and cost per case are as follows: Case management (41.2 percent; $206), transportation (54.31 percent; $73), and ancillary (11.02 percent; $73).
- The employment services costs are calculated by multiplying the average monthly number of cases utilizing the service by the cost per case.
- The one-time administrative cost associated with adding the adult to the existing CalWORKs case is calculated by multiplying the average monthly number of new adults by the cost per case.
- The child care costs are calculated by multiplying the average monthly number of children by the cost per child.

CFAP:

- The coupon costs are calculated by multiplying the average monthly coupon benefit per person by the projected monthly number of CFAP recipients.

Undocumented Citizens (SB 1569)

METHODOLOGY (CONTINUED):

- The one-time intake administrative costs are calculated by multiplying the average monthly number of new RCA and CAPI cases by the cost per case.
- The on-going quarterly administrative costs are calculated by multiplying the average monthly number of cases by the average monthly cost per case.
- The ongoing mid-quarter administrative costs are calculated by multiplying the average monthly number of cases by the percentage of cases subject to mid-quarter reporting, and then multiplied by the cost per case.

RCA

- The RCA costs are calculated by multiplying the average grant and administrative cost per case by the projected monthly number of recipients.

CAPI

- The CAPI costs are calculated by multiplying the average grant and administrative cost per case by the projected monthly number of recipients.

RSS

- The RSS costs are calculated by multiplying the average monthly cost per case by the projected monthly number of recipients.

FUNDING:

CalWORKs grants are funded with 97.5 percent General Fund (GF) and 2.5 percent county.

CalWORKs employment services, administrative services, child care, CFAP, RCA, CAPI, and RSS are funded with 100 percent GF.

Under Title 45 of the Code of Federal Regulations section 263.2(b), these cases are not Maintenance of Effort eligible.

CHANGE FROM THE APPROPRIATION:

The table encompasses all program elements of undocumented citizens into three categories: Grants, Services, and Administration costs.

Grants

The decrease in grant costs are due to a decrease in the projected SSI/SSP population.

Services

The decrease in services is due to updated child care utilization data.

Administration

There is no change from the Appropriation

Undocumented Citizens (SB 1569)

REASON FOR YEAR-TO-YEAR CHANGE:

Grants

The decrease in grant costs are due to the proposed elimination of the CFAP program and decrease in the RSS caseloads.

Services

The increase in services is due to a full year of completed phase in of the CalWORKs cases for the BY.

Administration

The decrease in administrative costs is due to the proposed elimination of the CFAP program.

EXPENDITURES:

(in 000's)

ITEM 101 - Grand Total	2008-09	2009-10
Total	$4,164	$4,458
Federal	0	0
State	4,149	4,440
County	15	18
Reimbursements	0	0

ITEM 101 - Grants	2008-09	2009-10
Total	$1,074	$798
Federal	0	0
State	1,059	780
County	15	18
Reimbursements	0	0

Undocumented Citizens (SB 1569)

EXPENDITURES (continued):

ITEM 151 - Services	2008-09	2009-10
Total	$3,026	$3,658
Federal	0	0
State	3,026	3,658
County	0	0
Reimbursements	0	0

ITEM 151 - Administration	2008-09	2009-10
Total	$64	$2
Federal	0	0
State	64	2
County	0	0
Reimbursements	0	0

SSI/SSP – Basic Costs

DESCRIPTION:

This premise reflects the basic costs for the Supplemental Security Income/State Supplementary Payment (SSI/SSP) program. The SSI program, authorized by Title XVI of the Social Security Act, replaced the prior federal/state matching grant program of adult assistance to the aged, blind, and disabled in January 1974. The SSI/SSP program is a cash assistance program for low-income aged, blind, and disabled persons. California opted to supplement the SSI payments, creating the SSP program. The Social Security Administration (SSA) administers the SSI/SSP program at California's option.

The maximum amount of aid is dependent on the following factors:

- Whether one is aged, blind, or disabled;
- The living arrangement;
- Marital status; and,
- Minor status.

As a result of the various factors determining the maximum amount of aid, there are 19 different payment standards in the SSI/SSP program.

KEY DATA/ASSUMPTIONS:

- The SSA will continue to administer the program under Title XVI of the Social Security Act.
- Section 1611 of Title XVI defines the amount of SSI benefits an individual may be eligible to receive.
- Section 12200 of the Welfare and Institutions Code defines the maximum payment standard available under each living arrangement.
- The basic costs per case for SSI and SSP estimates are developed from actual state and federal expenditures reported on the State Data Exchange (SDX) and SSA 8700 reports. The SSI and SSP average grants are based on actual data through July 2008 and are as follows:

	SSI	SSP
Aged	$296.91	$227.03
Blind	375.67	283.04
Disabled	407.02	226.52

METHODOLOGY:

The SSI/SSP basic costs are computed for each aged, blind, and disabled component, then summed to produce total basic costs. Both the SSI and SSP basic average grants were adjusted to exclude the effects of payments to recipients residing in medical facilities. The adjusted average grants were multiplied by the estimated caseloads to arrive at an adjusted basic cost. Estimated expenditures for recipients in medical facilities were then added to total basic costs.

SSI/SSP – Basic Costs

FUNDING:

The SSI portion of the program is funded with 100 percent federal Title XVI funds, and the SSP portion is funded with 100 percent General Fund. Costs for each component are computed separately.

CHANGE FROM THE APPROPRIATION:

Total costs have decreased due to a lower average monthly caseload based on updated actuals.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase in expenditures is due to a higher average monthly caseload based on updated actuals.

CASELOAD:

	2008-09	2009-10
Average Monthly Persons	1,271,572	1,301,737

EXPENDITURES:

(in 000's)

	2008-09 Grant	2009-10 Grant
Total	$9,074,207	$9,302,559
Federal	5,642,042	5,785,141
State	3,432,165	3,517,418
County	0	0
Reimbursements	0	0

SSI/SSP - Reduce SSP Grant to MOE Floor

DESCRIPTION:

This premise reflects the savings associated with reducing the State Supplementary Payment (SSP) standard of the Supplemental Security Income (SSI)/SSP program to the federally required Maintenance of Effort (MOE) level of the 1983 payment standards. MOE refers to a federal provision that limits the reduction a State can make to their SSP benefit levels without penalty. If a State reduced their SSP benefit levels below MOE levels, it would lose federal funding for Medi-Cal. SSI/SSP eligibility also establishes automatic eligibility for Medi-Cal.

KEY DATA/ASSUMPTIONS:

- The SSA will continue to administer the program under Title XVI of the Social Security Act.
- Section 1611 of Title XVI defines the amount of SSI benefits an individual may be eligible to receive.
- Section 12200 of the Welfare and Institutions Code defines the maximum payment standard available under each living arrangement.
- Section 416.096 of Title XX of the Code of Federal Regulations defines the loss of federal funding for Medi-Cal if the State reduced SSP payments below MOE levels.
- The savings associated with reducing SSP grant amounts for Cash Assistance Program for Immigrants recipients and California Veterans Cash Benefit recipients are reflected in this premise.
- Statutory changes would be needed to implement this premise.

METHODOLOGY:

The savings are computed by subtracting the difference between the SSP payment standards as of January 1, 2009 and the MOE 1983 payment standards. This difference is applied to the number of payments, made to the nineteen payment standards, excluding those in living arrangements for Non-Medical Out-of-Home Care, Restaurant Meal Allowance, and Title XIX Medical Facilities.

FUNDING:

The SSP portion of the SSI/SSP program is funded with 100 percent GF.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

The Current Year reflects two months of savings. The Budget Year reflects a full year of savings.

SSI/SSP - Reduce SSP Grant to MOE Floor

EXPENDITURES:

(In 000's)

	2008-09 Grant	2009-10 Grant
Total	-$180,059	-$1,117,158
Federal	0	0
State	-180,059	-1,117,158
County	0	0
Reimbursements	0	0

SSI/SSP – 2009 Federal COLA

DESCRIPTION:

This premise reflects the impact of the cost-of-living adjustment (COLA) given to Supplemental Security Income/State Supplementary Payment (SSI/SSP) program recipients in 2009. The estimated SSI Consumer Price Index (CPI) COLA of 5.8 percent will be passed through to recipients resulting in an increase in the SSI portion of the grant payment on January 1, 2009.

IMPLEMENTATION DATE:

The CPI COLA will implement on January 1, 2009.

KEY DATA/ASSUMPTIONS:

- Section 1617 of Title XVI of the Social Security Act authorizes the COLA for SSI recipients.
- The CPI is estimated at 5.8 percent for 2009, and will be passed through to recipients on January 1, 2009 pursuant to current law.

METHODOLOGY:

- The SSI average grants change as a result of the COLA. The CPI is applied to the 2008 SSI payment standards and the result is the new SSI payment standards for 2009.
- The new payment standards are used in a statistical model to determine a change to the basic SSI average grant due to the COLA. The change in average grant is multiplied by the caseload and the result is the change to the SSI/SSP program for the 2009 Federal COLA.
- The General Fund (GF) impact to the Cash Assistance Program for Immigrants and California Veterans Cash Benefit Program are not included in the total impact of the COLA.

FUNDING:

The SSI portion of the program is funded with 100 percent federal Title XVI funds.

CHANGE FROM THE APPROPRIATION:

Federal costs have increased due to the revised CPI forecast from 2.7 to 5.8 percent.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year reflects the full-year impact of the COLA.

SSI/SSP – 2009 Federal COLA

EXPENDITURES:

(In 000's):

	2008-09 Grant	2009-10 Grant
Total	$186,739	$380,184
Federal	186,739	380,184
State	0	0
County	0	0
Reimbursements	0	0

SSI/SSP – 2010 Federal COLA

DESCRIPTION:

This premise reflects the impact of the cost-of-living adjustment (COLA) given to Supplemental Security Income/State Supplementary Payment (SSI/SSP) program recipients in 2010. The estimated Consumer Price Index (CPI) of -1.1 percent means it is expected that there will be no SSI COLA to be passed through to recipients, resulting in no increase to the SSI portion of the grant payment, which will remain at the January 2009 level.

IMPLEMENTATION DATE:

The CPI COLA will implement on January 1, 2010.

KEY DATA/ASSUMPTIONS:

- Section 1617 of Title XVI of the Social Security Act authorizes the COLA for SSI recipients.
- The CPI is estimated at -1.1 percent for 2010, and therefore will be no COLA to be passed through to recipients on January 1, 2010 pursuant to current law.

METHODOLOGY:

- The SSI average grants will not change as a result of the 2010 COLA. The 2010 SSI payment standards will remain at the January 2009 level.
- The maximum monthly payment an aged or disabled SSI/SSP individual living independently with no other income will not change as a result of the 2010 COLA.

FUNDING:

The SSI portion of the program is funded with 100 percent federal Title XVI funds.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a new premise.

EXPENDITURES:

(In 000's):

	2008-09 Grant	2009-10 Grant
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

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SSI/SSP – 2010 State COLA

DESCRIPTION:

This premise reflects the suspension of the cost-of-living adjustment (COLA) given to Supplemental Security Income/State Supplementary Payment (SSI/SSP) program recipients in 2010. The California Necessities Index (CNI) of 2.94 percent will be suspended on June 1, 2010.

IMPLEMENTATION DATE:

The CNI COLA will implement on June 1, 2010.

KEY DATA/ASSUMPTIONS:

- Section 12201 of the Welfare and Institutions Code authorizes the COLA for SSP recipients.
- The estimated state COLA based on the CNI is 2.94 percent for 2010 and will be suspended on June 1, 2010.
- On June 1, 2010, a typical SSI/SSP recipient's grant amount will not be changed from the payment levels in effect on May 31, 2010.
- The cost avoidance associated with the suspension of the 2010 state COLA is $32.6 million. This does not take into account the impact of the reduction of SSP MOE to the floor and the elimination of the CAPI premises.

METHODOLOGY:

By suspending the 2010 state COLA, the SSP portion of the SSI/SSP grant will not change.

FUNDING:

The SSP portion is funded with 100 percent GF.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a new premise.

SSI/SSP – 2010 State COLA

EXPENDITURES:

(In 000's):

	2008-09 Grant	2009-10 Grant
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

SSI/SSP – SSP Administration

DESCRIPTION:

The Social Security Administration (SSA) formerly administered the Supplemental Security Income/ State Supplementary Payment (SSI/SSP) program benefit payments without charge to the states. The Omnibus Budget Reconciliation Act of 1993 shifted costs for administration of SSP to the state, effective October 1, 1993. It also provided for additional service fees to be charged if SSA provides services beyond the expected level, such as payment standard reductions or increases made on other than the normal January 1 schedule.

IMPLEMENTATION DATE:

This premise was implemented on October 1, 1993.

KEY DATA/ASSUMPTIONS:

- The SSA will continue to administer this program under Title XVI of the Social Security Act.
- The federal Balanced Budget Act of 1997 (Public Law 105-33) amended existing federal statutes pertaining to the administration fees for SSP payments. For each Federal Fiscal Year (FFY) from 1998 through 2002, administration fees increased from an initial $5.00 per payment to $8.50 per payment in FFY 2002. Increases after FFY 2002 are based on the Consumer Price Index (CPI).
- Effective October 1, 2008, the fee increased from $9.95 to $10.14, based on the increase in the CPI from June of the Current Year compared to June of the previous year. Effective October 1, 2009, the fee is projected to increase to $10.29 per payment.

METHODOLOGY:

The projected number of payments is based on the projected caseload plus the six-month moving average of the difference between the actual caseload and the number of payments. The projected number of payments is then multiplied by the respective cost per payment.

FUNDING:

The administration costs consist of 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

Expenditures decreased due to lower average monthly payments based on updated actuals.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase in expenditures is due to higher average monthly payments and an increase in the fee per payment from $10.14 to $10.29 on October 1, 2009.

SSI/SSP – SSP Administration

CASELOAD:

	2008-09	2009-10
Average Monthly Payments	1,290,942	1,321,397

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	Admin	Admin
Total	$156,354	$162,576
Federal	0	0
State	156,354	162,576
County	0	0
Reimbursements	0	0

California Veterans Cash Benefit Program

DESCRIPTION:

This premise reflects the cost of providing benefits at the same level as State Supplementary Payment (SSP) benefits to certain veterans of World War II who 1) return to the Republic of the Philippines and no longer have a place of residence in the state; and 2) were receiving SSP benefits on December 14, 1999. The California Veterans Cash Benefit (CVCB) payments are authorized under Assembly Bill 1978 (Chapter 143, Statutes of 2000).

IMPLEMENTATION DATE:

This premise implemented on July 19, 2000.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 12400.
- The grant costs associated with the implementation of this bill are the equivalent of SSP benefits the veterans would receive under the Supplemental Security Income (SSI)/SSP program.
- An average benefit payment of $232.30 will be paid to eligible recipients, and will increase in the Budget Year (BY) to reflect the increase to the SSI/SSP payment standards due to a 2.94 percent state cost-of-living adjustment effective June 1, 2010.
- The Social Security Administration (SSA) administers the CVCB program in conjunction with benefits under Title VIII of the federal Social Security Act.
- SSA charges a monthly administrative fee equivalent to the SSP administrative fee per payment of $9.95. The administrative fee increased to $10.14 on October 1, 2008. The ongoing administrative fee will increase to $10.29 on October 1, 2009.
- The average monthly number of participating veterans is 1,570 in Fiscal Year (FY) 2008-09, and 1,459 in FY 2009-10.

METHODOLOGY:

The cost of the program is estimated by multiplying the number of participating veterans by the benefit and administrative costs per case.

FUNDING:

This program is funded 100 percent with General Fund.

CHANGE FROM THE APPROPRIATION:

The Current Year decrease is due to a lower average benefit payment based on actual data.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY decrease is due to a lower average monthly caseload based on actual data.

California Veterans Cash Benefit Program

EXPENDITURES:

(in 000's)

CVCB Costs	2008-09 Grant/ Administration	2009-10 Grant/ Administration
Total	$4,568	$4,287
Federal	0	0
State	4,568	4,287
County	0	0
Reimbursements	0	0

Cash Assistance Program for Immigrants (CAPI)

DESCRIPTION:

This premise reflects the costs to implement the CAPI program. The CAPI program provides benefits to aged, blind, and disabled legal immigrants who successfully complete an application process. The benefits received are equivalent to those benefits that these immigrants would have received if they were eligible for the Supplemental Security Income and/or State Supplemental Payment (SSI/SSP) program, less $10 per individual and $20 per couple. This premise includes costs for both the grant and administrative costs necessary for implementation.

CAPI recipients in the base program include the following immigrants: 1) those who entered the United States (U.S.) prior to August 22, 1996, and are not eligible for SSI/SSP benefits solely due to their immigration status; and 2) those who entered the U.S. on or after August 22, 1996, but meet special sponsor restrictions (have a sponsor who is disabled, deceased, or abusive). The extended CAPI caseload includes immigrants who entered the U.S. on or after August 22, 1996, who do not have a sponsor or have a sponsor who does not meet the sponsor restrictions of the base program.

IMPLEMENTATION DATE:

This premise implemented on October 1, 1998.

KEY DATA/ASSUMPTIONS:

- Chapter 10.3 of the Welfare and Institutions Code (W&IC) gives the California Department of Social Services the authority to administer the CAPI program.
- Section 18940 of the W&IC states that the CAPI program will be governed by the same federal and state regulations which govern the SSI/SSP program.
- Section 18941 of the W&IC authorizes benefits paid under CAPI to be equivalent to benefits provided under the SSI/SSP program, except that the schedule for individuals and couples shall be reduced $10 per individual and $20 per couple per month.
- Although CAPI was originally due to sunset on July 1, 2000, Assembly Bill (AB) 1111 (Chapter 147, Statutes of 1999) extended the base program indefinitely.
- AB 1111 also created time-limited CAPI eligibility from October 1, 1999, through September 30, 2000, for immigrants who entered the country on or after August 22, 1996. This bill established a five-year deeming period for these cases. AB 2876 extended time-limited CAPI for one more year through September 30, 2001. AB 429 (Chapter 111, Statutes of 2001) eliminated the sunset date for the time-limited ("extended") program altogether, and lengthened the deeming period to ten years.
- The average monthly number of total CAPI cases will be 10,428 in Fiscal Year (FY) 2008-09, and 11,773 in FY 2009-10.

Cash Assistance Program for Immigrants (CAPI)

KEY DATA/ASSUMPTIONS (CONTINUED):

- The average monthly grant is $627.75 for the Base CAPI cases, based on actual expenditures through June 2008. The average grant will increase due to a 5.8 percent federal cost-of-living adjustment (COLA) effective January 1, 2009. The average Base CAPI grant will remain at the 2009 level in 2010 to reflect a -1.1 percent federal COLA effective January 1, 2010, and will increase due to a 2.94 percent state COLA effective June 1, 2010.
- The average monthly grant is $787.77 for the Extended CAPI cases, based on actual expenditures through June 2008. The average grant will change as discussed above for the Base CAPI cases.
- The average monthly administrative cost per case for FY 2008-09 of $185.26 is based on actual expenditures through June 2008. For FY 2009-10, the average administrative cost per case will remain unchanged.

METHODOLOGY:

Base CAPI program costs are estimated by multiplying the projected monthly caseload by the Base CAPI average grant and administrative cost per case. Extended CAPI costs are estimated by multiplying the Extended CAPI caseload by the Extended CAPI average grant and administrative cost per case. Base CAPI and extended CAPI costs are then added to determine total CAPI Program costs.

FUNDING:

The program is funded with 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

The estimate for FY 2008-09 has decreased due to a lower average monthly caseload based on actuals.

REASON FOR YEAR-TO-YEAR CHANGE:

CAPI costs increase is due to the increasing average grant due to the COLAs as well as the influx of cases in the Extended CAPI program resulting from the expiration of the ten-year sponsor deeming period.

EXPENDITURES:

(in 000's)	2008-09	2009-10
Total CAPI*	Grant/Admin	Grant/Admin
Total	$120,795	$140,760
Federal	0	0
State	120,795	140,760
County	0	0
Reimbursements	0	0

* Includes funds for the premise "Undocumented Citizens (SB 1569)"

Cash Assistance Program for Immigrants (CAPI)

EXPENDITURES (CONTINUED):

(in 000's)	2008-09	2009-10
Base CAPI		
Total	$17,376	$12,053
Federal	0	0
State	17,376	12,053
County	0	0
Reimbursements	0	0

(in 000's)	2008-09	2009-10
Extended CAPI		
Total	$103,419	$128,707
Federal	0	0
State	103,419	128,707
County	0	0
Reimbursements	0	0

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Elimination of the Cash Assistance Program For Immigrants (CAPI)

DESCRIPTION:

This premise reflects the savings associated with the elimination of the CAPI program. The CAPI program provides benefits to aged, blind, and disabled legal immigrants who successfully complete an application process. The benefits received are equivalent to those benefits that these immigrants would have received if they were eligible for the Supplemental Security Income and/or State Supplemental Payment (SSI/SSP) program, less $10 per individual and $20 per couple. This premise includes costs for both the grant and administrative costs necessary for implementation.

CAPI recipients in the base program include the following immigrants: 1) those who entered the United States (U.S.) prior to August 22, 1996, and are not eligible for SSI/SSP benefits solely due to their immigration status; and 2) those who entered the U.S. on or after August 22, 1996, but meet special sponsor restrictions (have a sponsor who is disabled, deceased, or abusive). The extended CAPI caseload includes immigrants who entered the U.S. on or after August 22, 1996, who do not have a sponsor or have a sponsor who does not meet the sponsor restrictions of the base program.

IMPLEMENTATION DATE:

This premise will implement on May 1, 2009.

KEY DATA/ASSUMPTIONS:

- Chapter 10.3 of the Welfare and Institutions Code (W&IC) gives the California Department of Social Services the authority to administer the CAPI program.
- Section 18940 of the W&IC states that the CAPI program will be governed by the same federal and state regulations which govern the SSI/SSP program.
- Section 18941 of the W&IC authorizes benefits paid under CAPI to be equivalent to benefits provided under the SSI/SSP program, except that the schedule for individuals and couples shall be reduced $10 per individual and $20 per couple per month.
- Although CAPI was originally due to sunset on July 1, 2000, Assembly Bill (AB) 1111 (Chapter 147, Statutes of 1999) extended the base program indefinitely.
- AB 1111 also created time-limited CAPI eligibility from October 1, 1999, through September 30, 2000, for immigrants who entered the country on or after August 22, 1996. This bill established a five-year deeming period for these cases. AB 2876 extended time-limited CAPI for one more year through September 30, 2001. AB 429 (Chapter 111, Statutes of 2001) eliminated the sunset date for the time-limited (“extended”) program altogether, and lengthened the deeming period to ten years.
- The average monthly number of total CAPI cases will be 10,428 in Fiscal Year (FY) 2008-09, and 11,773 in FY 2009-10.

Elimination of the Cash Assistance Program For Immigrants (CAPI)

KEY DATA/ASSUMPTIONS (CONTINUED):

- The average monthly grant is $627.75 for the Base CAPI cases, based on actual expenditures through June 2008. The average grant will increase due to a 5.8 percent federal cost-of-living adjustment (COLA) effective January 1, 2009. The average Base CAPI grant will remain at the 2009 level in 2010 to reflect a -1.1 percent federal COLA effective January 1, 2010, and will increase due to a 2.94 percent state COLA effective June 1, 2010.
- The average monthly grant is $787.77 for the Extended CAPI cases, based on actual expenditures through June 2008. The average grant will increase due to a 2.94 percent state COLA effective June 1, 2010.
- The average monthly administrative cost per case for FY 2008-09 of $185.26 is based on actual expenditures through June 2008. For FY 2009-10, the average administrative cost per case will remain unchanged.
- The savings associated with reducing SSP grant amounts for Cash Assistance Program for Immigrants recipients and California Veterans Cash Benefit recipients to the MOE floor are reflected in reducing the SSP to MOE floor premise.
- Statutory changes would be needed to eliminate the CAPI program.

METHODOLOGY:

Base CAPI program savings are estimated by multiplying the projected monthly caseload by the Base CAPI average grant and administrative cost per case. Extended CAPI savings are estimated by multiplying the Extended CAPI caseload by the Extended CAPI average grant and administrative cost per case. Base CAPI and extended CAPI savings are then added to determine total CAPI program savings.

FUNDING:

The program is funded with 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE*:*

The Current Year reflects two months of savings. The Budget Year reflects a full year of savings.

Elimination of the Cash Assistance Program For Immigrants (CAPI)

EXPENDITURES:

(in 000's)	2008-09	2009-10
Total CAPI	Grant/Admin	Grant/Admin
Total	-$20,039	-$129,592
Federal	0	0
State	-$20,039	-$129,592
County	0	0
Reimbursements	0	0

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Additional TANF/MOE Expenditures in CDSS SSP MOE Eligible

DESCRIPTION:

This premise reflects the State Supplementary Payment (SSP) expenditures countable towards the state Temporary Assistance for Needy Families (TANF) program maintenance of effort (MOE). More specifically, the increase in SSP expenditures for disabled SSP children in California Work Opportunity and Responsibility to Kids (CalWORKs) families since the inception of the TANF program is countable as MOE.

Public Law (P.L.) 104-193, the federal welfare reform legislation, established the TANF program and a TANF block grant to replace the Aid to Families with Dependent Children (AFDC) Program. States must meet an 80 percent MOE to receive their full block grant allocation. The MOE is reduced to 75 percent for states that meet the work participation rate requirement. For California, the amount of the MOE is based on state and county expenditures in Federal Fiscal Year (FFY) 1994. The state has consistently met its work participation agreement, therefore the MOE level is lowered from $2.9 billion (80 percent) to $2.7 billion, which constitutes 75 percent of the 1994 level.

The state may count both local and state expenditures made by the California Department of Social Services (CDSS) or other departments on behalf of TANF/CalWORKs-eligible families toward the MOE. If these expenditures would have been authorized and allowable under the former AFDC, JOBS, Child Care for AFDC recipients, At-Risk Child Care or Transitional Child Care programs in FFY 1995, the entire expenditures may count toward the MOE. However, if such expenditures were not previously authorized and allowable, countable expenditures are limited to the amount by which allowable current year expenditures exceed the total state program expenditures in FFY 1995. State expenditures that are used as a match to draw down other federal funding are generally not countable toward the TANF MOE.

IMPLEMENTATION DATE:

This premise was implemented on January 1, 2003.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: 45 Code of Federal Regulations section 263.2.
- The average number of SSP children living in a CalWORKs household for July through September 2008 was 8,909, or 11.1 percent of total SSP children living with relatives.
- SSP expenditures for SSP children living with relatives were $52.8 million in 1995. SSP expenditures for the same population are estimated at $143.9 million in Fiscal Year (FY) 2008-09.
- Expenditures for SSP children living in a CalWORKs household in 1995 is estimated at $8.5 million.

Additional TANF/MOE Expenditures in CDSS SSP MOE Eligible

METHODOLOGY:

- Expenditures for FY 2008-09 and FY 2009-10 are forecasted based on the increase or decrease in the SSP payment standard from year to year. For FY 2008-09, the SSP payment standard will decrease on May 1, 2009, due to reducing the SSP payment standards to the federally required MOE level of the 1983 payment standards. For FY 2009-10, the SSP payment standard will remain at the 1983 payment standards level.
- The percentage of SSP children living in a CalWORKs household is multiplied by the estimated SSP expenditures for each fiscal year to arrive at expenditures attributable to SSP children living in a CalWORKs household. For FY 2008-09 and FY 2009-10, SSP expenditures for this population are estimated at $14.8 and $9.2 million, respectively.
- For FY 2007-08, the amount by which allowable current year expenditures exceed the total state program expenditures in 1995 is $6.2 million ($14.8 - $8.5 million).
- For FY 2008-09, the amount by which allowable SSP expenditures will exceed the total State program expenditures in 1995 is $0.7 million ($9.2 - $8.5 million).

FUNDING:

The SSP expenditures are funded with 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

Due to the decreased SSP payment standards, the estimated level of countable SSP expenditures has decreased for both the Current Year (CY) and the Budget Year (BY), offset by a higher percentage of SSP children living with relatives in a CalWORKs household.

REASON FOR YEAR-TO-YEAR CHANGE:

The CY reflects two months of decreased SSP payment standards. The BY reflects a full year.

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	Grant	Grant
Total	$6,247	$671
Federal	0	0
State	$6,247	$671
County	0	0
Reimbursements	0	0

Personal Care Services Program/Residual IHSS Basic Costs

DESCRIPTION:

This premise reflects the basic costs for the In-Home Supportive Services (IHSS) program. Assembly Bill (AB) 1773 (Chapter 939, Statutes of 1992) required the California Department of Health Care Services (DHCS) to submit a Medicaid state plan amendment to the federal Health Care Financing Administration to include a portion of the IHSS program as a Title XIX eligible service. This portion of the IHSS program is known as the Personal Care Services Program (PCSP). In 2004, DHCS received an Independence Plus 1115 Demonstration Project to allow certain IHSS Residual program recipients to receive services under the IHSS Plus Waiver (IPW) (See Waiver Program/Medical State Plan Amendment for Residual).

The IHSS program enables eligible individuals to remain safely in their own homes as an alternative to out-of-home care. Eligible recipients are aged, blind or disabled individuals who receive public assistance or have low incomes.

AB 925 (Chapter 1088, Statutes of 2002) allows recipients to utilize authorized personal care services in locations outside of the home, including their place of employment, as authorized by the Director. Services and service hours remain limited to those authorized for the recipient in their own home.

The PCSP and IPW programs provide services including the following:

- Domestic services such as meal preparation, laundry, shopping, and errands.
- Non-medical personal care services.
- Assistance while traveling to medical appointments or to other sources of supportive services.
- Teaching and demonstration directed at reducing the need for supportive services.
- Certain paramedical services ordered by a physician.
- Protective supervision tasks.
- Restaurant meal allowance (RMA).
- Advance payment.

The Residual program provides services to recipients who are not eligible for the PCSP or IPW program.

IHSS is provided in any of three service delivery modes. Those service modes are the individual provider (IP) mode, the county contract (CC) mode, and the welfare staff (WS) mode. The WS mode is also referred to as the county homemaker mode. The IP mode consists of an individual, hired by the recipient, who provides services to the recipient. The CC mode provides for IHSS services to be performed by a service provider under contract with the individual counties. The contractor employs the individuals who provide the services to the recipient. The WS mode utilizes county employees to provide services for recipients.

Personal Care Services Program/Residual IHSS Basic Costs

DESCRIPTION (CONTINUED):

The State Compensation Insurance Fund (SCIF), under contract, administers the workers' compensation insurance for the IPs providing services for IHSS recipients.

The Department of General Services (DGS), under contract, acts as agent for the California Department of Social Services (CDSS) in the management and supervision of SCIF. DGS also monitors high cost cases ($50,000 and over in paid costs) on a quarterly basis.

The IHSS Case Management Information and Payrolling System (CMIPS) authorizes payments and provides CDSS and the counties with information regarding wages, taxes, hours per case, cost per hour, PCSP and Residual program caseload and funding ratios, share of cost, RMA, and the number of providers in the IP mode. (See the CMIPS premise for more information.)

IMPLEMENTATION DATE:

This premise implemented on April 1, 1993.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 12300-12314 and 14132.95.
- The projected caseload percentages for the PCSP and Residual program are 92.09 percent and 7.91 percent, respectively, based on the average caseloads to date for
- Fiscal Year (FY) 2008-09.
- PCSP caseloads were 3,490 (CC) and 78 (WS), and Residual caseloads were 1,013 (CC) and 46 (WS). The balance of the caseload is IP.
- The PCSP CC mode average monthly hours per case is assumed to be 62.01 hours at a cost per hour of $18.64. The WS average monthly hours per case is assumed to be 8.82 hours at a cost per hour of $18.75.
- The Residual CC mode average monthly hours per case is assumed to be 26.04 hours at a cost per hour of $17.61. The Residual WS average monthly hours per case is assumed to be 7.17 hours at a cost per hour of $18.68.
- The IP wage rate and average monthly hours per case are based on the individual counties data.
- The payroll tax rate associated with the IP wages is assumed at ten percent.
- Based on actuals for FY 2007-08, the average recipient PCSP Program share of cost (SOC) is assumed to be $387 per case in the Current Year (CY) and Budget Year (BY) in the IP mode of service. The average recipient Residual program share of cost is assumed to be $407 and $218 per case in the IP mode and CC/WS modes of service, respectively.

Personal Care Services Program/Residual IHSS Basic Costs

KEY DATA/ASSUMPTIONS (CONTINUED):

- In the PCSP program, the average monthly SOC caseload is assumed to be 7,835 in the CY and 8,348 in the BY.
- In the Residual program, the average monthly SOC caseload is assumed to be 650 in the CY and 693 in the BY in the IP Mode, and 78 in the CC/WS for both CY and BY.
- The RMA cost per case is $62.
- The RMA cost is estimated to be $511,467 for CY and $544,961 in the BY.
- The SCIF contract cost is assumed to be $42 million for both CY and BY.
- The DGS contract cost is set at $120,000 for both CY and BY.
- CY and BY include costs for the Los Angeles County Back-Up Attendant Program.

METHODOLOGY:

- The estimated PCSP basic cost is computed by multiplying the casemonths times the average hours per case, times the cost per hour, plus the associated payroll taxes, minus the share of cost. In addition, the PCSP caseload percentage of the SCIF and DGS contract costs are added.
- The estimated Residual basic cost is computed by multiplying the casemonths times the average hours per case times the cost per hour, plus associated payroll taxes, minus the share of cost. In addition, the Residual program caseload percentage of the SCIF, DGS contract costs and RMA are added.

FUNDING:

- In the PCSP, the Title XIX Federal Medical Assistance Percentage rate is 50 percent.
- The nonfederal share is split 65 percent state and 35 percent county. The county share of cost is reflected as a reimbursement, consistent with actual cash flow.
- In the Residual program basic costs, the state share is 65 percent of the total, and the county share is 35 percent. The county SOC is reflected as a reimbursement, consistent with actual cash flow.

Personal Care Services Program/Residual IHSS Basic Costs

CHANGE FROM THE APPROPRIATION:

The CY increase reflects caseload growth, an increase in hours per case and wage and/or benefit increases for 11 counties.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY increase reflects wage and/or benefits increases and caseload growth.

CASELOAD:

	2008-09	2009-10
Average Monthly PCSP Caseload	394,263	420,082
Average Monthly Residual Program Caseload	33,847	36,064

EXPENDITURES:

(in 000's)

TOTAL	2008-09	2009-10
	Grant	Grant
Total	$4,969,968	$5,292,525
Federal	0	0
State	1,729,076	1,842,050
County	0	0
Reimbursements	3,240,892	3,450,475

Personal Care Services Program/Residual IHSS Basic Costs

EXPENDITURES (CONTINUED):

(in 000's)

PCSP	2008-09 Grant	2009-10 Grant
Total	$4,550,349	$4,844,649
Federal	0	0
State	1,459,161	1,553,896
County	0	0
Reimbursements	3,091,188	3,290,753

Residual Program	2008-09 Grant	2009-10 Grant
Total	$419,619	$447,876
Federal	0	0
State	269,915	288,154
County	0	0
Reimbursements	149,704	159,722

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Case Management Information and Payrolling System (CMIPS) and Associated Costs

DESCRIPTION:

This premise reflects the costs associated with the operation and maintenance of the In-Home Supportive Services (IHSS) Case Management Information and Payrolling System (CMIPS). The CMIPS consists of the following three components:

Case Management

The CMIPS stores the case record of each individual recipient. The case record of each recipient contains information on eligibility, needs assessment, share of cost, if appropriate, and all changes affecting the recipient's case. The CMIPS also generates notices of action, cost-of-living adjustments, and rate changes. The CMIPS further allows for data exchanges with other welfare systems and is used to establish Medi-Cal eligibility. Unique Client Index Numbers (CINs) facilitate the identification of common clients and the exchange of data with other systems. CIN transactions are processed through the Office of Systems Integration server.

Management Information

The CMIPS provides periodic management reports that include fiscal and statistical data on a case-by-case, worker-by-worker, office-by-office, county-by-county, and statewide basis.

Payrolling System

The CMIPS provides for the authorization and issuance of warrants for payments for services provided by the individual-provider mode and prepares all employer tax forms and reports. These reports are used for bookkeeping, accounting, and tax preparation purposes on behalf of recipients, County Welfare Departments, and the California Department of Social Services (CDSS).

The State Controller's Office (SCO), under contract with CDSS, issues payroll checks to the individual providers on behalf of IHSS recipients. The SCO also issues replacement checks and handles checks returned as undeliverable.

The State Treasurer's Office (STO), under contract with CDSS, performs bank reconciliation of IHSS warrants, and redeems all valid warrants issued for IHSS providers.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 12302.2.
- The CMIPS contract is currently held by Electronic Data Systems (EDS).
- The estimated costs for the SCO contract were updated. In Current Year (CY) and Budget Year (BY) there are no direct deposit costs associated with the SCO contract.

Case Management Information and Payrolling System (CMIPS) and Associated Costs

KEY DATA/ASSUMPTIONS (CONTINUED):

- The estimated CIN transaction costs are based on a projection of the number of transactions and a cost of 0.7 cents per transaction.

	2008-09	2009-10
EDS	$11,787,468	$12,322,287
STO	$915,987	$915,987
SCO	$5,334,000	$5,334,000
CIN Transaction	$8,307	$8,307
Total Costs	$18,045,762	$18,580,581

METHODOLOGY:

The estimate is computed by summing the EDS, STO, SCO, and CIN data and transaction fee costs. The total cost is split between the Personal Care Services Program (PCSP) and the Residual program based on percent to total caseload.

FUNDING:

- In the PCSP, the federal Title XIX reimbursement represents 50 percent of the total funding in the CY and BY. The nonfederal share is split 70 percent state and 30 percent county.
- In the Residual program, the state share is 70 percent of the total, and the county share is 30 percent.

CHANGE FROM THE APPROPRIATION:

The CY increase is due to increased EDS costs for processing payroll and an increased cost for a new SCO contract.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY increase is due to increased EDS costs for processing payroll.

Case Management Information and Payrolling System (CMIPS) and Associated Costs

EXPENDITURES:
(in 000's)

TOTAL	2008-09	2009-10
	Grant	Grant
Total	$18,046	$18,580
Federal	0	0
State	6,815	7,017
County	2,921	3,007
Reimbursements	8,310	8,556

PCSP	2008-09	2009-10
	Grant	Grant
Total	$16,620	$17,111
Federal	0	0
State	5,816	5,989
County	2,494	2,566
Reimbursements	8,310	8,556

Residual Program	2008-09	2009-10
	Grant	Grant
Total	$1,426	$1,469
Federal	0	0
State	999	1,028
County	427	441
Reimbursements	0	0

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Case Management Information and Payrolling System (CMIPS) Enhancements

DESCRIPTION:

This premise reflects the funding required for several Case Management Information and Payrolling System (CMIPS) enhancements needed to meet the documentation and data collection and reporting requirements of the In-Home Supportive Services (IHSS) program. This premise also includes costs for enhancements to implement Provider Direct Deposit (PDD) and Conlan.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 12317 [Chapter 229, Statutes of 2004 (Senate Bill 1104)] and section 12304.4 [Chapter 75, Statutes of 2006 (Assembly Bill 1808)].
- CMIPS enhancements for the PDD capability require 1,680 hours of programming.
- The PDD cost assumes 30 percent provider participation. The Current Year (CY) PDD cost is $1.1 million. The Budget Year (BY) cost is $1.1 million.
- The Conlan cost assumes $0.1 million in the CY and $0.1 million in the BY.

METHODOLOGY:

The estimate is computed by summing the programming costs for the PDD enhancements and Conlan.

FUNDING:

- In the Personal Care Service Program (PCSP), the federal Title XIX reimbursement represents 50 percent of the total funding in the CY and the BY. The GF share is 35 percent of the total and the counties share is 15 percent of the total.
- In the Residual program, the GF share is 70 percent of the total, and the county share is 30 percent.

CHANGE FROM THE APPROPRIATION:

The decrease reflects no funding for the QA and IPW programs.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Case Management Information and Payrolling System (CMIPS) Enhancements

EXPENDITURES:

(in 000's)

TOTAL	2008-09	2009-10
Total	$1,240	$1,240
Federal	0	0
State	469	469
County	200	200
Reimbursements	571	571

PCSP	2008-09	2009-10
Total	$1,142	$1,142
Federal	0	0
State	400	400
County	171	171
Reimbursements	571	571

Residual Program	2008-09	2009-10
Total	$98	$98
Federal	0	0
State	69	69
County	29	29
Reimbursements	0	0

Case Management, Information and Payrolling System (CMIPS) II Contract Procurement

DESCRIPTION:

This premise reflects the costs for contracting with the Health and Human Services Agency Office of Systems Integration (OSI) for development, support, and implementation of a new and enhanced In-Home Supportive Services (IHSS) Case Management, Information and Payrolling System (CMIPS). This project proposes to replace the existing CMIPS with new technologies that provide system access for all IHSS county workers and a communication network between state and county IHSS offices.

IMPLEMENTATION DATE:

This premise implemented on April 1, 2008.

KEY DATA/ASSUMPTIONS:

Authorizing statute: Welfare and Institutions Code section 12302.2.

METHODOLOGY:

The estimated costs are detailed in the October 2007 Implementation Advance Planning Document.

FUNDING:

- In the Personal Care Services Program (PCSP), the Title XIX Federal Medical Assistance Percentage rate is a blended rate of 64 percent.
- The nonfederal share is funded 100 percent State General Fund (GF).
- In the Residual Program, the funding is 100 percent GF.

CHANGE FROM THE APPROPRIATION:

The Fiscal Year (FY) 2008-09 costs have been reduced due to the revision of the project schedule. The net decrease for FY 2008-09 reflects a reduction in prime vendor and data center services costs offset by a partial increase in county staff, county travel, and interface costs. Costs have been adjusted for baseline adjustments.[1]

REASON FOR YEAR-TO-YEAR CHANGE:

The net increase for FY 2009-10 reflects increases to county staff, state support contracts, prime vendor, and data center services costs associated with the final county roll out schedule offset by a partial decrease in county travel and interface costs. Costs have been adjusted for baseline adjustments.[1]

[1] While there is a $13.336 million GF decrease from the appropriation, this savings has already been captured as part of the $200 million statewide GF savings reflected in the 2008 Budget Act. Therefore, the November Estimate reflects no GF change from appropriation for FY 2008-09.

Case Management, Information and Payrolling System (CMIPS) II Contract Procurement

EXPENDITURES:

(in 000's)

Total	2008-09	2009-10
	County Admin.	County Admin.
Total	$95,778	$100,154
Federal	0	0
State	46,878[2]	40,748
County	0	0
Reimbursements	48,900	59,406

PCSP	2008-09	2009-10
	County Admin.	County Admin.
Total	$86,828	$92,822
Federal	0	0
State	37,928[2]	33,416
County	0	0
Reimbursements	48,900	59,406

Residual Program	2008-09	2009-10
	County Admin.	County Admin.
Total	$8,950	$7,332
Federal	0	0
State	8,950[2]	7,332
County	0	0
Reimbursements	0	0

[2] While there is a $13.336 million GF decrease from the appropriation, this savings has already been captured as part of the $200 million statewide GF savings reflected in the 2008 Budget Act. Therefore, the November Estimate reflects no GF change from appropriation for FY 2008-09.

Case Management, Information and Payrolling System (CMIPS) II Contract Procurement

EXPENDITURES (CONTINUED):

(in 000's)

CDSS/OSI PARTNERSHIP:

(in 000's)	2008-09	2009-10
Total	$82,442[3]	$100,154
CDSS	5,426	20,987
OSI	77,016	79,167

[3] Excludes the $13.336 million GF savings that was captured in the 2008 Budget Act (see footnote 1).

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Public Authority Administration

DESCRIPTION:

This premise reflects the Public Authority (PA) administrative costs. Senate Bill 1780 (Chapter 206, Statutes of 1996) defined the make-up and functions of PAs. A county board of supervisors may elect to establish a PA to provide for the delivery of In-Home Supportive Services (IHSS). PAs are separate entities from the county in which they operate. Employees of the PA shall not be employees of the county for any reason. PAs are the employers of IHSS providers for the purposes of collective bargaining over wages, hours, and other terms of employment. However, IHSS recipients retain the right to hire, fire, and supervise the work of any IHSS worker providing services to them.

A PA shall provide, but is not limited to, the following functions:

- The provision of assistance to recipients in finding IHSS providers through the establishment of a registry.
- The investigation of the qualifications and background of potential providers.
- The establishment of a referral system under which IHSS providers shall be referred to recipients.
- The provision of training for providers and recipients.
- Other functions related to the delivery of IHSS.

The PA rate includes the hourly costs for wages, employer taxes, benefits, and administrative costs. The PA rate cannot exceed 200 percent of the current minimum wage in order to qualify for federal financial participation. The PA must submit a rate approval request to the California Department of Social Services (CDSS). Once CDSS approves the request, it is submitted to the California Department of Health Care Services (CDHCS) for final approval. After CDHCS approves the rate, the PA can claim its costs.

KEY DATA/ASSUMPTIONS:

Authorizing statute: Welfare and Institutions Code section 12301.

METHODOLOGY:

The estimated cost is computed by multiplying the casemonths by the average hours per case by the administrative hourly rates for each PA.

Public Authority Administration

FUNDING:

- In the Personal Care Services Program (PCSP), the Title XIX Federal Medical Assistance Percentage rate is 50 percent. The nonfederal share is split 65 percent state and 35 percent county.
- In the Residual program, the state share is 65 percent of the total, and the county share is 35 percent.

CHANGE FROM THE APPROPRIATION:

The Current Year increase reflects an increasing caseload, and an increase in county PA rate.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year increase reflects administrative rate changes and caseload growth.

EXPENDITURES:

(in 000's)

TOTAL	2008-09 Admin	2009-10 Admin
Total	$59,420	$63,218
Federal	0	0
State	21,291	22,619
County	0	0
Reimbursements	38,129	40,599

PCSP	2008-09 Admin	2009-10 Admin
Total	$53,331	$56,840
Federal	0	0
State	17,333	18,473
County	0	0
Reimbursements	35,998	38,367

Public Authority Administration

EXPENDITURES (CONTINUED):

(in 000's)

Residual Program	2008-09	2009-10
	Admin	Admin
Total	$6,089	$6,378
Federal	0	0
State	3,958	4,146
County	0	0
Reimbursements	2,131	2,232

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PCSP Three-Month Retroactive Benefits

DESCRIPTION:

This premise reflects the costs in the Personal Care Services Program (PCSP), associated with implementing a Medi-Cal rule that provides reimbursement for eligible In-Home Supportive Services (IHSS) personal care services rendered up to three months prior to application.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2005.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Budget Act of 2004.
- Based on the number of approvals in July 2007 through June 2008, 1.81 percent of cases each month will be new applicants.
- Based on recent Medi-Cal data, it was assumed that 0.02 percent of all applicants would be eligible for at least one month of retroactive benefits for the period prior to the month of application. It was also assumed that on average the applicants would receive 1.16 months of retroactive benefits.
- In addition, it was assumed that 2.58 percent of applicants would be eligible to receive a retroactive benefit for a portion of the month in which they applied. The average period of retroactive benefit was assumed to be two weeks.
- The administrative cost of processing the retroactive payments is assumed to require one additional hour to review incoming claims to determine eligibility and 1.5 additional hours to process eligible claims. It is assumed that ten percent of all applicants will submit a claim. The social worker cost per hour is assumed to be $60.55.

METHODOLOGY:

The number of cases to receive retroactive benefits was derived using the percentage of new cases and the percentage of cases that are eligible to receive retroactive benefits.

Estimated costs for benefits were based on the number of eligible retroactive cases, the average monthly cost per case and the assumption that each case would receive either two weeks or 1.16 months of retroactive benefits.

The administrative costs were based on the number of claims received and eligible retroactive claims, the time to review or process each case and IHSS social worker cost per hour.

PCSP Three-Month Retroactive Benefits

FUNDING:

- The Title XIX Federal Medical Assistance Percentage rate for PCSP is 50 percent.
- The nonfederal share is split 65 percent state and 35 percent county.
- The estimated Title XIX reimbursement percentage for Administration costs is 49.57 percent, based on actual expenditure information as reported on the County Expense Claim for the past four quarters.
- The state and county sharing ratios for Administration costs are 70 percent and 30 percent, respectively, of the nonfederal share.

CHANGE FROM THE APPROPRIATION:

The increase in the Current Year (CY) is a result of updated data to reflect increases in new case approvals and cost per case information.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year (BY) increase reflects the increased percent of new case approvals and current caseload information.

EXPENDITURES:

(in 000's)

Total PCSP/Residual	2008-09	2009-10
	Grant	Grant
Total	$1,180	$1,256
Federal	0	0
State	416	442
County	0	0
Reimbursements	764	814

PCSP	2008-09	2009-10
	Grant	Grant
Total	$1,080	$1,150
Federal	0	0
State	351	373
County	0	0
Reimbursements	729	777

PCSP Three-Month Retroactive Benefits

EXPENDITURES (CONTINUED):

(in 000's)

Residual Program	2008-09	2009-10
	Grant	Grant
Total	$100	$106
Federal	0	0
State	65	69
County	0	0
Reimbursements	35	37

Administration	2008-09	2009-10
	Admin.	Admin.
Total	$781	$832
Federal	0	0
State	276	294
County	118	126
Reimbursements	387	412

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Reduce State Participation to the Minimum Wage

DESCRIPTION:

This premise reflects the savings from reducing the State's participation in the costs of In-Home Supportive Services (IHSS) wages to the minimum wage, currently $8.00 per hour and benefits up to $0.60 per hour.

Under current law, IHSS/Personal Care Services Program (PCSP) providers may organize and collectively bargain for wages and individual health benefits on a county-by-county basis. In the current year, State law provides that the State will share in up to $12.10 per hour for IHSS provider wages and health benefits in the counties that have an IHSS Public Authority (PA) or Non-Profit Consortium (NPC). For the counties that have neither a PA nor an NPC, the law provides for the State to share in the cost of wages only up to the State minimum wage plus 5.31 percent ($8.42/hour) with no State share in health benefits. These provisions of current law will be repealed and the State will only share in the costs of wages at the minimum wage. For the counties that have a Contract Mode, current statute provides for state participation in the costs up to maximum allowable contract rate (MACR).

IMPLEMENTATION DATE:

This premise has an enactment date of February 1, 2009 with a May 1, 2009 implementation date.

KEY DATA/ASSUMPTIONS:

- Statutory changes will be made prior to the reduction in the State share of costs.
- The State minimum wage is currently $8.00 per hour.
- The State will share in benefits up to $0.60 per hour.
- Assumes a May 1, 2009 implementation date.

METHODOLOGY:

- Savings are based on applying the difference between the current Individual Provider wage and benefits in each county and the minimum wage to the hours of service provided.
- The average hours of paid provider service were also adjusted downward based upon the assumption that the proposal entitled “Limiting IHSS to Recipients with Functional Index Rank of Four and Above” would be enacted and reduce the average number of hours authorized and provided for domestic and related services.
- The statewide savings reflect the estimated caseload and hours in each county

FUNDING:

- The Title XIX federal sharing ratio is based on the Federal Medical Assistance Percentage rate of 50 percent.
- The non-federal share is split 65 percent state and 35 percent county. The county share of costs is reflected as a reimbursement, consistent with actual cash flow.

Reduce State Participation to the Minimum Wage

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

The Current Year reflects two months of savings. The Budget Year reflects a full year of savings.

EXPENDITURES:

(in 000's)

Total	2008-09	2009-10
Total	-$44,474	-$266,847
Federal	0	0
State	-44,474	-266,847
County	0	0
Reimbursements	0	0

PCSP	2008-09	2009-10
Total	-$40,956	-$245,739
Federal	0	0
State	-40,956	-245,739
County	0	0
Reimbursements	0	0

Residual	2008-09	2009-10
Total	-$3,518	-$21,108
Federal	0	0
State	-3,518	-21,108
County	0	0
Reimbursements	0	0

Criminal Background Checks (Senate Bill 868)

DESCRIPTION:

Public authorities and non-profit consortia (PA/NPC) provide for the delivery of In-Home Supportive Services (IHSS). One of the functions of the PAs/NPCs is to investigate the qualifications and background of potential IHSS registry providers. Senate Bill (SB) 868 (Chapter 447, Statutes of 2007) specifies that for registry applicants employed on or after January 1, 2008, the investigation may include criminal background checks conducted by the Department of Justice (DOJ). SB 868 also allows PAs/NPCs to request criminal background checks for non-registry IHSS providers on behalf of IHSS recipients. Statute does not allow a fee charged to the IHSS recipient or provider for processing of the criminal background check. SB 868 allows for state participation in the cost of DOJ criminal background checks when at least 50 percent of the PA/NPC registry applicants have completed a DOJ criminal background check.

IMPLEMENTATION DATE:

Implementation date is dependent on an appropriation.

KEY DATA/ASSUMPTIONS:

This premise will implement to the extent that an appropriation is made in the annual Budget Act or other statute.

METHODOLOGY:

Funding was not appropriated for Fiscal Year (FY) 2008-09. Funding for FY 2009-10 is contingent upon an appropriation.

FUNDING:

- The Title XIX reimbursement is 50 percent.
- The nonfederal share is split 65 percent State and 35 percent county. The county share is reflected as a reimbursement.

Criminal Background Checks (Senate Bill 868)

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

PCSP	2008-09	2009-10
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

Conlan II

DESCRIPTION:

This premise reflects the costs associated with implementing a Medi-Cal rule that provides reimbursement for eligible In-Home Supportive Services (IHSS) personal care services rendered up to three months prior to application, during the evaluation period and post approval. In *Conlan v. Bontá*, the San Francisco Superior Court ordered the Department of Health Care Services (DHCS) to ensure that Medi-Cal recipients entitled to reimbursement for covered services 90 days prior to the Medi-Cal application date are promptly reimbursed. The DHCS implementation plan to comply with *Conlan v. Bontá* is the subject of *Conlan v. Shewry*. Beginning December 2006, DHCS sent notices to current and former Medi-Cal beneficiaries regarding the process to file a Beneficiary Reimbursement claim. To process the claims, DHCS contracted with Electronic Data Systems (EDS) to establish the Beneficiary Services Center (BSC). Claims for reimbursement for IHSS are forwarded to the California Department of Social Services (CDSS) Adult Programs Branch (APB) by EDS/BSC.

IMPLEMENTATION DATE:

The court ordered a start date of November 16, 2006.

KEY DATA/ASSUMPTIONS:

- Implemented by All-County Letters No. 07-11 (February 20, 2007) and No. 07-32 (September 13, 2007).
- Based on current data from EDS/BSC, it is assumed that approximately 65 claims will be forwarded to APB per month, of which approximately 62 percent will be approved. The average cost per claim is assumed to be approximately $2,000.

METHODOLOGY:

The estimated cost is computed by multiplying the claims, by the approval rate, by the average cost.

FUNDING:

- The Title XIX reimbursement is 50 percent.
- The nonfederal share is split 65 percent state and 35 percent county. The county share is reflected as a reimbursement.

Conlan II

CHANGE FROM THE APPROPRIATION:

The estimate has been updated to reflect current, updated data.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease reflects more complete data now available.

EXPENDITURES:

(in 000's)

PCSP	2008-09	2009-10
Total	$774	$587
Federal	0	0
State	503	381
County	0	0
Reimbursements	271	206

Limiting IHSS to Recipients with Functional Index Rank of Four and Above

DESCRIPTION:

This premise would establish a baseline functional index (FI) rank (or minimum threshold) for receiving domestic and related services (housework, shopping for food, meal preparation and clean-up, and laundry). This proposal would limit the provision of domestic and related services to those individuals with a functional ranking of 4 and above. This baseline threshold would not be extended to any other In-Home Supportive Services (IHSS), such as personal care, protective supervision or paramedical services. The IHSS Program's Uniform Assessment Tool is used by the county to assess an individual's need for IHSS based on their functioning across a spectrum of average daily activities. The Uniform Assessment is conducted to determine initial eligibility for IHSS and at annual reassessment or a change in the recipient's condition.

The goal of this proposal is to target reductions in domestic and related services to individuals with the highest functional abilities and the lowest need as determined through the Uniform Assessment Tool. Within the domestic and related services category are three activities, which are: housework; shopping and errands; and meal preparation and clean-up, impacted by this proposal, Current program requirements already do not allow for individuals in Rank 1, who are considered independent, to receive these services; individuals at Rank 2 typically require direction or encouragement to perform an activity; individuals at Rank 3 require some physical assistance from another person for some chores. In comparison, individuals at Rank 4 require substantial physical assistance for most chores and individuals at Rank 5 cannot perform the specified activity with or without assistance. This proposal would eliminate the service for anyone assessed or ranked with a FI rank below four for these categories of domestic and related activities.

IMPLEMENTATION DATE:

This premise has an enactment date of February 1, 2009 with a May 1, 2009 implementation date.

KEY DATA/ASSUMPTIONS:

- Approximately, 96 percent of IHSS recipients receive domestic and related services. The recipient population who have functional index ranking of 2, or 3 is estimated at 81,000 in the Current Year (CY) and Budget Year (BY).
- The impacted individuals are assessed to have, on average, 22.6 authorized hours per month of domestic and related services; these individuals use, on average, 95 percent of authorized hours.
- The total CY savings reflects two months of savings with a May 1, 2009 implementation date.
- The savings were adjusted for costs associated with potential appeals.
- The adjusted costs consist of the hours restored for successful appeals, and state and county administrative costs for work on appeals and hearings.
- Assumed that 20 percent of impacted cases will appeal: of that 20 percent, 75 percent will have their cases reviewed by a Social Worker (SW) and will not go to hearing, and will not have their hours restored; the remaining 25 percent will be reviewed by a SW and go to on to full hearing and will have their hours restored.

Limiting IHSS to Recipients with Functional Index Rank of Four and Above

KEY DATA/ASSUMPTIONS (CONTINUED):

- Assume the SW hourly cost is $60.55 per hour; that the SW takes 0.5 hours of time to work (reviews) on appeals, and 1.0 hours of time to work (prepare) on hearings.
- Assume 14.5 Administrative Law Judge's (ALJ) at $1.9 million-full year and 5.0 Office Technicians (OT) at $0.5 million-full year for appeals for one year limited term.
- A full year of county administrative cost for appeals workload is assumed at $0.7 million.
- Average wages paid for domestic and related services per hour is $11.31.

METHODOLOGY:

- The estimated savings is based on the number of Domestic and Related Services cases with a functional index ranking of less than 4 and the recipients usage of an average of 95% of their authorized hours.
- The estimated savings was adjusted for the estimated number of appeals, the cost of hearings associated with the appeals including an associated county administrative cost, and the cost associated with restored hours from successful appeals.

FUNDING:

- The Title XIX federal sharing ratio is based on the Federal Medical Assistance Percentage rate of 50 percent.
- The non-federal share is split 65 percent state and 35 percent county. The county share of costs is reflected as a reimbursement, consistent with actual cash flow.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

The CY reflects two months of savings. The BY reflects a full year of savings.

Limiting IHSS to Recipients with Functional Index Rank of Four and Above

EXPENDITURES:

(in 000's)

Total	2008-09	2009-10
Total	-$36,741	-$220,833
Federal	0	0
State	-11,869	-71,409
County	-6,440	-38,640
Reimbursements	-18,432	-110,784

PCSP	2008-09	2009-10
Total	-$33,834	-$203,365
Federal	0	0
State	-10,930	-65,760
County	-5,931	-35,585
Reimbursements	-16,973	-102,020

Residual	2008-09	2009-10
Total	-$2,907	-$17,468
Federal	0	0
State	-940	-5,648
County	-509	-3,056
Reimbursements	-1,458	-8,764

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Waiver Personal Care Services

DESCRIPTION:

This premise, formerly called Extended Personal Care Services (Assembly Bill (AB) 668), reflects the costs for Personal Care Services that are provided above a recipient's assessed limit in the In-Home Supportive Services/Personal Care Services Program (IHSS/PCSP).

AB 668 (Chapter 896, Statutes of 1998) provided for additional hours on behalf of eligible PCSP recipients if they needed more than the 283 monthly hours allowed under IHSS and qualified for the Medi-Cal Skilled Nursing Facility Level of Care (SNFLOC) home and community based services waiver program. The SNFLOC waiver program was approved by the Health Care Financing Administration effective July 1, 1999.

The Centers for Medicare and Medicaid Services (CMS) have since renewed the nursing facility waiver, which now includes A and B levels of care (NF A/B). Approval has also been received for a new waiver for adult and pediatric subacute (NF Subacute) levels of care. "Waiver Personal Care Services" has been redefined in these two waivers to include services that differ from those in the State Plan and which allow beneficiaries to remain at home. Although there will no longer be a requirement that waiver consumers receive the maximum of 283 hours of State Plan Personal Care Services (SPPCS) prior to receiving waiver personal care services, waiver consumers must be receiving some SPPCS. Waiver personal care services will be one option on a menu of services that waiver participants may choose from, to the extent that waiver cost neutrality is assured. These services will be provided through the counties' IHSS programs and will be paid via an interagency agreement with the California Department of Social Services, or will be provided by home health agencies.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2000.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 14132.97.
- The NF A/B average monthly caseload is assumed to be 572 in the Current Year (CY) and 1,040 in the Budget Year (BY). The NF Subacute average monthly caseload is assumed to be 247 in the CY and 267 in the BY.
- The NF A/B average monthly hours of service per case are 160 in the CY and BY. The NF Subacute average monthly hours of service per case are 303 in the CY and BY.
- The cost per hour is assumed at $10.35

METHODOLOGY:

The estimated cost is computed by multiplying the caseload by the average hours per case by the cost per hour by twelve months.

Waiver Personal Care Services

FUNDING:

The Title XIX Federal Medical Assistance Percentage rate is 50 percent. The nonfederal share of the service costs is reimbursed 100 percent by the Department of Health Services.

CHANGE FROM THE APPROPRIATION:

The estimate has been updated to reflect current caseload and cost per hour information.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase reflects caseload growth.

EXPENDITURES:

(in 000's)

PCSP	2008-09	2009-10
	Grant	Grant
Total	$20,850	$30,929
Federal	0	0
State	0	0
County	0	0
Reimbursements	20,850	30,929

Waiver Program/Medi-Cal State Plan Amendment for Residual

DESCRIPTION:

This premise reflects the savings associated with implementation of a federal Medicaid (Medi-Cal) Waiver and Personal Care Services Program (PCSP) State Plan amendment that allows In-Home Supportive Services (IHSS) Residual program consumer services to qualify for federal Title XIX funds. The IHSS program enables eligible individuals to remain safely in their own homes as an alternative to out-of-home care. Eligible IHSS recipients are aged, blind, or disabled individuals who receive public assistance or have low incomes and can be cared for by a relative or nonrelative. In July 2004, the California Department of Health Care Services received a five-year Independence Plus, Section 1115 Demonstration Waiver from the federal Centers for Medicare and Medicaid Services (CMS). This waiver permits the state to provide in-home consumer directed services with federal funds to individuals historically served in the non-federal IHSS Residual program. The individuals covered under the waiver include 1) recipients whose services are provided by a spouse or parent (if the recipient is a minor child), 2) recipients receiving advance cash payments, and 3) recipients with restaurant meal allowances. Residual cases not covered under the waiver, such as cases with protective supervision services where the providers are not parents or spouses, and domestic and related services only cases, are covered under the Medi-Cal funded PCSP per a Medi-Cal State Plan amendment.

IMPLEMENTATION DATE:

The IHSS Plus Waiver (IPW) became effective on August 1, 2004.

KEY DATA/ASSUMPTIONS:

Most Residual program cases will be eligible for federal Title XIX funds under the IPW program or the Medi-Cal State Plan amendment.

METHODOLOGY:

The savings are determined by computing a federal Medi-Cal share of cost for projected Residual program expenditures with amended corresponding State and county shares.

Prior to calculating the savings, the estimate for the basic costs was reduced by $93 million [$60 million General Fund (GF)] for the Current Year (CY) and $96 million ($63 million GF) for the Budget Year (BY) to adjust for an estimate of the number of cases that will be ineligible for services under the waiver.

Waiver Program/Medi-Cal State Plan Amendment for Residual

FUNDING:

- The Title XIX federal sharing ratio is 50 percent.
- The nonfederal share is split 65 percent state and 35 percent county. The county share of cost is reflected as a reimbursement, consistent with actual cash flow.
- The Title XIX funds are shown as a reimbursement.

CHANGE FROM THE APPROPRIATION:

The increase in CY savings reflects cases that have not yet been determined eligible for PCSP or the IPW program.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase in savings reflects the total changes to the residual program.

EXPENDITURES:

(in 000's)

Residual Program	2008-09	2009-10
Total	$0	$0
Federal	0	0
State	-111,573	-119,279
County	-229	-235
Reimbursements	111,802	119,514

Title XIX Reimbursement – In-Home Supportive Services/CSBG/Child Welfare Services

DESCRIPTION:

This premise reflects the level of reimbursement associated with Title XIX eligible services. Federal Financial Participation (FFP) is authorized under Title XIX of the federal Social Security Act (42 U.S.C., Section 1396, et. seq.). Certain In-Home Supportive Services (IHSS), assessment and eligibility activities, county services block grant (CSBG) activities, and adult protective services (APS), are eligible for Title XIX federal funding. Additionally, certain health-related (HR) activities in child welfare services (CWS) are also eligible for these funds.

The California Department of Social Services has coordinated with the Department of Health Services to establish the necessary claiming processes to identify the applicable FFP.

KEY DATA/ASSUMPTIONS:

IHSS

- Authorizing statute: Welfare and Institutions (W&I) Code sections 12300 through 12317.2.
- The IHSS Personal Care Services Program (PCSP) is eligible for Title XIX funding at the Federal Medical Assistance Percentage (FMAP).
- The IHSS program costs are eligible for the Title XIX funding at the enhanced administrative rate of 75 percent for the Skilled Professional Medical Personnel (SPMP) and the non-enhanced administrative rate of 50 percent for health-related costs.
- The Independence Plus Waiver for the Residual program became effective August 1, 2004, and state plan amendments to the PCSP will permit claiming of the Residual program expenditures retroactively to the date the waiver was submitted.

CWS

- Authorizing statute: W&I Code section 16500.
- The CWS program costs are eligible for the Title XIX funding at the enhanced administrative rate of 75 percent for the SPMP and the non-enhanced administrative rate of 50 percent for health-related costs.

CSBG/APS

Authorizing statute: W&I Code sections 13004 through 13007 (CSBG) and sections 15703 through 15705.40 (APS).

Title XIX Reimbursement – In-Home Supportive Services/CSBG/Child Welfare Services

METHODOLOGY:

IHSS PCSP/Residual Waiver

The Title XIX federal sharing ratio is based on the FMAP rate of 50 percent.

IHSS Administration

- HR activities performed in support of Medi-Cal eligible recipients are eligible for Title XIX reimbursement at 50 percent. These same activities, if performed by SPMP (those staff who have a health care license or certificate) are eligible for Title XIX Reimbursement at an enhanced rate of 75 percent.
- The federal share of actual expenditures for the past two quarters was used in the Current Year and Budget Year estimates.

CWS

For Fiscal Year (FY) 2008-09 and FY 2009-10, the Title XIX reimbursement was calculated using prior year actual expenditures.

CSBG/APS

- HR activities in support of Medi-Cal eligible recipients are eligible for Title XIX reimbursement at 50 percent. Activities performed by SPMP are eligible for Title XIX reimbursement at an enhanced rate of 75 percent.
- Costs are based on actual expenditures.

CHANGE FROM THE APPROPRIATION:

The estimate has been updated to reflect current data.

REASON FOR YEAR-TO-YEAR CHANGE:

The change reflects actual program costs and special session reduction proposals.

Title XIX Reimbursement – In-Home Supportive Services/CSBG/Child Welfare Services

EXPENDITURES:

(in 000's)	2008-09 Grant	2009-10 Grant
Title XIX Total	**$2,827,046**	**$2,928,516**
IHSS Services	**$2,523,826**	**$2,608,055**
PCSP	2,353,634	2,433,312
Waiver/State Plan Amendment	170,192	174,743
Total Health Related	**$303,220**	**$320,461**
IHSS Administration	163,854	177,680
CWS	87,208	90,623
CSBG	15,298	15,298
APS/APS Training	36,860	36,860

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In-Home Supportive Services Administration – Basic Costs

DESCRIPTION:

This premise reflects the costs of administering the In-Home Supportive Services (IHSS) program. Assembly Bill 1773 (Chapter 939, Statutes of 1992) required the California Department of Health Care Services to submit a Medicaid state plan amendment to the federal Health Care Financing Administration to include a portion of the IHSS program as a covered service. The IHSS program provides in-home services to the aged, blind, and disabled to help individuals maintain an independent living arrangement and avoid institutionalization. This premise also includes administrative costs for completion of the emergency contact and back-up form, previously in the Waiver Program/Medi-Cal State Plan Amendment for Residual premise.

IMPLEMENTATION DATE:

The Title XIX eligible Personal Care Services Program was implemented in April of 1993.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 12300 through 12314 and 14132.95.
- The social worker (SW) unit cost is held at $60.55 per hour in both the Current Year (CY) and the Budget Year (BY).
- The standard hours per case are 11.58 hours, including five minutes for completing the required emergency contact and emergency back-up plan form.
- The Supported Individual Provider (SIP) expenditures are assumed to increase with caseload growth. The estimated caseload growth is 6.1 percent in the BY.
- The estimated Title XIX reimbursement percentage for Fiscal Year (FY) 2008-09 is 49.57 percent, based on actual expenditure information as reported on the County Expense Claim for the past four quarters.

METHODOLOGY:

The estimated cost is computed by multiplying the caseload times the standard hours per case times the SW unit cost, plus the estimated SIP costs.

In-Home Supportive Services Administration – Basic Costs

FUNDING:

- The state and county sharing ratios are 70 percent and 30 percent, respectively, of the nonfederal share.
- The Title XIX reimbursements are as follows:
  (a) Costs incurred from activities to help Medi-Cal eligible adults are eligible for Title XIX reimbursements at either 75 percent or 50 percent, depending on the type of service provider.
  (b) Costs incurred from non-health related activities are not eligible for Title XIX reimbursements.

CHANGE FROM THE APPROPIATION:

The CY increase reflects an increased caseload.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY increase reflects an increased caseload.

CASELOAD:

	2008-09	2009-10
Average Monthly Caseload	428,110	456,146

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	County Admin.	County Admin.
Total	$308,896	$329,403
Federal	0	0
State	109,046	116,285
County	46,734	49,837
Reimbursements	153,116	163,281

County Employer of Record (AB 2235)

DESCRIPTION:

This premise reflects the cost of administrative activities necessary for counties to act as the employer of record for In-Home Supportive Service (IHSS) providers. Counties may choose to act as the employer of record for IHSS individual providers to achieve compliance with Assembly Bill (AB) 1682.

AB 2235 (Chapter 1135, Statutes of 2002) further requires any county, not in compliance with the mandates of AB 1682 within a specified timeframe, to act as the employer of record for collective bargaining purposes. To comply, counties had to provide documentation, no later than January 15, 2003, in support of compliance, or detailed information in support of delayed compliance by March 31, 2003. Counties that did not provide required documentation, or meet the delayed compliance deadline, automatically defaulted to act as the employer of record.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2003.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 12300 through 12314 and 14132.95.
- This estimate assumes that Alpine and Tuolumne counties will act as employer of record for both the Current Year (CY) and the Budget Year (BY).
- The estimated Title XIX reimbursement percentage is 49.57 percent based on actual expenditure information as reported on the county administrative expense claim for the past four quarters.

METHODOLOGY:

The CY and the BY estimated cost is the sum of the projected annual costs for each county.

FUNDING:

The state and county sharing ratios are 70 percent and 30 percent, respectively, of the nonfederal share.

CHANGE FROM THE APPROPRIATION:

The CY increase is due to increased cost assumptions for Alpine and Tuolumne county.

County Employer of Record (AB 2235)

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2008-09 Grant	2009-10 Grant
Total	$369	$369
Federal	0	0
State	130	130
County	56	56
Reimbursements	183	183

In-Home Supportive Services (IHSS) Program Court Cases

DESCRIPTION:

This premise reflects the cost of court settlements and attorney fees relating to the In-Home Supportive Services (IHSS) program. The costs result from settlement of lawsuits pertaining to local assistance in accordance with Budget Letter 98-22 and instructions from the Department of Finance.

KEY DATA/ASSUMPTIONS:

The estimate for settlement costs and attorney fees relating to court cases is based in part on actual payments for cases in the Current Year (CY), and the Legal Division's projection of costs that will be paid in both CY and Budget Year (BY).

METHODOLOGY:

The CY and BY estimates of costs reflect known and anticipated settlements and attorney fees relating to the IHSS program and $20,000 for other court cases. These are state-only costs.

FUNDING:

IHSS costs for case settlement and attorney fees are funded with 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

The increase reflects the Tyler Lawsuit being settled in the CY.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease reflects the Tyler lawsuit being closed out.

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	County Admin.	County Admin.
Total	$1,410	$200
Federal	0	0
State	1,410	200
County	0	0
Reimbursements	0	0

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In-Home Supportive Services - Advisory Committees

DESCRIPTION:

This premise reflects the costs of establishing and operating In-Home Supportive Services (IHSS) advisory committees as required by Assembly Bill (AB) 1682 (Chapter 90, Statutes of 1999). AB 1682 mandated that counties act as or establish an employer-of-record for IHSS providers on or before January 1, 2003, and establish advisory committees for IHSS purposes. The advisory committees are to submit recommendations to the Board of Supervisors on the preferred mode of IHSS service to be utilized in the county.

IMPLEMENTATION DATE:

This premise implemented July 1, 2000.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 12300 through 12314.
- The estimate assumes the average annual cost for advisory committees is $52,966 per county.
- The estimate assumes that all counties have established and will operate advisory committees in the Current Year (CY) and Budget Year (BY).
- The estimated Title XIX reimbursement percentage is 47 percent in the CY and BY, based on actual expenditure information as reported on the county administrative expense claims for Fiscal Year 2005-06.

METHODOLOGY:

The estimated cost is computed by multiplying the average annual cost per county times 58 counties.

FUNDING:

The federal Title XIX reimbursement represents 47 percent of the total funding in the CY and BY. The remaining nonfederal share is funded with 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

In-Home Supportive Services - Advisory Committees

EXPENDITURES:

(in 000's)

	2008-09 Grant	2009-10 Grant
Total	$3,072	$3,072
Federal	0	0
State	1,628	1,628
County	0	0
Reimbursements	1,444	1,444

IHSS Quality Assurance

DESCRIPTION:

The Quality Assurance (QA) Initiative is mandated by Senate Bill (SB) 1104 (Chapter 229, Statutes of 2004). The intent is to improve the quality of services, enhance program integrity, and detect and prevent program fraud and abuse. SB 1104 mandated ongoing staff training for county In-Home Supportive Services (IHSS) workers and required the California Department of Social Services to collaborate with the California Department of Health Care Services (DHCS) on annual error rate studies and investigations of suspected fraud in the receipt or provision of services. The QA methodology derived savings from improved assessments and reassessment completed after social workers received training and fraud activities.

This premise reflects administration costs from implementation of a QA program.

IMPLEMENTATION DATE:

This premise implemented on December 1, 2004.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 12305.7 and 12305.71.
- County QA staff and additional IHSS workers were hired in Fiscal Year (FY) 2004-05 and FY 2005-06.
- The "Hourly Task Guidelines Implementation Analysis: Fiscal Year 2006-07" produced by the Institute for Social Research (ISR) at the California State University, Sacramento concluded that there is greater consistency in authorized hours for certain ranks and tasks. Also, the hourly task guidelines (HTGs) have been successful in bringing greater uniformity to the assessment process.
- The ISR analysis also concluded that there has been a modest decrease in authorized hours for assessments (two minutes) and reassessments (five minutes).

METHODOLOGY:

COSTS

County Staff

- It is assumed there are 220 County QA staff or additional IHSS workers.
- The annual Social Worker (SW) cost is assumed to be $129,083.
- The estimated Current Year (CY) and Budget Year (BY) county quality assurance staff costs are $28.4 million [$10.1 million General Fund (GF)].
- The estimated CY also includes costs for a contract with the ISR to evaluate the impact of the HTGs.

IHSS Quality Assurance

METHODOLOGY (CONTINUED):

State level training for SWs

- Training costs include: curriculum development; classroom training; post-training evaluation.
- Training will be provided in the CY and the BY on an on-going basis.

FUNDING:

- The Title XIX reimbursement rate is 50 percent.
- In administration, the state and county sharing ratios are 70 percent and 30 percent, respectively, of the nonfederal share.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change in total however there was a shift in the share from federal funding to state and county.

EXPENDITURES:

(in 000's)

Administration	2008-09	2009-10
Total	$32,602	$32,602
Federal	0	0
State	11,515	11,509
County	4,935	4,932
Reimbursements	16,152	16,161

Reduce County Administration Costs by Five Percent

DESCRIPTION:

This premise reflects the savings from reducing county administration costs by five percent effective July 1, 2008. To achieve these savings, counties will be allowed to delay reassessments for Personal Care Services Program (PCSP) and Residual program recipients up to 18 months. This premise is necessitated by the budget balancing reductions.

IMPLEMENTATION DATE:

This reduction assumes an October 2008 implementation date.

KEY DATA/ASSUMPTIONS:

- Approximately 75 percent of reassessments for PCSP and Residual program recipients will be completed every 18 months rather than every 12 months.
- The average hours per reassessments are five hours.

METHODOLOGY:

Projected savings are based on calculating the difference for completing reassessments every 18 months rather than every 12 months, and multiplying the product by five hours.

FUNDING:

- The Title XIX federal sharing ratio is based on the Federal Medical Assistance Percentage rate of 49.57 percent.
- The nonfederal share is split 70 percent state and 30 percent county.

CHANGE FROM THE APPROPRIATION

The savings for the current year (CY) was held to the Budget Act of 2008 Appropriation.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Reduce County Administration Costs by Five Percent

EXPENDITURES:

(in 000's)

PCSP/Residual	2008-09 Grant	2009-10 Grant
Total	-$14,993	-$14,993
Federal	0	0
State	-5,295	-5,295
County	-2,270	-2,270
Reimbursements	-7,428	-7,428

Provider Enrollment Statement Form

DESCRIPTION:

This premise revises the Provider Enrollment Statement form (SOC 426) that was developed in accordance with Welfare and Institutions (W&IC) Section 12305.81 (SB 1104). The original form did not fully comply with the enabling legislation. The revised form specifies a new ten-year provider exclusion requirement for all supportive services (In-Home Supportive Services/Personal Care Services Program [IHSS/PCSP]) providers. Providers are ineligible to receive IHSS/PCSP payments for ten years if they have been convicted or incarcerated following a conviction for a crime involving fraud against a government health care or supportive services program. The form is to be completed and signed under penalty of perjury by the person seeking to be a supportive services provider, the recipient or authorized representative, and the county.

Based upon the new requirements under WIC Section 12305.81, the counties will have additional responsibilities associated with the completion and verification of the information provided by a supportive services provider for the Provider Enrollment Statement form. County staff will need to assist providers in the completion of the form, verify the appropriate documents, such as the driver's license and social security number, and certify that the documents were viewed by the county. Additionally, the Public Authority (PA) and/or Non-Profit Consortium (NPC) must exclude an IHSS/PCSP provider from their registry upon notification by CDHCS or CDSS.

IMPLEMENTATION DATE:

This premise will implement on July 1, 2009.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC Code Section 12305.81 (Senate Bill 1104).
- Requires 361,000 IHSS providers to be phased in within 2 years.
- Ongoing enrollment for 11,000 new IHSS providers monthly.
- The average number of reassessments per Fiscal Year (FY) is 250,016 IHSS providers.
- Assume a Social Worker (SW) rate of $60.55 per hour.
- Assumes 15 minutes to initially review information on the provider form and verify the documentation. At reassessment, assumes 10 minutes to review the provider form.

METHODOLOGY:

The estimate is computed by summing the newly enrolled IHSS providers, the phased in and the providers to be reassessed each year and applying the applicable SW time and rate of pay.

Provider Enrollment Statement Form

FUNDING:

- The Title XIX Federal Medical Assistance Percentage Rate is 50 percent.
- The nonfederal share is split 65 percent state and 35 percent county.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

This premise implements in BY.

EXPENDITURES:

(in 000's)

PCSP/Residual	2008-09	2009-10
Total	$0	$7,253
Federal	0	0
State	0	2,357
County	0	1,269
Reimbursements	0	3,627

Eligibility Income Adjustment

DESCRIPTION:

Assembly Bill 2779 (Chapter 329, Statutes of 1998), allowed the California Department of Social Services (CDSS) to buy down In-Home Supportive Services (IHSS) recipients' share of cost (SOC) from the Supplemental Security Income/State Supplementary Payment (SSI/SSP) SOC level to the Medi-Cal SOC level. Senate Bill 68 (Chapter 78, Statutes of 2005) extended the SOC buy-out to IHSS Plus Waiver (IPW) program participants. The eligibility income adjustment is the difference between a recipient's SSI/SSP SOC and Medi-Cal SOC and applies to recipients who receive services under the Personal Care Services Program (PCSP) or the IPW program for whom a Medi-Cal eligibility determination has been completed. To ensure IHSS recipients are eligible for Med-Cal at the beginning of the month, this premise reflects the costs to the General Fund (GF) for the difference between the higher monthly Medi-Cal SOC and the IHSS SOC.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2007.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 12305.1 and 14132.95.
- The buy-out applies when a recipient's Medi-Cal SOC is greater than the recipient's SSI/SSP SOC. When a recipient's Medical Family Budget Unit (MFBU) is composed of more than just the recipient, the comparison applies to the entire MFBU SOC under Medi-Cal.
- This premise replaces the Income Eligible Shift (SOC Buy-out) premise.

METHODOLOGY:

The estimate is based on the average cases and average cost-per-case for the buy-out for Fiscal Year (FY) 2008-09 and FY 2009-10.

FUNDING:

This premise is funded with 100 percent GF.

CHANGE FROM THE APPROPRIATION:

The Current Year (CY) increase reflects higher cost-per-case and SOC caseload based on actual FY 2007-08 expenditures.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year (BY) increase is due to an increased SOC caseload.

Eligibility Income Adjustment

EXPENDITURES:

(in 000's)

PCSP	2008-09	2009-10
Total	$47,349	$56,732
Federal	0	0
State	47,349	56,732
County	0	0
Reimbursements	0	0

Limit Share of Cost (SOC) Buy-Out to PCSP/IPW Recipients with a Functional Index (FI) Score of 4.0 and Above

DESCRIPTION:

This Premise would limit the State's payment of the difference between the Medi-Cal SOC and the IHSS-R program SOC (i.e. the Buy-Out) to those Personal Care Services Program (PCSP) and IHSS Plus Waiver (IPW) program recipients that would otherwise be eligible for IHSS-R and have a Functional Index Score of 4.0 and above.

Assembly Bill 2779 (Chapter 329, Statutes of 1998), expanded California's PCSP to include IHSS-R recipients with a SOC, and required the California Department of Social Services (CDSS) to buy-out PCSP recipients' SOC for those recipients who would otherwise be eligible for IHSS-R and have a Medi-Cal SOC that is higher than their IHSS-R SOC would have been. Senate Bill 68 (Chapter 78, Statutes of 2005) extended the SOC buy-out to IHSS Plus Waiver (IPW) program participants.

IMPLEMENTATION DATE:

The reduction has an enactment date of February 1, 2009 with a May 1, 2009 implementation date.

KEY DATA/ASSUMPTIONS:

- Based on actual data for Fiscal Year (FY) 2007-08, total IHSS SOC recipients are 8,346 averaged monthly with an average monthly buyout of $389. 1,629 of these recipients would not be affected by this proposal since they have a Functional Index (FI) score of 4.0 and above with an average monthly buyout of $378.
- Projected for CY 2008-09, total SOC recipients of 9,691 averaged monthly with an average monthly buyout of $407. 1,892 of these projected recipients would not be affected since they have a FI score of 4.0 and above with an average monthly buyout of $396.
- Projected for BY 2009-10, total SOC recipients of 11,080 averaged monthly with an average monthly buyout of $427. 2,163 of these projected recipients would not be affected since they have a FI score of 4.0 and above with an average monthly buyout of $415.
- The Buy-Out will be limited to recipients with a FI score of four or greater.
- The implementation will begin on May 1, 2009 for the recipients with an FI score of four and five.

METHODOLOGY:

The estimate is based on multiplying the average cases for the impacted caseload by the average cost-per-case for the buy-out for Fiscal year (FY) 2008-09 and FY 2009-10.

FUNDING:

This premise is funded with 100 percent GF

Limit Share of Cost (SOC) Buy-Out to PCSP/IPW Recipients with a Functional Index (FI) Score of 4.0 and Above

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

CY reflects two months of savings. The BY reflects a full year of savings.

EXPENDITURES:

(in 000's)

Totals	2008-09	2009-10
Total	-$6,395	-$45,972
Federal	0	0
State	-6,395	-45,972
County	0	0
Reimbursements	0	0

Fiscal Impact to the SOC Buy-Out for PCSP/IPW Recipients Resulting From Changes to the Aged Disabled Federal Poverty Level Program (DHCS - SSR)

DESCRIPTION:

The A&D FPL Program is a Medi-Cal program that provides zero share of cost (SOC) Medi-Cal coverage to needy seniors and disabled individuals. The A&D FPL program was an expansion of the existing Aged, Blind and Disabled Medically Needy (ABD MN) Program and was created because the income levels of the ABD MN program resulted in a high SOC for many recipients. The A&D FPL Program increased the income level for Medi-Cal recipients not having a SOC from 69 percent of the federal poverty level to 133 percent of the federal poverty level (currently). By increasing the income level, aged and disabled individuals could keep more income before having to pay a SOC.

This DHCS proposal would roll-back the current Aged and Disabled Federal Poverty Level (A&D FPL) income-limit amount to the Supplemental Security Income/State Supplementary Payment (SSI/SSP) Individual Payment Standard amount. This will result in more Medi-Cal recipients having a SOC.

The SOC Buy-Out program requires CDSS to pay the difference between the Medi-Cal SOC and the IHSS-R SOC on behalf of those Medi-Cal PCSP/IPW recipients that would “otherwise” be eligible for IHSS-R. Because the DHCS A&D FPL proposal will result in more Medi-Cal recipients having a SOC, it will also mean that more Medi-Cal PCSP/IPW recipients will have a SOC and therefore be potentially eligible for the Buy-Out. The CDSS SOC Buy-Out program is funded 100% with State General Funds.

The DHCS A&D FPL proposal will result in additional costs to CDSS for the SOC Buy-Out.

IMPLEMENTATION DATE:

This premise has an enactment date of February 1, 2009 with a May 1, 2009 implementation date.

KEY DATA/ASSUMPTIONS:

- Statutory changes will be needed to implement this premise.
- A&D FPL rollback would lower the income level for a Medi-Cal recipient to not owe a SOC from $1,097 to the SSI/SSP Individual Payment Standard of $870.
- Based on reducing the A&D FPL program income level to the SSI/SSP Individual Payment Standard, assumed average buy-out is $227 per case. The average buy-out amount is based on the difference between the current A&D FPL level and the proposed level
- Based on actual data for Fiscal Year (FY) 2007-08, 35,464 PCSP/IPW cases have A&D FPL Medi-Cal eligibility. Of the total, 3,409 PCSP/IPW cases with A&D FPL Medi-Cal eligibility with a Functional Index (FI) score of 4.0 or above will be impacted
- This premise is impacted by the Limit Share of Cost to Recipients with (FI) Score of 4.0 and above reduction premise.

Fiscal Impact to the SOC Buy-Out for PCSP/IPW Recipients Resulting From Changes to the Aged Disabled Federal Poverty Level Program (DHCS - SSR)

METHODOLOGY:

The estimate is based on multiplying the impacted cases from the roll-back of the A&D FPL Program by the average cost-per-case for the buy-out for Fiscal Year (FY) 2008-09 and FY 2009-10.

FUNDING:

This premise is funded with 100 percent GF.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

CY reflects two months of cost. The BY reflects a full year of costs.

EXPENDITURES:

(In 000's)

Totals	2008-09	2009-10
Total	$1,548	$9,286
Federal	0	0
State	1,548	9,286
County	0	0
Reimbursements	0	0

Foster Care & NAFS Administrative Costs – Basic

DESCRIPTION:

This premise reflects the administrative and staff development costs for the Foster Care (FC) and Non-Assistance Food Stamps (NAFS) programs. Historically, the budget for county administration was based on counties administrative budget requests made through a Proposed County Administrative Budget (PCAB) process, modified by a cost containment system consistent with Welfare and Institutions Code (W&IC) section 14154. Beginning with Fiscal Year (FY) 2001-02 the PCAB process was suspended and the last PCAB process, FY 2000-01, established the base from which future year costs are established. Adjustments for caseload changes and other factors are made during each subvention process.

The FC administrative costs include the county administration for the Adoption Assistance Program (AAP). County eligibility workers are required to perform administrative functions related to AAP. Specifically, verification of linkage to the Temporary Assistance for Needy Families (TANF) program (formerly Aid to Families with Dependent Children Program) is required for all new AAP cases to establish federal or nonfederal eligibility. Linkage is based on the child's situation at the time of removal from the natural home. The child must meet the general eligibility requirements for TANF and qualify as either a federal or state-only foster care case. Recertification is also required on an annual basis.

IMPLEMENTATION DATE:

This premise is an annual appropriation.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 14154.
- The FC estimate for the non-Title IV-E Waiver counties in FY 2008-09 is being held at the Budget Act of 2008 Appropriation level. Base funding for FC Administrative Costs Basic for FY 2009-10 is $52 million.
- The non-Title IV-E Waiver FC caseload growth projection for FY 2008-09 is -2.7 percent and for FY 2009-10 is -1.8 percent.
- The Staff Development costs for FC are $937,275 for FYs 2008-09 and 2009-10, based on the last four quarters of actual expenditures.
- The AAP costs of $15 million for FYs 2008-09 and 2009-10 are based on the last four quarters of actual expenditures.
- Contract costs for FC are $143,000 in FYs 2008-09 and 2009-10, based on FY 2007-08 actual expenditures.
- The NAFS Administrative Costs base funding is $592.2 million in FY 2007-08 and $646.5 million in FY 2008-09.
- The impact of Transitional Benefits, Vehicle Exclusion/Face-to-Face Interviews (Assembly Bill (AB) 231), Electronic Benefit Transfer (EBT), and Simplification Options are reflected in the NAFS Administrative Basic Costs resulting in net savings of $31.9 million in FY 2008-09 and in FY 2009-10.
- The NAFS caseload growth projection is 15.39 percent in FY 2008-09 and 12.90 percent in FY 2009-10.

Foster Care & NAFS Administrative Costs – Basic

KEY DATA/ASSUMPTIONS (CONTINUED):

- Staff development costs for NAFS are $8.7 million for FY 2008-09 and $8.7 million for FY 2009-10, based on FY 2007-08 actual expenditures.
- Statewide Automated Welfare System Development and Testing Interface (SAWS) costs for NAFS are $230,113 for FY 2008-09 and FY 2009-10, based on updated expenditures.
- Contract costs for NAFS are $3.3 million for FY 2008-09 and $3.3 million for FY 2009-10.
- The Merced Automated Global Information Control (MAGIC) system administrative costs for NAFS and FC are $97,206 and $7,776, respectively for both FY 2008-09 and FY 2009-10.
- For the Appropriation, counties were projected to overmatch their Food Stamp administration costs by $37.8 million with matching federal funds for a total of $75.6 million. Actual FY 2007-08 county expenditures show that counties did not incur any overmatch costs. It is assumed that counties will not overmatch their Food Stamp administration in FY 2008-09 and FY 2009-10 No county funds are projected for either years, however federal funds have been included to retain budget authority in case the counties do overmatch. Federal authority in the amount of $24.0 million for both FY 2008-09 and FY 2009-10, consisting of only federal funds has been included in the estimate
- Savings from Legacy System data collection and quality control systems for NAFS are $3.9 million for FY 2008-09 and $3.9 million for FY 2009-10. Savings from Legacy System data collection and quality control systems for FC are $505,000 for FY 2008-09 and $505,000 for FY 2009-10.

METHODOLOGY:

The NAFS and FC non-Title IV-E Waiver counties basic funding are adjusted to reflect caseload growth and updated premises. Staff development expenditures, the MAGIC system, and contract costs were added to both the NAFS and FC estimates. AAP administrative expenditures were also added to the FC estimate. County overmatch expenditures were only added to the NAFS estimate.

FUNDING:

FC and NAFS costs are shared 50 percent federal, 35 percent General Fund, and 15 percent county.

Note: W&IC section 15204.4 requires MOE from the counties based on expenditures during FY 1996-97, which include the administration of food stamps. Please reference the "County MOE Adjustment" premise.

CHANGE FROM THE APPROPRIATION:

For FC, the Current Year (CY) increase is updated to reflect actual expenditures. The changes to NAFS basic for the CY are associated with increased projected caseload growth and a decrease in both staff development costs and the projected county overmatch.

REASON FOR YEAR-TO-YEAR CHANGE:

The FC increase is based on actual expenditures. The changes to NAFS are due to projected caseload growth.

Foster Care & NAFS Administrative Costs – Basic

EXPENDITURES:
(in 000's)

Foster Care	2008-09 County Admin.	2009-10 County Admin.
Total	$66,128	$66,366
Federal	36,490	37,134
State	23,085	22,799
County	6,553	6,433
Reimbursements	0	0

NAFS	2008-09 County Admin.	2009-10 County Admin.
Total	$678,998	$762,386
Federal	352,680	394,535
State	247,352	278,795
County	78,966	89,056
Reimbursements	0	0

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Foster Care Reforms

DESCRIPTION:

The California Department of Social Services implemented the annual redetermination of eligibility for foster care grants, resulting in Current Year (CY) savings of $6.2 million and Budget Year (BY) savings of $6.0 million.

IMPLEMENTATION DATE:

This premise implemented July 1, 2004.

KEY DATA/ASSUMPTIONS:

- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.
- The amount of federal financial participation (FFP) is based on the Federal Medical Assistance Percentage (FMAP) rate of 50 percent.

METHODOLOGY:

The estimate assumes a 20 percent reduction in continuing caseload eligibility costs as a result of reducing the redetermination requirement from every 6 months to every 12 months.

FUNDING:

Federal funding is provided by Title IV-E of the Social Security Act for cases meeting eligibility criteria, with the level of FFP based on the FMAP rate. Funding for the nonfederal share of federal program costs and for cases not meeting federal eligibility criteria is 40 percent General Fund and 60 percent county funds.

CHANGE FROM THE APPROPRIATION:

The CY is held to the Appropriation.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY decreased savings are the result of lower FC caseloads.

ADMINISTRATIVE:

(in 000's)	2008-09	2009-10
Total	-$6,200	-$5,972
Federal	-3,409	-3,361
State	-1,963	-1,836
County	-828	-775
Reimbursements	0	0

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Food Stamp Administrative Reduction

DESCRIPTION:

This premise reflects the reduction in federal reimbursement of California's food stamp administrative costs based on amounts charged to the former Aid to Families with Dependent Children (AFDC) program that could have been allocated to the Food Stamp and Medi-Cal programs for common administrative costs. Section 502 of the Agriculture Research, Extension, and Education Reform Act of 1998 [Public Law (P.L.) 105-185] required states to determine such common administrative costs during the State's Temporary Assistance for Needy Families (TANF) program base year, Federal Fiscal Year (FFY) 1995.

The TANF block grant, which replaced the AFDC program, is based on the historical spending levels of the former program. The federal Office of Management and Budgets (OMB) cost principles applicable to the states (OMB Circular A-87) required that common costs be allocated to all benefiting programs. Consequently, California had to determine the amount of common costs attributable to eligibility determinations charged to AFDC that could have been allocated to the Food Stamp program. In order to assist in this process, the federal Department of Health and Human Services (DHHS) issued a guide entitled, "Implementation of Cost Allocation Determinations under the Agriculture Research, Extension and Education Reform Act." This guide provided direction to the states in determining their AFDC total base year administrative expenditures. California reviewed the base year's cost allocation methodology and the administrative costs charged to the AFDC program. The California Department of Social Services used a primary program cost allocation methodology rather than a benefiting program cost allocation methodology for the county administrative costs during the TANF block grant base year, FFY 1995. As a result, California received federal approval of its proposed reduction amount on January 15, 1999.

The amount attributable to the Food Stamp program is to be deducted from the food stamp administrative claims. The provisions of P.L. 105-185 stipulate that states may not use TANF funds to pay for this reduction, nor does it provide for a decrease in the maintenance of effort expenditures under TANF.

IMPLEMENTATION DATE:

This premise implemented on October 1, 1998.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: P.L. 105-185, section 502.
- Based on a review of quarterly federal financial reports submitted to DHHS during FFY 1995, the total federal share of common administrative expenditures was $280,097,927.
- Non-AFDC program administrative costs and discrete AFDC costs, as defined in the guide, were identified in quarterly federal financial reports. These costs, as well as other allowable adjustments stipulated in the guide, totaled $59,412,705 and were deducted from the total federal share of common administrative expenditures.
- California's AFDC total base year administrative expenditure is $220,685,222.

Food Stamp Administrative Reduction

METHODOLOGY:

- California elected to use the optional formula described in the guide to determine the amount of the food stamp administrative reimbursement reduction. The optional formula is to multiply the AFDC total base year administrative expenditure by 80 percent and divide by three (for the three benefiting programs of AFDC, Food Stamp, and Medi-Cal).
- California's Food Stamp administrative reimbursement reduction is $58,849,393 ($220,685,222 x 0.80 ÷ 3).
- The TANF block grant has been reauthorized at the same level, therefore, California will continue to reflect the reduction to the Food Stamp administrative claims.

FUNDING:

The cost is funded with 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2008-09 County Admin.	2009-10 County Admin.
Total	$0	$0
Federal	-58,849	-58,849
State	58,849	58,849
County	0	0
Reimbursements	0	0

Food Stamp Employment and Training Program

DESCRIPTION:

This premise reflects the costs for the Food Stamp Employment and Training (FSET) program, which provides job search assistance, work experience and supportive services to eligible Non-Assistance Food Stamp program recipients. This program was established under the Food Security Act of 1985 (Public Law [P.L.] 99-198). Employment and training opportunities enable recipients to become self-sufficient and reduce their need for food stamps. Some participants are geographically excluded due to reasons such as sparse population, great distances and lack of transportation. Individual county plans are developed that specify the job services, training and supportive services available to participants.

The United States Department of Agriculture Food and Nutrition Service (FNS) provides unmatched federal employment and training funding each year. The Food Stamp Reauthorization Act of 2002 (P.L. 107-171), signed into law on May 13, 2002, and effective October 1, 2002, made significant changes to the FSET program. The changes include freezing the base unmatched federal funds at the Federal Fiscal Year (FFY) 2002 level through FFY 2007, adding certain criteria for a second component of unmatched federal funds each year from FFY 2002 through FFY 2007, eliminating a maintenance of effort requirement retroactive to October 1, 2001, rescinding carry-over of unmatched federal funds from years prior to FFY 2002 (unless states have already obligated the funds prior to the date of enactment), and changing the federal formula for allocating FSET funds to states. In addition, the legislation eliminated a $175 and $30 limit for offered and filled slots, a $25 limit on participant reimbursement for transportation and ancillary costs and an 80/20 spending requirement for Able Bodied Adult Without Dependents in qualifying FSET activities.

IMPLEMENTATION DATE:

This premise implemented on April 1, 1987.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 18901.
- There are 24 counties participating in the FSET program.
- The Fiscal Year (FY) 2008-09 funding for this program is based on local assistance costs identified in the approved FSET program State Plans for FFY 2008 and FFY 2009.
- The FY 2009-10 funding for this program is based on the local assistance costs identified in the proposed FSET program State Plan for FFY 2009.
- It is assumed that costs in excess of the 100 percent Federal Grant are shared 50 percent federal and 50 percent county.

Food Stamp Employment and Training Program

METHODOLOGY:

- The FY 2008-09 funding level represents 25 percent of the total amount of the approved FFY 2008 FSET program State Plan and 75 percent of the total amount of the approved FFY 2009 FSET program State Plan.
- The FY 2009-10 funding level represents 100 percent of the amount in the FFY 2009 FSET program State Plan.

FUNDING:

The costs in excess of the 100 percent federal funds are shared 50 percent federal and 50 percent county.[1]

2008-09: (in 000's)	**Total**	**Federal**	**State**	**County**
100 percent Federal Funds	$6,740	$6,740	$0	$0
Administration Overmatch [1]	$57,534	$28,767	$0	$28,767
Participant Reimbursement	$13,704	$6,852	$0	$6,852
Total	**$77,978**	**$42,359**	**$0**	**$35,619**

2009-10: (in 000's)	**Total**	**Federal**	**State**	**County**
100 percent Federal Funds	$6,999	$6,999	$0	$0
Administration Overmatch [1]	$57,540	$28,770	$0	$28,770
Participant Reimbursement	$13,698	$6,849	$0	$6,849
Total	**$78,237**	**$42,618**	**$0**	**$35,619**

[1] Administration Overmatch funds are used once costs exceed the 100 percent federal funds and participant reimbursement funds.

CHANGE FROM THE APPROPRIATION:

The costs were updated to reflect federally approved funding levels for FFY 2009.

REASON FOR YEAR-TO-YEAR CHANGE:

The costs were updated to reflect federally approved funding levels for FFY 2009.

Food Stamp Employment and Training Program

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	County Admin.	County Admin.
Total	$77,978	$78,237
Federal	42,359	42,618
State	0	0
County	35,619	35,619
Reimbursements	0	0

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California Nutrition Network

DESCRIPTION:

This premise reflects the amount of federal matching funds that the California Department of Social Services (CDSS) passes through to the Department of Health Care Services (DHCS). The California Nutrition Network is a statewide marketing campaign to promote healthy eating and physical activity among food stamp recipients. The Network is a collaborative effort among DHCS, CDSS, California Department of Education, University of California Cooperative Extension, and private agencies. The California Nutrition Network partners with faith communities, local health departments, parks and recreation departments, and school districts. DHCS is the lead agency administering the project. CDSS serves as the pass-through agency for the matching federal funds.

IMPLEMENTATION DATE:

This premise implemented on October 1, 1996.

KEY DATA/ASSUMPTIONS:

- The budget CDSS proposed to the Food and Nutrition Service (FNS) for Federal Fiscal Year (FFY) 2009 of $109,282,904 was used to estimate funding for the Current Year (CY).
- The Budget Year (BY) assumes continuation of the CY funding level.

METHODOLOGY:

- The CY estimate is based on the approved funding for FFY 2009.
- The BY estimate is based on the CY funding level

FUNDING:

The pass-through consists of 100 percent FNS federal funds.

CHANGE FROM THE APPROPRIATION:

The increase in the CY funding reflects updated contract amounts.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

California Nutrition Network

EXPENDITURES:

(in 000's)

	2008-09 County Admin.	2009-10 County Admin.
Total	$109,283	$109,283
Federal	109,283	109,283
State	0	0
County	0	0
Reimbursements	0	0

UC Food Stamp Nutrition Education Plan

DESCRIPTION:

This premise reflects the amount of federal matching funds that the California Department of Social Services (CDSS) passes through to the University of California Cooperative Extension (UCCE). Food Stamp applicants and recipients will be provided nutrition education services in 41 counties by local university county extension offices. California's Food Stamp Nutrition Education Plan is a cooperative effort between CDSS and UCCE. CDSS serves as the pass-through agency for the matching federal funds.

IMPLEMENTATION DATE:

This premise implemented on January 1, 1995.

KEY DATA/ASSUMPTIONS:

- The budget CDSS proposed to the Food and Nutrition Service (FNS) for Federal Fiscal Year (FFY) 2009 of $6,365,487 was used to estimate funding for the Current Year (CY).
- The Budget Year (BY) assumes continuation of the CY funding level.

METHODOLOGY:

- The CY estimate is based on the proposed funding for FFY 2009.
- The BY estimate is based on the CY funding level.

FUNDING:

The pass-through consists of 100 percent FNS federal funds.

CHANGE FROM THE APPROPRIATION:

The slight decrease reflects updated contract amounts.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	County Admin.	County Admin.
Total	$6,365	$6,365
Federal	6,365	6,365
State	0	0
County	0	0
Reimbursements	0	0

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Face-to-Face Waiver

DESCRIPTION:

This premise will streamline the application process and improve the administrative efficiency of the Food Stamp Program (FSP) by waiving the requirement for a face-to-face interview at application for Non-Assistance Food Stamp (NAFS) households meeting certain criteria as described below. This premise is expected to increase FSP participation.

A waiver request approved by the United States Department of Agriculture (USDA), Food and Nutrition Service (FNS) sets aside the requirement for a face-to-face interview at application for those households where a single head of household is working at least 30 hours per week and for couples that are each working at least 20 hours each per week.

IMPLEMENTATION DATE:

This premise assumes a January 1, 2009 implementation date.

KEY DATA/ASSUMPTIONS:

- Based on Federal Fiscal Year (FFY) 2007 Food Stamp Characteristics Survey Data (Q5), there are currently 42,648 households that are working 20-30 hours per week.

  It is assumed that the households eligible for this waiver are considered part of the working poor population. Based on the USDA *State Food Stamp Participation Rates in 2005* report issued in October 2007, 34 percent of the working poor population participated in the FSP.
- It is assumed that 42,648 households represent the 34 percent of the working poor population that participate in the FSP.
- It is assumed that removing the face-to-face waiver requirement would result in the working poor participating at a rate more consistent to the rest of the food stamp population. Based on the USDA *State Food Stamp Participation Rates in 2005* report issued in October 2007, 50 percent of the total eligible food stamp households in California participated in the FSP.
- It is assumed that by removing the face-to-face interview requirement, the participation of this group will increase to 42 percent.
- The additional cases will be phased in over the first twelve months. This results in 836 new cases being added to the caseload each month for the first twelve months.
- Based on FFY 2007 Q5 Data, NAFS households that meet the minimum working requirements in order to waive the face to face interview are estimated to have an average food stamp benefit amount of $265.01. This amount is anticipated to grow to $278.55 beginning October 1, 2009 due to a 5.11 percent cost of living adjustment.
- It is assumed that the intake cost for an Eligibility Worker (EW) to process new NAFS and the California Food Assistance Program (CFAP) cases is $51.00 per case.

Face-to-Face Waiver

KEY DATA/ASSUMPTIONS (CONTINUED):

- It is assumed that the cost for an EW to process NAFS and CFAP continuing cases on a quarterly basis is $39.33 per case.
- It is assumed that 7.20 percent of the new cumulative caseload would be subject to mid-quarter reporting.
- It is assumed that the administrative cost for an EW to process a mid-quarter report is $28.23.
- Based on FY 2007-08 actual reported CFAP and FS caseloads, the CFAP caseload consists of approximately one percent of the FS caseload.
- The impact of any administrative efficiency resulting from this premise is assumed to mitigate the NAFS administrative reduction premise.

METHODOLOGY:

- The monthly administrative costs associated with processing the new cases are calculated by multiplying the new monthly cases by $51.00. After the phase in period, it is estimated that approximately four percent of the caseload will leave monthly and four percent will enter monthly.
- The monthly administrative costs associated with processing the mid-quarter changes for the new cases are calculated by multiplying the new cumulative cases by 7.20 percent and by $28.23.
- The quarterly administrative costs associated with processing the quarterly reports are calculated by multiplying the new cumulative cases by $39.33 on a quarterly basis.
- The CFAP coupon costs associated with the new cases due to income exclusions, child support income exclusion and resource exemptions are calculated by multiplying the related caseload by the average CFAP coupon cost.

FUNDING:

The Food Stamp sharing ratio for the administrative cost is 50 percent federal and 50 percent General Fund (GF). The CFAP funding is 100 percent GF.

CHANGE FROM THE APPROPRIATION:

The implementation date of the premise was delayed from July 1, 2008 to January 1, 2009.

REASON FOR YEAR-TO-YEAR CHANGE:

The caseload completes the phase in process in December 2009.

Face-to-Face Waiver

EXPENDITURES:
(in 000's)

101 - CFAP Grants	2008-09	2009-10
Total	$47	$304
Federal	0	0
State	47	304
County	0	0
Reimbursements	0	0

141 - CFAP Administration	2008-09	2009-10
Total	$4	$18
Federal	0	0
State	4	18
County	0	0
Reimbursements	0	0

141 - Food Stamp Administration	2008-09	2009-10
Total	$380	$1,838
Federal	190	919
State	190	919
County	0	0
Reimbursements	0	0

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NAFS Administration Reduction

DESCRIPTION:

The Food Stamp Program (FSP) is the Nation's largest nutrition program for low-income households. The program provides benefits to low-income Californians via electronic debit cards, which participants may use to buy food from eligible retailers. This premise reflects a reduction of $21 million to county allocations for the administration of the federal FSP.

IMPLEMENTATION DATE:

This reduction proposal implemented with the passage of the 2008 Budget Act.

KEY DATA/ASSUMPTIONS:

- County allocations for the administration of the federal FSP are proposed to be reduced by $21 million in FY 2008-09 and FY 2009-10.
- The California Department of Social Services is committed to pursing strategies to mitigate this impact on counties by streamlining the application process (e.g. face-to-face waiver and streamlining the recertification process).
- The 2008 Budget Act reduced county administration funding for a variety of programs as part of an overall compromise, the reduction in NAFS Administration is necessary due to the ongoing statewide fiscal challenges.

METHODOLOGY:

This premise reflects a $20.8 million reduction in non-assistance food stamps administration allocation.

FUNDING:

The savings are realized in the federal and state general fund budgets.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

NAFS Administration Reduction

EXPENDITURES:

(in 000's)

	2008-09	2009-10
Total	-$20,976	-$20,976
Federal	-12,339	-12,339
State	-8,637	-8,637
County	0	0
Reimbursements	0	0

Food Stamp Nutrition Education Plan Shift to the California Department of Social Services

DESCRIPTION:

This premise references the amount of federal reimbursement funds that the California Department of Social Services (CDSS) passes through to the Department of Health Care Services (DHCS). CDSS passes these reimbursement funds to DHCS through the California Nutrition Network and the UC Food Stamp Nutrition Education Plan premises. Consistent with the Governor's signing message for Assembly Bill (AB) 433, this premise holds back a portion of the pass-through funds to finance the Expanded Categorical Eligibility for Food Stamps provision of AB 433.

IMPLEMENTATION DATE:

This premise will implement on July 1, 2009.

KEY DATA/ASSUMPTIONS:

The Governor, upon signing AB 433, directed the use of these reimbursement funds to finance the Expanded Categorical Eligibility for Food Stamps provision of AB 433.

METHODOLOGY:

The total transfer of reimbursement funds is $2.9 million. This represents the General Fund portion of county administrative costs for the Expanded Categorical Eligibility for Food Stamps premise. Please see that premise for a description of how these costs were calculated.

FUNDING:

The pass-through consists of 100 percent FNS federal reimbursement funds.

CHANGE FROM THE APPROPRIATION

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a new premise.

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	County Admin.	County Admin.
Total	$0	$0
Federal	0	0
State	0	-2,852
County	0	0
Reimbursements	0	2,852

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Refugee Cash Assistance – Administration

DESCRIPTION:

This premise reflects the costs necessary to perform the administrative functions of the Refugee Cash Assistance (RCA) Program. The RCA Program provides cash grants to refugees during their first eight months in the United States (U.S.) if they are not otherwise eligible for the standard categorical welfare programs. The RCA administrative costs include salaries and benefits of eligibility workers and first line supervisors who determine eligibility and provide ongoing case management for the RCA Program. Also included are allocated overhead and direct costs.

IMPLEMENTATION DATE:

This premise implemented on March 17, 1980.

KEY DATA/ASSUMPTIONS:

- Section 1522 of Title 8 of the United States Code (U.S.C.) authorizes the federal government to provide grants to the states to assist refugees who resettle in the U.S.
- Sections 13275 through 13282 of the Welfare and Institutions Code authorize the Department to administer the funds provided under Title 8 of the U.S.C. It also provides the Department authority to allocate the federal funds to the counties.
- Based on data through June 2008, the average administrative monthly cost per RCA case was approximately $75.
- The average monthly caseload is 1,900 for Fiscal Years (FYs) 2008-09 and 2009-10.

METHODOLOGY:

The average cost per case for RCA administration is multiplied by the estimated caseload for each fiscal year to arrive at the total cost.

FUNDING:

This program is 100 percent federally funded with the Cash, Medical and Administration Grant through the Office of Refugee Resettlement.

CHANGE FROM THE APPROPRIATION:

The Current Year administration costs have increased due to a higher average monthly caseload than previously projected offset by a lower average administrative monthly cost per RCA case.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Refugee Cash Assistance – Administration

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	County Admin.	County Admin.
Total	$1,714	$1,714
Federal	1,714	1,714
State	0	0
County	0	0
Reimbursements	0	0

TANF Reauthorization

DESCRIPTION:

This premise reflects the automation reprogramming costs associated with program changes made in response to the federal Deficit Reduction Act (DRA) of 2005, which reauthorized the Temporary Assistance for Needy Families (TANF) program. In addition to TANF Reauthorization, the DRA implements a new requirement for documentation of citizenship/national status and identity for Medi-Cal eligibility. Counties must ensure that the Medi-Cal record includes satisfactory evidence of United States (U.S.) citizenship or U.S. national status and identity for all Medi-Cal applicants and beneficiaries who have declared that they are U.S. citizens or nationals.

Prior to the enactment of the DRA, documentary evidence to establish U.S. citizenship or U.S. national status was not required for Medi-Cal eligibility unless an applicant declared a birthplace outside the U.S., or if evidence suggested an applicant falsely claimed to be a U.S. citizen or U.S. national. Automation reprogramming is required to support the enhanced documentation requirements for the Medi-Cal program.

IMPLEMENTATION DATE:

Funding for automation reprogramming is included for Fiscal Year (FY) 2008-09.

KEY DATA/ASSUMPTIONS:

- The federal DRA of 2005 established enhanced citizenship verification requirements for current and new Medi-Cal applicants.
- Based on information received from the Office of Systems Integration (OSI) it is assumed that it will cost $1.5 million in the Current Year (CY) to complete the implementation of the automation changes associated with the new citizenship documentation requirements for Medi-Cal pursuant to the federal DRA of 2005.
- An additional $2.4 million is included in CY as placeholder funding to reprogram existing systems to implement the proposed California Work Opportunity and Responsibility to Kids (CalWORKs) program changes.

METHODOLOGY:

The costs associated with the reprogramming of existing automated systems to support the proposed CalWORKs program changes and the citizenship documentation changes are estimated to be $3.9 million.

FUNDING:

The automation associated with the federal DRA changes to Medi-Cal eligibility is funded 50 percent General Fund (GF) and 50 percent reimbursement from the United States Department of Health and Human Services. The automation changes associated with the CalWORKs program changes are funded with 100 percent federal TANF funds.

TANF Reauthorization

CHANGE FROM THE APPROPRIATION:

Based on information received from OSI, additional funding is needed to complete the federal DRA changes to Medi-Cal eligibility.

REASON FOR YEAR-TO-YEAR CHANGE:

The automation associated with TANF Reauthorization is anticipated to be completed in FY 2008-09.

EXPENDITURES:

in 000's)	2008-09	2009-10
Total	$3,942	$0
Federal	2,427	0
State	758	0
County	0	0
Reimbursements	757	0

Be Vu v. Mitchell

DESCRIPTION:

This premise reflects the local assistance costs associated with complying with the terms of the settlement agreement in the *Be Vu v. Mitchell* court case.

As a result of the settlement of this court case, the Food Stamp Program (FSP) forms and joint FSP/California Work Opportunity and Responsibility to Kids (CalWORKs) forms must be translated into eight additional languages. The settlement agreement specifies that in addition to Chinese, Russian, Spanish and Vietnamese; the California Department of Social Services will translate FSP forms and forms jointly used with the CalWORKs program into Arabic, Armenian, Cambodian, Farsi, Hmong, Korean, Lao and Tagalog. In compliance with Be Vu, the following additional eight languages will now require translation: Cushite, Formosan, Japanese, Mien, Punjabi, Portuguese, Syriac, and Ukrainian.

IMPLEMENTATION DATE:

The premise implemented with the settlement agreement effective December 4, 2006.

KEY DATA/ASSUMPTIONS:

- Federal Food Stamp Regulations Title 7, Code of Federal Regulations sections 272.4 (b)(2)(i), (ii), and (iii).
- Based on estimates received from the Office of Systems Integration (OSI), it is assumed that it will cost $2.2 million in the Current Year (CY) to reprogram existing automation systems to issue the FSP and CalWORKs forms in the original eight languages.
- Additional staff time to manually complete the translated forms prior to automation is estimated for the original eight languages in Fiscal Year (FY) 2008-09 resulting in costs of $0.4 million.
- Automation reprogramming is not scheduled for the final eight languages, therefore, additional staff time will result in costs of $0.1 million in FY 2008-09 and $0.1 million in FY 2009-10.

METHODOLOGY:

Total costs associated with the reprogramming of existing automated systems and the manual completion of the translated forms are estimated to be $2.7 million in the CY and $0.1 million in the Budget Year (BY).

FUNDING:

Manual completion costs are shared 50/50 with the CalWORKs and FSP. The CalWORKs share is funded with 100 percent federal/Temporary Assistance for Needy Families (TANF), and the Food Stamp share is funded 50 percent federal Food and Nutrition Services (FNS) funds, 35 percent General Fund (GF), and 15 percent county.

The automation costs are shared 85 percent with the FSP and 15 percent with the CalWORKs program. The CalWORKs share is funded 100 percent federal/TANF, and the Food Stamp share is funded 50 percent FNS funds, 35 percent GF, and 15 percent county.

Be Vu v. Mitchell

CHANGE FROM THE APPROPRIATION:

There is no change from the appropriation for the administration costs of this premise. The increase in automation cost is related to consortia requesting the reallocation of prior year funding that was not spent in FY 2007-08.

REASON FOR YEAR-TO YEAR CHANGE:

The decrease in automation from CY to BY is related to consortia completing the automation of FSP and CalWORKs forms for the following languages: Arabic, Armenian, Cambodian, Farsi, Hmong, Korean, Lao and Tagalog. The decrease in administration from CY to BY is due to counties no longer needing to manually complete forms for the above listed languages, as the automation is complete. The BY administration costs reflects the manual completion of FSP and CalWORKs forms for the following languages: Cushite, Formosan, Japanese, Mien, Punjabi, Portuguese, Syriac, and Ukrainian.

EXPENDITURES:

(in 000's)

ITEM 101 – CalWORKs Administration	2008-09	2009-10
Total	$234	$57
Federal	232	56
State	2	1
County	0	0
Reimbursements	0	0

ITEM 141 – Food Stamp Administration	2008-09	2009-10
Total	$234	$56
Federal	117	28
State	82	20
County	35	8
Reimbursements	0	0

Be Vu v. Mitchell

EXPENDITURES (CONTINUED):

(in 000's)

ITEM 141-Automation	2008-09	2009-10
Total	$2,210	$0
Federal	1,271	0
State	656	0
County	283	0
Reimbursements	0	0

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Statewide Automated Welfare System (SAWS)
Statewide Project Management (SPM)

DESCRIPTION:

This premise reflects costs for the SAWS SPM. This activity is performed by the California Health and Human Services Agency, Office of Systems Integration (OSI) in accordance with Welfare and Institutions Code (W&IC) section 10823(a), which requires the implementation of SAWS. OSI provides statewide project management for the four SAWS consortia and the Welfare Data Tracking Implementation Project.

IMPLEMENTATION DATE:

This premise implemented on July 1, 1995.

KEY DATA/ASSUMPTIONS:

Authorizing statute: W&IC section 10823.

METHODOLOGY:

Costs are based on the December 2001 (Revised May 2002) SAWS SPM Implementation Advance Planning Document Update and subsequent baseline adjustments.

FUNDING:

SPM funding comes from various sources. Federal funds include the normal share of Food Stamp, Title IV-E and Refugee Resettlement program funding. Costs are also eligible for Title XIX federal funding, which is included in the Department of Health Care Services budget. The Temporary Assistance for Needy Families (TANF) Program Block Grant is the funding source for TANF eligible costs. The balance of the funding is General Fund. Based on the cost allocation plan, the federal share of the California Work Opportunity and Responsibility to Kids Program is 100 percent TANF eligible. SAWS-related TANF funds are identified in total within the “Additional TANF/MOE Expenditures in CDSS” in the TANF section of each Detail Table.

CHANGE FROM THE APPROPRIATION:

Fiscal Year (FY) 2008-09 costs have been adjusted for baseline adjustments.

REASON FOR YEAR-TO-YEAR CHANGE:

FY 2009-10 costs have been adjusted for baseline adjustments.

Statewide Automated Welfare System (SAWS)
Statewide Project Management (SPM)

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	County Admin.	County Admin.
Total	$6,377	$6,451
Federal	1,776	1,797
State	2,797	2,829
County	0	0
Reimbursements	1,804	1,825

CDSS/OSI PARTNERSHIP:

(in 000's)

	2008-09	2009-10
Total	$6,377	$6,451
CDSS	150	150
OSI	6,227	6,301

Welfare Data Tracking Implementation Project (WDTIP)

DESCRIPTION:

This premise reflects costs for the Statewide Automated Welfare System (SAWS) WDTIP. Project management for WDTIP is provided by the California Health and Human Services Agency, Office of Systems Integration (OSI). WDTIP provides counties with the automated functionality required to conform to statewide tracking of time-on-aid requirements mandated by welfare reform in Assembly Bill 1542 (Chapter 270, Statutes of 1997).

IMPLEMENTATION DATE:

This premise implemented on July 1, 1999.

KEY DATA/ASSUMPTIONS:

Authorizing statute: Welfare and Institutions Code section 11454.5(b) (4).

METHODOLOGY:

Costs are based on the June 2002 (Revised January 2003) SAWS-WDTIP Implementation Advance Planning Document Update and subsequent baseline adjustments.

FUNDING:

SAWS-WDTIP funding is 100 percent California Work Opportunity and Responsibility to Kids (CalWORKs)/Temporary Assistance for Needy Families (TANF). Based on the cost allocation plan, the federal share of the CalWORKs program is 100 percent TANF eligible. SAWS-related TANF funds are identified in total within the “Additional TANF/MOE Expenditures in CDSS” section in the TANF section of each Detail Table.

CHANGE FROM THE APPROPRIATION:

Fiscal Year (FY) 2008-09 costs have been adjusted for baseline adjustments.

REASON FOR YEAR-TO-YEAR CHANGE:

FY 2009-10 have been adjusted for baseline adjustments.

Welfare Data Tracking Implementation Project (WDTIP)

EXPENDITURES:

(in 000's)

	2008-09 County Admin.	2009-10 County Admin.
Total	$3,787	$3,808
Federal	3,787	3,808
State	0	0
County	0	0
Reimbursements	0	0

CDSS/OSI PARTNERSHIP:

(in 000's)

	2008-09	2009-10
Total	$3,787	$3,808
CDSS	2,823	2,823
OSI	964	985

Interim Statewide Automated Welfare System (ISAWS) Consortium Project

DESCRIPTION:

This premise reflects the costs for the ISAWS Consortium, one of four consortia within the Statewide Automated Welfare System (SAWS) Project. State level project management for ISAWS is provided by the Health and Human Services Agency, Office of Systems Integration (OSI). In addition, OSI provides computing, application maintenance, and operational support services for the ISAWS Consortium. The Consortium is comprised of 35 counties.

IMPLEMENTATION DATE:

This premise implemented on July 1, 1994.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10823.
- The ISAWS estimate reflects ongoing maintenance and operations costs.

METHODOLOGY:

Costs are based on the May 2005 "As Needed" ISAWS Consortium Implementation Advance Planning Document Update. The ISAWS Post Implementation Evaluation Report was approved by the Department of Finance in August 2004.

FUNDING:

ISAWS funding comes from various sources. Federal funds include the normal shares of Food Stamp, Title IV-E, and Refugee Resettlement Programs funding. Also, the project is eligible for Title XIX federal funding, which is budgeted by the Department of Health Care Services. The Temporary Assistance for Needy Families (TANF) Program Block Grant is the funding source for TANF eligible costs. The balance of the funding is General Fund and the county share of Food Stamp and Title IV-E costs. Based on the cost allocation plan for the project, the federal share of the California Work Opportunity and Responsibility to Kids program is 100 percent TANF eligible. Project-related TANF funds are identified in total within the "Additional TANF/MOE Expenditures in CDSS" section in the TANF section of each Detail Table.

CHANGE FROM THE APPROPRIATION:

Fiscal Year (FY) 2008-09 costs have been adjusted for baseline adjustments.

REASON FOR YEAR-TO-YEAR CHANGE:

FY 2009-10 costs have been adjusted for baseline adjustments.

Interim Statewide Automated Welfare System (ISAWS) Consortium Project

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	County Admin.	County Admin.
Total	$28,302	$28,410
Federal	8,668	8,701
State	11,308	11,351
County	0	0
Reimbursements	8,326	8,358

CDSS/OSI PARTNERSHIP:

(in 000's)

	2008-09	2009-10
Total	$28,302	$28,410
CDSS	2,948	2,948
OSI	25,354	25,462

Interim Statewide Automated Welfare System (ISAWS) Consortium Migration Project

DESCRIPTION:

This premise reflects costs for the ISAWS Consortium Migration Project. The ISAWS Consortium is one of four consortia within the Statewide Automated Welfare System (SAWS) Project. The California Health and Human Services Agency, Office of Systems Integration (OSI) provides state level project management for SAWS. The ISAWS Migration project will migrate the 35 ISAWS Consortium counties to Consortium IV.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2006.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10823.
- Planning activities began in July 2006.

METHODOLOGY:

Costs are based on the June 2007 SAWS-ISAWS Consortium Migration Project Implementation Advance Planning Document Update which is scheduled to release in January 2009.

FUNDING:

ISAWS Migration funding comes from various sources. Federal funds include the normal shares of Food Stamp and Refugee Resettlement program funding. Costs are also eligible for Title XIX federal funding, which is budgeted by the Department of Health Care Services. The Temporary Assistance for Needy Families (TANF) Program Block Grant is the funding source for TANF eligible costs. The balance of the funding is General Fund. Based on the cost allocation, the federal share of the California Work Opportunity and Responsibility to Kids Program is 100 percent TANF eligible. SAWS-related TANF funds are identified in total within the “Additional TANF/MOE Expenditures in CDSS” section in the TANF section of each Detail Table.

CHANGE FROM THE APPROPRIATION:

The allocation of cost to benefiting programs has been updated.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase in Fiscal Year 2009-10 is to reflect development and implementation activities.

Interim Statewide Automated Welfare System (ISAWS) Consortium Migration Project

EXPENDITURES:

(in 000's)

	2008-09 County Admin.	2009-10 County Admin.
Total	$73,400	$105,914
Federal	23,295	31,961
State	33,476	47,494
County	0	548
Reimbursements	16,629	25,911

CDSS/OSI PARTNERSHIP:

(in 000's)

	2008-09	2009-10
Total	$73,400	$105,914
CDSS	73,400	105,914
OSI	0	0

Los Angeles Eligibility, Automated Determination, Evaluation and Reporting (LEADER)

DESCRIPTION:

This premise reflects the costs for the LEADER Consortium, one of four consortia within the Statewide Automated Welfare System (SAWS) Project. The California Health and Human Services Agency, Office of Systems Integration (OSI) provides state level project management for SAWS. The LEADER Consortium includes only Los Angeles County.

IMPLEMENTATION DATE:

This premise implemented on July 1, 1994.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10823.
- The LEADER estimate reflects ongoing maintenance and operations (M&O) costs.
- The county extended its M&O contract in May 2007 to continue M&O services until the replacement system is implemented.
- A Post-Implementation Evaluation Report was approved in November 2006.

METHODOLOGY:

Costs are based on the June 2005 SAWS LEADER Implementation Advance Planning Document Update and subsequent adjustments to reflect the extension of the M&O contract.

FUNDING:

LEADER funding comes from various sources. Federal funds include the normal shares of Food Stamp and Refugee Resettlement program funding. Costs are also eligible for Title XIX federal funding, which is included in the Department of Health Care Services budget. The Temporary Assistance for Needy Families (TANF) Program Block Grant is the funding source for TANF-eligible costs. The balance of the funding is State General Fund and the county share of Food Stamp and General Relief costs. Based on the cost allocation plan, the federal share of the California Work Opportunity and Responsibility to Kids Program is 100 percent TANF eligible. SAWS-related TANF funds are identified in total within the “Additional TANF/MOE Expenditures in CDSS” section in the TANF section of each Detail Table.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Los Angeles Eligibility, Automated Determination, Evaluation and Reporting (LEADER)

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	County Admin.	County Admin.
Total	$12,071	$12,071
Federal	7,375	7,375
State	2,819	2,819
County	1,877	1,877
Reimbursements	0	0

CDSS/OSI PARTNERSHIP:

(in 000's)

	2008-09	2009-10
Total	$12,071	$12,071
CDSS	12,071	12,071
OSI	0	0

Los Angeles Eligibility, Automated Determination, Evaluation and Reporting (LEADER) Replacement System

DESCRIPTION:

This premise reflects the costs for the LEADER Consortium Replacement System project. The LEADER Consortium is one of four consortia within the Statewide Automated Welfare System (SAWS) Project and is comprised of only Los Angeles County. The California Health and Human Services Agency, Office of Systems Integration (OSI) provides state level project management for SAWS. The LEADER Replacement System project currently includes planning and procurement activities for a system to replace LEADER.

IMPLEMENTATION DATE:

This premise was implemented as a separate LEADER premise on July 1, 2007. The Planning activities began in Fiscal Year (FY) 2005-06.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10823.
- Planning activities for the Replacement System project began in July 2005.
- The contract award for the replacement system is scheduled for July 2009.
- System development and implementation will be delayed by six months to achieve cost savings in Fiscal Year 2009-10. Development and implementation will start on July 1, 2010.

METHODOLOGY:

The project will be delayed for six months in order to achieve $14.6 million General Fund (GF) cost savings. Costs are calculated based on a six month delay to the timeframes outlined in the August 2008 SAWS LEADER Replacement System Implementation Advance Planning Document.

FUNDING:

LEADER funding comes from various sources. Federal funds include the normal shares of Food Stamp and Refugee Resettlement program funding. Costs are also is eligible for Title XIX federal funding, which is included in the Department of Health Care Services budget. The Temporary Assistance for Needy Families (TANF) Program Block Grant is the funding source for TANF-eligible costs. The balance of the funding is GF and the county share of Food Stamp, Foster Care and General Relief costs. Based on the cost allocation plan, the federal share of the California Work Opportunity and Responsibility to Kids program is 100 percent TANF eligible. SAWS-related TANF funds are identified in total within the “Additional TANF/MOE Expenditures in CDSS” section in the TANF section of each Detail Table.

CHANGE FROM THE APPROPRIATION:

The FY 2008-09 costs have decreased due to the schedule delay.

Los Angeles Eligibility, Automated Determination, Evaluation and Reporting (LEADER) Replacement System

REASON FOR YEAR-TO-YEAR CHANGE:

The FY 2009-10 costs have decreased due to the delay of implementation activities.

EXPENDITURES:

(in 000's)

	2008-09 County Admin.	2009-10 County Admin.
Total	$1,354	$1,314
Federal	321	312
State	541	525
County	85	82
Reimbursements	407	395

CDSS/OSI PARTNERSHIP:

(in 000's)

	2008-09	2009-10
Total	$1,354	$1,314
CDSS	1,354	1,314
OSI	0	0

Welfare Client Data System (WCDS)-CalWORKs Information Network (CalWIN)

DESCRIPTION:

This premise reflects costs for the Welfare Client Data System (WCDS) Consortium, one of four consortia within the Statewide Automated Welfare System (SAWS) Project. The California Health and Human Services Agency, Office of Systems Integration (OSI) provides state level project management for SAWS. The WCDS Consortium CalWORKs Information Network (CalWIN) system is managed by 18 counties.

IMPLEMENTATION DATE:

This premise implemented on July 1, 1997.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10823.
- The WCDS Consortium estimate reflects ongoing maintenance and operations costs.

METHODOLOGY:

Costs are based on the December 2006 (Revised May 2007) SAWS-WCDS Consortium Implementation Advance Planning Document Update and subsequent changes to reflect the budget request.

FUNDING:

WCDS funding comes from various sources. Federal funds include the normal shares of Food Stamp and Refugee Resettlement program funding. Costs are also eligible for Title XIX federal funding, which is included in the Department of Health Care Services budget. The Temporary Assistance for Needy Families (TANF) Program Block Grant is the funding source for TANF-eligible costs. The balance of the funding is State General Fund and the county share of Food Stamp, Foster Care and General Assistance/General Relief costs. Based on the cost allocation plan, the federal share of the California Work Opportunity and Responsibility to Kids Program is 100 percent TANF-eligible. SAWS-related TANF funds are identified in total within the “Additional TANF/MOE Expenditures in CDSS” section in the TANF section of each Detail Table.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The Fiscal Year 2009-10 net increase is a result of increased caseload growth, database license upgrade, and M&O re-procurement, off-set partially by a reduction due to a revised equipment purchase schedule.

Welfare Client Data System (WCDS)-CalWORKs Information Network (CalWIN)

EXPENDITURES:

(in 000's)

	2008-09 County Admin.	2009-10 County Admin.
Total	$69,410	$72,264
Federal	19,265	20,057
State	27,176	28,293
County	3,868	4,027
Reimbursements	19,101	19,887

CDSS/OSI PARTNERSHIP:

(in 000's)

	2008-09	2009-10
Total	$69,410	$72,264
CDSS	69,410	72,264
OSI	0	0

Consortium IV (C-IV)

DESCRIPTION:

This premise reflects the costs for C-IV, one of four consortia within the Statewide Automated Welfare System (SAWS) Project. The California Health and Human Services Agency, Office of Systems Integration (OSI) provides state level project management for SAWS. The C-IV system serves four counties.

IMPLEMENTATION DATE:

This premise implemented on July 1, 1997.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10823.
- The C-IV estimate reflects ongoing maintenance and operations (M&O) costs.

METHODOLOGY:

Costs are based on the June 2008 Implementation Advance Planning Document Update and subsequent changes to reflect the budget request.

FUNDING:

C-IV funding comes from various sources. Federal funds include the normal shares of Food Stamp and Refugee Resettlement program funding. Costs are also eligible for Title XIX federal funding, which is budgeted by the Department of Health Care Services. The Temporary Assistance for Needy Families (TANF) Program Block Grant is the funding source for TANF eligible costs. The balance of the funding is General Fund (GF) and the county share of Food Stamp and Foster Care costs. Based on the cost allocation plan, the federal share of the California Work Opportunity and Responsibility to Kids Program is 100 percent TANF eligible. SAWS-related TANF funds are identified in total within the “Additional TANF/MOE Expenditures in CDSS” section in the TANF section of each Detail Table.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase in Fiscal Year 2009-10 is due to ongoing M&O services and the M&O procurement effort to continue M&O services after the ISAWS Migration implementation, partially offset by a decrease in hardware payments.

Consortium IV (C-IV)

EXPENDITURES:

(in 000's)

	2008-09 County Admin.	2009-10 County Admin.
Total	$49,656	$51,043
Federal	16,292	15,837
State	18,581	19,434
County	2,316	2,554
Reimbursements	12,467	13,218

CDSS/OSI PARTNERSHIP:

(in 000's)

	2008-09	2009-10
Total	$49,656	$51,043
CDSS	49,656	51,043
OSI	0	0

Statewide Automated Welfare System (SAWS) and California Child Support Automated System (CCSAS)

DESCRIPTION:

This premise reflects costs for testing activities associated with an interface between the SAWS consortium systems and California Child Support Automated System (CCSAS). The testing activities are necessary to ensure the successful exchange of data between the SAWS systems and CCSAS when CCSAS is implemented statewide. The implementation schedule for CCSAS requires that testing occur during Fiscal Year (FY) 2006-07, FY 2007-08, and FY 2008-09.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2006.

KEY DATA/ASSUMPTIONS:

Authorizing statute: Welfare and Institutions Code section 10823.

METHODOLOGY:

Costs are based on workload estimates for the SAWS consortia testing activities.

FUNDING:

Costs are eligible for Title XIX federal funding, which is included in the Department of Health Care Services budget. The Temporary Assistance for Needy Families (TANF) Program Block Grant is the funding source for TANF eligible costs. The balance of the funding is General Fund (GF) and county funds. Based on the cost allocation plan, the federal share of the California Work Opportunity and Responsibility to Kids Program is 100 percent TANF eligible. SAWS-related TANF funds are identified in total within the “Additional TANF/MOE Expenditures in CDSS” in the TANF section of each Detail Table.

CHANGE FROM THE APPROPRIATION:

The increase in Fiscal Year (FY) 2008-09 is to complete testing activities.

REASON FOR YEAR-TO-YEAR CHANGE:

The premise will be discontinued in FY 2009-10 due to scheduled completion of testing activities.

Statewide Automated Welfare System (SAWS) and California Child Support Automated System (CCSAS)

EXPENDITURES:

(in 000's)

	2008-09 County Admin.	2009-10 County Admin.
Total	$964	$0
Federal	207	0
State	381	0
County	3	0
Reimbursements	373	0

CDSS/OSI PARTNERSHIP:

(in 000's)

	2008-09	2009-10
Total	$964	$0
CDSS	964	0
OSI	0	0

CalWORKs Business Analytics and Reporting System (CBARS)

DESCRIPTION:

This premise reflects the costs associated with the development of the California Work Opportunity and Responsibility to Kids (CalWORKs) Business Analytics and Reporting System (CBARS). The CBARS will be developed to improve the tracking of Welfare to Work recipients and case information. Currently, caseworkers record case information into the Statewide Automated Welfare System (SAWS) consortia system. This does not provide a statewide view of the data, which must be aggregated from the counties and consortia to obtain a statewide view of the CalWORKs program's performance.

IMPLEMENTATION DATE:

The scheduled start date is September 2009.

KEY DATA/ASSUMPTIONS:

Major milestones:

- Requirements completed by March 2010
- Release Request for Proposal in July 2010
- Award contract for System Integrator and Software in February 2011
- Go live with Temporary Assistance for Needy Families (TANF)/CalWORKs data from first consortium in August 2011
- Go live with data from last consortium in February 2012

Key Assumptions:

- Appropriate resources from the California Department of Social Services (CDSS), the Office of Systems Integration (OSI), county welfare departments, and consortia system will be made available and allocated to this effort.
- Proactive risk management strategies will be employed to minimize risk and ensure timely completion of the project.
- OSI's standard project management methodology will be utilized to manage the project.
- Oversight will be managed by the Office of Systems Oversight pursuant to CDSS's standard procedures.
- All procurements and vendor contracts will be completed within the time periods specified in the Feasibility Study Report (FSR).
- Technical staff and end users will receive training to support the new system.
- CDSS program and OSI technical staff are involved throughout the project to enhance knowledge transfer from the integration vendor.
- CDSS will utilize existing CDSS and Department of Technology Services (DTS) infrastructure where appropriate.

CalWORKs Business Analytics and Reporting System (CBARS)

KEY DATA/ASSUMPTIONS (CONTINUED):

- DTS facilities, equipment, and services will be used to host the application.
- The proposed solution will meet state and CDSS security requirements.
- The Interim Statewide Automated Welfare System (ISAWS) will no longer be in use by the consortium's 35 counties as they will have migrated to Consortium IV prior to the end of calendar year 2010.

METHODOLOGY:

The costs are based on the Fall 2008 FSR.

FUNDING:

Funding is 100 percent federal funds.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a new premise.

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	County Admin.	County Admin.
Total	$0	$1,210
Federal	0	1,210
State	0	0
County	0	0
Reimbursements	0	0

CDSS/OSI PARTNERSHIP:

(in 000's)

	2008-09	2009-10
Total	$0	$1,210
CDSS	0	0
OSI	0	1,210

Statewide Fingerprint Imaging System (SFIS) Project

DESCRIPTION:

This premise reflects the cost for the SFIS project. Senate Bill 1780 (Chapter 206, Statutes of 1996) required applicants for, and recipients of California Work Opportunity and Responsibility to Kids (CalWORKs), Non-Assistance Food Stamp (NAFS), and California Food Assistance Program benefits to be fingerprint imaged as a condition of eligibility.

The following persons must provide fingerprint images and a photo image: (1) each parent and/or caretaker relative of an aided or applicant child when living in the home of the child; (2) each parent and/or caretaker relative receiving or applying for aid on the basis of an unaided excluded child; (3) each aided or applicant adult; and, (4) the aided or applicant pregnant woman in an assistance unit (AU) consisting of the woman only. Failure to provide the required images will result in ineligibility for the entire AU.

IMPLEMENTATION DATE:

The first phase of counties began implementation on March 14, 2000. The statewide implementation of the SFIS was completed on December 7, 2000.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10830.
- The Health and Human Services Agency, Office of Systems Integration (OSI) cost estimates reflected in this premise are based on the negotiated contract with the SFIS development contractor. Cost estimates are based on the following:
    - Maintenance and Operations (M&O) vendor – The M&O vendor contract estimate is based on a structured monthly lease and maintenance cost for state and county-operated workstations and a “per transaction” cost. The “per transaction” cost includes: vendor project staff; help desk when the system is operational; fingerprint examiners; system operators; lease/maintenance costs for host computer(s) (i.e., central site); and software development and maintenance.
    - Quality Assurance vendor – Quality Assurance staff will be utilized to assure the state that the M&O vendor is providing the promised product at the lowest cost, and to reduce any risk factors during the M&O phase of the project.
    - Change control – Change control is necessary since there are always items not addressed in the Request for Proposal, which require changes in the program(s). These can be legislative, interface, capacity or workload changes that affect the new system.

METHODOLOGY:

The current cost estimates are based on the negotiated contract with the current SFIS vendor and the September 1999 contract start date as reported in the June 2003 Post Implementation Evaluation Report.

Statewide Fingerprint Imaging System (SFIS) Project

FUNDING:

The M&O automation project costs are funded with General Fund for the CalWORKs and Food Stamps programs and county share of General Assistance/General Relief costs. Project-related Temporary Assistance for Needy Families (TANF) funds are identified in total within the "Additional TANF/MOE Expenditures in CDSS" section in the TANF section of each Detail Table.

CHANGE FROM THE APPROPRIATION:

Fiscal Year (FY) 2008-09 costs have been adjusted for baseline adjustments.

REASON FOR YEAR-TO-YEAR CHANGE:

FY 2009-10 costs have been adjusted for baseline adjustments.

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	County Admin.	County Admin.
Total	$8,272	$8,289
Federal	0	0
State	8,024	8,040
County	248	249
Reimbursements	0	0

CDSS/OSI PARTNERSHIP:

(in 000's)

	2008-09	2009-10
Total	$8,272	$8,289
CDSS	4,093	4,093
OSI	4,179	4,196

Electronic Benefit Transfer (EBT) Project Maintenance and Operations (M&O)

DESCRIPTION:

This premise reflects the costs associated with ongoing M&O for the EBT Project. The EBT system is the automated delivery, redemption, and reconciliation of the Supplemental Nutrition Assistance Program, or SNAP (formerly known as the Food Stamp Program) and cash program benefits. It provides program recipients electronic access to food stamp and cash benefits through the use of EBT cards at point-of-sale devices and automated teller machines. The EBT system replaced the paper-based food coupon and, when selected by the counties, cash benefit issuance methods employed in the state for the distribution of the California Department of Social Services (CDSS) program benefits.

IMPLEMENTATION DATE:

This premise implemented in Fiscal Year (FY) 1997-98.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10069.
- The Post Implementation Evaluation Report was approved by the Department of Finance on January 2, 2007.

METHODOLOGY:

Costs are consistent with the November 2004 Implementation Advance Planning Document Update.

FUNDING:

EBT funding comes from the SNAP and Temporary Assistance for Needy Families (TANF) programs. Federal funds and General Fund are provided for SNAP. The TANF program Block Grant is the funding source for TANF eligible costs. Based on the cost allocation plan for the project, the federal share of the California Work Opportunity and Responsibility to Kids program is 100 percent TANF eligible. Project-related TANF funds are identified in total within the “Additional TANF/MOE Expenditures in CDSS” section in the TANF section of each Detail Table.

CHANGE FROM THE APPROPRIATION:

The FY 2008-09 costs have increased due to an increase in food stamp and cash caseload, as well as the addition of cash EBT in San Francisco County and Placer County. Costs have also been adjusted for baseline adjustments.

REASON FOR YEAR-TO-YEAR CHANGE:

The FY 2009-10 costs have decreased due to implementation of a new EBT system. Costs have also been adjusted for baseline adjustments.

Electronic Benefit Transfer (EBT) Project Maintenance and Operations (M&O)

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	County Admin.	County Admin.
Total	$40,551	$27,034
Federal	24,845	16,481
State	10,312	7,195
County	5,394	3,358
Reimbursements	0	0

CDSS/OSI PARTNERSHIP:

(in 000's)

	2008-09	2009-10
Total	$40,551	$27,034
CDSS	0	0
OSI	40,551	27,034

Electronic Benefit Transfer (EBT) Project Reprocurement

DESCRIPTION:

The EBT system is the automated delivery, redemption, and reconciliation of the Supplemental Nutrition Assistance Program, or SNAP (formerly known as the Food Stamp Program) and cash program benefits. It provides program recipients electronic access to food stamp and cash benefits through the use of EBT cards at point-of-sale devices and automated teller machines. The EBT system replaced the paper-based food coupons and, when selected by the counties, cash benefit issuance methods employed in the state for the distribution of the California Department of Social Services (CDSS) program benefits.

The Office of Systems Integration (OSI) is in the process of transitioning EBT services from its current Prime Contractor, J. P. Morgan Electronic Financial Services, Inc. (JPMorgan EFS), to a new service provider, ACS State & Local Solutions, Inc. (ACS). At the conclusion of transition (cutover expected in the fall of 2009), the EBT Project will enter into a new maintenance and operations (M&O) phase. Funding for this new M&O phase (under the ACS contract) will be redirected from the current EBT M&O Project (under the JPMorgan EFS contract).

IMPLEMENTATION DATE:

This premise implemented in Fiscal Year (FY) 2005-06.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10069.
- Reprocurement activities will take at least three years to complete.

METHODOLOGY:

The EBT Reprocurement Project's planning and implementation phase costs are detailed in the EBT Reprocurement November 2007 Implementation Advance Planning Document.

FUNDING:

EBT funding comes from the SNAP and Temporary Assistance for Needy Families (TANF) programs. Federal funds and General Fund are provided for the SNAP. The TANF program Block Grant is the funding source for TANF eligible costs. Based on the cost allocation plan for the project, the federal share of the California Work Opportunity and Responsibility to Kids program is 100 percent TANF eligible. Project-related TANF funds are identified in total within the "Additional TANF/MOE Expenditures in CDSS" section in the TANF section of each Detail Table.

CHANGE FROM THE APPROPRIATION:

The FY 2008-09 costs have been adjusted for baseline adjustments.

Electronic Benefit Transfer (EBT) Project Reprocurement

REASON FOR YEAR-TO-YEAR CHANGE:

The FY 2009-10 costs have increased due to a redirection of ongoing funding for EBT services currently provided by JPMorgan EFS (legacy system) to fund ongoing services provided by ACS upon the completion of transition. Costs have also been adjusted for baseline adjustments.

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	County Admin.	County Admin.
Total	$7,043	$20,662
Federal	4,357	12,699
State	2,686	6,259
County	0	1,704
Reimbursements	0	0

CDSS/OSI PARTNERSHIP:

(in 000's)

	2008-09	2009-10
Total	$7,043	$20,662
CDSS	3,437	1,170
OSI	3,606	19,492

Child Welfare Services – Basic Costs

DESCRIPTION:

This premise reflects the costs incurred by County Welfare Departments (CWDs) in the administration of each component of the Child Welfare Services (CWS) Program as established through the Welfare and Institutions Code (W&IC) section 16500. W&IC section 11461(e)(4)(B) provides additional funding to counties as incentives and assistance specifically for the Aid to Families with Dependent Children/Foster Care Specialized Care Program. These funds will be used to cover the purchase of nonrecurring items on an as needed basis, the purchase of services not available through other fund sources, and the development of a respite care program or purchase of respite care services.

In recognition of the funding and staffing need identified by the workload study authorized by Senate Bill (SB) 2030 (Chapter 785, Statutes of 1998), the estimate reflects funding to allow counties to maintain the level of social workers funded in the prior year.

Emergency Response (ER) Component

ER services consist of a response system providing in-person response, when required, to reports of child abuse, neglect, or exploitation for the purpose of investigation and to determine the necessity for providing initial intake services and crisis intervention to maintain the child safely in his or her own home or to protect the safety of the child.

Emergency Response Assessment (ERA) Component

ERA is the initial intake service provided in response to reported allegations of child abuse, neglect or exploitation that is determined, based upon an evaluation of risk, to be inappropriate for an in-person investigation.

Family Maintenance (FM) Component

FM is designed to provide time-limited protective services to prevent or remedy neglect, abuse or exploitation for the purpose of preventing separation of children from their families. CWDs are responsible for determining the specific service needs of the child and family aimed at sustaining the child in the home.

Family Reunification (FR) Component

FR is designed to provide time-limited services while the child is in temporary foster care to prevent or remedy neglect, abuse or exploitation when the child cannot safely remain at home. CWDs are responsible for determining the specific service needs of the child and/or family aimed at reunifying the child with the family.

Permanent Placement (PP) Component

PP is designed to provide an alternative permanent family structure for children who because of abuse, neglect or exploitation cannot safely remain at home and who are unlikely to ever return home. The CWDs are responsible for determining the appropriate permanent goal for the child and facilitating the implementation of that goal. These goals are defined as guardianship, adoption or long-term placement.

Child Welfare Services – Basic Costs

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC sections 16500 and 11461(e)(4)(B).
- The Title IV-E portion of this estimate reflects costs for only the 56 non-Title IV-E Waiver counties, excluding training.
- The workload standard was adopted by the California Department of Social Services in conjunction with the County Welfare Directors' Association in 1984. These standards are 15.8 for ER, 35.0 for FM, 27.0 for FR, 54.0 for PP and 320.0 for ER assessments.
- The statewide annual cost of a social worker (SW) ($129,074) was based on the estimated cost of providing services, to include total staff costs, support costs, and electronic data processing costs, provided in the Fiscal Year (FY) 2001-02 proposed county administrative budgets.
- All counties are reporting caseload data on the CWS/Case Management System (CMS). Caseload projections were developed for each individual county using data through June 2008.
- Additional funds are provided in recognition of the funding and staffing need identified by the workload study authorized by SB 2030. Costs are calculated in order to continue each county's SW full-time equivalent (FTE) level funded in the prior year.

METHODOLOGY:

FY 2008-09

- The current year estimate is being held to the Budget Act of 2008 Appropriation.

FY 2009-10

- The estimate is derived by applying the workload standards to the individual county caseload projections and expanding for a 7:1 supervisory ratio. Additional FTEs are included in order to continue each county's prior year FTE level.
- The annual cost of a SW in each county is applied to the total number of FTEs in each county to derive staff costs for each line.
- Direct costs are projected from FY 2007-08 actual expenditures and statewide average caseload growth from FY 2006-07 to FY 2007-08. Total direct costs, excluding county-operated emergency shelter care (ESC), are $83.8 million for the 56 counties. The projected county-operated ESC costs are $49.6 million for those counties with county-operated emergency shelters based on actual expenditures from FY 2007-08.

Child Welfare Services – Basic Costs

METHODOLOGY (CONTINUED):

- Once the total CWS basic costs are derived, costs for the Emergency Assistance (EA) Program are subtracted and are displayed separately under the "EA Program" premise. The EA Program costs are determined based on the FY 2008-09 funding level and any caseload growth.
- In order to reflect an appropriate level of federal spending authority, additional Titles IV-E and XIX funds are added to the estimate.
- An additional $2.9 million General Fund (GF) is shifted to this premise from the CWS/CMS System Support Staff to comply with federal Statewide Automated Child Welfare Information System (SACWIS) requirements and is matched with federal Title IV-E funds.

FUNDING:

FY 2009-10

The federal share of costs is a combination of Titles IV-B, IV-E, XIX and XX funds. The Title IV-B funds are limited by the capped federal allocation.

The estimated Title IV-B funds available in local assistance are $32.9 million. These funds have a 75 percent federal match rate.

The Title IV-E amount reflects the actual experience from FY 2007-08 that 37.2 percent of the expenditures will be eligible for Title IV-E funding. In order to reflect an appropriate level of federal spending authority based on actual expenditures, additional Title IV-E funds are budgeted in the amount of $66.8 million.

The Title XIX amount for FY 2009-10 is calculated using individual county usage rates based on FY 2007-08 expenditure data which reflect that 6.6 percent of the expenditures will be eligible for Title XIX funding. These costs are reflected as a reimbursement. In order to reflect an appropriate level of federal spending authority based on actual expenditures, additional Title XIX funds are budgeted in the amount of $31.7 million.

Nonfederal costs are shared at 70 percent GF and 30 percent county.

After the GF amount is calculated, federal Title XX funds transferred from the TANF block grant are used in lieu of GF. The amount of Title XX-eligible costs is calculated based on the nonmatching GF portion of FR and PP expenditures. For FY 2009-10, the Title XX-eligible amount is $28.0 million.

CHANGE FROM THE APPROPRIATION:

There is no change.

Child Welfare Services – Basic Costs

REASON FOR YEAR-TO-YEAR CHANGE:

The increase is due to a decrease in the IV-E usage rate.

CASELOAD:

(Average Monthly for non-Title IV-E counties)

	2008-09	2009-10
Emergency Response	28,320	27,970
Emergency Response Assessment	12,513	12,712
Family Maintenance	17,185	17,811
Family Reunification	16,731	15,689
Permanent Placement	31,022	30,158

EXPENDITURES:

(in 000's)

	2008-09	2009-10
Total Basic	County Admin.	County Admin.
Total	$786,203	$796,954
Federal	335,078	335,348
State	266,924	271,924
County	101,592	103,793
Reimbursements	82,609	85,889

Child Welfare Services – Basic Costs

EXPENDITURES (CONTINUED):

(in 000's)

Reconciliation of Federal Funds:

	2008-09	2009-10
Title IV-B	$32,880	$32,880
Title IV-E	276,604	274,498
Title XIX	82,609	85,889
Title XX	26,756	27,971
Total Federal Funding	$418,849	$421,237

Specialized Care:

	2008-09	2009-10
Total	$4,288	$4,245
Federal	0	0
State	4,288	4,245
County	0	0

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Federal Budget Bill – Loss of Federal Financial Participation (FFP)

DESCRIPTION:

This premise reflects the cost to backfill the loss of federal Title IV-E funds for children placed in hospitals or mental health institutions for longer than 30 days. The Federal Reconciliation Bill (FRB), signed February 8, 2006 (but effective October 1, 2005), limits the claiming of Title IV-E administrative costs when a child is placed in an ineligible facility to the 30 days prior to the child being moved to a Title IV-E eligible facility or home. Prior to the FRB, there was no limit on administrative claiming if the county was providing pre-placement preventive services or preparing for the child to enter foster care.

IMPLEMENTATION DATE:

The FRB effective date is October 1, 2005.

KEY DATA/ASSUMPTIONS:

- FRB S. 1932, signed February 8, 2006.
- This estimate reflects costs for only the non-Title IV-E Waiver counties.
- There are approximately 164 cases placed in non-foster care facilities over 30 days.
- The children placed in ineligible foster care facilities represent 0.12 percent of the total foster care caseload.

METHODOLOGY:

The Title IV-E funded Child Welfare Services (CWS) Basic budgeted expenditures were multiplied by the percent of cases that are placed in ineligible facilities.

FUNDING:

These costs are ineligible for Title IV-E and will be funded with the General Fund and county funds at the 70 percent state, 30 percent county shares.

CHANGE FROM THE APPROPRIATION:

There is no change.

Federal Budget Bill – Loss of Federal Financial Participation (FFP)

REASON FOR YEAR-TO-YEAR CHANGE:

The Title IV-E funded CWS Basic budgeted expenditures have decreased.

EXPENDITURES:

(in 000's)

	2008-09 County Admin.	2009-10 County Admin.
Total	$0	$0
Federal	-262	-245
State	183	171
County	79	74
Reimbursements	0	0

Augmentation to Child Welfare Services

DESCRIPTION:

This premise reflects the cost to provide an augmentation to the Child Welfare Services (CWS) program. These funds shall be expressly targeted for services provided through the Emergency Response, Family Maintenance, Family Reunification (FR) and Permanent Placement (PP) components of CWS, and shall not be used to supplant existing CWS funds. Funds will be available to counties contingent upon individual counties: 1) matching their CWS Basic General Fund (GF) allocation; and, 2) fully utilizing the CWS/Case Management System. There is no county match required for these funds.

IMPLEMENTATION DATE:

This premise, formerly known as "Emergency Workload Relief," was implemented on July 1, 1998.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Assembly Bill (AB) 1656 (Chapter 324, Statutes of 1998) and AB 1740 (Chapter 52, Statutes of 2000).
- AB 1656 authorized $40.0 million in GF with no county match required.
- AB 1740 authorized an additional $34.3 million in GF with no county match required.
- The GF Appropriation has been reduced by $17,150,000 due to lower revenues and other demands on the available GF.
- The 56 non-Title IV-E Waiver counties' portion of the total augmentation is $36,726,107 GF.

METHODOLOGY:

AB 1656 and AB 1740 designated the GF amount; however, due to lower revenues and other demands on the available GF, the GF Appropriation has been reduced by $17,150,000.

FUNDING:

- After applying the foster care federal discount rate of 73 percent for each Fiscal Year (FY), federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 100 percent GF.
- After the GF amount is calculated, federal Title XX funds transferred from the Temporary Assistance for Needy Families block grant are used in lieu of GF. The amount of Title XX-eligible costs is calculated based on the nonmatching GF portion of FR and PP expenditures. For FY 2008-09, the Title XX-eligible amount is $4,892,237. For FY 2009-10, the Title XX-eligible amount is $5,080,410.

Augmentation to Child Welfare Services

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The amount of Title XX-eligible costs has increased.

EXPENDITURES:

(in 000's)

Augmentation Funds:

	2008-09	2009-10
	County Admin.	County Admin.
Total	$57,836	$57,836
Federal	26,002	26,190
State	31,834	31,646
County	0	0
Reimbursements	0	0

Child Welfare Services/Case Management System – System Support Staff

DESCRIPTION:

This premise reflects the cost for county administrative staff needed to support the Child Welfare Services/Case Management System which was implemented as a result of Senate Bill 370 (Chapter 1294, Statutes of 1989). These staff are needed for the ongoing operations of the system.

IMPLEMENTATION DATE:

There was a staggered implementation based on individual county start dates beginning in Fiscal Year (FY) 1996-97.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 16501.5.
- The base estimate is $25,119,682, based on the FY 2005-06 Appropriation.
- Of the base amount, funds budgeted for this premise are based on actual expenditures. The remaining funds are budgeted as part of Child Welfare Services (CWS) Basic.

METHODOLOGY:

The estimate is based on actual expenditures.

FUNDING:

Costs are shared according to California's federally approved Cost Allocation Plan (CAP) which allocates costs to all benefiting CWS programs based on statewide county worker time study hours.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease is due to a decrease in actual expenditures.

Child Welfare Services/Case Management System – System Support Staff

EXPENDITURES:

(in 000's)

	2008-09 County Admin.	2009-10 County Admin.
Total	$19,638	$15,385
Federal	10,117	7,839
State	5,959	4,652
County	2,931	2,300
Reimbursements	631	594

Child Welfare Services – Emergency Assistance Program (TANF & Case Management)

DESCRIPTION:

This premise reflects the costs associated with the Child Welfare Services (CWS) Emergency Assistance (EA) Program funded through federal Temporary Assistance for Needy Families (TANF) and General Fund (GF).

In 1993, the California Department of Social Services (CDSS) implemented a statewide EA Program under Title IV-A of the Social Security Act for County Welfare Departments which provides funding for emergency shelter care to children determined to be at risk due to abuse, neglect, abandonment, or exploitation.

In 1994, CDSS implemented crisis resolution and emergency response (ER) as the child welfare services components of emergency assistance. Crisis resolution provides services to families aimed at resolving family crises without removing the child from the home or by allowing the child to be returned to the family with the provision of supporting services to ensure child safety. Under EA/ER, funds will be available for emergency response activities such as receiving and assessing referrals, investigating emergency allegations, and gathering and evaluating relevant information.

EA case management is defined as an array of activities directed to a specific child. These activities include, but are not limited to, developing a case or service plan for a child, working with foster or adoptive parents to prepare them to receive a child, case and administrative reviews, case conferences, and permanency planning meetings.

Public Law (P.L.) 104-193 eliminated Title IV-A funding for the EA Program but permitted use of TANF dollars for EA funding. Although P.L. 104-193 allowed TANF funding, the Budget Act of 1997 replaced the TANF funding with General Fund (GF). Based on interpretation of the final TANF regulations, effective October 1, 1999, EA GF expenditures are not countable towards the TANF maintenance of effort requirement. Therefore, the GF was replaced with TANF funding. In 2001, EA case management activities were funded with Title IV-E funds in order to free-up TANF dollars. In 2008, clarifying instructions were given by the Administration for Children and Families (ACF) that EA case management costs are not IV-E eligible, therefore costs are shifted to GF in CY, and TANF in BY.

IMPLEMENTATION DATE:

Emergency Shelter Care - This component implemented on September 1, 1993.

Crisis Resolution - This component implemented on August 1, 1994.

Emergency Response - This component implemented on August 1, 1994.

Case Management - This component implemented on October 1, 1995.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 15204.25.
- There is no caseload growth projected for Fiscal Year (FY) 2009-10.
- The EA TANF estimate reflects costs for all 58 counties. The EA Case Management estimate reflects costs for only the non-Title IV-E Waiver counties.

Child Welfare Services – Emergency Assistance Program (TANF & Case Management)

METHODOLOGY:

The total costs are based on the prior year and increased by any individual county caseload growth. The appropriate sharing ratios are then applied to the total costs.

FUNDING:

EA TANF funding, although eliminated by P.L. 104-193, was used in the TANF block grant calculation and is, therefore, part of the TANF funding schedule.

The sharing ratio for EA eligible shelter care cases under 30 days, emergency response, and crisis resolution is 85 percent TANF and 15 percent county. For shelter care EA eligible cases over 30 days, the ratio is 50 percent TANF and 50 percent county. These funds are reflected in the "Emergency Assistance TANF" line.

For the non-Title IV-E Wavier counties, EA case management activities are funded as if Title IV-E eligible, with 50 percent of the costs funded with Title IV-E after the federal foster care discount rate is applied. The nonfederal costs are shared 85 percent GF and 15 percent county. After the GF amount is calculated, federal Title XX funds transferred from the TANF block grant are used in lieu of GF. The amount of Title XX-eligible costs is calculated based on the nonmatching GF portion of Family Reunification and Permanent Placement expenditures. For FY 2008-09 the Title XX-eligible amount is $0.8 million. For FY 2009-10, the Title XX-eligible amount is $0.7 million. The federal Title IV-E costs are then shifted to GF in FY 2008-09 and TANF in FY 2009-10. These funds are reflected in the "Emergency Assistance Case Management" line.

CHANGE FROM THE APPROPRIATION:

The Title IV-E costs are shifted to GF.

REASON FOR YEAR-TO-YEAR CHANGE:

The GF costs are shifted to TANF and there is a decrease in TANF to Title XX funds.

Child Welfare Services – Emergency Assistance Program (TANF & Case Management)

EXPENDITURES:

(in 000's)

	2008-09	2009-10	2008-09	2009-10
	EA TANF		**EA Case Management**	
Total	$209,563	$209,563	$30,523	$30,523
Federal	173,500	173,500	836	25,945
State	0	0	25,109	0
County	36,063	36,063	4,578	4,578
Reimbursements	0	0	0	0

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Tribal-State Title IV-E Agreements

DESCRIPTION:

This premise reflects the costs to provide start-up funding for three years when a tribe seeks to implement its own child welfare services program. The Federal Social Security Act, Indian Child Welfare Act (ICWA) and the California Welfare and Institutions Code (W&IC) sections 10553.1, 10553.2 and 10553.3 allow states to enter into agreements to pass through federal Title IV-E funds for foster care, maintenance and administration to tribes as tribes cannot receive direct Title IV-E funding. Therefore, a Tribal-State Agreement is essential to allow the pass-through of Title IV-E funds to the tribes to provide foster care services to tribal children.

IMPLEMENTATION DATE:

This premise implemented on October 1, 2008.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Federal Social Security Act, ICWA, W&IC sections 10553.1 and 10553.2.

  The Karuk Tribe of California has signed an Agreement with the state for the provision of child welfare services. Assistance payments and Administrative costs are budgeted beginning October 1, 2008.

- Eligible costs will draw down federal Title IV-E funding.
- Based on information from the Karuk Tribe, the annual cost of a social worker is estimated at $81,146.
- The average monthly statewide Foster Family Home (FFH) federal grant of $694.43, the Group Home (GH) federal grant of $5,147.06, and the Adoption Assistance Program (AAP) federal grants of $779.74 for FY 2008-09 and $794.35 for FY 2009-10 are based on statewide actual expenditures through June 2008.
- Based on information from the Karuk Tribe, the average monthly FFH caseload is projected at two cases, the average monthly GH caseload is projected at one case, and the average monthly AAP caseload is projected at one case.
- The administration of Foster Care (FC) eligibility will require one social worker annually.
- Based on cost and caseload information from the Karuk Tribe, the administration of Child Welfare Services (CWS) will require $57,000 General Fund (GF) for FY 2008-09 and $44,000 GF for FY 2009-10.
- Based on cost and caseload information from the Karuk Tribe, the administration of the Adoptions program will require $1,000 GF for FY 2008-09 and $47,000 GF for FY 2009-10.

Tribal-State Title IV-E Agreements

METHODOLOGY:

The estimate is based on cost and caseload information from the Karuk Tribe. The basic assistance estimate is the product of case months and average grant.

FUNDING:

The FC grant, AAP grant, FC Administration, CWS Administration, and Adoptions program costs are shared at the same ratios as in their respective programs.

CHANGE FROM THE APPROPRIATION:

The decreases in FC and CWS reflect a reduction to caseloads and a delay in implementation. The Adoptions program funding is new for the Karuk Tribe.

REASON FOR YEAR-TO-YEAR CHANGE:

The estimates reflect a full year of costs. The Adoptions increase reflects additional resources needed to complete an additional adoption. The CWS decrease is due to the one-time purchase of Livescan equipment in the CY.

EXPENDITURES:

(in 000's)

ITEM 101 – Foster Care Grants	2008-09 Grant	2009-10 Grant
Total	$59	$78
Federal	29	39
State	12	16
County	18	23
Reimbursements	0	0

ITEM 101 – Adoption Assistance Program Grants	2008-09 Grant	2009-10 Grant
Total	$7	$10
Federal	4	5
State	2	4
County	1	1
Reimbursements	0	0

Tribal-State Title IV-E Agreements

EXPENDITURES (CONTINUED):

(in 000's)

ITEM 141 – Foster Care Admin.	2008-09 County Admin.	2009-10 County Admin.
Total	$61	$81
Federal	31	41
State	21	28
County	9	12
Reimbursements	0	0

ITEM 151 – CWS Admin.	2008-09 County Admin.	2009-10 County Admin.
Total	$129	$108
Federal	60	47
State	57	44
County	12	17
Reimbursements	0	0

ITEM 151 – Adoptions	2008-09	2009-10
Total	$2	$82
Federal	1	35
State	1	47
County	0	0
Reimbursements	0	0

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Gomez v. Saenz

DESCRIPTION:

This premise reflects the costs for county activities related to the Gomez, et al. v. Saenz court settlement. Specifically, costs are for counties to enact a notification and grievance process to provide due process to any persons desiring to challenge their listing on the Child Abuse Central Index (CACI), both prospectively and retroactively.

IMPLEMENTATION DATE:

The premise implemented in Fiscal Year (FY) 2007-08.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Senate Bill 84, (Chapter 177, Statutes of 2007).
- This estimate reflects costs for only the non-Title IV-E Waiver counties.
- There are approximately 800,000 names currently listed on CACI, of which approximately 544,320 are from the non-Title IV-E Waiver counties. One percent of those currently listed on CACI will request a grievance hearing. Each grievance hearing requires 19.5 hours of social worker time at an overtime rate. These grievance hearings commenced in July 2008.
- There are 37,620 new referrals to CACI per year, of which approximately 25,597 are from the non-Title IV-E Waiver counties. Twenty percent of the new referrals to CACI will request a grievance hearing. Each grievance hearing requires 15.5 hours of social worker time. These grievance hearings commenced in July 2008.
- A customized notice to all new referrals to CACI requires an additional five minutes of social worker time to add information to the current notice.
- The hourly cost of a social worker is $72.60.
- Social worker overtime costs for salaries only are $40.50 per hour.

METHODOLOGY:

The caseload is multiplied by the number of hours, multiplied by the hourly cost.

FUNDING:

After the foster care federal discount rate of 73 percent for each FY is applied, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 70 percent General Fund and 30 percent county.

Gomez v. Saenz

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease is due to the completion of retrospective grievance hearings in the Current Year.

EXPENDITURES:

(in 000's)

	2008-09 County Admin.	2009-10 County Admin.
Total	$9,773	$5,752
Federal	3,567	2,099
State	4,344	2,557
County	1,862	1,096
Reimbursements	0	0

State Family Preservation

DESCRIPTION:

This premise reflects the authorization for the permanent transfer of funds from an incentive/penalty provision program to a program with a sharing ratio of 70 percent General Fund (GF) and 30 percent county. In accordance with Assembly Bill 2365 (Chapter 71, Statutes of 1992), the counties that have operated a family preservation program for at least three years can participate in the program. Historically, funding was provided through an annual allocation derived from a shift in funds from the GF (and federal share, to the extent permitted under federal law) of the Aid to Families with Dependent Children-Foster Care appropriation. Fifteen counties opted to participate in the program which included an incentive/penalty provision based on increases/decreases in foster care placements. However, the foster care caseloads began to stabilize which resulted in little savings. Therefore, counties were given the option to permanently transfer funding to a 70 percent GF and 30 percent county share limited to not exceed 70 percent of the highest annual amount spent for family preservation.

IMPLEMENTATION DATE:

This premise implemented in Fiscal Year (FY) 1993-94.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 16500.5 through 16500.7.
- The GF share of funds reflects up to 70 percent of the highest annual amount expended for family preservation services by 15 counties (Alameda, Contra Costa, Humboldt, Los Angeles, Mendocino, Napa, Placer, Riverside, Sacramento, San Diego, San Luis Obispo, Santa Clara, Santa Cruz, Solano, and Stanislaus).
- This estimate reflects costs for only the 14 non-Title IV-E Waiver counties.
- Los Angeles County is not a Waiver county under this premise.

METHODOLOGY:

For FY 2008-09 and FY 2009-10, the non-Title IV-E Waiver counties are held at the Budget Act of 2008 Appropriation level. The Title IV-E Waiver counties base is reflected in Item 153 Title IV-E Waiver.

FUNDING:

The federal Title IV-B, nonfederal, and federal Title XIX reimbursement funding levels are based on FY 2001-02 expenditure data.

State Family Preservation

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2008-09 County Admin.	2009-10 County Admin.
Total	$35,288	$35,288
Federal	3,540	3,540
State	22,136	22,136
County	8,916	8,916
Reimbursements	696	696

Promoting Safe and Stable Families (PSSF)

DESCRIPTION:

This premise reflects the amount of the federal Promoting Safe and Stable Families (PSSF) grant to provide community-based, family-centered services to focus on supporting and preserving families, protecting children, and preventing child abuse and neglect. The Omnibus Budget Reconciliation Act of 1993 established this capped grant program under Title IV-B.

IMPLEMENTATION DATE:

This premise implemented on October 1, 1993.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 16600 through 16604.5.
- The federal Title IV-B funds cannot be used to supplant existing state or local spending.
- Effective Fiscal Year (FY) 2001-02, based on federal requirements, a minimum of 20 percent of PSSF funds must be spent on each of the four components of the program (Family Preservation Services, Family Support Services, Adoption Promotion and Support, and Time-Limited Family Reunification).
- A 25 percent match from state or county funds is required. This match is made available through existing State Family Preservation program funds.

METHODOLOGY:

The estimate is based on the Federal Fiscal Year (FFY) federal grant amount less state operations costs.

Beginning in FY 2007-08 California received an additional PSSF grant to be used only to support monthly caseworker visits.

FUNDING:

This premise reflects federal Title IV-B grant funds to be used over a two-year period. The additional grant for caseworker visits reflects federal Title IV-B grant funds to be used over a two-year period.

CHANGE FROM THE APPROPRIATION:

For the PSSF Basic Grant the decrease in FY 2008-09 reflects the reduction in the FFY 2008 federal grant. For the PSSF Caseworker Visits Grant the decrease reflects a technical adjustment, there was no grant for FFY 2007.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change for the PSSF Basic Grant. The increase for the PSSF Caseworker Visits Grant is due to an increased grant for FFY 2009.

Promoting Safe and Stable Families (PSSF)

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	County Admin.	County Admin.
Total	$33,050	$33,050
Federal	33,050	33,050
State	0	0
County	0	0
Reimbursements	0	0

PSSF	2008-09	2009-10
Caseworker Visit	County Admin.	County Admin.
Total	$508	$1,016
Federal	508	1,016
State	0	0
County	0	0
Reimbursements	0	0

Independent Living Program

DESCRIPTION:

This premise reflects the amount of the federal grant for the Independent Living Program (ILP). The Omnibus Budget Reconciliation Act of 1993 permanently authorized this program, which offers training to foster care adolescents and emancipated youth enabling them to be independent when their foster care terminates. County Welfare Departments provide or arrange for the provision of services that facilitate the transition of foster children to emancipated lifestyles.

Federal statute, H.R.3443, the Chafee Foster Care Independence Program (CFCIP) Act of 1999 (Public Law 106-169), amended Section 477 of the Social Security Act providing more flexibility in funding of ILP services. The CFCIP authorized the expansion of this program to serve foster care youth ages 16 to 21. In addition, counties were given the discretion to provide ILP services to youth ages 14 and 15 when it was determined that these youth would most likely remain in foster care until emancipation. Counties are authorized to use up to 30 percent of their grant to provide housing assistance for emancipated foster youth and aftercare services to former foster youth ages 18 to 21.

IMPLEMENTATION DATE:

This premise implemented on January 1, 1988.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10609.3.
- Funding is based on the federal grant award for ILP.
- The final grant amount for Federal Fiscal Year (FFY) 2008 is $20,510,930.
- The estimated grant amount for FFY 2009 is $20,510,930.

METHODOLOGY:

Beginning in FY 2007-08, funds will be based on the FFY federal grant amount less state operations costs.

FUNDING:

This premise is funded 100 percent with a federal grant award. The matching funds are provided through the “Extended ILP” premise.

Independent Living Program

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2008-09 County Admin.	2009-10 County Admin.
Total	$19,491	$19,491
Federal	19,491	19,491
State	0	0
County	0	0
Reimbursements	0	0

Extended Independent Living Program

DESCRIPTION:

This premise reflects the General Fund (GF) portion of the Independent Living Program (ILP), which provides training for eligible foster care adolescents aged 16 to 21 years old, enabling them to be independent when their foster care terminates. Senate Bill (SB) 933 (Chapter 311, Statutes of 1998) implemented the GF portion to extend ILP services to 100 percent of the eligible foster care adolescent population, up to the age of 21 years. County Welfare Departments (CWD) provide or arrange for the provision of services that facilitate the transition of foster children to emancipated lifestyles.

In addition, counties are given the discretion to provide ILP services to youth ages 14 and 15, when it is determined that these youth would most likely remain in foster care until emancipated. Counties are authorized to use up to 30 percent of their allocation to provide housing assistance for emancipated foster youth and aftercare service to former foster youth ages 18 to 21.

Effective January 1, 2006, SB 436 (Chapter 629, Statutes of 2005) requires the CWD in a county that provides transitional housing placement services to include in its annual ILP report a description of currently available transitional housing resources in relation to the number of emancipating pregnant or parenting foster youth in the county, and a plan for meeting any unmet transitional housing needs of the emancipating pregnant or parenting foster youth.

IMPLEMENTATION DATE:

This premise implemented in September 1998.

SB 436 (Chapter 629, Statutes of 2005) implemented on January 1, 2006.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10609.3 and SB 436 (Chapter 629, Statutes of 2005).
- Effective January 2006, additional GF was allocated to support SB 436 activities.
  - At least one (1) hour per case to collect and to report available transitional housing resources and to develop a plan for meeting any unmet transitional housing needs of the emancipating pregnant or parenting foster youth.
  - The social worker cost per hour is $72.60.
  - For Fiscal Year (FY) 2005-06, the number of female emancipated youths was 2,549.
  - In Calendar Year 2004, the teen parent birth rate for 19 year olds is 74.8 per 1,000 women.
  - SB 436 is a new state mandate; there is no county cost.

METHODOLOGY:

FY 2008-09 and FY 2009-10, the funding is held to the Budget Act 2008 Appropriation.

Extended Independent Living Program

FUNDING:

This premise is funded 100 percent GF.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	County Admin.	County Admin.
Total	$15,166	$15,166
Federal	0	0
State	15,166	15,166
County	0	0
Reimbursements	0	0

Chafee Post Secondary Education & Training Vouchers

DESCRIPTION:

This premise reflects the amount of the federal grant for Chafee Post Secondary Education and Training Vouchers. This funding is provided under the Educational and Training Vouchers (ETV) Program which is part of the Chafee Foster Care Independence Program (CFCIP).

The Foster Care Independence Act of 1999, Public Law 107-133, amended Section 477 of the Social Security Act to provide states with flexible funding to design and conduct education and training voucher programs for youth who age out of foster care. This can assist youth with the development of skills necessary to lead independent and productive lives. The purpose of this program is to make available vouchers of up to $5,000 per year per youth for education and training, including post secondary training and education, to eligible youth who have aged out of foster care.

Individuals eligible to receive vouchers under this program are: (1) youth otherwise eligible for services under the state CFCIP program; (2) youth adopted from foster care after attaining age 16; and (3) youth participating in the voucher program on their 21st birthday, until they turn 23 years old, as long as they are enrolled in a post secondary education or training program and are making satisfactory progress toward completion of that program.

IMPLEMENTATION DATE:

This premise implemented on October 1, 2003.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: The Foster Care Independence Act of 1999, Public Law 107-133, Section 477 of the Social Security Act, as amended.
- Funding is based on the federal grant award for ETV.
- The final grant for Federal Fiscal Year (FFY) 2008 that California received is $6,909,043.
- The estimated grant for FFY 2009 that California will receive is $6,909,043.
- A 20 percent match of the total cost is required. The match may be cash or in-kind contributions.
- Future funding will be appropriated on an annual basis pending congressional authorization.
- Assembly Bill (AB) 1808 (Section 5.1) added $5.7 million General Fund (GF) to assist students who are current and former foster youth, for career and technical training or traditional college courses.

METHODOLOGY:

This premise reflects federal grant funds to be used for Fiscal Year (FY) 2008-09 through September 30, 2009, and for FY 2009-10 through September 30, 2010. An additional $5.7 million GF is included to support AB 1808 activities.

Chafee Post Secondary Education & Training Vouchers

FUNDING:

This premise is funded 100 percent with a federal grant award. AB 1808 activities are funded with 100 percent GF. The matching funds are provided through the "Emancipated Youth Stipend" premise.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease is due to the federal grant being expended in the first year.

EXPENDITURES:

(in 000's)

	2008-09 County Admin.	2009-10 County Admin.
Total	$16,000	$12,609
Federal	10,300	6,909
State	5,700	5,700
County	0	0
Reimbursements	0	0

Transitional Housing for Foster Youth

DESCRIPTION:

The Transitional Housing Placement Program (THPP) and Transitional Housing Program Plus (THP-Plus) offers foster youth emancipating from the foster care system and youth who have emancipated from foster care the experience of learning basic life skills while living on their own under general supervision. These programs provide a safety net of services to assure attainment of educational and employment goals. Assembly Bill (AB) 427 expanded the THPP age range for participation from 17 to 18 years of age to 16 to 18 years of age and for the new THP-Plus Program to ages 18 to 21. It also enabled additional counties to participate in the THPP and THP-Plus by providing a new rate-setting methodology. Effective January 1, 2006, AB 824 (Chapter 636, Statutes of 2005) raises the age limit for receipt of THP-Plus services by an emancipated foster youth to 24 years of age.

IMPLEMENTATION DATE:

AB 427 implemented on January 1, 2002.

AB 1119 implemented on January 1, 2003.

AB 824 (Chapter 636, Statutes of 2005) implemented on January 1, 2006.

AB 1808 (Chapter 75, Statutes of 2006) implemented on July 12, 2006.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Health and Safety Code 1559.110 and Welfare and Institutions Code sections 11400, 11403.2, 11403.3, 16522 and 16522.1.
- The nonfederal sharing ratio is 40 percent state and 60 percent county.
- The THP-Plus rate is 70 percent of the county's group home average grant.

METHODOLOGY:

Funding is based on counties' approved rates multiplied by the number of approved beds.

FUNDING:

Federal funding is provided by Title IV-E of the Social Security Act, with the amount of federal financial participation based on the Federal Medical Assistance Percentage rate, for those cases meeting federal eligibility criteria. The federal Title IV-E funding is available for youth ages 16 to 18. Youth ages 18 to 24 are ineligible for federal funds.

Funding is shared 40 percent General Fund (GF) and 60 percent county for THPP and 100 percent GF for THP-Plus.

Transitional Housing for Foster Youth

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

Total	2008-09	2009-10
Total	$54,713	$54,713
Federal	5,188	5,188
State	44,337	44,337
County	5,188	5,188
Reimbursements	0	0

THPP	2008-09	2009-10
Total	$13,835	$13,835
Federal	5,188	5,188
State	3,459	3,459
County	5,188	5,188
Reimbursements	0	0

THP-Plus	2008-09	2009-10
Total	$40,878	$40,878
Federal	0	0
State	40,878	40,878
County	0	0
Reimbursements	0	0

Emancipated Foster Youth Stipends

DESCRIPTION:

This premise reflects the costs to provide special needs stipends for emancipating foster youth. The program can assist emancipating foster youth with finding affordable housing, text books for college or vocational training, employment searches, emergency personal needs, and bus vouchers. County Welfare Departments will provide for the provision of these services. A portion of this amount is being used as match for the Chafee Post Secondary Education and Training Vouchers.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2000.

KEY DATA/ASSUMPTIONS:

Authorizing statute: The Budget Act of 2000.

METHODOLOGY:

The Budget Bill designates General Fund (GF) support levels.

FUNDING:

This program is funded 100 percent GF.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2008-09 County Services	2009-10 County Services
Total	$3,602	$3,602
Federal	0	0
State	3,602	3,602
County	0	0
Reimbursements	0	0

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Recruitment and Retention of Social Workers

DESCRIPTION:

This premise reflects the cost to fund a contract with Cooperative Personnel Services/Merit System Services to help recruit and retain social workers in 30 small counties. Due to the continued difficulties of hiring and retaining social workers, Merit System Services will work with counties to implement and provide on-going recruitment efforts and career development plans to increase and retain the number of social workers in the smaller counties.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2001.

KEY DATA/ASSUMPTIONS:

The recruitment and career development plans were designed during Fiscal Year (FY) 2000-01.

METHODOLOGY:

The funding for this premise reflects the amount of the contract with Merit System Services.

FUNDING:

This premise is eligible for federal Title IV-E funding. After the foster care federal discount rate is applied, costs are shared 50 percent federal and 50 percent General Fund (GF). Nonfederally-eligible costs are funded with 100 percent GF.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)	2008-09 County Admin.	2009-10 County Admin.
Total	$269	$269
Federal	101	101
State	168	168
County	0	0
Reimbursements	0	0

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Total Child Welfare Training Program

DESCRIPTION:

This premise reflects the costs for providing a statewide coordinated training program designed specifically to meet the needs of county child protective services social workers assigned to emergency response, family maintenance, family reunification, permanent placement, and adoptions responsibilities. The training program was established by Senate Bill (SB) 834 (Chapter 1310, Statutes of 1987), and extended permanently by SB 1125 (Chapter 1203, Statutes of 1991).

The Total Child Welfare Training Program includes training for other agencies under contract with County Welfare Departments to provide child welfare case management services. The program also includes crisis intervention, investigative techniques, rules of evidence, indicators of abuse and neglect, assessment criteria, intervention strategies, family-based services, legal requirements of child protection, case management, and the use of community resources.

IMPLEMENTATION DATE:

This premise implemented on July 1, 1988.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 16200 through 16215.
- The implementation of regional training academies started in 1996.
- Funding is based on contract amounts entered into by the California Department of Social Services.

METHODOLOGY:

The estimates for Fiscal Year (FY) 2008-09 and FY 2009-10 are based on contract costs.

FUNDING:

After the foster care federal discount rate of 79 percent is applied for FY 2008-09 and FY 2009-10, federally-eligible costs are shared at 75 percent federal and 25 percent state, with the exception of various contracts which use federal Title IV-E funds with an in-kind match. Nonfederally eligible costs are funded with 100 percent General Fund (GF).

CHANGE FROM THE APPROPRIATION:

For FY 2008-09 the increase is based on updated actual.

REASON FOR YEAR-TO-YEAR CHANGE:

The change reflects an increase in training as a result of the Program Improvement Plan and the reduction of Promoting Safe and Stable Families training funds.

Total Child Welfare Training Program

EXPENDITURES:

(in 000's)

	2008-09 County Admin.	2009-10 County Admin.
Total	$20,898	$21,593
Federal	12,796	13,029
State	8,102	8,564
County	0	0
Reimbursements	0	0

Substance Abuse/HIV Infant Program

DESCRIPTION:

This premise reflects the costs for the recruitment, special training, and respite care for specially recruited and trained foster family providers caring for children with medical problems related to drug or alcohol exposure or to Acquired Immune Deficiency Syndrome (AIDS). Originally established as a demonstration project by Senate Bill (SB) 1173 (Chapter 1385, Statutes of 1989) and Assembly Bill (AB) 2268 (Chapter 1437, Statutes of 1989), the program was extended by SB 1050 (Chapter 296, Statutes of 1993) and made into a permanent program in 1997 by AB 67 (Chapter 606, Statutes of 1997). AB 2037 (Chapter 799, Statues of 2000) revised the age for children participating in this program from age three to age five for those counties that have participated in the program for at least three years.

IMPLEMENTATION DATE:

This premise implemented on July 1, 1989.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 16525.10 through 16525.30.
- This program is available to any county requesting participation pursuant to established procedures and to the extent funds are available. Currently, there are ten counties that are participating in this program (Alameda, Butte, Contra Costa, Glenn, Monterey, San Diego, San Francisco, San Luis Obispo, Santa Cruz, and Shasta).
- This estimate reflects costs for only nine non-Title IV-E Waiver counties.

METHODOLOGY:

The foster care federal discount rate of 73 percent for FY 2008-09 and FY 2009-10 was applied to the training and recruitment components. The Title IV-E Waiver county's base is reflected in Item 153 Title IV-E Waiver.

FUNDING:

Respite care is funded 70 percent General Fund (GF) and 30 percent county funds. The training and recruitment components are funded with 75 percent and 50 percent federal funds, respectively, after the foster care federal discount rate is applied. The nonfederal portion is funded 70 percent GF and 30 percent county funds.

Substance Abuse/HIV Infant Program

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The foster care discount rate was updated.

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	County Admin.	County Admin.
Total	$5,022	$5,022
Federal	1,598	1,638
State	2,397	2,369
County	1,027	1,015
Reimbursements	0	0

Child Welfare Services – Pass-Through Title IV-E Costs

DESCRIPTION:

This premise reflects the pass-through of federal Title IV-E funds for probation and other public agency administrative costs, foster parent training, and social work training as described below.

IMPLEMENTATION DATE:

Probation Costs	June 1991
Social Work Training	Fiscal Year (FY) 1992-93
Other Public Agencies	FY 2003-04
Social Worker/County Counsel Training	FY 2005-06
Foster and Kinship Care Education Program* (Community College Chancellor's Office)	FY 2005-06

*Incorporates the Foster Parent Training Fund (FY 1990-91) and the Foster Parent Training (FY 1998-99)

KEY DATA/ASSUMPTIONS:

For FY 2008-09 and FY 2009-10, the Probation Costs estimate reflects costs for only the 56 non-Title IV-E Waiver counties.

METHODOLOGY:

This premise includes the combined estimated expenditures for the following five Title IV-E pass-through costs:

- **Probation Costs** - The state received federal approval to pass through Title IV-E administration funds for county probation staff activities that are similar to the Title IV-E eligible tasks of county social services workers. This federal funding source will be passed through to the county probation departments for their federally-eligible activities related to probation supervised cases in foster care and the Title IV-E eligible training of probation staff that complete case management activities on behalf of these children.
- **Other Public Agencies** – The federal government allows Title IV-E reimbursement for administrative activities associated with pre-placement prevention. Under current California Department of Social Services (CDSS) regulations and specified conditions, counties may pass on Title IV-E funds to other county public agencies, such as Education or Mental Health, who perform eligible administrative activities for children at risk of, or currently placed in foster care. This pass-on provision does not apply to similar activities performed by private non-profit organizations.

Child Welfare Services – Pass-Through Title IV-E Costs

- **Foster and Kinship Care Education Program (Community College Chancellor's Office)** – Effective in FY 2005-06, the Foster Parent Training Fund was incorporated into the Community College Proposition 98 fund. Title IV-E funds will be accessed by using the Community College Proposition 98 funds as match for the purpose of reimbursing the California Community Colleges Chancellor's Office for providing education and training to foster parents and kinship care providers. This program is conducted through community colleges in consultation with CDSS and key state foster and caregiver associations. Statutes that relate to the type of education and training this program delivers include: Senate Bill 2003 (Chapter 1597, Statutes of 1984); Assembly Bill (AB) 3062 (Chapter 1016, Statutes of 1996); AB 2307 (Chapter 745, Statutes of 2000); and AB 458 (Chapter 331, Statutes of 2003).
- **Social Worker Training** – An agreement between CDSS, the University of California and the California State University (CSU) was implemented for a statewide training program to increase the number of social workers employed in California county welfare departments. This effort was initiated due to the shortage of professionals in public child welfare services, especially those holding a master's degree in social work.

  Currently, there are 19 schools of social work participating. CSU Fullerton is new for FY 2009-10. Funding is provided with Title IV-E federal funds, with an in kind match provided by the state universities.
- **Social Worker/County Counsel Training** – The training will be coordinated and overseen by the Administrative Office of the Courts (AOC) through a contract with statewide and local training providers to provide short-term training to enhance social worker and county counsel's understanding of the judicial determination process and necessary court findings on behalf of children in foster care.

FUNDING:

Costs represent 100 percent federal Title IV-E funds and no state share of costs.

CHANGE FROM THE APPROPRIATION:

There is no change for FY 2008-09.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to an increase in federal authority for a stipend contract with CSU Fullerton.

Child Welfare Services – Pass-Through Title IV-E Costs

EXPENDITURES:

(in 000's)

COMBINED TOTAL:	2008-09 County Admin.	2009-10 County Admin.
Total	$187,708	$188,687
Federal	187,708	188,687
State	0	0
County	0	0
Reimbursements	0	0

DETAILED TOTALS:

Probation:	2008-09 County Admin.	2009-10 County Admin.
Total	$147,683	$147,683
Federal	147,683	147,683
State	0	0
County	0	0
Reimbursements	0	0

Other Public Agencies:	2008-09 County Admin.	2009-10 County Admin.
Total	$2,915	$2,915
Federal	2,915	2,915
State	0	0
County	0	0
Reimbursements	0	0

Foster and Kinship Care Education Program	2008-09 County Admin.	2009-10 County Admin.
Total	$6,112	$6,112
Federal	6,112	6,112
State	0	0
County	0	0
Reimbursements	0	0

Social Worker Training	2008-09 County Admin.	2009-10 County Admin.
Total	$30,612	$31,590
Federal	30,612	31,590
State	0	0
County	0	0
Reimbursements	0	0

Child Welfare Services – Pass-Through Title IV-E Costs

EXPENDITURES:

(in 000's)

DETAILED TOTALS (CONTINUED):

AOC Social Worker/County Counsel Training:	2008-09 County Admin.	2009-10 County Admin.
Total	$386	$386
Federal	386	386
State	0	0
County	0	0
Reimbursements	0	0

Foster Parent Training and Recruitment

DESCRIPTION:

This premise reflects the costs for the enhanced statewide Foster Parent Training and Recruitment Program. As part of the Foster Care Initiative, Assembly Bill (AB) 2129 (Chapter 1089, Statutes of 1993), required the California Department of Social Services to develop and implement an expanded Foster Parent Training and Recruitment Program. The expanded program provides specialized training for foster parents of children with special care needs, and specific recruitment activities for minority and sibling placements.

IMPLEMENTATION DATE:

This premise implemented on January 1, 1994.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 903.8.
- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.

METHODOLOGY:

For Fiscal Year (FY) 2008-09 and FY 2009-10, the non-Title IV-E Waiver counties are held at the Budget Act of 2008 Appropriation level. The Title IV-E Waiver counties base is reflected in Item 153 Title IV-E Waiver.

FUNDING:

This program is eligible for Title IV-E federal funding. For FY 2008-09 and FY 2009-10, after the foster care federal discount rate of 73 percent is applied, costs are shared 75 percent federal and 25 percent nonfederal for the training costs, and 50 percent federal and 50 percent nonfederal for the recruitment costs. The nonfederal shares are funded 100 percent General Fund. The funds are evenly distributed to each component of the program.

CHANGE FROM THE APPROPRIATION:

The decrease is due to a one-time shift of $10,000 to Item 153 for a special advertising campaign in Los Angeles County.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase is due to $10,000 being shifted back from Item 153.

Foster Parent Training and Recruitment

EXPENDITURES:

(in 000's)

	2008-09 County Admin.	2009-10 County Admin.
Total	$2,416	$2,426
Federal	1,127	1,127
State	1,289	1,299
County	0	0
Reimbursements	0	0

Minor Parent Services and Investigations

DESCRIPTION:

This premise reflects the costs for a program designed to discourage teen pregnancy and encourage appropriate parenting of teen parents and their children. As established by Assembly Bill 908 (Chapter 304, Statutes of 1995), the guidelines require pregnant and parenting teens to live with their parents or legal guardians as a condition for receiving welfare benefits unless specific conditions exist. Teen parents not living at home will live in an appropriate, supervised setting. Minor Parent Services (MPS) will be provided if deemed necessary.

IMPLEMENTATION DATE:

The investigative part of this premise implemented on May 1, 1997.

The MPS part of this premise implemented on June 1, 1997.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code (W&IC) sections 11254, 16504(b), and 16506.
- It is assumed that any situations of abuse or neglect under W&IC section 300 requiring a foster care living arrangement resulting from this investigation are already reflected in Child Welfare Services (CWS) and Foster Care caseload trends.
- It is assumed that a social worker will spend four hours investigating each case. The four hours include one and one-half hours each for two client contacts (teen parent and the teen parent's parent(s) or legal guardian), including interviews and documentation. An additional hour is allocated for travel and time to prepare a report of the social worker's findings.
- Based on historical family maintenance data, it is assumed that minor parents (mostly those at 17 years of age) will be allowed to form their own assistance units (AUs) and receive MPS. The estimated number of minor parents approved for their own AUs at age 17 is based on application survey data. An average of six months of services is estimated for each case.

METHODOLOGY:

The total funding for both Fiscal Years (FYs) 2008-09 and 2009-10 is being held at the Budget Act of 2008 Appropriation level.

FUNDING:

The costs of performing the investigations and providing MPS are eligible for 50 percent funding under the Temporary Assistance for Needy Families block grant. All nonfederal costs are shared 70 percent state and 30 percent county.

Minor Parent Services and Investigations

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change in the combined total; however, based on actual expenditures, the investigations and minor parent services costs are updated.

EXPENDITURES:

(in 000's)

COMBINED TOTAL:	2008-09	2009-10
	County Admin.	County Admin.
Total	$7,097	$7,097
Federal	3,549	3,549
State	2,484	2,484
County	1,064	1,064
Reimbursements	0	0

Investigations:	2008-09	2009-10
	County Admin.	County Admin.
Total	$3,516	$2,369
Federal	1,758	1,184
State	1,231	830
County	527	355
Reimbursements	0	0

Minor Parent Services:	2008-09	2009-10
	County Admin.	County Admin.
Total	$3,581	$4,728
Federal	1,791	2,365
State	1,253	1,654
County	537	709
Reimbursements	0	0

Kinship Support Services

DESCRIPTION:

This premise reflects the costs for the grants-in-aid program that provides start-up and expansion funds for local kinship support service programs. As designated by Assembly Bill (AB) 1193 (Chapter 794, Statutes of 1997), the Kinship Support Services Program (KSSP) is to be conducted by the California Department of Social Services (CDSS) with the initial grants being awarded in July 1998 to eight counties. Currently, there are 11 counties participating in the program. These programs are to provide community-based family support services to kinship (relative) caregivers and the children who are placed in their homes by the juvenile court or who are at risk of dependency or delinquency.

Effective Fiscal Year (FY) 2006-07, the KSSP was augmented by $2.5 million and all counties were allowed to apply for the KSSP funds. The application process will require each interested county to submit a comprehensive proposal outlining how many relative caretakers reside in their county, what services will be provided to relative caretakers and the children in their care, how the county will develop the necessary community supports, how many relative caretakers and children will be served, and what the county outcome improvement goals are for the program. The proposals must also include a description of how each county will measure the success and cost-effectiveness of their program, and how the county will report these measures to CDSS.

IMPLEMENTATION DATE:

This premise implemented on January 1, 1998.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 16605.
- The participating counties for FY 2008-09 and FY 2009-10 are: Alameda, Contra Costa, Los Angeles, Monterey, Riverside, San Bernardino, San Diego, San Francisco, San Mateo, Santa Clara, and Stanislaus.
- Beginning FY 2009-10, it is anticipated that additional counties will participate in KSSP.

METHODOLOGY:

The estimate reflects the amount contained in AB 1193 and the 2006 Budget Act.

FUNDING:

This premise is funded 100 percent with General Fund.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Kinship Support Services

EXPENDITURES:

(in 000's)

	2008-09 County Admin.	2009-10 County Admin.
Total	$4,000	$4,000
Federal	0	0
State	4,000	4,000
County	0	0
Reimbursements	0	0

Kinship/Foster Care Emergency Funds

DESCRIPTION:

This premise reflects the cost to provide emergency funds to relative caregivers and foster parents. The program primarily offers one-time assistance for necessary housing needs, such as extra beds and clothing. Short-term support services, such as crisis counseling, are also provided to prevent children from entering or re-entering the child welfare system.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2000.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: The Budget Act of 2000.
- The California Department of Social Services received policy clarification from the federal Department of Health and Human Services that administrative costs for beds, cribs, and smoke detectors that are needed in order to license or approve a foster family home are allowable under Title IV-E.
- This estimate reflects costs for only the 56 non Title IV-E Waiver counties.

METHODOLOGY:

For FY 2008-09 and FY 2009-10, the non-Title IV-E Waiver counties are held at the Budget Act of 2008 Appropriation level. The Title IV-E Waiver counties base is now reflected in Item 153 Title IV-E Waiver.

FUNDING:

For FY 2008-09 and FY 2009-10, after the foster care federal discount rate of 73 percent is applied, costs are shared 50 percent federal and 50 percent nonfederal. The nonfederal shares are funded 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Kinship/Foster Care Emergency Funds

EXPENDITURES:

(in 000's)

	2008-09 County Admin.	2009-10 County Admin.
Total	$1,422	$1,422
Federal	519	519
State	903	903
County	0	0
Reimbursements	0	0

Child Welfare Services/Case Management System Staff Development

DESCRIPTION:

This premise reflects the cost to fund staff development for the Child Welfare Services/Case Management System (CWS/CMS) which was implemented as a result of Senate Bill 370 (Chapter 1294, Statutes of 1989). The estimate includes costs for five training components plus costs to maintain three training tools in order to continue to provide a statewide CWS/CMS training curriculum and classes. This statewide training promotes user continuity and consistency to meet Statewide Automated Child Welfare Information System requirements.

IMPLEMENTATION DATE:

This premise was implemented on July 1, 1997.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 16501.5.
- The estimate includes training costs for all new users as a result of user growth and staff turnover.
- The cost per hour of training is $48.07 for each fiscal year.
- The estimate assumes an 11.5 percent staff turnover rate.
- There are 15,819 budgeted users for each fiscal year.
- The estimate includes costs for five training components:
  - **New User Training** – provides 44 hours of basic training for newly hired staff as a result of staff turnover;
  - **Intermediate/Advanced Training** – provides 16 hours of training to service providers on the more difficult tasks not covered in the new user training;
  - **Management/Supervisory Training** – provides 16 hours of training to management on the supervisory process of approvals and program management reports;
  - **System Support Training** – provides 24 hours of training to newly hired system support staff as a result of caseload growth and staff turnover in order to assist other users as needed; and,
  - **Database Training** – provides 24 hours of training to staff responsible for extracting and interpreting caseload data.
- Costs are also included for statewide contracted training needs.

Child Welfare Services/Case Management System Staff Development

METHODOLOGY:

Costs are calculated for each training component by multiplying the number of users being trained by the number of hours of training at the hourly cost for training. Costs are then added for the statewide contracted training needs.

Fiscal Year (FY) 2008-09 and FY 2009-10: (1,819 New Users x 44 hours x $48.07) + (1,559 Intermediate/Advanced Users x 16 hours x $48.07) + (195 Management/Supervisory Users x 16 hours x $48.07) + (55 System Support Users x 24 hours x $48.07) + (29 Database Users x 24 hours x $48.07). For the statewide contract costs, $3,000,000 is added in each FY in order to meet the total contract commitment.

FUNDING:

Costs are shared according to California's federally approved Cost Allocation Plan (CAP) which allocates costs to all benefiting CWS programs based on statewide county worker time study hours.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year costs are shared based on an updated CAP.

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	County Admin.	County Admin.
Total	$8,294	$8,294
Federal	4,685	4,642
State	2,631	2,619
County	711	713
Reimbursements	267	320

Child Welfare Services/ Case Management System (CWS/CMS) Maintenance and Operation (M&O) Project

DESCRIPTION:

This premise reflects the costs related to the ongoing and administrative support of CWS/CMS. As mandated by Senate Bill 370 (Chapter 1294, Statutes of 1989), CWS/CMS provides a comprehensive database, case management tool, and reporting system for the CWS program. It contains both current and historical information for all children statewide in emergency response, family maintenance, family reunification, and permanent placement. CWS/CMS also includes information regarding adoptions to produce the semiannual adoption and foster care analysis reporting system reports.

CWS/CMS provides: (1) immediate statewide data on referrals for children at risk of abuse, neglect or exploitation; (2) immediate case status and case tracking for children and families receiving child welfare services; (3) necessary information and forms required to determine eligibility for the Aid to Families with Dependent Children - Foster Care Program; (4) tracking for all placement activities for children in foster care; and (5) issuance of the appropriate notice of action messages, court reports, and service plans. The system also produces all required state and federal reports. State level project management for CWS/CMS is provided by the California Health and Human Services Agency, Office of Systems Integration (OSI). OSI administers the projects under an interagency agreement with the California Department of Social Services (CDSS).

IMPLEMENTATION DATE:

This premise implemented in Fiscal Year (FY) 1995-96.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 16501.5.
- Costs represent ongoing M&O costs associated with support and oversight of the CWS/CMS.
- Costs include the wide-area network maintained by the Department of Technology Services, OSI administrative support, and vendor costs related to operation, support, and maintenance of the application and technical architecture.

METHODOLOGY:

Costs are based on the FY 2009-10 M&O Plan.

Child Welfare Services/ Case Management System (CWS/CMS) Maintenance and Operation (M&O) Project

FUNDING:

The cost allocation included in this document is based on the CDSS Operational Cost Allocation Plan approved by the Division of Cost Allocation/Department of Health and Human Services.

CHANGE FROM THE APPROPRIATION:

The FY 2008-09 allocation has been adjusted for baseline adjustments.

REASON FOR YEAR-TO-YEAR CHANGE:

The net increase in FY 2009-10 reflects an increase for additional staffing and associated Operating Equipment and Expenses and increased Data Center Services offset by decreases to prime vendor services. Costs have also been adjusted for baseline adjustments.

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	County Admin.	County Admin.
Total	$87,859	$89,768
Federal	45,138	46,118
State	39,896	40,764
County	0	0
Reimbursements	2,825	2,886

CDSS/OSI PARTNERSHIP:

(in 000's)

	2008-09	2009-10
Total	$87,859	$89,768
CDSS	38,499	41,033
OSI	49,360	48,735

Child Welfare Services/Case Management System (CWS/CMS) Web Project

DESCRIPTION:

This premise reflects the costs related to the implementation of the CWS/CMS Web Project. The CWS/CMS Web Project will be developed using a web services-based technical architecture and include the redevelopment of current functionality and development of the four unfulfilled Statewide Automated Child Welfare Information Systems requirements on the new architecture. Where appropriate, improvements will be made during the redevelopment of the current functionality to address business and user needs. The CWS/CMS Web Project will include improvements that take advantage of the capabilities of the new architecture, while not changing the way the state and counties conduct business. The current CWS/CMS will be maintained during the development and decommissioned upon statewide implementation of the CWS/CMS Web Project.

IMPLEMENTATION DATE:

This premise implemented in Fiscal Year (FY) 2006-07.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 16501.5.
- Costs represent Web Project costs associated with support and oversight of CWS/CMS.
- Costs include staffing, operating expenses and equipment, consultant services, Department of General Services fees, and administrative overhead in support of the CWS/CMS Web Project development.

METHODOLOGY:

Costs are based on the December 2007 Special Project Report and associated policy adjustments.

FUNDING:

The cost allocation included in this document is based on the California Department of Social Services (CDSS) Operational Cost Allocation Plan approved by the Division of Cost Allocation/Department of Health and Human Services.

CHANGE FROM THE APPROPRIATION:

FY 2008-09 costs have been adjusted for baseline adjustments.

Child Welfare Services/Case Management System (CWS/CMS) Web Project

REASON FOR YEAR-TO-YEAR CHANGE:

The increase in FY 2009 -10 reflects increases in staff, Operating Expenses and Equipment, contract services and county travel, partially offset by reductions to hardware and software. Costs have also been adjusted for baseline adjustments.

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	County Admin.	County Admin.
Total	$5,605	$7,391
Federal	2,892	3,813
State	2,533	3,340
County	0	0
Reimbursements	180	238

CDSS/OSI PARTNERSHIP:

(in 000's)

	2008-9	2009-10
Total	$5,605	$7,391
CDSS	1,254	820
OSI	4,351	6,571

Child Health and Safety Fund

DESCRIPTION:

This premise reflects the distribution of funding to counties from the Child Health and Safety Fund (CHSF) for child abuse prevention in the community. Assembly Bill 3087 (Chapter 1316, Statutes of 1992) established the CHSF for specified purposes. Monies for this activity are generated through the Department of Motor Vehicles' (DMV) "Have a Heart, Be a Star, Help our Kids" license plate program pursuant to Vehicle Code Section 5072.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code (W&IC) section 18285.
- Of the license plate monies, up to 25 percent may be used for child abuse prevention, and of that 25 percent, 90 percent (i.e., 22.5 percent of the total plate revenue) is to be provided to counties (county children's trust funds) for support of child abuse prevention services in the community [W&IC section 18285(e)(1)].
- The total actual CHSF license plate revenue for Fiscal Year (FY) 2006-07 and FY 2007-08 was $3,746,000.

METHODOLOGY:

- Using FY 2006-07 actual revenue multiplied by 1.25 as the estimate for FY 2008-09 plates' revenue (and appropriating a portion of the fund balance which accrued in the early years of the fund), 22.5 percent will be transferred to the counties for child abuse prevention activities ($3,746,000 x 1.25 x 22.5 percent = $1,264,278) for FY 2008-09.
- Using FY 2007-08 actual revenue multiplied by 1.25 as the estimate for FY 2009-10 plates' revenue (and appropriating a portion of the fund balance which accrued in the early years of the fund), 22.5 percent will be transferred to the counties for child abuse prevention activities ($3,746,000 x 1.25 x 22.5 percent = $1,264,278) for FY 2009-10.

FUNDING:

All funds are provided by the CHSF.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Child Health and Safety Fund

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	County Admin.	County Admin.
Total	$1,264	$1,264
Federal	0	0
State	1,264	1,264
County	0	0
Reimbursements	0	0

Supportive and Therapeutic Options Program (STOP)

DESCRIPTION:

This premise reflects costs for providing expanded therapeutic day services as an alternative to placement in foster care and as a means of reunifying children with their families from these placements. These services are provided to families with children and youth returning from out-of-home placement or at-risk of such placements that cannot access services through current mental health services or other funding mechanisms. Services target a broader number of children than the current child welfare services population such as children and youth at-risk of placement and those exiting foster care. Funds provide supportive and therapeutic services in order to prevent placement in out-of-home care and/or provide aftercare services to facilitate a successful transition to home or community from out-of-home care placements.

IMPLEMENTATION DATE:

This premise implemented in August 1998.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 16500, 16508.2, and 16508.3.
- The Department of Mental Health's annual cost for mental health services per child in Fiscal Year (FY) 2008-09 is assumed to be $5,869 and for FY 2009-10 $6,130.

METHODOLOGY:

The funding for FY 2008-09 and FY 2009-10 is being held to the Budget Act of 2008 Appropriation level. Initially, cost for this program was calculated by multiplying the estimated number of children to be served by the cost per case for mental health services.

FUNDING:

This premise is shared 70 percent state and 30 percent county.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Supportive and Therapeutic Options Program (STOP)

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	County Admin.	County Admin.
Total	$14,220	$14,220
Federal	0	0
State	9,954	9,954
County	4,266	4,266
Reimbursements	0	0

Group Home Monthly Visits

DESCRIPTION:

This premise reflects the costs of providing monthly visits to all foster care children placed in group homes (GHs), both in-state and out-of-state. This premise was authorized by Senate Bill 933 (Chapter 311, Statutes of 1998).

IMPLEMENTATION DATE:

This premise was implemented on July 1, 1998.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 16516.5.
- This estimate reflects costs for only the non-Title IV-E Waiver counties.
- The in-state GH caseload is projected to be 6,829 for Fiscal Year (FY) 2008-09 and 6,491 for FY 2009-10 based on data as reported on the Child Welfare Services/Case Management System. The out-of-state GH caseload is estimated at 134 for FY 2008-09 and 140 for FY 2009-10.
- The hourly cost of a social worker is $72.60 for each fiscal year.
- For the out-of-state placements, it is assumed that an average of two cases can be visited per trip.
- All GH placements will receive ten additional visits per year.
- In-state visits will take an average of two hours per visit and out-of-state visits will take an average of 12 hours to visit two cases.
- Based on caseload data for in-state GH placements, 3508 cases are placed out-of-county for FY 2008-09, and 3,585 cases for FY 2009-10. For each FY, these cases have been budgeted to include an additional two hours of travel time.
- For both fiscal years, out-of-state per diem costs are estimated at $124 and out-of-state travel costs are estimated at $500.

METHODOLOGY:

- For each fiscal year, the in-state costs for ten visits are calculated using the in-state GH caseload for two hours per visit multiplied by the hourly cost of a social worker.
- An additional two hours are calculated for the in-state, out-of-county placements at the hourly cost of a social worker.
- The out-of-state costs for ten visits are calculated using the out-of-state GH caseload divided by two (two cases per visit) for 12 hours per visit multiplied by the hourly cost of a social worker.
- Per diem and travel costs are added for each out-of-state visit.

Group Home Monthly Visits

FUNDING:

After the foster care federal discount rate of 73 percent for each FY is applied, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is a decrease in the in-state caseload.

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	County Admin.	County Admin.
Total	$11,424	$10,989
Federal	4,170	4,011
State	7,254	6,978
County	0	0
Reimbursements	0	0

Caregiver Court Filing (SB 1667)

DESCRIPTION:

This premise reflects the cost for county social workers to instruct caregivers on how to file a Caregiver Information Form with the court at each status review hearing as a result of Senate Bill (SB) 1667 (Chapter 389, Statutes of 2006). This bill requires a social worker to provide the child's caregiver a copy of the Caregiver Information Form in the caregiver's primary language when available and information regarding filing the form with the court.

IMPLEMENTATION DATE:

The premise was implemented on January 1, 2007.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: SB 1667 (Chapter 389, Statutes of 2006).
- This estimate reflects costs for only the non-Title IV-E Waiver counties.
- Status review hearings are held every six months.
- The foster family home, small family home, relative home, and guardian home caseload is estimated at 29,038 for Fiscal Year (FY) 2008-09 and 28,006 for FY 2009-10.
- Ten percent of the caseload will submit the Caregiver Information Form, requiring 15 minutes of social worker instruction time.
- The average hourly cost of a social worker is $72.60.

METHODOLOGY:

The caseload is multiplied by 0.25 of the hourly cost of a social worker which is then multiplied by two hearings per year.

FUNDING:

After the foster care federal discount rate of 73 percent for each FY is applied, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

There is no change.

Caregiver Court Filing (SB 1667)

REASON FOR YEAR-TO-YEAR CHANGE:

There is a decrease in caseload.

EXPENDITURES:

(in 000's)

	2008-09 County Admin.	2009-10 County Admin.
Total	$106	$102
Federal	39	37
State	67	65
County	0	0
Reimbursements	0	0

Criminal Records Check for FR (AB 1774)

DESCRIPTION:

This premise reflects the cost to conduct background checks on parents wishing to reunify with their child as a result of Assembly Bill (AB) 1774 (Chapter 726, Statutes of 2006). AB 1774 expands the purposes for which criminal offender record information can be obtained to include assessing a parent's suitability to reunify with their child, provided that the parent's consent to fingerprint submission has been obtained. Courts would be allowed to consider the criminal history of a parent at review and permanency hearings.

IMPLEMENTATION DATE:

The premise was implemented on January 1, 2007.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: AB 1774 (Chapter 726, Statutes of 2006).
- This estimate reflects costs for only the non-Title IV-E Waiver counties.
- Family Reunification (FR) cases can be subject to up to three review and permanency hearings before termination of parental rights is considered, however, it is assumed that criminal records checks will only be performed once.
- The FR average monthly caseload is projected at 16,732 for Fiscal Year (FY) 2008-09 and 15,689 for FY 2009-10.
- Costs for a Department of Justice background check through the Live Scan System are $32 along with a $16 application fee per check.
- The Federal Bureau of Investigations background check is $24.

METHODOLOGY:

The FR caseload for each FY is multiplied by $72.

FUNDING:

After the foster care federal discount rate of 73 percent for each FY is applied, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

There is no change.

Criminal Records Check for FR (AB 1774)

REASON FOR YEAR-TO-YEAR CHANGE:

There is a decrease in caseload.

EXPENDITURES:

(in 000's)

	2008-09 County Admin.	2009-010 County Admin.
Total	$1,205	$1,130
Federal	440	412
State	765	718
County	0	0
Reimbursements	0	0

Background Checks

DESCRIPTION:

This premise reflects the cost associated with conducting background checks prior to placing children in the home of a relative, or the home of any other person who is not a licensed foster parent. Pursuant to Assembly Bill 1695 (Chapter 653, Statutes of 2001), all unlicensed foster parents must meet the same standards set forth in regulations for the licensing of foster family homes. Therefore, all unlicensed foster parents will be subject to a background check to be conducted through the Child Abuse Index, the Department of Justice and the Federal Bureau of Investigations.

IMPLEMENTATION DATE:

This premise was implemented on January 1, 1999.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 361.4.
- The caseload for Fiscal Year (FY) 2008-09 is 24,233, based on new placement data for Calendar Year 2007. The caseload for FY 2009-10 is 21,744, based on new placement data for FY 2007-08.
- Based on information from the California Welfare Directors Association, it is assumed that an average of 1.56 children is placed per home.
- It is assumed that an average of two persons in the home will require background checks.
- The cost for the Child Abuse Index check is estimated at $15 per check.
- Costs for a Department of Justice background check through the Live Scan System are $32 along with a $16 application fee per check.
- The Federal Bureau of Investigations background check is $24.

METHODOLOGY:

The costs are calculated by dividing the caseload by number of placements per home, multiplied by two persons in the home requiring background checks, multiplied by the cost for background checks.

FUNDING:

After the foster care federal discount rate of 75 percent for FY 2008-09 and 73 percent for FY 2009-10 is applied, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 100 percent General Fund.

Background Checks

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The foster care federal discount rate and caseload have decreased.

EXPENDITURES:

(in 000's)

	2008-09 County Admin.	2009-10 County Admin.
Total	$2,703	$2,426
Federal	1,013	885
State	1,690	1,541
County	0	0
Reimbursements	0	0

Relative Home Approvals

DESCRIPTION:

This premise reflects the cost associated with conducting an in-home approval prior to placing children in the home of a relative or the home of a nonrelative extended family member (Initial Approvals). This premise also reflects the cost of conducting an annual visit for continued approval of a relative home (Annual Approvals). Assembly Bill (AB) 1695 (Chapter 653, Statutes of 2001) requires the county welfare department to conduct an in-home inspection to assess the safety of the home and the ability of the relative to care for the child's needs. The bill stipulates that the standards used to evaluate and grant or deny approval of the home of the relative shall be the same standards set forth in regulations for the licensing of foster family homes. However, all homes will require an annual reassessment as opposed to targeted visits for continued licensure of foster family homes.

IMPLEMENTATION DATE:

This premise was implemented January 1, 2002.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 309(d).
- The caseload for Fiscal Year (FY) 2008-09 is 24,233, based on new placement data for calendar year 2007. The caseload for FY 2009-10 is 21,744, based on new placement data for FY 2007-08.
- The existing caseload for FY 2008-09 is 30,576 based on placement data for December 2007. The existing caseload for FY 2009-10 is 28,699 based on placement data for June 2008.
- Based on information from the California Welfare Directors' Association (CWDA), it is assumed that an average of 1.56 children is placed per home.
- Based on information from the CWDA, it is assumed that it will take an average of nine hours to complete the additional activities associated with conducting an initial approval equivalent to the licensure of a foster family home.
- An additional 30 minutes is required to check the Licensing Administrative Action Records System (LAARS) as part of the background check process.
- It is assumed that it will take an average of three hours to conduct an annual visit for reapproval of the home.
- The hourly cost of a social worker is $72.60 for each FY.

METHODOLOGY:

Costs for the initial assessments are calculated by dividing the new caseload by the number of children per home, multiplied by the number of hours for approval, multiplied by the hourly cost of a social worker. Costs for annual reapprovals are then calculated for the existing caseload.

Relative Home Approvals

FUNDING:

After the foster care federal discount rate of 75 percent for FY 2008-09 and 73 percent for FY 2009-10 is applied, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 70 percent General Fund and 30 percent county.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is a decrease in both new caseload and in the existing caseload. The foster care federal discount rate has also decreased.

EXPENDITURES:

(in 000's)

Initial Approvals:	2008-09	2009-10	**Annual Approvals:**	2008-09	2009-10
	County Admin.	County Admin.		County Admin.	County Admin.
Total	$10,758	$9,653	Total	$4,269	$4,007
Federal	4,034	3,523	Federal	1,601	1,462
State	4,707	4,291	State	1,868	1,781
County	2,017	1,839	County	800	764
Reimbursements	0	0	Reimbursements	0	0

COMBINED TOTAL:	2008-09	2009-10
	County Admin.	County Admin.
Total	$15,027	$13,660
Federal	5,635	4,985
State	6,575	6,072
County	2,817	2,603
Reimbursements	0	0

Multiple Relative Home Approvals

DESCRIPTION:

This premise reflects the cost associated with conducting additional approvals when more than one relative or non-related extended family member is seeking to have related foster children placed with them. These additional approvals of all willing relatives or non-related extended family members are necessary in order to fairly establish viable placement options and to better enable the State to meet the federal Adoption and Safe Families Act requirement that approval of relative homes be in compliance with foster family home licensing/approval standards.

IMPLEMENTATION DATE:

This premise was implemented on December 1, 2002.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 309(d).
- The caseload for Fiscal Year (FY) 2008-09 is 24,233, based on new placement data for Calendar Year 2007. The caseload for FY 2009-10 is 21,744, based on new placement data for FY 2007-08.
- Based on information from the California Welfare Directors Association (CWDA), it is assumed that an average of 1.56 children is placed per home.
- It is assumed that 30 percent of the placements have more than one party interested in receiving the placement.
- It is assumed that there are two to three (2.5 average) interested parties per placement. Therefore, since the “Relative Home Approvals” premise already provides for one assessment, there is an average of 1.5 additional homes that require approvals.
- Based on information from CWDA, it is assumed that it will take an average of 15 hours to assess each home for approval.
- An additional 30 minutes is required to check the Licensing Administrative Action Records System (LAARS) as part of the background check process.
- The hourly cost of a social worker is $72.60 for both fiscal years.

METHODOLOGY:

The number of approvals to be conducted is calculated by dividing the caseload by the average placements per home, then multiplying by the percentage of placements with multiple interest, multiplied by the additional homes requiring approval. Annual costs are calculated by multiplying the number of approvals by the number of hours per approval multiplied by the hourly cost of a social worker.

Multiple Relative Home Approvals

FUNDING:

After the foster care federal discount rate of 75 percent for FY 2008-09 and 73 percent for FY 2009-10 is applied, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are shared 70 percent General Fund and 30 percent county.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease in cost is due to a decline in caseload. The foster care federal discount rate has also decreased.

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	County Admin.	County Admin.
Total	$7,886	$7,077
Federal	2,957	2,583
State	3,451	3,146
County	1,478	1,348
Reimbursements	0	0

Grievance Review for Relatives

DESCRIPTION:

This premise reflects the cost associated with providing a review process upon request for relatives seeking to have related foster children placed with them but who are determined not to meet approval standards established by law and regulation. Making a grievance review available to relatives disapproved prior to placement is necessary to afford due process through an objective review of the basis for the disapproval and to better enable the state to meet the federal Adoption and Safe Families Act requirement that approval of relative homes be in compliance with foster family home licensing/approval standards.

IMPLEMENTATION DATE:

This premise was implemented on January 1, 2003.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 309(d).
- The caseload for Fiscal Year (FY) 2008-09 is 24,233, based on new placement data for Calendar Year 2007. The caseload for FY 2009-10 is 21,744, based on new placement data for FY 2007-08.
- Based on information from the California Welfare Directors Association, it is assumed that an average of 1.56 children is placed per home.
- It is assumed that 30 percent of the placements have more than one party interested in receiving the placement.
- It is assumed that there are two to three (2.5 average) interested parties per placement.
- It is assumed that 45 percent of homes will be disapproved.
- It is assumed that 20 percent of those whose homes are disapproved will request a review.
- It is assumed that it will take an average of eight hours to review each case.
- The hourly cost of a social worker is $72.60 for both fiscal years.

METHODOLOGY:

The number of reviews to be conducted is calculated by dividing the caseload by the average placements per home, then multiplying by the percentage of placements with multiple interest, multiplied by the average interested parties per placement, then multiplying by the percent of homes that are disapproved and the percent of those requesting a review. Annual costs are calculated by multiplying the number of reviews by the number of hours per review multiplied by the hourly cost of a social worker.

Grievance Review for Relatives

FUNDING:

After the foster care federal discount rate of 75 percent for FY 2008-09 and 73 percent for FY 2009-10 is applied, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are shared 70 percent General Fund and 30 percent county.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The caseload has declined. Also, the foster care federal discount rate has decreased.

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	County Admin.	County Admin.
Total	$609	$547
Federal	228	200
State	267	243
County	114	104
Reimbursements	0	0

Live Scan Technology

DESCRIPTION:

This premise reflects the cost to maintain Live Scan machines in the 58 county child welfare services agencies for the Foster Care program. Before a child can be placed in a foster home or an unlicensed relative or guardian home, caregivers must clear a criminal record check. Live Scan technology provides the capability to do instantaneous criminal record checks from fingerprints. Providing and maintaining Live Scan machines to the child welfare agencies allow for immediate onsite fingerprint processing.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2000.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Assembly Bill 1740 (Chapter 52, Statutes of 2000).
- The 58 counties were provided funds to purchase 100 Live Scan machines in Fiscal Year 2000-01.
- Costs are negotiated and contracted with a Live Scan vendor by each of the counties.
- Contract costs for on-going maintenance are based on an existing Live Scan contract for Community Care Licensing activities.

METHODOLOGY:

The estimate is based on an existing Live Scan contract to provide on-going maintenance.

FUNDING:

After the foster care federal discount rate of 73 percent is applied, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 100 percent State General Fund.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The foster care federal discount rate has decreased from 75 percent to 73 percent.

Live Scan Technology

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	County Admin.	County Admin.
Total	$1,200	$1,200
Federal	450	438
State	750	762
County	0	0
Reimbursements	0	0

Health Services for Children in Foster Care

DESCRIPTION:

This premise reflects the cost to fund positions for public health care nurses (PHNs) in the county welfare departments. These nurses will provide enhanced health services to children entering foster care. As authorized by Assembly Bill 1111 (Chapter 147, Statutes of 1999), this program will improve the physical, mental, dental, and developmental well being of children in the child welfare system. The PHNs funded through this program shall work closely with the child's caseworker or probation officer to coordinate health care services and serve as a liaison with health care professionals and other providers of health related services.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2000.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 16501.3.
- For Fiscal Year (FY) 2008-09, the number of new cases added to foster care is being held at the FY 2007-08 level of 43,721 cases. FY 2009-10, the number new cases added to foster care is 40,293 based on actual data from the previous 12 months.
- The foster care caseload per PHN is based on a 1:200 ratio.
- The cost for a PHN for FY 2008-09 and FY 2009-10 is being held to the FY 2004-05 level of $104,039.
- The matching General Fund (25 percent) is reflected in the California Department of Social Services' (CDSS) budget and, through an interagency agreement, passed over to the budget of the Department of Health Care Services (DHCS).

METHODOLOGY:

FY 2008-09

The FY 2008-09 estimate is being held at the Budget Act of 2008 Appropriation level.

FY 2009-10

The projected new foster care caseload is divided by the number of annual cases per PHN, then multiplied by the unit cost of a PHN to determine the total cost of the program (40,293 ÷ 200 x $104,039). The total funds are multiplied by 25 percent to calculate the amount reflected in the CDSS budget and the remaining 75 percent of the funds are reflected in the DHCS budget.

Health Services for Children in Foster Care

FUNDING:

This program is eligible for enhanced federal Title XIX funding of 75 percent with a match of 25 percent GF.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease is due to a lower caseload.

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	County Admin.	County Admin.
Total	$5,686	$5,240
Federal	0	0
State	5,686	5,240
County	0	0
Reimbursements	0	0

County Self-Assessment and System Improvement Planning (SIP) Development

DESCRIPTION:

This premise reflects the cost to provide funding to counties to support the additional administrative responsibility related to the planning and coordination of the periodic county Child Welfare Services (CWS) performance self-assessments and annual SIPs as required by Assembly Bill (AB) 636 (Chapter 678, Statutes of 2002). Self-assessments and SIPs are critical and mandated components of the new CWS outcomes and accountability systems that require full and continuous participation by the public, service recipients, providers, courts, and agencies participating in CWS and are necessary to ensure a comprehensive, efficient, and non-duplicative approach to CWS assessment, design and operations.

Additional staff resources are necessary for the new function of identifying, selecting, updating membership, providing information, and coordinating the activities of the wide range of participants that include: advocates, the general public, law enforcement, courts, health and mental health agencies, local education, foster parents, foster youth, service recipient parents, and tribal organizations.

IMPLEMENTATION DATE:

This premise was implemented January 1, 2004.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: The Budget Act of 2007.
- This estimate reflects costs for only the non-Title IV-E Waiver counties.
- Seventy-eight staff at the social worker level are budgeted to perform these duties for each Fiscal Year (FY).
- The statewide average cost of a social worker is $129,074 for each FY.

METHODOLOGY:

The estimate is calculated by multiplying the number of social workers by the statewide average cost of a social worker.

FUNDING:

After the foster care federal discount rate of 73 percent for each FY is applied, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are shared 70 percent General Fund and 30 percent county.

County Self-Assessment and System Improvement Planning (SIP) Development

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	County Admin.	County Admin.
Total	$10,080	$10,080
Federal	3,679	3,679
State	4,481	4,481
County	1,920	1,920
Reimbursements	0	0

Federal Child & Family Services Review

DESCRIPTION:

This premise reflects funding for activities related to the preparation and completion of the federal Child and Family Services Review scheduled for Federal Fiscal Year 2008. The funds will be used to hire a contractor to complete research and prepare the Statewide Self Assessment. In addition, funding is needed to support preparation and completion of the onsite review in three counties and development of a Program Improvement Plan (PIP). Implementation of the PIP will begin in Fiscal Year (FY) 2008-09.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2007.

KEY DATA/ASSUMPTIONS:

- Contractor costs for the Statewide Self Assessment are $200,000.
- Costs for the three county reviews are estimated at $50,000 each.
- Contractor costs for assistance with PIP implementation are $300,000.

METHODOLOGY:

Only contractor costs for assistance with PIP implementation are incurred in FY 2008-09 and FY 2009-10.

FUNDING:

After the foster care federal discount rate of 75 percent for FY 2008-09 and 73 percent for FY 2009-10 is applied, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 70 percent General Fund and 30 percent county.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The foster care federal discount rate decreased.

Federal Child & Family Services Review

EXPENDITURES:

(in 000's)

	2008-09 County Admin.	2009-10 County Admin.
Total	$300	$300
Federal	112	109
State	188	191
County	0	0
Reimbursements	0	0

Program Improvement Plan Penalty

DESCRIPTION:

Child Welfare Services (CWS) provides emergency response and in-home services for abused and neglected children and their families. The program also provides for training and technical assistance for administrators and staff. This proposal is an 11.4 percent reduction to the total General Fund (GF) allocation for CWS, with the exception of the CWS/Case Management System (CWS/CMS). CWS/CMS is not included, as the reduction for this project is accounted for in the automation project reduction proposal. This premise is necessitated by the budget balancing reductions.

IMPLEMENTATION DATE:

This premise implements in Fiscal Year (FY) 2008-09.

KEY DATA/ASSUMPTIONS:

- The amount of the federal penalty is $8,973,041.
- Interest payments in the amount of $100,000 per month are added for the months of January 2008 through November 2008.

METHODOLOGY:

The estimate equals the sum of the federal penalty and interest payments.

FUNDING:

This program is funded 100 percent GF.

CHANGE FROM THE APPROPRIATION:

Due to the delay of the Budget Act of 2008 and federal clarification on the beginning date of interest accrual, an additional $700,000 has been added.

REASON FOR YEAR-TO-YEAR CHANGE:

The penalty and interest will be paid in the current year.

Program Improvement Plan Penalty

EXPENDITURES:

(in 000's)

	2008-09	2009-10
Total	$10,073	$0
Federal	0	0
State	10,073	0
County	0	0
Reimbursements	0	0

Data Requirements for New Activities

DESCRIPTION:

This premise reflects the cost related to the additional data requirements associated with the many new mandated activities counties must accomplish to implement the Program Improvement Plan (PIP) and the California Child & Family Services Review process authorized by Assembly Bill 636 (Chapter 678, Statutes of 2002). Counties must review and update data already contained in the Child Welfare Services/Case Management System to ensure the new required data elements are entered into the case files. Counties must also spend additional time entering these additional data requirements in all new cases as they are created. This effort must be accomplished so that it is possible to measure program improvement progress as required in the PIP in order to avoid federal penalties.

IMPLEMENTATION DATE:

This premise was implemented January 1, 2004.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: The Budget Act of 2005.
- This estimate reflects costs for only the non-Title IV-E Waiver counties.
- The Fiscal Year (FY) 2008-09 and FY 2009-10 estimates are for new cases only.
- The new caseload is 31,600 for FY 2008-09 based on actual data for calendar year 2007 and 28,618 for FY 2009-10 based on actual data for FY 2007-08.
- It is assumed that it will take an average of 15 minutes per case to enter data for all new cases.
- The hourly cost of a social worker is $72.60 for each FY.

METHODOLOGY:

The estimate is calculated by multiplying the caseload by the number of hours per case and then by the hourly cost of a social worker.

FUNDING:

After the foster care federal discount rate of 73 percent for each FY is applied, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are shared 70 percent General Fund and 30 percent county.

Data Requirements for New Activities

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The change reflects a decreased caseload.

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	County Admin.	County Admin.
Total	$574	$520
Federal	210	190
State	255	231
County	109	99
Reimbursements	0	0

Peer Quality Case Reviews

DESCRIPTION:

This premise reflects the cost associated with backfilling and travel and per diem costs for social workers and probation officers participating in Peer Quality Case Reviews (PQCR) as required by Assembly Bill 636 (Chapter 678, Statutes of 2001). The purpose of the PQCR is to learn, through intensive examination of county child welfare practice, how to improve child welfare services and practices in California, both in the participating county and in other jurisdictions as well. Without relying on the PQCR as a vehicle for validating the quantitative data contained within each county's County Data Report and Self Assessment, the PQCR should provide another layer of information. Specifically, the PQCR is another mechanism for understanding the key to the child welfare system and social worker practice. While the quantitative data provides integral, population-based information, the PQCR provides a rich and deep understanding of actual practice in the field. In addition, the PQCR goes beyond the County Self-Assessment by incorporating outside expertise, including county peers, to help identify the strengths and weaknesses of county child welfare services delivery systems, and social worker and probation officer practices.

IMPLEMENTATION DATE:

This premise was implemented July 1, 2004.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10601.2.
- This estimate reflects costs for only the non-Title IV-E Waiver counties.
- There will be 20 counties completing County Welfare Department (CWD) and County Probation Department (CPD) reviews in Fiscal Year (FY) 2008-09 and 22 counties completing CWD and CPD reviews in FY 2009-10.
- Each CWD review will take approximately five days to complete and will involve an average of 16 staff; eight staff from the county being reviewed and eight staff from other counties. Each CPD review will take approximately three days to complete and will involve an average of 16 staff; eight staff from the county being reviewed and eight staff from other counties.
- Based on information from the County Welfare Directors Association, it will require a total of 712 hours of social worker time for each CWD review, which also includes time for preparation, coordination and training for the reviews and completion and review of reports. Each CPD review will take approximately three-fifths the time of a CWD review, or 427 hours of probation worker time.
- The hourly cost of a worker is $72.60.
- Eight social workers from other counties will participate in each county review and will require travel and per diem costs of $124.00 per day.
- $20,000 of state support is included in the premise.

Peer Quality Case Reviews

METHODOLOGY:

The total number of worker hours per review is multiplied by the number of reviews and then by the worker cost per hour. Costs are then added for travel and per diem for eight visiting workers for each of the reviews at $124.00 per day.

FUNDING:

After the foster care federal discount rate of 73 percent for each FY is applied, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are shared 70 percent General Fund and 30 percent county.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The number of county reviews has increased.

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	County Admin.	County Admin.
Total	$1,853	$2,034
Federal	677	742
State	831	912
County	345	380
Reimbursements	0	0

Child Fatality and Near Fatality Peer Quality Case Reviews (PQCRs)

DESCRIPTION:

This premise reflects the costs associated with compiling and publishing reports on all child deaths and near deaths that are caused by suspected child abuse or neglect as required by the federal Child Abuse Prevention and Treatment Act (CAPTA). A team will be established to review cases on a monthly basis and compile data for a final report. In addition, the on-site review of high profile cases will be contracted out.

IMPLEMENTATION DATE:

This premise was implemented on July 1, 2007.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: CAPTA
- Eight county staff will meet monthly in Sacramento for two days.
- The average hourly cost for a social worker is $72.60.
- Airfare is estimated at $100 and per diem costs are estimated at $124 per day.
- On-site contracting costs are $100,000.

METHODOLOGY:

The number of staff is multiplied by the annual number of hours and then multiplied by the average cost per hour. Costs are added for travel and per diem and for on-site contracting.

FUNDING:

After the foster care federal discount rate of 75 percent for fiscal year (FY) 2008-09 and 73 percent for FY 2009-10 is applied, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 70 percent General Fund and 30 percent county.

CHANGE FROM THE APPROPRIATION:

There is no change.

Child Fatality and Near Fatality Peer Quality Case Reviews (PQCRs)

REASON FOR YEAR-TO-YEAR CHANGE:

The foster care federal discount rate decreased.

EXPENDITURES:

(in 000's)

	2008-09 County Admin.	2009-10 County Admin.
Total	$245	$245
Federal	92	90
State	107	109
County	46	46
Reimbursements	0	0

Statewide Standardized Training

DESCRIPTION:

This premise reflects the additional costs associated with the need for counties to backfill behind county social workers and supervisors who must attend additional days of training, as required under the statewide standardized common core curriculum for all current and new child welfare, and probation workers, and their supervisors. The additional training days resulted from California's negotiation of the federal Children and Family Services Review (CFSR) Program Improvement Plan (PIP) which was aimed at improving outcomes for children in foster care. The PIP required that the California Department of Social Services (CDSS) develop regulations which would mandate the standardized training curricula which will result in four additional days of training. The standardized curricula and additional days of training were also added to the Training Plan section of the Title IV-B State Plan. The standardized curricula was developed in collaboration with the Statewide Training and Education Committee, which includes representation from all of the Regional Training Academies (RTA) and the Inter-University Consortium (IUC), California Social Work Education Center (CalSWEC), county staff, the tribal community, and other important stakeholders.

IMPLEMENTATION DATE:

This premise was implemented in Fiscal Year (FY) 2006-07.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 16200 through 16215.
- The additional days of training were required as part of the CSFR PIP and Title IV-B Training Plan.
- Funding is based on the number of county Full Time Equivalent (FTE's) who will be attending the additional days of training. For FY 2008-09 there are 827 new social workers, 118 new social work supervisors, 7,186 existing social workers, 1,027 existing social work supervisors, and 175 existing probation workers. For FY 2009-10 there are 826 new social workers, 118 new social work supervisors, 7,185 existing social workers, 1,026 existing social work supervisors, and 175 existing probation workers.
- New social workers will attend four additional days of initial training and new social work supervisors will attend one additional day of initial training.
- Existing social workers and supervisors will attend 20 hours of continued training annually.
- Existing probation workers will attend three additional days of continued training.

METHODOLOGY:

The estimate is based on the total number of FTEs in each county who will be attending the additional days of training multiplied by the number of hours of training. The total hours are then multiplied by the hourly cost of a social worker.

Statewide Standardized Training

FUNDING:

After the foster care federal discount rate of 75 percent for FY 2008-09 and 73 percent for FY 2009-10 is applied, federally-eligible costs are shared at 75 percent federal, 17.5 percent State, and 7.5 percent county. Nonfederally eligible costs are funded with 70 percent State, 30 percent county.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The number of workers to be trained has decreased and the foster care federal discount rate has decreased.

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	County Admin.	County Admin.
Total	$14,219	$14,215
Federal	7,998	7,782
State	4,355	4,503
County	1,866	1,930
Reimbursements	0	0

CWS Program Improvement Fund

DESCRIPTION:

This premise reflects donated grants, gifts, or bequests made to the state from private sources to be deposited into the Child Welfare Services (CWS) Program Improvement Fund as established by Assembly Bill 2496 (Chapter 168, Statutes of 2004). These funds are intended to enhance the state's ability to provide a comprehensive system of supports that promote positive outcomes for children and families.

IMPLEMENTATION DATE:

This premise was implemented July 1, 2005.

KEY DATA/ASSUMPTIONS:

- Donated funds will be eligible for federal Title IV-E enhanced training matching funds.
- The foster care federal discount rate is 75 percent for Fiscal Year (FY) 2008-09 and 73 percent for FY 2009-10.

METHODOLOGY:

The expected donations total $4,000,000 in FY 2008-09 and FY 2009-10.

FUNDING:

After applying the foster care federal discount rate, federally-eligible costs are shared 75 percent enhanced federal Title IV-E training funds and 50 percent nonfederal. Nonfederal costs are 100 percent General Fund, payable from the CWS Program Improvement Fund.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The foster care federal discount rate decreased.

EXPENDITURES:

(in 000's)	2008-09	2009-10
	County Admin.	County Admin.
Total	$9,143	$8,840
Federal	5,143	4,840
State	4,000	4,000
County	0	0
Reimbursements	0	0

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CWS Differential Response (DR), Safety Assessment (SA) and Permanency & Youth Services (PYS)

DESCRIPTION:

This premise reflects funding for activities related to DR, SA, and PYS that were previously identified as separate premises. Beginning at the Child Welfare Services (CWS) Hotline, the new DR intake system provides a more customized response to families through case planning and development, and provides enhanced services to support the specific needs of children and families. The Standardized Safety Assessment System establishes the standards, tools, and practice applications to improve California's safety outcomes. PYS is aimed at increasing permanence and stability for children in the CWS system as well as supporting foster youth as they transition to adulthood.

IMPLEMENTATION DATE:

This premise was implemented July 1, 2005.

KEY DATA/ASSUMPTIONS:

- This premise provides funding for continued implementation in the ten counties (Contra Costa, Glenn, Humboldt, Placer, Sacramento, San Luis Obispo, San Mateo, Stanislaus, Tehama, and Trinity) that received funding in Fiscal Year (FY) 2004-05 through other existing fund sources.
- Additional funding is provided for state level contracts for training and technical assistance in support of the DR, SA, and PYS activities.
- The foster care federal discount rate is 75 percent for FY 2008-09 and 73 percent for FY 2009-10.
- It is assumed that a portion of activities for DR are ineligible for federal Title IV-E funding and are funded with 100 percent General Fund (GF).

METHODOLOGY:

The GF amount for the ten counties is $6,475,000. An additional $325,000 GF is provided for state contracts.

FUNDING:

After applying the foster care federal discount rate, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal for the non-enhanced expenditures and 75 percent enhanced federal Title IV-E training funds and 25 percent nonfederal.

CWS Differential Response (DR), Safety Assessment (SA) and Permanency & Youth Services (PYS)

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The foster care federal discount rate has decreased.

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	County Admin.	County Admin.
Total	$11,070	$10,888
Federal	4,270	4,088
State	6,800	6,800
County	0	0
Reimbursements	0	0

CWS Outcome Improvement Project

DESCRIPTION:

This premise reflects funding for county child welfare and probation agencies to enhance/modify their existing service delivery systems to improve outcomes for children and families consistent with the strategies contained in the county System Improvement Plans (SIPs) approved by each county's Board of Supervisors. These plans are required under the new California Child and Family Services Review, pursuant to Assembly Bill (AB) 636 (Chapter 678, Statutes of 2001). Improvements in the area of safety are a priority. In addition, the eleven Child Welfare Services (CWS) Program Improvement pilot counties can access these funds to support ongoing development of their Standardized Safety Assessment System, Differential Response, and Youth Permanency programs. The California Department of Social Services anticipates that there will be both one-time and ongoing costs for improvements that could include specialized training, equipment, consultant services, enhanced staffing, and expanded service capacity. In addition, AB 1808 (Chapter 75, Statutes of 2006) provided a $98.6 million augmentation for all counties to be spent flexibly on local priorities identified in the county SIPs.

IMPLEMENTATION DATE:

This premise was implemented July 1, 2005.

KEY DATA/ASSUMPTIONS:

- Authorizing Statute: AB 1808 (Chapter 75, Statutes of 2006).
- This estimate reflects costs for only the non-Title IV-E Waiver counties.
- The General Fund (GF) for county welfare department Child Welfare Services Outcome Improvement Project (CWSOIP) activities is $10,618.
- The GF for county probation department CWSOIP activities is $1,203,000.
- AB 1808 provides an augmentation of $39,367,000 GF.
- The foster care federal discount rate is 73 percent for each Fiscal Year (FY).
- For county welfare department CWSOIP activities, 55 percent of the activities are ineligible for federal Title IV-E funding.
- For county probation department CWSOIP activities, 100 percent of the activities are eligible for federal Title IV-E funding.

METHODOLOGY:

The CWSOIP funding is added with the CWSOIP Augmentation funding.

CWS Outcome Improvement Project

FUNDING:

For the CWSOIP, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal, after applying the foster care federal discount rate. Nonfederal costs are 100 percent GF. The CWSOIP Augmentation funding is determined by AB 1808.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

CWSOIP:	2008-09	2009-10
	County Admin.	County Admin.
Total	$14,577	$14,577
Federal	2,756	2,756
State	11,821	11,821
County	0	0
Reimbursements	0	0

CWSOIP Augmentation:	2008-09	2009-10
	County Admin.	County Admin.
Total	$61,995	$61,995
Federal	22,628	22,628
State	39,367	39,367
County	0	0
Reimbursements	0	0

COMBINED TOTAL:	2008-09	2009-10
	County Admin.	County Admin.
Total	$76,572	$76,572
Federal	25,384	25,384
State	51,188	51,188
County	0	0
Reimbursements	0	0

Safe & Timely Interstate Placement of FC Act of 2006

DESCRIPTION:

This premise reflects the costs associated with Child Welfare Services (CWS) and Adoptions social workers meeting the new 60-day home study time frame requirement of the Safe and Timely Interstate Placement of the Foster Care Act of 2006 (H.R. 5403). Within the 60 days, county social workers must complete a study of a home environment in order to assess the safety and suitability of placing a child in a foster or adoptive home and to develop a report of their findings. The bill also grants authority for incentive payments of $1,500 for each home study completed within 30 days.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2007.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: H.R. 5403
- The CWS caseload for the non-Title IV-E Waiver counties from out-of-state is estimated at 441 for Fiscal Year (FY) 2008-09 and 418 for FY 2009-10.
- The Adoptions caseload from out-of state is estimated at 196 for FY 2008-09 and 238 for FY 2009-10.
- Each CWS home study will take an average of 15.5 hours and each Adoptions home study will take an average of 24 hours.
- The average hourly cost of a social worker is $72.60.
- California will not qualify for the incentive payments.

METHODOLOGY:

The caseload is multiplied by the hours and then multiplied by the hourly cost.

FUNDING:

For CWS, after the foster care federal discount rate of 73 percent for FY 2008-09 and for FY 2009-10 is applied, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 70 percent General Fund and 30 percent county. For Adoptions, costs are shared 43.14 percent federal and 56.86 percent nonfederal for FY 2008-09 and 42.11 percent federal and 57.89 percent nonfederal for FY 2009-10.

CHANGE FROM THE APPROPRIATION:

There is no change.

Safe & Timely Interstate Placement of FC Act of 2006

REASON FOR YEAR-TO-YEAR CHANGE:

The CWS caseload has decreased and the Adoptions caseload has increased.

EXPENDITURES:

(in 000's)

CWS	2008-09 County Admin.	2009-10 County Admin.
Total	$497	$470
Federal	181	171
State	221	209
County	95	90
Reimbursements	0	0

Adoptions	2008-09 County Admin.	2009-10 County Admin.
Total	$343	$415
Federal	147	175
State	196	240
County	0	0
Reimbursements	0	0

Adam Walsh Child Protection and Safety Act of 2006

DESCRIPTION:

This premise reflects the costs associated with the new federal law (Public Law 109-248, known as the Adam Walsh Child Protection and Safety Act of 2006) which requires that states check child abuse and neglect registries in each state in which prospective foster or adoptive parents, relative caregivers or nonrelative extended family members (NREFM) (as well as other adults in the home) have resided in the preceding five years prior to approval for placement of a child. This premise also reflects the costs associated with responding to other states' requests for underlying information about child abuse and neglect reports in California. Senate Bill (SB) 703 (Chapter 583, Statutes of 2007) brings California into conformity with this Act.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2008.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Public Law 109-248 and SB 703.
- Ten percent of those seeking home approval have resided in another state within the past five years and will require a child abuse and neglect registry check.
- Ten percent of those who have resided in another state within the past five years will have a history of child abuse and neglect.
- Both social workers, adoption workers, and licensing workers will spend one hour per registry check. When information from other states indicates a history of child abuse and neglect, an additional seven hours will be required to investigate and review the facts of the case.

Child Welfare Services (CWS)

- The annual relative and NREFM caseload for Fiscal Year (FY) 2008-09 is 24,847, based on new placement data for FY 2007-08. The annual relative and NREFM caseload for FY 2009-10 is 21,744, based on new placement data for Calendar Year 2007.
- Based on information from the California Welfare Directors Association, it is assumed that an average of 1.56 children is placed per home.
- It is assumed that an average of two persons in the home will require a child abuse and neglect registry check in another state.
- The fee charged by other states to check their registries is $15 per check.
- The number of outgoing registry checks that indicate a history of child abuse and neglect is assumed to be the same as the number of incoming requests for underlying case information.
- Social workers will spend four hours responding to incoming requests for underlying case information.
- The hourly cost of a social worker is $72.60.

Adam Walsh Child Protection and Safety Act of 2006

KEY DATA/ASSUMPTIONS (CONTINUED):

Adoptions

- The number of approved families for FY 2008-09 and FY 2009-10 is 7,446, based on new placement data for Calendar Year 2007.
- It is assumed that an average of two children are adopted per home.
- It is assumed that an average of two persons in the home will require a child abuse and neglect registry check in another state.
- The fee charged by other states to check their registries is $15 per check.
- The number of outgoing registry checks that indicate a history of child abuse and neglect is assumed to be the same as the number of incoming requests for underlying case information.
- Social workers will spend four hours responding to incoming requests for underlying case information.
- The hourly cost of an adoption worker is $72.31.

Community Care Licensing (CCL)

- The Foster Family Home (FFH) caseload for FY 2008-09 is 1,753, based on new licensing activity for FY 2006-07. The FFH caseload for FY 2009-10 is 1,679, based on new licensing activity for FY 2007-08.
- It is assumed that an average of 2.5 persons in the home will require a child abuse and neglect registry check in another state.
- The hourly cost of a licensing worker is $70.68.

METHODOLOGY:

CWS

The caseload is multiplied by the percentage of those living in another state, multiplied by the number of hours required to cause a registry check, multiplied by the hourly cost of a social worker. The number of registry checks is multiplied by the percentage of those with a history of child abuse and neglect, multiplied by the additional hours of investigative activity, multiplied by the hourly cost of a social worker. The number of registry checks is multiplied by the cost per check. The number of incoming requests for underlying case information is multiplied by the number of hours to respond to the request, multiplied by the hourly cost of a social worker.

Adam Walsh Child Protection and Safety Act of 2006

METHODOLOGY (CONTINUED):

Adoptions

The caseload is multiplied by the percentage of those living in another state, multiplied by the number of hours required to cause a registry check, multiplied by the hourly cost of an adoption worker. The number of registry checks is multiplied by the percentage of those with a history of child abuse and neglect, multiplied by the additional hours of investigative activity, multiplied by the hourly cost of an adoption worker. The number of registry checks is multiplied by the cost per check. The number of incoming requests for underlying case information is multiplied by the number of hours to respond to the request, multiplied by the hourly cost of a social worker.

CCL

The caseload is multiplied by the percentage of those living in another state, multiplied by the number of hours required to cause a registry check, multiplied by the hourly cost of a licensing worker. The number of registry checks is multiplied by the percentage of those with a history of child abuse and neglect, multiplied by the additional hours of investigative activity, multiplied by the hourly cost of a licensing worker.

FUNDING:

For CWS, after the foster care federal discount rate of 73 percent is applied, federally eligible costs are shared 50 percent federal Title IV-E and 50 percent General Fund (GF). Nonfederal costs are shared 70 percent GF and 30 percent county.

For Adoptions, the sharing ratio for FY 2008-09 is 42.80 percent federal and 57.20 percent nonfederal based on actual expenditure data from FY 2006-07. The sharing ratio for FY 2009-10 is 42.11 percent federal and 57.89 percent nonfederal based on FY 2007-08 actual expenditures for the Adoptions Basic Program.

For CCL, based on actual expenditure data from Calendar Year 2007, the sharing ratio is 39.12 percent federal Title IV-E and 60.88 percent GF.

CHANGE FROM THE APPROPRIATION:

For CWS and CCL there is no change. Costs were not included for the Adoptions Program in FY 2007-08.

REASON FOR YEAR-TO-YEAR CHANGE:

The change reflects decreased caseload for CWS and CCL.

Adam Walsh Child Protection and Safety Act of 2006

EXPENDITURES:

(in 000's)

CWS	2008-09	2009-10
	County Admin.	County Admin.
Total	$493	$443
Federal	185	162
State	217	198
County	91	83
Reimbursements	0	0

Adoptions	2008-09	2009-10
	County Admin.	County Admin.
Total	$114	$114
Federal	48	48
State	66	66
County	0	0
Reimbursements	0	0

(in 000's)

CCL	2008-09	2009-10
	County Admin.	County Admin.
Total	$52	$51
Federal	21	20
State	31	31
County	0	0
Reimbursements	0	0

Child Relationships
(AB 408 Amended by AB 1412)

DESCRIPTION:

This premise reflects the costs for social workers to perform additional activities on every initial and six month case plan and court report on children 10 years of age and older who are placed in group homes for more than six months to establish a special relationship with an important person in the child's life as stipulated by Assembly Bill (AB) 408 (Chapter 813, Statutes of 2003). Social workers will conduct investigations to identify these individuals, evaluate and assess relationships between foster children and other important people in their lives, excluding siblings, and take necessary actions to maintain these relationships. These identified persons will be included in the child's Transitional Independent Living Plan (TILP).

Effective January 1, 2006, the provisions of AB 408 were amended as stipulated by AB 1412 (Chapter 640, Statutes of 2005) to include all children who are developmentally appropriate and who are in out-of-home placements. In addition, the social workers will insure that developmentally appropriate children are involved in the development of their case plan, help plan for permanent placement, and that children 12 years of age or older review their case plan, sign it, and receive a copy.

The implementation and operation of the amendments are to be budgeted by phases.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2004 and was amended on January 1, 2006.

KEY DATA/ASSUMPTIONS:

Authorizing statute: AB 408 (Chapter 813, Statutes of 2003) and AB 1412 (Chapter 640, Statutes of 2005).

AB 408

- There are approximately 600 new out-of-home placements 10 years of age and older in group homes six months or more with a Family Reunification service component.
- There are approximately 6,300 foster children 16 and older in group homes to complete a TILP.
- One out of every four relationships initially assessed will not be deemed in the child's best interest. In such cases, another relationship will be assessed, which will require four additional hours of social worker time.
- The social worker cost per hour is $72.60.
- Background checks will be performed on each initial and additional assessment case at a cost of $87.00 per case.

AB 1412

- Implementation of AB 1412 was delayed until July 1, 2006.
- There are approximately 38,800 children 10 years of age and older in out-of-home placement for six months or longer.

Child Relationships
(AB 408 Amended by AB 1412)

KEY DATA/ASSUMPTIONS (CONTINUED):

- There are approximately 1,100 new children 10 years of age and older and who have been in out-of-home placement for six months or longer.
- There are approximately 11,000 children 8 to 11 years old who are developmentally appropriate to participate in their case plan development.
- There are approximately 23,000 children 12 years and older who will review and sign their case plan.
- There are approximately 6,700 foster children 16 and older in out-of-home placement to complete a TILP.
- One out of every four relationships initially assessed will not be deemed in the child's best interest. In such cases, another relationship will be assessed, which will require four additional hours of social worker time.
- For Phase I (Fiscal Year (FY) 2006-07), a social worker will spend at least four hours per case for the initial assessment of new cases for children 10 years and older placed with a non-relative for six months or longer and one-half hour for one-half of the new cases for a six month case plan/court report.
- For Phase II (FY 2007-08), a social worker will spend at least 15 minutes for Phase I children for the six months court report and at least four hours per case for the children 10 years and older placed in PP relative care for six months or longer and one-half hour for the PP cases for the six month case plan/court report.
- For Phase III (FY 2008-09), a social worker will spend at least 15 minutes for Phase I and Phase II children for the six months court report, at least four hours per case for the children 10 years and older placed in out-of-home placement for more than six months and one-half hour for the out-of-home placement cases for the six month case plan/court report.
- The social worker cost per hour is $72.60.
- Background checks will be performed on each initial and additional assessment case at a cost of $87.00 per case.

METHODOLOGY:

For FY 2008-09 the non-Title IV-E Waiver counties are held at the Budget Act of 2008 Appropriation level. The Title IV-E Waiver counties base is reflected in Item 153 Title IV-E Waiver.

The estimate is calculated by multiplying the amount of time by the frequency of activity per year by social worker rate and by the number of cases. In addition, the background check cost is added to the total.

Child Relationships
(AB 408 Amended by AB 1412)

FUNDING:

For FY 2008-09 and FY 2009-10, after the foster care federal discount rate of 73 percent is applied, costs are shared 50 percent federal and the nonfederal portion is funded 70 percent with General Fund and 30 percent county funds.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease is due to transitioning from Phase III to ongoing costs.

EXPENDITURES:

(in 000's)

Total	2008-09 County Admin.	2009-10 County Admin.
Total	$6,310	$6,111
Federal	2,303	2,231
State	2,805	2,716
County	1,202	1,164
Reimbursements	0	0

AB 408	2008-09 County Admin.	2009-10 County Admin.
Total	$1,833	$1,736
Federal	669	634
State	815	771
County	349	331
Reimbursements	0	0

Child Relationships
(AB 408 Amended by AB 1412)

EXPENDITURES (CONTINUED):

(in 000's)

AB 1412	2008-09	2009-10
	County Admin.	County Admin.
Total	$4,477	$4,375
Federal	1,634	1,597
State	1,990	1,945
County	853	833
Reimbursements	0	0

Personalized Transition Plan (HR 6893)

DESCRIPTION:

This premise represents costs associated with the federal Fostering Connections to Success and Increasing Adoptions Act (HR 6893) which was signed into law on October 7, 2008. Section 202 of this federal bill mandates states to provide the foster child one final Transitional Independent Living Plan (TILP) 90 days before emancipating from foster care.

IMPLEMENTATION DATE:

This premise will implement on January 1, 2010.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Fostering Connections to Success and Increasing Adoptions Act (HR 6893)
- It is assumed that there are approximately 8,000 youth age 16 and older.
- It takes a social worker one hour to complete the TILP with the foster child.
- The hourly social worker cost is $72.60.
- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.

METHODOLOGY:

The cost is derived by multiplying the one hour it will take the social worker to complete the TILP by the social worker hourly cost.

FUNDING:

After the foster care federal discount rate is applied, federally eligible costs are shared 50 percent federal title IV-E and 50 percent General Fund (GF), the nonfed costs are shared 70 percent GF and 30 percent county.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a new premise.

Personalized Transition Plan (HR 6893)

EXPENDITURES:

(in 000's)

	2008-09	2009-10
Total	$0	$294
Federal	0	107
State	0	131
County	0	56
Reimbursements	0	0

Resource Family Approval Pilot (AB 340)

DESCRIPTION:

Assembly Bill 340 (Chapter 464, Statutes of 2007) requires the California Department of Social Services (CDSS), in consultation with stakeholders and interested parties, to implement a three-year pilot program in up to five counties, to establish a single comprehensive resource family pilot approval process for foster care and adoption. This single process would replace the existing separate processes for licensing foster family homes, approving relatives and non-related extended family members, and approving adoptive families.

IMPLEMENTATION DATE:

This premise will implement on April 1, 2009.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 16519 and 16519.5.
- For this estimate, all three approval functions (adoption, relative, licensing) are performed by the five selected counties. For the selected counties, the adoptions caseload is 214, the relative home caseload is 1,428 and the licensing caseload is 365.
- The number of hours to perform approvals is increased up to the level of an adoption approval.
- Duplicative processes for approvals and background checks are eliminated, thus creating savings.
- Placements are more stable, eliminating secondary placements for Foster Family Home (FFH) cases, thus creating savings.
- State administrative hearing reviews for licensing cases will be replaced by less-costly county grievance reviews.
- The estimate includes additional one-time social worker training and county start-up costs of $361,000. On-going training beginning in Fiscal Year (FY) 2009-10 for new staff as a result of turnover is estimated at $4,000 annually.
- FFH cases will require annual reassessments which will commence in FY 2009-10.

<u>Child Welfare Services (CWS)</u>

- The annual cost of a social worker is $129,074. The hourly cost of a social worker is $72.60.
- The number of hours to perform relative/NREFM home approvals is 15 hours.
- Sixty percent of cases placed in FFHs experience at least one placement change within the first 12 months of placement. Social workers typically spend 18 hours on activities associated with finding an alternate placement for these cases.
- Of the 365 FFH cases, approximately 22 will be denied. Approximately 20 percent of those will be appealed, requiring eight hours of social worker review.

Resource Family Approval Pilot (AB 340)

KEY DATA/ASSUMPTIONS (CONTINUED):

Adoptions

- The hourly cost of an adoption worker is $72.60.
- The number of hours to perform an adoptive home approval is 24 hours.
- The cost to conduct background checks is $87 per check.
- There are two persons per home that require a background check.

Community Care Licensing (CCL)

- The hourly cost of a licensing worker is $70.68.
- The number of hours to perform a FFH home approval is 15.47 hours.

METHODOLOGY:

CWS

The approval costs for CWS cases are calculated by taking the difference between the number of hours required for a relative/NREFM approval and an adoptive home approval, multiplied by the hourly cost of a social worker (1,428 cases X 9 hours X $72.60). Costs to perform the FFH approvals are calculated by multiplying the FFH caseload by the number of hours for each approval, multiplied by the hourly cost of a social worker (365 cases X 24 hours X $72.60). Savings for the elimination of secondary placements are calculated by multiplying 60 percent of the FFH placements by the number of hours of social worker activity, multiplied by the hourly cost of a social worker (365 cases X 60 percent X 18 hours X $72.60). Grievance review costs for the FFH cases are calculated by taking 20 percent of the denied cases, multiplied by the number of hours per review, multiplied by the hourly cost of a social worker (22 cases X 20 percent X 8 hours X $72.60). Training and start-up costs are then added in the amount of $361,000.

Adoptions

Savings are calculated for the elimination of approval and background check processes for 214 cases [(214 cases X 24 hours X $72.60 per hour) + (214 cases X 2 per home X $87 per background check)].

CCL

Savings are calculated for the elimination of approval processes for 365 cases (365 cases X 15.47 hours X $70.68).

Based on an April 1, 2009, implementation date, all costs and savings for FY 2008-09, excluding training and start-up costs, are multiplied by 25 percent.

Resource Family Approval Pilot (AB 340)

Funding:

CWS

After the foster care federal discount rate of 73 percent is applied, federally eligible costs are shared 50 percent federal Title IV-E and 50 percent General Fund (GF). Nonfederal costs are shared 70 percent GF and 30 percent county.

Adoptions

Savings are shared 42.69 percent federal and 57.31 percent GF based on actual sharing ratios for the five selected counties from FY 2007-08.

CCL

Based on actual expenditure data from FY 2007-08, the sharing ratio is 38.47 percent federal Title IV-E and 61.53 percent GF.

CHANGE FROM THE APPROPRIATION:

The implementation date has been delayed from October 1, 2008 to April 1, 2009. Caseloads and sharing ratios have also been updated.

REASON FOR YEAR-TO-YEAR CHANGE:

This premise reflects a full year of costs.

EXPENDITURES:

(in 000's)

	2008-09	2009-10
CWS		
Total	$713	$1,768
Federal	260	645
State	317	786
County	136	337
Reimbursements	0	0

Resource Family Approval Pilot (AB 340)

EXPENDITURES (CONTINUED):

(in 000's)

	2008-09	2009-10
Adoptions		
Total	-$103	-$411
Federal	-44	-175
State	-59	-236
County	0	0
Reimbursements	0	0

	2008-09	2009-10
CCL		
Total	-$100	-$400
Federal	-38	-154
State	-62	-246
County	0	0
Reimbursements	0	0

AB 1512 Health Benefit Determination

DESCRIPTION:

Assembly Bill 1512 (Chapter 467, Statutes of 2007) requires the county child welfare agency or probation department responsible for the child's placement needs to determine in consultation with the foster parent, whether a foster child who is currently enrolled in a county organized health system (COHS) and placed in an out-of-county placement should remain in the COHS. This bill requires that the determination be made one working day after the out-of-county placement begins. If the decision is to disenroll the child from the COHS, the placing county would also be required to request the disenrollment within two working days after the out-of-county placement begins. This bill requires that if the foster child is to be disenrolled from a COHS because of an out-of-county placement, the placing county would request the disenrollment.

IMPLEMENTATION DATE:

This premise will implement on January 1, 2009.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 14093.09.
- There are currently eight counties who have adopted the COHS. They are: Monterey, Napa, Orange, San Mateo, Santa Barbara, Santa Cruz, Solano, and Yolo.
- There are seven counties interested in adopting the COHS model. They are: Lake, Marin, Mendocino, San Benito, San Luis Obispo, Sonoma, and Ventura.
- The hourly social worker cost is $72.60.

METHODOLOGY:

The cost is derived by multiplying the two hours it will take the social worker to make the determination by the social worker hourly cost.

FUNDING:

After the foster care federal discount rate of 73 percent is applied, federally eligible costs are shared 50 percent federal Title IV-E and 50 percent General Fund.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

Implementation will begin FY 2008-09. The Budget Year costs represent a full year of costs.

AB 1512 Health Benefit Determination

Expenditures:

(in 000's)

	2008-09	2009-10
	County Admin.	County Admin.
Total	$171	$325
Federal	64	118
State	107	207
County	0	0
Reimbursements	0	0

AB 2985 – Foster Youth Identity Theft

DESCRIPTION:

Assembly Bill 2985 (Chapter 387, Statutes of 2006) requires a County Welfare Department (CWD) to request a credit check from a credit reporting agency for every foster child upon his/her 16th birthday. When a credit report contains negative information or evidence of identity theft, the CWD must refer the child to an approved credit counseling organization from a list developed by the California Department of Social Services, in consultation with the County Welfare Directors Association and other stakeholders.

This premise reflects costs associated with requesting and evaluating a credit check and referring a child to an approved credit counseling organization.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2008.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10618.6.
- A credit check from a credit reporting agency is $15.00.
- The hourly cost for one social worker hour is $72.60. The standard time to process each credit check is one hour. To process each referral to a credit counseling organization is one additional hour.
- Approximately, 11,000 foster children are 16 years of age or older. One percent will not receive a free credit check. Ten percent will be referred to a credit counseling organization.
- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.

METHODOLOGY:

The estimated cost of obtaining credit reports is derived by multiplying the number of children not eligible to receive a free credit report by $15.00.

The estimated social worker cost is derived by multiplying the number of credit reports requested and evaluated, and the number of referrals, by the social worker hourly cost.

The Title IV-E Waiver counties base is reflected in Item 153 Title IV-E Waiver.

FUNDING:

After the foster care federal discount rate of 73 percent is applied, federally eligible costs are shared 50 percent federal title IV-E and 50 percent General Fund.

AB 2985 – Foster Youth Identity Theft

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The change reflects a caseload decrease. All children 16 and older received their credit report in FY 2008-09. The FY 2009-10 costs are associated with providing children their credit report who will be turning 16.

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	County Admin.	County Admin.
Total	$1,153	$384
Federal	421	140
State	732	244
County	0	0
Reimbursements	0	0

Increase Funding for Caseworker Visits

DESCRIPTION:

This premise reflects the costs associated with the new federal law (Public Law 109-288, known as the Child and Family Services Improvement Act of 2006) which requires states to increase the percentage of foster children that are visited monthly to 90 percent by the year 2011 in order to continue receiving full Title IV-B funding. In addition, a majority of those visits must occur in the child's home. States are required to submit a plan for approval by the federal Department of Health and Human Services (DHHS) that indicates their goals for improvement each Federal Fiscal Year (FFY). If states do not meet their goals each and every year they will be penalized accordingly. Currently, Probation Officers (PO) do not have access to the Child Welfare Services/Case Management System (CWS/CMS). In order to capture information about the PO visits, the PO will need access to CWS/CMS.

IMPLEMENTATION DATE:

This premise will implement on July 1, 2009.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Public Law 109-288.
- It is assumed that it will take a social worker 15 minutes to input the Foster Family Agency and Out-of-State placement monthly visit information in the CWS/CMS.
- It is assumed that it will take a social worker two hours monthly to visit the foster child and record the information into CWS/CMS.
- It is assumed that it will take a social worker four hours monthly to visit the out-of-county foster child and record the information in CWS/CMS.
- There are approximately 29,000 visits where information will need to be put into CWS/CMS.
- There are approximately 75,000 visits that need to be conducted to bring California into compliance with visiting foster children monthly.
- There are approximately 4,500 out-of-county visits that need to be conducted to bring California into compliance with visiting foster children monthly.
- The hourly cost of a social worker is $72.60.
- There are approximately 175 Probation Officers who need access to CWS/CMS.
- The one time start up cost for the Citriz Secure ID Token for Probation Officers to access CWS/CMS is $70.00.
- The monthly fee for the token is $27.00.
- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.

Increase Funding for Caseworker Visits

METHODOLOGY:

The caseload is multiplied by the number of hours, multiplied by the hourly cost of a social worker. For the Probation Officers the number of Probation Officers is multiplied by the one time start up cost. The number of Probation Officers is then multiplied by the monthly fee for the token, multiplied by twelve to get the yearly costs.

FUNDING:

After the foster care federal discount rate is applied, federally eligible costs are shared 50 percent federal Title IV-E and 50 percent General Fund (GF). Nonfederal costs are shared 70 percent GF and 30 percent county. Some Promoting Safe and Stable Families (PSSF) funding is available for this new mandate (see the PSSF premise for additional information).

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a new premise.

EXPENDITURES:

(in 000's)

	2008-09	2009-10
Total	$0	$11,861
Federal	0	4,329
State	0	5,272
County	0	2,260
Reimbursements	0	0

Chafee Federal National Youth in Transition Database

DESCRIPTION:

This premise reflects the costs associated with the final regulations from the Administration for Children and Families (ACF) on the implementation of the National Youth in Transition Database (NYTD) for all states to submit demographic and outcomes data on foster youth who receive Independent Living Program (ILP) services and those who age-out of foster care. ACF has given states two and one half years to develop methodology and capacity for collecting data on all ILP services and foster youth cohorts. ACF has given states until October 1, 2010 to fully implement the regulation requirements and begin collecting required data.

The principle data collection method for the NYTD is a survey of current and former foster youth at ages 17, 19, and 21 years old. The surveys will be conducted through a contract with a university. Counties are required to: inform 17 year olds in foster care of the purpose and scope of the survey; maintain periodic contact with former foster youth to meet federal response requirements; and secure consent forms from youth for participation in the follow-up survey.

IMPLEMENTATION DATE:

This premise will implement on July 1, 2009.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Federal Register 45 CFR Part 1356
- Social workers will spend one hour informing the youth about the survey.
- There are approximately 8,200 youth age 17 who will be participating in the survey.
- The hourly cost of a social worker is $72.60.
- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.

METHODOLOGY:

The caseload is multiplied by the number of hours, multiplied by the hourly cost of a social worker. The amount budgeted for the university contract is $600,000.

FUNDING:

After the foster care federal discount rate is applied, federally eligible costs are shared 50 percent federal Title IV-E and 50 percent General Fund (GF). Nonfederal costs are shared 70 percent GF and 30 percent county.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

Chafee Federal National Youth in Transition Database

REASON FOR YEAR-TO-YEAR CHANGE:

This is a new premise.

EXPENDITURES:

(in 000's)

	2008-09	2009-10
Total	$0	$1,198
Federal	0	437
State	0	647
County	0	114
Reimbursements	0	0

Registered Sex Offender Check

DESCRIPTION:

This premise reflects costs to minimize the risk of predictable and preventable harm to vulnerable children in out-of-home care by detecting the presence/residence of a Registered Sex Offender (RSO) in prospective and approved licensed facilities and prospective and approved relative/Nonrelative Extended Family Member (NREFM) homes.

On an annual basis the California Department of Social Services, Community Care Licensing Division (CCLD) will compare transmitted Department of Justice (DOJ) sex offender files against the Child Welfare Services/Case Management System (CWS/CMS) placement information for county-licensed Foster Family Homes (FFH), Family Child Care Homes (FCCH), and county-approved relative and NREFM homes County welfare departments will then be responsible for investigating any address matches, with the exception of relatives and NREFM homes for the 20 small counties which will be investigated by CCLD.

County welfare departments will also check all prospective licensure applicants and relative/NREFM homes against the Megan's Law Public Website and investigate all address matches. When a match resulting from the annual or prospective check is verified, county welfare departments will take appropriate action, which may include licensure and placement denial, removal of children and finding a new placement, and grievance reviews for relatives/NREFMs.

IMPLEMENTATION DATE:

This premise will implement on July 1, 2009.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: The Budget Act of 2009.

Child Welfare Services (CWS)

Prospective Relative/NREFM Check

- The caseload is 20,211 based on relative and NREFM placement data for Fiscal Year (FY) 2007-08.
- The time required to check each home against the Megan's Law Public Website is estimated at 0.33 hours (20 minutes).
- The match rate is 0.10 percent based on the Bureau of State Audits May 2008 report, which will result in 20.2 matches each year.
- An investigation will be performed on each match, and will require an estimated 6.75 hours.
- The hourly cost of a social worker is $72.60.

Annual Check

- The relative placement caseload, excluding the 20 small counties, is 27,819 as of June 30, 2008. The relative placement caseload for the 20 small counties is 440 cases.
- Based on information from the California Welfare Directors' Association, it is assumed that an average of 1.56 children are placed per home.
- The match rate is 0.10 percent, which will result in 18.1 matches each year, which includes 0.3 matches for the 20 small counties.

Registered Sex Offender Check

KEY DATA/ASSUMPTIONS (CONTINUED):

- An investigation will require an estimated 6.75 hours for each match, excluding the 20 small counties.
- The hourly cost of a social worker is $72.60.

Grievance Review

- The total number of relative/NREFM homes that are disapproved is estimated at 38.3 based on the number of all matches for prospective and annual checks each year.
- It is assumed that 20 percent of those disapproved homes will request a review.
- It is assumed that it will take an average of eight hours to review each case.
- The hourly cost of a social worker is $72.60.

Removal and finding new placement

- It is assumed that each address match will be verified and will result in license revocation and home disapproval.
- It is estimated that there are approximately 1.56 children placed per relative home, and approximately 18.1 relative/NREFM homes disapproved each year, resulting in 28.3 children being removed.
- It is estimated that there are approximately 2.5 children placed per FFH, and approximately 8 licenses revoked each year, resulting in 20 children being removed . It is assumed that the removal and finding new placement will take an average of 18 hours per removal.
- The hourly cost of a social worker is $72.60.

Community Care Licensing (CCL)

Annual check

- The FFH caseload for FY 2009-10 is 7,106. The FCCH caseload for FY 2009-10 is 3,971.
- The match rate is 0.10 percent.
- It is assumed that it will take an FFH licensing worker 30.90 hours and an FCCH license worker 33 hours to investigate each address match.
- It is assumed that 41 percent of the matches will require administrative action.
- It is assumed that it will take an FFH and FCCH licensing worker 31 hours for each administrative action.

Application check

- There were approximately 2,948 FFH and 651 FCCH applications received in calendar year 2007.
- The time required to check each home against the Megan's Law Public Website is estimated at 0.33 hours (20 minutes).
- The match rate is 0.10 percent based on the Bureau of State Audits May 2008 report.

Registered Sex Offender Check

KEY DATA/ASSUMPTIONS (CONTINUED):

- It is assumed that it will take an FFH licensing worker 30.90 hours and an FCCH licensing worker 33 hours to investigate each address match.
- It is assumed that 41 percent of the matches will require administrative action.
- It is assumed that it will take an FFH and FCCH licensing worker 31 hours for each administrative action.
- It is assumed that it will take a licensing worker 20 minutes to check an address against the Megan's Law Public website.
- The hourly cost of an FFH licensing worker is $70.68.
- The hourly cost of an FCCH licensing worker is $66.30.

METHODOLOGY:

CWS

For relative and NREFM prospective checks, the caseload is multiplied by the time required for each check, plus the number of matches multiplied by the total hours per investigations, all multiplied by the hourly cost of a social worker ([(20,211 cases x 0.33 hours) + (20.21 matches x 6.75 hours)] x $72.60).

For annual checks, the caseload, excluding the 20 small counties, is multiplied by the match rate, the total hours per investigation, and the hourly cost of a social worker (17,833 cases x 0.001 match x 6.75 hours x $72.60).

For grievance reviews, total matches for all counties are multiplied by the percent requesting review, the number of hours per review, and the hourly cost of a social worker (38.33 cases x 0.20 reviews x 8 hours x $72.60).

For removal and new placement activities, the total number of children removed is multiplied by the hours required to remove the child and find a new placement and the hourly cost of a social worker (48.26 children x 18 hours x $72.60).

CCL

For FFH applications, the caseload is multiplied by the time required for each check, plus the number of matches (2,948 cases x 0.001 match) multiplied by the total hours per investigation, plus the number of administrative actions (2,948 cases x 0.001 match x 0.41) multiplied by the number of hours per action, all multiplied by the hourly cost of an FFH licensing worker ([(2,948 cases x 0.33 hours) + (3 matches x 30.9 hours) + (1 admin action x 31 hours)] x $70.68).

For FFH annual checks, the caseload is multiplied by the match rate, the total hours per investigation, plus the number of administrative actions (7,106 cases x 0.001 match x 0.41) multiplied by the number of hours per action, multiplied by the hourly cost of an FFH licensing worker ([(7,106 cases x 0.001 match x 30.90 hours) + (3 actions x 31 hours)] x $70.68).

For FCCH applications, the caseload is multiplied by the time required for each check, plus the number of matches (651 cases x 0.001 match) multiplied by the total hours per investigation, plus the number of administrative actions (651 cases x 0.001 match x 0.41) multiplied by the number of hours per action, all multiplied by the hourly cost of an FCCH licensing worker ([(651 cases x 0.33 hours) + (1 match x 33 hours) + (0.41 actions x 31 hours)] x $66.30).

Registered Sex Offender Check

METHODOLOGY (CONTINUED):

For FCCH annual checks, the caseload is multiplied by the match rate and the total hours per investigation, plus the number of administrative actions (3,971 cases x 0.001 match x 0.41) multiplied by the number of hours per action, all multiplied by the hourly cost of an FCCH licensing worker ([(3,971 cases x 0.001 match x 33 hours) + (2 actions x 31 hours)] x $66.30).

FUNDING:

For CWS, after the foster care federal discount rate is applied, federally eligible costs are shared 50 percent federal Title IV-E and 50 percent General Fund (GF). For CCL - FFH based on actual expenditure data from Calendar Year 2007, the sharing ratio is 39.12 percent federal Title IV-E and 60.88 percent GF. FCCH costs are 100 percent GF.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a new premise.

Expenditures:

(In 000's)

	2008-09	2009-10
	County Admin.	County Admin.
Total	$0	$708
Federal	0	250
State	0	458
County	0	0
Reimbursements	0	0

CWS	2008-09	2009-10
	County Admin.	County Admin.
Total	$0	$576
Federal	0	210
State	0	366
County	0	0
Reimbursements	0	0

Registered Sex Offender Check

Expenditures (CONTINUED):

(In 000's)

CCL	2008-09	2009-10
	County Admin.	County Admin.
Total	$0	$132
Federal	0	40
State	0	92
County	0	0
Reimbursements	0	0

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Increase Family Case Planning Meetings to Improve Child Welfare Outcomes

DESCRIPTION:

This premise reflects the cost to provide counties with the funding necessary to increase efforts to engage families and youth in case planning to meet the requirements of the state's federal Program Improvement Plan. This premise will fund additional social worker positions throughout California to increase the number of facilitated case planning meetings that include parents, extended family members, community service providers and others in order to strengthen reunifications and decrease foster care reentries.

IMPLEMENTATION DATE:

This premise will implement on July 1, 2009.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: The Budget Act of 2009
- This estimate reflects costs for only the non-Title IV-E Waiver counties.
- There are approximately 12,630 youths that exited foster care to reunification during Calendar Year 2007. Each case will receive three case planning meetings each year.
- Case planning meetings require an average of 2.7 hours.
- The hourly cost of a social worker is $72.60.

METHODOLOGY:

The caseload is multiplied by the number of meetings per year, the number of social worker hours, and the hourly cost of a social worker (12,630 x 3 meetings x 2.7 hours x $72.60).

FUNDING:

After the foster care federal discount rate of 73 percent is applied, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 70 percent General Fund and 30 percent county.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

Increase Family Case Planning Meetings to Improve Child Welfare Outcomes

REASON FOR YEAR-TO-YEAR CHANGE:

This is a new premise.

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	County Admin.	County Admin.
Total	$0	$7,427
Federal	0	2,711
State	0	3,301
County	0	1,415
Reimbursements	0	0

Relative Notification (HR 6893)

DESCRIPTION:

This premise reflects the cost to notify relatives when a child has been removed from parental custody as mandated by the federal Fostering Connections to Success and Increasing Adoptions Act (H.R. 6893) which was signed into law on October 7, 2008. Section 103 of this federal bill requires that counties perform due diligence to identify and provide notice to all adult relatives within 30 days of removal, with the exception of potentially abusive relatives. Relatives will be notified that the child has been or is being removed from parental care, the options they have under federal, state, and local laws and the requirements to become a foster family home.

IMPLEMENTATION DATE:

This premise will implement on January 1, 2010.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Fostering Connections to Success and Increasing Adoptions Act (H.R. 6893).
- This estimate reflects costs for only the non-Title IV-E Waiver counties.
- An average of two hours of social worker time is required per case to identify and provide a notice to all adult relatives.
- The annual caseload is projected at 20,191 based on Fiscal Year 2007-08 new out-of-home placements.
- The hourly cost of a social worker is $72.60.

METHODOLOGY:

The caseload is multiplied by the number of social worker hours and the hourly cost of a social worker (20,191 x 2 hours x $72.60).

FUNDING:

After the foster care federal discount rate of 73 percent is applied, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 70 percent General Fund and 30 percent county.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

Relative Notification (HR 6893)

REASON FOR YEAR-TO-YEAR CHANGE:

This is a new premise. The Budget Year reflects 6 months of costs.

EXPENDITURES:

(in 000's)

	2008-09 County Admin.	2009-10 County Admin.
Total	$0	$1,466
Federal	0	535
State	0	652
County	0	279
Reimbursements	0	0

Increase Relative Search and Engagement

DESCRIPTION:

This premise reflects the cost to provide counties with resources necessary to increase family finding and engagement efforts statewide in compliance with the state's federal Program Improvement Plan. Relative placements are more stable than non-relative placements, reduce foster care reentry rates, and reduce the isolation and negative consequences on youth who exit the foster care system. The additional resources would facilitate the location of relatives as a placement option for children who are not currently placed with relatives upon entry into foster care, and would establish strong familial connections for youth in non-relative placements approaching emancipation.

IMPLEMENTATION DATE:

This premise implements on July 1, 2009.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: The Budget Act of 2009
- This estimate reflects costs for only the non-Title IV-E Waiver counties.
- There are approximately 14,444 new entries into foster care not placed with relatives based on data for Calendar Year 2007. An average of eight hours of social worker time per case will be required to search for and engage relatives.
- There are approximately 3,418 youths age 16 and above not currently placed with relatives and that have been in foster care for at least 18 months based on data as of June 30, 2008. An average of 27.5 hours of social worker time per case will be required to search for and engage relatives.
- The hourly cost of a social worker is $72.60.

METHODOLOGY:

The caseload is multiplied by the respective number of social worker hours and the hourly cost of a social worker ((14,444 x 8 x $72.60) + (3,418 x 27.5 x $72.60)).

FUNDING:

After the foster care federal discount rate of 73 percent is applied, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 70 percent General Fund and 30 percent county.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

Increase Relative Search and Engagement

REASON FOR YEAR-TO-YEAR CHANGE:

This is a new premise.

EXPENDITURES:

(in 000's)

	2008-09 County Admin.	2009-10 County Admin.
Total	$0	$15,214
Federal	0	5,553
State	0	6,763
County	0	2,898
Reimbursements	0	0

Adoptions Program – Basic Costs

DESCRIPTION:

This premise reflects costs associated with agency (relinquishment) and independent adoptions for 30 counties. Although only 28 counties provide adoptive services, these costs include funding for independent adoptions and services in two adjacent counties. Relinquishment and agency adoption include:

1. Agency (Relinquishment) Adoptions - Placements through a licensed adoption agency in which a child to be adopted has been relinquished by his or her legal parents or in which, due to abuse or neglect, parental rights have been terminated by court action.
2. Independent Adoptions - Placements in which the parents place a child directly with an adopting family or persons of their choice.

The 1996 Adoptions Initiative (Assembly Bill 1524, Chapter 1083, Statutes of 1996) was introduced to maximize adoption opportunities for children in public foster care and reduce the foster care population. Counties were funded based on performance agreements that increased the number of adoption social workers in an effort to double the number of statewide adoptive placements. As a result of the Adoptions Initiative, the annual number of foster children who were placed in an adoptive home increased from 3,000 to over 7,200.

Previously, this premise was separated from the Adoptions Initiative premise in order to illustrate the fiscal impact of the Initiative. However, since achieving the goal of doubling the number of statewide adoptions, this premise now combines the Adoptions Initiative with the Adoption Program basic costs to fund the program with 560.55 full-time equivalents (FTEs).

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 16100 through 16106.
- The counties are funded with 560.55 FTEs in each Fiscal Year (FY).
- The statewide average annual unit cost of an adoption worker was held at $128,564 for each FY.
- Additional federal spending authority in the amount of $7,045,459 for FY 2008-09 and $11,016,662 for FY 2009-10 is included based on actual historical expenditure data.
- The Improving Adoptions Outcomes Appropriation has been rolled into the Adoptions Basic Costs.
- The savings associated with increasing the Independent Adoptions fees is reflected in the Adoptions Basic Costs.

METHODOLOGY:

- Estimates are individually calculated for each county that performs its own adoptive services by multiplying the number of FTEs by the county's annual adoption worker unit cost.
- Additional federal funds are included to bring the federal spending authority up to a level based on actual historical expenditure data.

Adoptions Program – Basic Costs

FUNDING:

The sharing ratio for FY 2008-09 is 42.80 percent federal and 57.20 percent nonfederal based on actual expenditure data from FY 2006-07. The sharing ratio for FY 2009-10 is 42.11 percent federal and 57.89 percent nonfederal based on actual expenditure data from FY 2007-08. The nonfederal share is 100 percent General Fund (GF). Additional federal funding is included in the amount of $7,045,459 for FY 2008-09 and $11,016,662 for FY 2009-10 to provide sufficient federal spending authority to a level based on actual historical expenditure data.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The nonfederal sharing ratio has increased and the amount of additional federal funding has increased.

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	County Admin.	County Admin.
Total	$90,042	$94,125
Federal	42,566	46,089
State	47,476	48,036
County	0	0
Reimbursements	0	0

Older Foster Youth Adoption Project

DESCRIPTION:

This premise reflects the costs to establish a three year project in four counties to provide preadoption and postadoption services as required by Assembly Bill (AB) 1808 (Chapter 75, Statutes of 2006). These services are aimed at ensuring the successful adoption of children and youth who have been in foster care 18 months or more, are at least nine years of age, and are placed in an unrelated foster home or in a group home.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2006.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: AB 1808 (Chapter 75, Statutes of 2006).
- AB 1808 specifies San Francisco and Los Angeles Counties as two of the participating counties. The two additional counties selected are Alameda and Kern Counties based on criteria developed by the California Department of Social Services and the County Welfare Directors Association.

METHODOLOGY:

As specified in AB 1808, $750,000 General Fund (GF) is made available for San Francisco County and $1,250,000 GF is made available for Los Angeles County. Also, $2,000,000 is made available for the other two counties, less costs to implement the pilot in one State District Office ($300,000 GF).

FUNDING:

For Fiscal Year (FY) 2008-09, the federal share of cost is 42.80 percent and the GF share is 57.20 percent based on FY 2006-07 actual expenditures for the Adoptions Basic program. For FY 2009-10, the federal share of cost is 42.11 percent and the GF share is 57.89 percent based on FY 2007-08 actual expenditures for the Adoptions Basic program.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The nonfederal sharing ratio has increased based on the Adoptions Basic program.

Older Foster Youth Adoption Project

EXPENDITURES:

(in 000's)

	2008-09 County Admin.	2009-10 County Admin.
Total	$6,468	$6,391
Federal	2,768	2,691
State	3,700	3,700
County	0	0
Reimbursements	0	0

Private Agency Adoption Reimbursement Payments

DESCRIPTION:

This premise reflects the costs of providing private agency adoption reimbursement payments (PAARPs) to private adoption agencies for expenditures associated with adoptive placements of special needs children. Assembly Bill (AB) 1524 (Chapter 1083, Statutes of 1996) established a $3,500 compensatory limit per placement of special needs children. AB 1225 (Chapter 905, Statutes of 1999) increased the compensatory limit per placement to $5,000 per adoptive placement of a special needs child. Senate Bill (SB) 84 (Chapter 177, Statutes of 2007) increased the compensatory limit per placement to $10,000 per placement of a special need child for which the adoptive home study approval occurred on or after July 1, 2007.

Once the child is placed, a claim is submitted to the California Department of Social Services (CDSS) for an individual child by the private adoption agency. CDSS program staff review the claim, verify federal eligibility, and forward the claim(s) to the Office of the State Controller for direct issuance of a reimbursement payment to the private adoption agency. Fiscal control is maintained by CDSS program staff.

IMPLEMENTATION DATE:

This premise was originally implemented on July 1, 1992.

The AB 1225 reimbursement payment increase went into effect on July 1, 1999.

The SB 84 reimbursement payment increase went into effect on February 1, 2008, for all qualifying placements.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 16120 through 16122.
- For Fiscal Year (FY) 2008-09, the caseload is projected at 3,780 based on actual caseload data, at a cost of $5,000 per adoptive placement. The Legislature augmented the program by $2 million General Fund to cover any adoptive placements qualifying for the $10,000 reimbursement payment.
- For FY 2008-09, the caseload is projected at 4,269 based on actual caseload data. The reimbursement increase to $10,000 will result in additional adoptive placements that phased-in beginning in October 2008 and will result in additional costs in the Adoption Assistance Payment (AAP) program and savings in the Foster Care (FC) grants, FC administration and Child Welfare Services (CWS) administration. For FY 2009-10 an additional 1,031 adoptive placements will occur for a total of 4,269, each receiving a $10,000 reimbursement payment.
- AAP program costs are based on the average Foster Family Homes (FFH) grant of $706.33.
- FC grant savings for Non-Title IV-E Waiver counties are based on cases moving from FFH and Foster Family Agencies (FFA). The weighted average grant amount is $819.17.
- For the Non-Title IV-E waiver counties, CWS administrative savings of $349 in FY 2008-09 and $354 in FY 2009-10 per permanent placement case each month will be realized as a result of the additional cases exiting the child welfare system. For FY 2008-09 there are 3,397 casemonths of savings. For FY 2009-10 there are 14,238.
- FC and AAP administrative savings are the average cost per case based on actual data.

Private Agency Adoption Reimbursement Payments

METHODOLOGY:

- To determine the PAARP basic cost, the projected number of private agency adoptive placements was multiplied by the reimbursement cost per placement.
- The AAP estimate was calculated by multiplying the average federal and nonfederal FFH grant by the projected 5,154 casemonths in FY 2008-09. The projected cumulative casemonth impact for FY 2009-10 is 21,304.
- The estimated savings in foster care for the Non-Title IV-E Waiver counties was calculated by multiplying the average federal and nonfederal FFH and FFA weighted average by the projected 3,397 casemonths in FY 2008-09, and 14,238 casemonths in FY 2009-10.
- CWS administrative savings are calculated by applying the permanent placement cost per case to total casemonths avoided due to cases exiting from the child welfare system.
- Net FC and AAP administrative savings are calculated by multiplying the average cost per case by the projected casemonths

FUNDING:

The Adoptions program, AAP program, FC program, FC administration and CWS administrative costs/savings are shared at the same ratios as in their respective programs.

CHANGE FROM THE APPROPRIATION:

There is no change for FC administration, CWS administrative savings, and the Adoptions program. The FC savings estimate increase is based on updated grants.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year increase in the FC Item 101, FC Item 141, CWS Item 151 savings and the increase in AAP Item 101 costs reflect the cumulative impact of ongoing costs. For the Adoptions program the change reflects an increased caseload.

EXPENDITURES:

(in 000's)

ITEM 101 – Foster Care Savings	2008-09 Grant	2009-10 Grant
Total	-$2,783	-$11,664
Federal	-1,391	-5,832
State	-557	-2,333
County	-835	-3,499
Reimbursements	0	0

Private Agency Adoption Reimbursement Payments

EXPENDITURES (CONTINUED):

(in 000's)

ITEM 101 –	2008-09	2009-10
AAP – Grant Costs	Grant	Grant
Total	$3,640	$15,042
Federal	1,820	7,521
State	1,365	5,641
County	455	1,880
Reimbursements	0	0

ITEM 141 –	2008-09	2009-10
Foster Care Admin Savings	County Admin.	County Admin.
Total	-$218	-$1,052
Federal	-109	-526
State	-76	-368
County	-33	-158
Reimbursements	0	0

ITEM 151 – CWS Admin Savings	2008-09 County Admin.	2009-10 County Admin.
Total	-$1,186	-$5,044
Federal	-433	-1,841
State	-527	-2,242
County	-226	-961
Reimbursements	0	0

Private Agency Adoption Reimbursement Payments

EXPENDITURES (CONTINUED):

(in 000's)

ITEM 151 – Adoptions Cost	2008-09	2009-10
	County Admin.	County Admin.
Total	$37,804	$42,693
Federal	17,641	19,879
State	20,163	22,814
County	0	0
Reimbursement	0	0

Foster and Adoptive Home Recruitment

DESCRIPTION:

This premise reflects the costs associated with utilizing the services of local community organizations to increase the pool of minority adoptive families in order to place more minority children. The program is administered via contracts between the California Department of Social Services and private providers; counties are not directly involved.

IMPLEMENTATION DATE:

This premise implemented on July 1, 1982.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Federal Multiethnic Placement Act.
- The Foster and Adoptive Home Recruitment program will fund three contracts with private providers in the Current Year and the Budget Year.

METHODOLOGY:

- The estimate for Fiscal Years (FY) 2008-09 and FY 2009-10 is developed based on anticipated and actual executed contracts.
- The foster care federal discount rate is 75 percent for FY 2008-09 and 73 percent for FY 2009-10.

FUNDING:

After the foster care federal discount rate is applied, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change to the total. The adjustment is due to updating the foster care federal discount rate.

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	County Admin.	County Admin.
Total	$447	$447
Federal	167	163
State	280	284
County	0	0
Reimbursements	0	0

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County Counsel Costs

DESCRIPTION:

This premise reflects the costs of parental rights termination proceedings for those counties that do not provide their own adoption services. For these counties, Senate Bill 243 (Chapter 1485, Statutes of 1987) transferred the function of terminating parental rights for court dependents from the State Attorney General's Office to the county counsels, effective January 1, 1990.

Cost elements of the parental rights termination function are primarily attorney and paralegal costs; however, they also include minor costs such as publication of notices, process server fees, court reporter fees, sheriff fees, and expert witness fees.

IMPLEMENTATION DATE:

This premise was implemented on January 1, 1990.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institution Code sections 16100 through 16106.
- For Fiscal Year (FY) 2008-09, the average cost per case is $4,144 based on actual data from FY 2006-07. For FY 2009-10, the average cost per case is $4,039 based on actual data from FY 2007-08.
- For those counties that report expenditures, the projected number of children freed for adoption by county counsels is 409 for FY 2008-09 and FY 2009-10.
- The foster care federal discount rate is 75 percent for FY 2008-09 and 73 percent for FY 2009-10.

METHODOLOGY:

The average cost per case was derived by dividing the expenditures by the number of children freed during that same period. The average cost per case was then multiplied by the projected number of children to be legally freed for adoption.

FUNDING:

After the foster care federal discount rate is applied, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 100 percent General Fund (GF).

CHANGE FROM THE APPROPRIATION:

There is no change.

County Counsel Costs

REASON FOR YEAR-TO-YEAR CHANGE:

The average cost per case has decreased and the foster care federal discount rate was updated.

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	County Admin.	County Admin.
Total	$1,693	$1,650
Federal	635	602
State	1,058	1,048
County	0	0
Reimbursements	0	0

Nonrecurring Adoption Expenses

DESCRIPTION:

This premise reflects the costs for the reimbursement to families for nonrecurring adoption expenses associated with adopting special needs children. These costs may include, but are not limited to, legal fees, court filing fees, special medical examinations, and psychological evaluations. Only families adopting special needs children are eligible for reimbursement of these one-time costs.

The California maximum reimbursement amount is $400 with a 50 percent federal sharing ratio. Assembly Bill 2129 (Chapter 1089, Statutes of 1993) made this cap permanent.

IMPLEMENTATION DATE:

This premise implemented on January 1, 1990.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 16120.1.
- The maximum reimbursement that can be applied to each case is $400.
- Approximately 68 percent of all adopted children can be classified as special needs children.
- Based on actual caseload and expenditure data, an average of 40.45 percent of eligible cases will submit claims in Fiscal Year (FY) 2008-09 and 40.66 percent will submit claims in FY 2009-10.

METHODOLOGY:

The estimate was developed by multiplying the projected number of adoptions by the percentage that would qualify as special needs cases (6,166 adoptions x 68 percent). This number was then multiplied by the average percentage of submitted claims, and then by the maximum reimbursement amount.

FUNDING:

The funding for these reimbursements is shared between federal and state at 50 percent each. There is no county share.

CHANGE FROM THE APPROPRIATION:

There is no change.

Nonrecurring Adoption Expenses

REASON FOR YEAR-TO-YEAR CHANGE:

The percentage of submitted claims has increased.

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	County Admin.	County Admin.
Total	$680	$682
Federal	340	341
State	340	341
County	0	0
Reimbursements	0	0

Specialized Training for Adoptive Parents (STAP)

DESCRIPTION:

This premise reflects the costs associated with implementing Assembly Bill (AB) 2198 (Chapter 1014, Statutes of 1998) which provides special training and services to facilitate the adoption of children who are HIV positive or who have a condition of symptoms resulting from substance abuse by the mother. Specifically, this funding will provide recruitment, special training and respite care to families adopting court dependent children who are either HIV positive or assessed as being prenatally exposed to alcohol or a controlled substance. This program is similar to the Child Welfare Services Substance Abuse/HIV Infant Program (Options for Recovery) authorized by AB 67 (Chapter 606, Statutes of 1997).

IMPLEMENTATION DATE:

This premise implemented on July 1, 1998.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 16135 through 16135.30.
- This program is available to any county requesting participation pursuant to established procedures and to the extent funds are available. There are currently ten counties (El Dorado, Mendocino, Monterey, Riverside, San Francisco, San Luis Obispo, Santa Clara, Santa Cruz, Shasta, and Stanislaus) that are participating in this program.
- The foster care federal discount rate is 75 percent for Fiscal Year (FY) 2008-09 and 73 percent for FY 2009-10.

METHODOLOGY:

The estimate for this program was developed by calculating the costs for each of the three separate components (respite care, training, and recruitment). The total program funding is $1,849,000, based on the $1,000,000 General Fund (GF) appropriation in AB 2198 for the implementation of this program.

FUNDING:

After the foster care federal discount rate is applied, federally-eligible recruitment activities are funded with 50 percent federal funds and 50 percent nonfederal funds. The nonfederal funds are shared 70 percent GF and 30 percent county.

After the foster care federal discount rate is applied, federally-eligible training costs are funded with 75 percent federal funds and 25 percent nonfederal funds. The nonfederal funds are shared 70 percent GF and 30 percent county.

Respite care is funded with 70 percent GF and 30 percent county funds.

Specialized Training for Adoptive Parents (STAP)

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The change was due to an adjustment of the foster care federal discount rate.

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	County Admin.	County Admin.
Total	$1,871	$1,849
Federal	422	420
State	1,000	1,000
County	429	429
Reimbursements	0	0

Nonresident Petitions for Adoption (AB 746)

DESCRIPTION:

This premise reflects the costs associated with conducting home studies for non-California residents who file a petition for either an agency or independent adoption in the county where the child resides. Assembly Bill (AB) 746 (Chapter 1112, Statutes of 2002) requires a review to be conducted and an endorsed home study report to be completed by either the California Department of Social Services or a California licensed adoption agency. This home study report would need approval in the nonresident petitioner's state.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2003.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Family Code sections 8714 through 8715, 8802, and 8807.
- AB 746 would result in an increase of 33 more out-of-state adoptions.
- Each new case would require, on average, 2.5 visits per year.
- It would take 16 hours, including travel, to conduct each visit.
- Travel costs are estimated to be $624 (including per diem) per visit.
- The average hourly cost for a social worker is $72.60.

METHODOLOGY:

The estimate was developed by first multiplying the number of new cases by the average number of visits required (33 new cases x 2.5 visits per case = 82.5 total visits). The average cost of the social worker ($72.60 per hour x 16 hours per visit = $1,162) was added to the travel costs ($1,162 cost of social worker + $624 travel costs = $1,786). This total cost was then multiplied by the number of total visits (82.5 total visits x $1,786 cost per visit = $147,345).

FUNDING:

For Fiscal Year (FY) 2008-09, the federal share of costs is 42.80 percent and the General Fund (GF) share is 57.20 percent based on FY 2006-07 actual expenditures for the Adoptions Basic program. For FY 2009-10, the federal share of costs is 42.11 percent and the GF share is 57.89 percent based on FY 2007-08 actual expenditures for the Adoptions Basic program.

CHANGE FROM THE APPROPRIATION:

There is no change.

Nonresident Petitions for Adoption (AB 746)

REASON FOR YEAR-TO-YEAR CHANGE:

The sharing ratios have been updated based on actual expenditures for the Adoptions Basic program.

EXPENDITURES:

(in 000's)

	2008-09 County Admin.	2009-10 County Admin.
Total	$148	$148
Federal	63	62
State	85	86
County	0	0
Reimbursements	0	0

Adoption Opportunity Grant

DESCRIPTION:

This premise reflects an annual $350,000 in federal grant funds that the California Department of Social Services will receive for five years, on behalf of Sacramento County, to help promote adoptive placements and to provide services to children in foster care. Services include building a culture of permanence in partner agencies through the enhancement of existing protocols, training and collaborations; implementing changes in current services by engaging project youth in recruitment plans and activities to increase permanency; developing and implementing marketing strategies to increase recruitment of adoptive families; and addressing system barriers by identifying focus issues and enhancing partnerships between advocates, policy makers, and legislators. Sacramento County will contract with Sierra Adoptions Services to provide these services. Sierra Adoptions Services will provide the 11.93 percent nonfederal match required for the grant.

IMPLEMENTATION DATE:

This premise implemented during Fiscal Year 2003-04.

KEY DATA/ASSUMPTIONS:

Authorizing statute: Senate Bill 1104 (Chapter 229, Statutes of 2004).

METHODOLOGY:

The amount of funding reflects the federal grant award on a state Fiscal Year basis.

FUNDING:

Funding is 88.07 percent federal share with an 11.93 percent county match.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The federal grant expired on September 30, 2008.

Adoption Opportunity Grant

EXPENDITURES:

(in 000's)

	2008-09 County Admin.	2009-10 County Admin.
Total	$100	$0
Federal	88	0
State	0	0
County	12	0
Reimbursements	0	0

Improving Adoptions Incentives (HR 6893)

DESCRIPTION:

This premise represents the amount of federal funding that the state is eligible to receive as a result of HR 6893 the federal Fostering Connections to Success and Increasing Adoptions Act, which was signed into law on October 7, 2008. This program is designed to reward states with incentive funds for increasing their finalized adoptions in the Federal Fiscal Year (FFY). The amount of incentive funds is determined by the Adoption and Foster Care Analysis and Reporting System (AFCARS). AFCARS data are submitted to the federal government twice a year.

The federal incentive money is capped at $43 million for the states cumulatively for each FFY. California will receive the incentive payment one year later and will have 24 months to expend. The incentive money must be used to provide basic adoptive services.

There is an additional incentive payment available to states if the state's adoption rate exceeds its highest recorded foster child adoption rate since 2002.

IMPLEMENTATION DATE:

This premise implemented on October 1, 2008.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Fostering Connections to Success and Increasing Adoptions Act (HR 6893) (PL 110-351).
- The number of finalized adoptions in FFY 2007 was 7,481 and 7,580 for FFY 2008.
- Each additional foster child adoption qualifies for an incentive payment of $4,000.
- A special needs child, qualifies for an additional incentive payment of $4,000.
- An older child (age nine and older) qualifies for an additional incentive payment of $8,000.
- Based on the FFY 2008 AFCARS data California would be eligible for incentives for 99 increased adoptions, 76 older child adoptions, and 22 special needs adoptions.
- California's highest adoption rate is FFY 2007 at 8.73 percent. California will receive $1,000 for each adoption that exceeds this rate. No incentive will be received for FFY 2008.

METHODOLOGY:

The incentive is derived from multiplying the increase number of adoptions by the incentive rate.

FUNDING:

The incentives are 100 percent federal funds.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

Improving Adoptions Incentives (HR 6893)

REASON FOR YEAR-TO-YEAR CHANGE:

This is a new premise.

EXPENDITURES:

(in 000's)

	2008-09	2009-10
Total	$0	$1,093
Federal	0	1,093
State	0	0
County	0	0
Reimbursements	0	0

County Third Party Contracts

DESCRIPTION:

This premise reflects the costs associated with the Child Abuse Prevention, Intervention, and Treatment (CAPIT) Program. Assembly Bill 1733 (Chapter 1398, Statutes of 1982) established CAPIT to fund prevention and intervention services for children at risk of abuse and/or neglect. Contracts with community-based public and private agencies utilize CAPIT funds to provide services to high-risk children and their families, as well as training and technical assistance to funded agencies. The program includes a local assistance contract component of approximately $1.0 million which funds innovative, child-centered approaches for the prevention of child abuse and neglect.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 18960 through 18965.
- These funds are used to fulfill federal Community-Based Child Abuse Prevention (CBCAP) grant matching and leveraging requirements.

METHODOLOGY:

Total funding is divided among county allocations, innovative services, and training and technical assistance/state support as follows:

- County Allocations: Counties are allocated a total of $12,356,000. Small counties receive a preset minimum funding level, and the remaining distribution uses a formula that considers a county's child population (under age 18), children receiving public assistance, and child abuse reports.
- Innovative Services Contracts: There is $1,039,000 appropriated for innovative services contracts. A competitive bid process determines the grantees of innovative services contracts.
- Training and Technical Assistance (T&TA)/State Support: The funding is $306,200 to ensure that the programs effectively serve high-risk children and their families, provide for regional training on various child abuse issues and periodic statewide training institutes, and provide state support for the program. Of the $306,200, $200,000 is appropriated for a statewide nonprofit consortium. The T&TA/State Support amount is not included in the local assistance budget because none of these are eligible activities for Title IV-E funding.

FUNDING:

The CAPIT funding is 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

County Third Party Contracts

EXPENDITURES:

(in 000's)	2008-09	2009-10
	Grant	Grant
Total	$13,395	$13,395
Federal	0	0
State	13,395	13,395
County	0	0
Reimbursements	0	0

Federal Grants

DESCRIPTION:

This premise reflects the federal grants associated with assisting local and private agencies in the development and strengthening of child abuse and neglect prevention and treatment programs. These federal grants include those under the Child Abuse Prevention and Treatment Act (CAPTA). The CAPTA grants consist of Title I (consisting of the former Parts A and B) and Title II, otherwise known as the Community-Based Child Abuse Prevention (CBCAP) grant. Approximately 50 percent of each annual CBCAP grant award is allocated to the counties. The CBCAP grant was formerly known as the Community-Based Family Resource and Support (CBFRS) grant.

In Fiscal Year (FY) 2006-07 the California Department of Social Services (CDSS) received the Linkages Grant. CDSS in collaboration with Child and Family Policy Institute of California will enhance, expand, and measure the impacts of Linkages. Linkages is a strategic effort involving nearly 30 counties in California to improve coordination between California Work Opportunity and Responsibility to Kids (CalWORKs) and Child Welfare Services (CWS). The mission of Linkages is to deepen and broaden collaboration and coordination of CalWORKs and CWS at the county level to better serve families and improve outcomes. Through training and support, Linkages will also work towards increasing the number of counties co-locating services, support counties in developing strategies to serve at least one identified underserved population, and strengthen data collection practices and counties' use of data for continuous improvement of service delivery and systems integration.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 18958.
- Project funding is contingent upon continued receipt of federal grant awards.
- CBCAP grant awards are contingent upon using Child Abuse Prevention, Intervention, and Treatment (CAPIT) funds to fulfill nonfederal matching and leveraging requirements.

METHODOLOGY:

The CAPTA federal grants average approximately $3 million annually and have a lifetime limit of five years to fully expend the annual grant. This allows states flexibility in the use and support of multi-year projects. The Linkages Grant is $400,000 annually and has a lifetime limit of five years to fully expend the annual grant.

Federal Grants

METHODOLOGY (CONTINUED):

The total reflects the following federal grants:

	2008-09	2009-10
• CAPTA Title I Grants	$4,740,000	$3,069,656
• CAPTA Title II – CBCAP Grants	$3,630,920	$3,640,155
	$8,370,920	$6,709,811
• Linkages Grant	$400,000	$400,000

FUNDING:

Funding for these projects is 100 percent federal grant funds. The Linkages Grant is 90 percent federal grant funds with a 10 percent match using CAPIT funds.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease is due to a lower federal grant.

EXPENDITURES:

(in 000's)	2008-09 Grant	2009-10 Grant
Total	$8,771	$7,110
Federal	8,771	7,110
State	0	0
County	0	0
Reimbursements	0	0

State Children's Trust Fund Program

DESCRIPTION:

This premise reflects the revenue available for the State Children's Trust Fund (SCTF) in California. The SCTF provides funding for innovative child abuse and neglect prevention and intervention projects utilizing deposits generated from birth certificate surcharges, state income tax designations, and private donations. Project funding is awarded through proposals submitted to the Office of Child Abuse Prevention (OCAP) of the California Department of Social Services (CDSS).

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 18969.
- The Office of the State Controller accounts for deposits to the SCTF and advises CDSS as to the availability of funds.

METHODOLOGY:

This premise reflects the current funding available for the SCTF, as provided by OCAP.

FUNDING:

The SCTF is used for research, evaluation, dissemination of information to the public, the establishment of public-private partnerships with foundations and corporations; to increase public awareness about child abuse and neglect via media campaigns, and to seek continued contributions to the fund.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)	2008-09	2009-10
	Grant	Grant
Total	$3,755	$3,755
Federal	0	0
State	3,755	3,755
County	0	0
Reimbursements	0	0

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County Services Block Grant – Basic Costs

DESCRIPTION:

This premise reflects the County Services Block Grant (CSBG) funding provided to the counties. The CSBG provides funds for Adult Protective Services (APS) and APS administrative costs. The CSBG may also be used to fund related optional services and activities to the extent funds are available.

Non-Medical Out-of-Home Care (NMOHC) administrative costs relating to the Supplemental Security Income/State Supplementary Payment (SSI/SSP) program are also included in this premise since Fiscal Year (FY) 2000-01. These NMOHC costs were previously reflected in the "Small Programs (non-CalWORKs) Block Grant" premise.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 13004 through 13007.
- The General Fund (GF) is block granted at $10.5 million.
- The county match ($10.9 million) reflects the Fiscal Year (FY) 1996-97 CSBG county expenditure level. Senate Bill 2199 (Chapter 946, Statutes of 1998) required the counties to maintain their FY 1996-97 APS expenditure level for CSBG purposes.
- The Title XIX reimbursement rate is assumed to be 34.28 percent, based on the actual federal reimbursement percentage claimed on the county administrative expense claim for the past four quarters.

METHODOLOGY:

- In the Current Year (CY), estimated costs are computed by adding the GF block grant, the county match , the Title XIX reimbursements and NMOHC costs ($10,500,000 + $10,936,000 + $15,297,927 + $455,045 = $37,188,972).
- In the Budget Year (BY), the estimated costs are computed by adding the GF block grant, the county match, the Title XIX reimbursements and the NMOHC costs ($10,500,000 + $10,936,000 + $15,297,927 + $418,724 = $37,152,651).

FUNDING:

- GF for CSBG is block granted at $10.5 million with county participation at the maintenance of effort level.
- NMOHC is funded with 100 percent GF.
- The Title XIX reimbursements are as follows:
  - Activities performed by skilled professional medical personnel are eligible for Title XIX reimbursement at 75 percent.
  - Health-related activities provided to Medi-Cal eligible recipients are eligible for Title XIX reimbursement at 50 percent.

County Services Block Grant – Basic Costs

CHANGE FROM THE APPROPRIATION

The CY increase reflects a change in reimbursements.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY decrease is due to a decrease in the NMOHC admin cost.

EXPENDITURES:

(in 000's)	2008-09	2009-10
	County Admin.	County Admin.
Total	$37,189	$37,153
Federal	0	0
State	10,955	10,919
County	10,936	10,936
Reimbursements	15,298	15,298

Adult Protective Services

DESCRIPTION:

This premise reflects the funds available over and above the funds provided in the County Services Block Grant (CSBG) for the provision of Adult Protective Services (APS). Senate Bill (SB) 2199 (Chapter 946, Statutes of 1998) established a statewide mandated APS program and provided these additional funds for expanded APS activities. The county share of APS expenditures was held at the Fiscal Year (FY) 1996-97 county match level for the CSBG. The APS program has been funded in whole or in part under CSBG since the 1984 Budget Act. The APS program, administered by the county welfare departments, provides assistance to elderly and dependent adults who are functionally impaired, unable to meet their own needs, and who are victims of abuse, neglect, or exploitation.

The APS program, as defined in SB 2199, requires the counties to respond to reports of elder and dependent adult abuse on a 24-hour emergency response basis. Among the services required by SB 2199 are investigations, needs assessments, and case management services. SB 2199 also provides for necessary tangible resources such as food, emergency shelter care, in-home protection, transportation, and the use of multidisciplinary teams.

IMPLEMENTATION DATE:

- This premise implemented on July 1, 1997.
- The enhanced APS program became effective May 1, 1999.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Elder Abuse and Dependent Adult Civil Protection Act, commencing Welfare and Institutions Code section 15600.
- This program received a $20 million General Fund (GF) augmentation in the 1998 Budget Act to provide counties with additional resources needed to implement the statewide mandated APS program. An additional $25.3 million GF augmentation was provided in the 1999 Budget Act.
- The counties are assumed to have no additional share of the APS costs effective FY 1998-99. SB 2199 held county costs to the FY 1996-97 CSBG expenditure level.

METHODOLOGY:

The GF estimated expenditures are held at the FY 2002-03 levels and the Federal Title XIX reimbursement is based on actual expenditures for FY 2005-06.

FUNDING:

- The program is funded with GF and Title XIX reimbursements.
- The Title XIX reimbursements are as follows:
  - Activities performed by skilled professional medical personnel are eligible for Title XIX reimbursement at 75 percent.

Adult Protective Services

FUNDING (CONTINUED):

- Health-related activities provided to Medi-Cal eligible recipients are eligible for Title XIX reimbursement at 50 percent.

CHANGE FROM THE APPROPRIATION:

The Current Year increase reflects actual Title XIX expenditures.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	County Admin.	County Admin.
Total	$92,322	$92,322
Federal	0	0
State	50,179	50,179
County	0	0
Reimbursements	42,143	42,143

APS Contract for Training Curriculum

DESCRIPTION:

This premise reflects the cost of a multi-year contract with a qualified institution, agency or consultant to:

- Develop a comprehensive statewide training curriculum for county Adult Protective Services (APS) workers that will be owned by the State and shared with county APS agencies;
- Present the training curriculum to all APS workers, including scheduling and arranging training in all the regions of the State and producing all required training materials; and,
- Periodically update the curriculum and its content to reflect changing APS laws, policies and practices and provide updated training to APS workers.

The purpose of the training will be to educate county APS workers on the new APS program standards, requirements, and mandates established by passage of Senate Bill 2199 (Chapter 946, Statutes of 1998), and subsequent legislation. The training is intended to promote statewide uniformity and consistency in the administration and delivery of services under the APS program.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2001.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Elder Abuse and Dependent Adult Civil Protection Act, commencing Welfare and Institutions Code section 15600.
- The cost for ongoing training activities is estimated to be $176,000 annually.

METHODOLOGY:

The funding for this premise reflects the amount of the contract.

FUNDING:

The federal Title XIX reimbursement represents 12.5 percent of the total funding. The nonfederal share is funded with 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

APS Contract for Training Curriculum

EXPENDITURES:

(in 000's)

	2008-09 Contracts	2009-10 Contracts
Total	$176	$176
Federal	0	0
State	154	154
County	0	0
Reimbursements	22	22

Reduce Adult Protective Services Program by Ten Percent

DESCRIPTION:

This premise reflects the savings from reducing the funds available for the provision of Adult Protective Services (APS) by ten percent effective July 1, 2008. This premise is necessitated by the budget balancing reductions.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2008.

KEY DATA/ASSUMPTIONS:

- This premise reflects reductions in APS and County Services Block Grant (CSBG) Basic funding.
- The county match ($10.9 million) required by Senate Bill (SB) 2199 (Chapter 946, Statutes of 1998) is not impacted.

METHODOLOGY:

The savings reflect ten percent of the projected Fiscal Years (FY) 2008-09 and 2009-10 APS and CSBG expenditures.

FUNDING:

- The program is funded with General Fund (GF) and Title XIX reimbursements.
- The Title XIX reimbursements are as follows:
  - Activities performed by skilled professional medical personnel (SPMP) are eligible for Title XIX reimbursement at 75 percent.
  - Health-related activities provided to Medi-Cal eligible recipients are eligible for Title XIX reimbursement at 50 percent.

CHANGE FROM THE APPROPRIATION:

There is no change.

Reduce Adult Protective Services Program by Ten Percent

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2008-09 County Admin.	2009-10 County Admin.
Total	-$11,432	-$11,432
Federal	0	0
State	-6,127	-6,127
County	0	0
Reimbursements	-5,305	-5,305

Community Care Licensing - Foster Family Homes

DESCRIPTION:

This premise reflects the costs of providing basic funding for Foster Family Home (FFH) licensing and recruitment services. The California Community Care Facilities Act authorizes counties to provide FFH licensing services. There are currently 39 counties providing FFH licensing and recruitment services. FFHs in the remaining 19 counties are licensed by the California Department of Social Services' (CDSS) Community Care Licensing Program. For these counties, funds are provided for the purpose of recruiting FFH providers.

Effective Fiscal Year (FY) 2003-04, CDSS implemented a Targeted Visits protocol to streamline the annual review process of licensed care facilities to focus on facilities in which health and safety may be at greatest risk, or those facilities that require an annual visit as a condition of federal funding. A random sample (30 percent for FY 2009-10) of the remainder of the facilities is subject to annual unannounced visits. Current law requires that all facilities be visited at least once every five years and if the number of citations increases by ten percent over the prior year, the number of unannounced visits must also increase by ten percent.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Health and Safety Code sections 1500 through 1519.
- The workload standards used to determine Full Time Equivalents (FTE) for targeted visits in FY 2008-09 and FY 2009-10 is 120 cases per worker.
- The worker to supervisor ratio used to determine the total number of FTEs is 6.35:1.
- The average statewide unit cost is held at the FY 2002-03 unit cost of $125,663.

METHODOLOGY:

FY 2008-09

The estimate was developed by determining the number of FTEs based on an updated FY 2008-09 average caseload of 7,300. This caseload was divided by the workload standards of cases per worker to derive the number of nonsupervisory FTEs (7,300 cases ÷ 120 cases per worker = 60.83 FTEs). The FTEs were expanded to include supervisors at a ratio of 6.35:1 to determine the total number of FTEs ([60.83 FTEs ÷ 6.35 supervisor ratio] + 60.83 FTEs = 70.41 FTEs). The total number of FTEs is then multiplied by the unit cost (70.41 x $125,663). The federal and GF sharing ratio was applied.

The total estimate was derived by adding the recruitment-only allocation to the FFH Program estimate ($8,848,359 + $877,764). Then, an additional $3,632,926 in federal spending authority, based on a three-year average of actual expenditures, was included. The recruitment-only amount is held at the FY 2005-06 funding level. For FY 2008-09 the FFH portion of the *Gresher v. Anderson* premise ($27,000 total funds) is included in this premise.

Community Care Licensing - Foster Family Homes

METHODOLOGY (CONTINUED):

FY 2009-10

The estimate was developed by determining the number of FTEs based on an updated FY 2009-10 average caseload of 7,106. This caseload was divided by the workload standards of cases per worker to derive the number of nonsupervisory FTEs (7,106 cases ÷ 120 cases per worker = 59.22 FTEs). The FTEs were expanded to include supervisors at a ratio of 6.35:1 to determine the total number of FTEs ([59.22 FTEs ÷ 6.35 supervisor ratio] + 59.22 FTEs = 68.54 FTEs). The total number of FTEs is then multiplied by the unit cost (68.54 x $125,663). The federal and GF sharing ratio was applied.

The total estimate was derived by adding the recruitment-only allocation to the FFH Program estimate ($8,613,206 + $877,764). Then, an additional $3,632,926 in federal spending authority, based on a three-year average of actual expenditures, was included. The recruitment-only amount is held at the FY 2005-06 funding level. For FY 2009-10 the FFH portion of the *Gresher v. Anderson* premise ($27,000 total funds) is included in this premise.

FUNDING:

Based on actual expenditure data from FY 2007-08, the sharing ratio for FY 2008-09 is 40.3 percent federal Title IV-E and 59.7 GF. For FY 2009-10, the sharing ratio is 39.1 percent federal Title IV-E and 60.9 percent GF. Additional federal spending authority is included based on actual expenditures.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The change reflects a decreased caseload.

EXPENDITURES:

(in 000's)

	2008-09 County Admin.	2009-10 County Admin.
Total	$13,386	$13,151
Federal	7,579	7,382
State	5,807	5,769
County	0	0
Reimbursements	0	0

Family Child Care Homes – Basic Costs

DESCRIPTION:

This premise reflects the costs of providing basic funding to four counties for Family Child Care Home (FCCH) licensing services and processing serious incident reports. FCCH programs in the remaining 54 counties are licensed by the California Department of Social Services (CDSS) Community Care Licensing (CCL) District Offices. The California Community Care Facilities Act authorizes participating counties to provide FCCH licensing services. Also, FCCH licensees are required to report any injury to a child requiring medical treatment, the death of any child, or any unusual incident or child absence that threatens the physical or emotional health or safety of any child while the child is in the care of the licensee.

Effective Fiscal Year (FY) 2003-04, CDSS implemented a Targeted Visits protocol to streamline the annual review process of licensed care facilities to focus on facilities in which health and safety may be at greatest risk, or those facilities that require an annual visit as a condition of federal funding. A random sample (30 percent for FY 2009-10) of the remainder of the facilities is subject to annual unannounced visits. Current law requires that all facilities be visited at least once every five years and if the number of citations increases by ten percent over the prior year, the number of unannounced visits must also increase by ten percent.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Health and Safety Code sections 1500 through 1519.
- The workload standard used to determine Full Time Equivalents (FTE) for targeted monitoring visits for FY 2008-09 and FY 2009-10 is 257 cases per worker.
- The worker to supervisor ratio used to determine FTEs is 6.35:1.
- The average statewide unit cost is held at the FY 2002-03 level of $117,885.
- Tehama County gave their licensing service back to CDSS CCL District Offices effective July 1, 2008.

METHODOLOGY:

FY 2008-09

The estimate was developed by determining the number of FTEs based on the FY 2008-09 projected caseload of 3,821. This caseload was divided by the workload standard of 257 cases per worker to determine the number of nonsupervisory FTEs (3,821 caseload ÷ 257). The FTEs were then expanded to include supervisors at a ratio of 6.35:1 to derive the total number of FTEs ([14.87 FTEs ÷ 6.35 supervisor ratio] + 14.87 FTEs = 17.21 FTEs). The average statewide unit cost was then multiplied by total FTEs.

The total estimate was derived by adding $80,000 General Fund (GF) for the Serious Incident Reporting. For FY 2008-09 the FCCH portion of the *Gresher v. Anderson* premise ($10,000 GF) is included in this premise.

Family Child Care Homes – Basic Costs

METHODOLOGY (CONTINUED):

FY 2009-10

The estimate was developed by determining the number of FTEs based on the FY 2009-10 projected caseload of 3,971. This caseload was divided by the workload standard of 257 cases per worker to determine the number of nonsupervisory FTEs (3,971 caseload ÷ 257). The FTEs were then expanded to include supervisors at a ratio of 6.35:1 to derive the total number of FTEs ([15.45 FTEs ÷ 6.35 supervisor ratio] + 15.45 FTEs = 17.88 FTEs). The average statewide unit cost was then multiplied by total FTEs.

The total estimate was derived by adding $80,000 GF for the Serious Incident Reporting. For FY 2009-10 the FCCH portion of the *Gresher v. Anderson* premise ($10,000 GF) is included in this premise.

FUNDING:

The funding includes reimbursements from the California Department of Education (from the federal Child Care Development Block Grant fund) to cover a portion of the costs of conducting comprehensive site visits. The remaining costs are funded 100 percent GF.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The change reflects an increased caseload.

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	County Admin.	County Admin.
Total	$2,119	$2,198
Federal	0	0
State	1,801	1,880
County	0	0
Reimbursements	318	318

Court Cases

DESCRIPTION:

This premise reflects the costs for attorney fees and settlements resulting from lawsuits pertaining to the California Department of Social Services (CDSS), Budget Item 151 – Social Service Programs, specifically, Child Welfare Services, Special Programs, and Community Care Licensing.

IMPLEMENTATION DATE:

The attorney fees and settlement costs for these court cases are anticipated to be paid in Fiscal Year (FY) 2008-09 and FY 2009-10.

KEY DATA/ASSUMPTIONS:

The estimate for settlement costs and attorney fees is based in part on actual payments for specific cases in the Current Year (CY), and a projection of costs that are anticipated to be paid in CY and the Budget Year (BY).

FUNDING:

The legal fees and settlement amounts are funded 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	County Admin.	County Admin.
Total	$500	$500
Federal	0	0
State	500	500
County	0	0
Reimbursements	0	0

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Fee-Exempt Live Scan

DESCRIPTION:

This premise reflects the costs for fingerprinting and search requirements associated with certain fee-exempt providers pursuant to Senate Bill (SB) 933 (Chapter 311, Statutes of 1998). SB 933 also mandated that a second set of fingerprints be submitted in order to search the records of the Federal Bureau of Investigation (FBI). Assembly Bill (AB) 1659 (Chapter 881, Statutes of 1999) added certain categories of licensed fee-exempt providers for FBI background checks.

This premise also includes the reimbursement cost for processing applications referred by the California Department of Education (CDE) and licensed fee-exempt providers.

The Community Care Licensing Division (CCLD) is responsible for processing the applications pursuant to AB 753 (Chapter 843, Statutes of 1997). CCLD contracts with the Department of Justice (DOJ) and the California Child Care Resource and Referral Network to process the fingerprint and index search file activities. Additionally, CCLD contracts with Sylvan/Indentix, a private vendor, for the Live Scan fingerprinting. The Live Scan fingerprint process is an electronic technology that transfers images of fingerprints and personal information to DOJ in a matter of seconds.

IMPLEMENTATION DATE:

This premise implemented on January 1, 1999.

KEY DATA ASSUMPTIONS:

Authorizing statute: Welfare and Institutions Code section 11324.

METHODOLOGY:

The funding is suspended for Fiscal Years 2008-09 and 2009-10.

FUNDING:

This premise is funded with 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Fee-Exempt Live Scan

EXPENDITURES:

(in 000's)	2008-09 Contracts	2009-10 Contracts
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

Special Programs – Other Specialized Services

DESCRIPTION:

This premise reflects the costs for the Foster Care Burial and Repatriated Americans Programs. Foster Care burial costs are reimbursements by the state that are provided to foster parents for the costs of a burial plot and funeral expenses, up to $5,000 per burial, for a child receiving foster care at the time of death.

The Repatriated Americans Program provides temporary help to needy United States citizens returning from foreign countries because of destitution, physical or mental illness, or war.

KEY DATA/ASSUMPTIONS:

Foster Care Burial

Authorizing statute: Welfare and Institutions Code (W&IC) section 11212.

Repatriated Americans

Authorizing statute: W&IC sections 10553 and 10554.

METHODOLOGY:

Foster Care Burial

The estimated costs for the Current Year (CY) and the Budget Year (BY) are held at the Fiscal Year (FY) 1999-00 General Fund (GF) expenditure level of $186,000.

Repatriated Americans

The estimated costs for the CY and the BY were held at the Budget Act of 2000 Appropriation level of $75,000.

FUNDING:

The Foster Care Burial program is funded with 100 percent GF. The Repatriated Americans Program is funded with 100 percent federal funds through a special Department of Health and Human Services, U.S. Repatriate Program Direct Loan, which are provided to individuals on a repayable basis.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Special Programs – Other Specialized Services

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	Grant	Grant
Total	$261	$261
Federal	75	75
State	186	186
County	0	0
Reimbursements	0	0

Eligibility/Extension of Dog Food Allowance

DESCRIPTION:

This premise reflects the costs associated with providing a monthly dog food allowance to recipients of federal Social Security Disability Insurance, Supplemental Security Income/State Supplementary Payments (SSI/SSP) and In-Home Supportive Services (IHSS) only program participants who have incomes at or below the federal poverty level. Existing law provides that eligible individuals with guide, signal, or service dogs are eligible for a dog food allowance of $50 per month.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2000.

KEY DATA/ASSUMPTIONS:

- Authorizing statutes: Welfare and Institutions Code sections 12553 and 12554.
- Recipients will receive a monthly dog food allowance of $50.

METHODOLOGY:

The Current Year (CY) and the Budget Year (BY) estimates are based on year-to-date actual costs and projected caseload growth.

FUNDING:

This program is funded with 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY increase reflects caseload growth.

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	Grant	Grant
Total	$518	$524
Federal	0	0
State	518	524
County	0	0
Reimbursements	0	0

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Access Assistance/Deaf Program: Basic Costs

DESCRIPTION:

This premise reflects the costs associated with the Office of Deaf Access, Access Assistance/Deaf Program. Assembly Bill 2980 (Chapter 1193, Statutes of 1980) established the Access Assistance/Deaf Program in 1980. The Deaf Access Program serves approximately 2.9 million deaf and hearing-impaired Californians through regional contractors. Assistance under this program enables deaf and hearing-impaired persons to access needed social and community services, e.g. employment services, counseling, interpreting services, education on deafness and advocacy. Currently, eight regional contractors provide services to the hearing-impaired in all 58 counties.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10621.
- The program funding of $3,304,000 was augmented by $2,500,000 in Fiscal Year (FY) 1998-99 for program expansion.
- In FY 2008-09 and FY 2009-10, the program is funded with $2,996,000 in Title XX funds (for more detail, see Title XX premise description).

METHODOLOGY:

The estimated costs for both current and budget years are held at the FY 1998-99 appropriation level.

FUNDING:

This program is funded with General Fund (GF). The Title XX block grant allocated to the program reduces the amount of GF in the program.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(In 000's)

	2008-09 Grant	2009-10 Grant
Total	$5,804	$5,804
Federal	0	0
State	5,804	5,804
County	0	0
Reimbursements	0	0

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Access Assistance/Deaf Program Reduction

DESCRIPTION:

This premise reflects savings from reducing Office of Deaf Access, Access Assistance/Deaf Program costs by ten percent effective July 1, 2008.

IMPLEMENTATION DATE:

This reduction assumes a March 1, 2008 enactment of Legislation with a July 1, 2008 implementation date.

KEY DATA/ASSUMPTIONS:

This premise reflects savings from reducing the Fiscal Year (FY) 2008-09 and FY 2009-10 expenditures.

METHODOLOGY:

The estimated cost is ten percent of the projected FY 2008-09 expenditures.

FUNDING:

This program is funded with General Fund (GF). The Title XX block grant allocated to the program reduces the amount of GF in the program.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2008-09 Grant	2009-10 Grant
Total	-$581	-$581
Federal	-300	-300
State	-281	-281
County	0	0
Reimbursements	0	0

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Refugee Social Services

DESCRIPTION:

Refugee social services (RSS) are provided to refugees through county welfare departments and contracting agencies. The services are funded through an annual block grant allocation by the federal Office of Refugee Resettlement (ORR). The funds are used to provide employment-related services, such as employability assessment, on-the-job training, English language training, and vocational training.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 13275-13282.
- The federal grant includes $10.1 million in standard funds.
- A contract in the amount of $2.4 million in Fiscal Years (FY) 2008-09 and $4.9 million in FY 2009-10 to serve unaccompanied refugee minors (URM) is included in the total funding.

METHODOLOGY:

The funding is based on a federal award.

FUNDING:

This program is 100 percent federally funded.

CHANGE FROM THE APPROPRIATION:

The change reflects an increase in the federal grant and the URM program's contract to reflect the implementation of the Southern California URM program which will serve Los Angeles, Orange, and Riverside counties.

REASON FOR YEAR-TO-YEAR CHANGE:

The change in Budget Year reflects an increase in the Southern California URM program's contract.

EXPENDITURES:

(in 000's)

	2008-09 Grant	2009-10 Grant
Total	$12,518	$14,925
Federal	12,518	14,925
State	0	0
County	0	0
Reimbursements	0	0

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Refugee Programs – Targeted Assistance

DESCRIPTION:

This program provides services to refugees to enable them to be placed in employment or to receive employment training. The goal of this program is to assist refugees in attaining self-sufficiency. Targeted Assistance (TA) grants are made available to high refugee-impacted counties. Program components include employment services, work experience, vocational training, vocational English-as-a-second-language, on-the-job training, economic development, skills upgrading, and extreme and unusual needs. In addition to regular TA funds, the federal government can award TA discretionary funds to the state for specific local projects. Local agencies develop project proposals in response to a federal announcement. The federal government selects the projects to be funded.

IMPLEMENTATION DATE:

This premise was implemented on October 1, 1983.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 13275-13282.
- The Fiscal Years (FYs) 2008-09 and 2009-10 allocations include $263,125 in discretionary funding to serve elderly refugees.

METHODOLOGY:

The funding is based on a federal award.

FUNDING:

This program is 100 percent federally funded.

CHANGE FROM THE APPROPRIATION:

The change reflects a decrease in the federal grant.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2008-09 Grant	2009-10 Grant
Total	$3,892	$3,892
Federal	3,892	3,892
State	0	0
County	0	0
Reimbursements	0	0

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Refugee School Impact Grant

DESCRIPTION:

This premise reflects the federal funding granted to the California Department of Social Services (CDSS) by the Office of Refugee Resettlement (ORR) to provide services to school-age refugee children and their families. The funding for this grant will be a pass-through from the CDSS to the California Department of Education (CDE). Services provided through local educational agencies will include intensive and innovative educational interventions to assist refugee children to improve English fluency and to progress toward grade-level proficiency.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Title 45 of the Code of Federal Regulations Part 92.
- A federal grant in the amount of $1,700,000 was awarded in August 2006 to serve school-age refugee children and their families. This is the third year of a five-year project period.
- A Memorandum of Understanding between CDE and CDSS outlines the working relationship between the two departments and assigns responsibilities to each pursuant to the implementation of the grant.
- The services funded under this grant will serve the following counties: Alameda, Fresno, Los Angeles, Orange, Sacramento, San Diego, San Francisco, and Santa Clara.

METHODOLOGY:

The funding is based on a federal award.

FUNDING:

This program is 100 percent federally funded.

CHANGE FROM THE APPROPRIATION:

The amount to be carried forward from FY 2007-08 to FY 2008-09 is unknown at this time.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2008-09 Grant	2009-10 Grant
Total	$1,700	$1,700
Federal	1,700	1,700
State	0	0
County	0	0
Reimbursements	0	0

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Title IV-E Child Welfare Waiver Demonstration Capped Allocation Project

DESCRIPTION:

On March 31, 2006, the federal Department of Health and Human Services (DHHS) approved the Title IV-E Child Welfare Waiver Demonstration Capped Allocation Project (CAP). The approved waiver allows Title IV-E funds, which are restricted to board and care costs and child welfare services administration, to be used for services and supports to avoid over reliance on out-of-home care and reunify families more expeditiously. The intent of the CAP is to test a "capped allocation" strategy which would block grant a portion of the federal Title IV-E and General Fund (GF) administrative and assistance costs. The California Department of Social Services (CDSS) worked with the County Welfare Directors Association (CWDA) and interested counties to refine a practice and fiscal model that could be implemented under the waiver. The CAP allows up to 20 counties to participate in the five year demonstration project.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2007.

KEY DATA/ASSUMPTIONS:

- Two counties, Los Angeles and Alameda, are participating in the project.
- An annual capped allocation for federal Title IV-E and GF has been established.
- Participating counties are required to provide funding equal to their Fiscal Year (FY) 2005-06 actual expenditures.

METHODOLOGY:

- The federal base allocations are based on the county's average Title IV-E actual expenditure claims for administration and assistance submitted for Federal Fiscal Years (FFY) 2003, 2004, and 2005. An annual two percent growth on the federal funds for administration and assistance is provided beginning in FFY 2006.
- The GF base allocation for Foster Care (FC) Assistance is capped based on actual expenditures for FY 2005-06.
- The GF base allocations for Child Welfare Services (CWS) and FC Administration are based on specified FY 2006-07 allocations. An annual two percent growth above the base allocations is provided beginning in FY 2007-08.
- After the GF base allocations for FC Assistance and CWS Administration are calculated, federal Title XX funds transferred from the Temporary Assistance for Needy Families block grant are used in lieu of eligible GF.
- All base allocations for FC Assistance, FC Administration, and CWS Administration are reflected separately in Budget Item 153 with total growth above the base amounts reflected in the IV-E Waiver Adjustment line.

Title IV-E Child Welfare Waiver Demonstration Capped Allocation Project

METHODOLOGY (CONTINUED):

- Additional GF is provided above the base for either new premises or premises not included in the base calculations that do not impact caseload and is reflected separately in the Non-Base Premises lines for FC Assistance, FC Administration, and CWS Administration.
- For FC Assistance, the Non-Base Premises 101 line for FY 2008-09 and FY 2009-10 reflects costs for Dual Agency and the Five Percent Foster Care Rate Increase.
- For FC Administration, the Non-Base Premises 141 line for FY 2008-09 and FY 2009-10 reflects costs for FC Supplemental Security Income/State Supplementary Payment (SSI/SSP) Application.
- For CWS Administration, the Non-Base Premises line for FY 2008-09 reflects costs for *Gomez v. Saenz*; Criminal Record Check for FR; Caregiver Court Filing; CWS Differential Response (DR), Safety Assessment (SA), and Permanency & Youth Services (PYS); CWS Outcome Improvement Project (OIP); Safe and Timely Interstate Placement Act of 2006; Peer Quality Case Reviews; FC SSI/SSP Application; Foster Youth Identity Theft; and Foster Parent Training and Recruitment special advertising campaign. The Non-Base Premises line for FY 2009-10 reflects costs for *Gomez v. Saenz*; Criminal Record Check for FR; Caregiver Court Filing; CWS DR, SA, and PYS; CWSOIP; Safe and Timely Interstate Placement Act of 2006; Peer Quality Case Reviews; FC SSI/SSP Application; Foster Youth Identity Theft, Personalized Transition Plan (HR 6893), Increase Funding for Caseworker Visits, Chafee Federal National Youth in Transition Database, Increase Family Case Planning, Notification of Relatives (HR 6893) and Increase Relative Search and Engagement.

FUNDING:

Funding consists of the federal Title IV-E and GF capped allocations along with the required county funding. The FC Assistance base allocation consists of $16.8 million in Title XX funds that are used in lieu of GF. The CWS base allocation consists of $24.2 million in Title XX funds that are used in lieu of GF.

CHANGE FROM THE APPROPRIATION:

The increase for CWS Non-Base premises is for a special advertising campaign in Los Angeles County.

REASON FOR YEAR-TO-YEAR CHANGE:

The IV-E Waiver Adjustment reflects three years of the two percent growth and the Non-Base Premises lines have been increased for new premises. The increase in CWS 151 Non-Base Premises reflects new premises. The savings in FC 101 Non-Base Premises and 141 Non-Base Premises increases are a result of updated caseload and grants.

Title IV-E Child Welfare Waiver Demonstration Capped Allocation Project

EXPENDITURES:

(in 000's):

Item 153 Title IV-E Waiver	2008-09 Services/Admin And Grants	2009-10 Services/Admin And Grants
Total	$1,174,339	$ 1,191,889
Federal	472,782	481,417
State	324,905	333,820
County	376,652	376,652
Reimbursements	0	0

Item 153 IV-E Waiver Adjustment	2008-09 Services/Admin And Grants	2009-10 Services/Admin And Grants
Total	$ 38,402	$ 50,891
Federal	30,917	39,552
State	7,485	11,339
County	0	0
Reimbursements	0	0

Title IV-E Child Welfare Waiver Demonstration Capped Allocation Project

EXPENDITURES (CONTINUED):

(IN 000'S):

	2008-09	2009-10
Item 153	Grants	Grants
Foster Care 101 - Base		
Total	$ 505,933	$ 505,933
Federal	177,536	177,536
State	121,805	121,805
County	206,592	206,592
Reimbursements	0	0

	2008-09	2009-10
Item 153	Admin.	Admin.
Foster Care 141 - Base		
Total	$ 38,061	$ 38,061
Federal	19,845	19,845
State	12,432	12,432
County	5,784	5,784
Reimbursements	0	0

	2008-09	2009-10
Item 153	Services/Admin.	Services/Admin.
CWS 151 - Base		
Total	$ 557,438	$ 557,438
Federal	244,484	244,484
State	148,678	148,678
County	164,276	164,276
Reimbursements	0	0

Title IV-E Child Welfare Waiver Demonstration Capped Allocation Project

EXPENDITURES (CONTINUED):

(in 000's):

	2008-09	2009-10
Item 153	Grants	Grants
Foster Care 101 – Non-Base Premises		
Total	$ 6,189	$ 5,943
Federal	0	0
State	6,189	5,943
County	0	0
Reimbursements	0	0

	2008-09	2009-10
Item 153	Admin.	Admin.
Foster Care 141 – Non-Base Premises		
Total	$ 72	$ 55
Federal	0	0
State	72	55
County	0	0
Reimbursements	0	0

Title IV-E Child Welfare Waiver Demonstration Capped Allocation Project

EXPENDITURES (CONTINUED):

(in 000's):

	2008-09	2009-10
Item 153	Admin.	Admin.
CWS 151 – Non-Base Premises		
Total	$ 28,244	$ 33,568
Federal	0	0
State	28,244	33,568
County	0	0
Reimbursements	0	0

Other Departments' TANF MOE Eligible Expenditures Community Colleges – Expansion of Services to TANF Eligibles

DESCRIPTION:

This premise reflects the state maintenance of effort (MOE) expenditures made by the California Community Colleges (CCC) for the purpose of assisting students who are California Work Opportunity and Responsibility to Kids (CalWORKs) program recipients, including those transitioning from CalWORKs, to achieve long-term self-sufficiency through coordinated student services offered at community colleges.

Public Law (P.L.) 104-193, the federal welfare reform legislation, established the Temporary Assistance for Needy Families (TANF) program and a TANF block grant to replace the Aid to Families with Dependent Children (AFDC) program. For Fiscal Year (FY) 2008-09, an adjustment has been made to reflect that California is not expected to meet the federal work participation rate (WPR) for the CalWORKs program in Federal Fiscal Year (FFY) 2007. When the state fails to meet this rate, the MOE level remains at 80 percent. In addition, adjustments are made to the MOE as a result of Tribal TANF. Therefore, with the WPR and Tribal TANF MOE Adjustments, the final MOE level is $2.9 billion in FY 2008-09 and FY 2009-10.

The state may count both local and state expenditures made by California Department of Social Services (CDSS) and other departments on behalf of TANF/CalWORKs eligible families toward the MOE. If these expenditures would have been authorized and allowable under the former AFDC, Job Opportunities and Basic Skills (JOBS), Emergency Assistance, Child Care for AFDC recipients, At-Risk Child Care, or Transitional Child Care programs in FFY 1995, all otherwise countable expenditures may count toward the MOE. However, if such expenditures were not previously authorized and allowable, countable expenditures are limited to the amount by which allowable current year expenditures exceed the total state program expenditures in FFY 1995. State expenditures that are used as a match to draw down other federal funding are generally not countable toward the TANF MOE.

Services provided by CCC include work-study, other educational-related work experience, job placement services, child care services, and coordination with county welfare offices to determine eligibility and availability of services. Current CalWORKs recipients may utilize these services until their educational objectives are met, but for no longer than two years. Based on these expenditure requirements, these funds would meet the federal requirements for counting toward TANF MOE.

IMPLEMENTATION DATE:

This premise implemented July 1, 1997.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Title 45, Code of Federal Regulations, sections 263.2 and 263.4.
- It is assumed the eligible MOE expenditures will be $38.8 million in FY 2008-09 and FY 2009-10.

Other Departments' TANF MOE Eligible Expenditures Community Colleges – Expansion of Services to TANF Eligibles

KEY DATA/ASSUMPTIONS (CONTINUED):

- These funds are required to be expended for educational-related services for CalWORKs program eligible recipients only.

METHODOLOGY:

For FY 2008-09 and FY 2009-10, the estimate reflects the anticipated MOE-eligible expenditures.

FUNDING:

This program is funded with 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

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EXPENDITURES:

(in 000's)

	2008-09 Grant	2009-10 Grant
Total	$38,832	$38,832
Federal	0	0
State	38,832	38,832
County	0	0
Reimbursements	0	0

Other Departments' TANF MOE Eligible Expenditures CDE Child Care Programs

DESCRIPTION:

This premise reflects the state maintenance of effort (MOE) expenditures made by the California Department of Education (CDE) for child care programs that provide services for the California Work Opportunity and Responsibility to Kids (CalWORKs)/Temporary Assistance for Needy Families (TANF) program. This premise also reflects expenditures for those who are income eligible but not participating in CalWORKs/TANF.

Public Law (P.L.) 104-193, the federal welfare reform legislation, established the TANF program and a TANF block grant to replace the Aid to Families with Dependent Children (AFDC) program. For Fiscal Year (FY) 2008-09, an adjustment has been made to reflect that California is not expected to meet the federal work participation rate (WPR) for the CalWORKs program in Federal Fiscal Year (FFY) 2007. When the state fails to meet this rate, the MOE level remains at 80 percent. In addition, adjustments are made to the MOE as a result of Tribal TANF. Therefore, with the WPR and Tribal TANF MOE Adjustments, the final MOE level is $2.9 billion in FY 2008-09 and FY 2009-10.

The state may count both local and state expenditures made by the California Department of Social Services (CDSS) and other departments on behalf of TANF/CalWORKs-eligible families toward the MOE. If these expenditures would have been authorized and allowable under the former AFDC, JOBS, Emergency Assistance, Child Care for AFDC recipients, At-Risk Child Care, or Transitional Child Care programs in FFY 1995, all otherwise countable expenditures may count toward the MOE. However, if such expenditures were not previously authorized and allowable, countable expenditures are limited to the amount by which allowable current year expenditures exceed the total state program expenditures in FFY 1995. State expenditures that are used as a match to draw down other federal funding are generally not countable toward the TANF MOE.

Before the implementation of federal welfare reform, California received federal funding for child care through Title IV-A of the Social Security Act and the Child Care and Development Block Grant (CCDBG). Title IV-A funds were used to provide child care for families on welfare, transitioning off welfare, and those at risk of going on welfare. CCDBG funds were used to provide child care for the working poor. As a part of federal welfare reform under P.L. 104-193, these two federal child care funding streams were merged into the new Child Care and Development Fund (CCDF). In order for states to receive a portion of the CCDF, they are required to spend a level of funding equal to their FFY 1994 nonfederal share of child care expenditures under the old Title IV-A program ($85.6 million in California). Federal regulations allow state expenditures for child care to satisfy both the CCDF MOE and TANF program MOE, provided that these expenditures meet the MOE requirements for both grants. In addition, if a state has additional child care expenditures that have not been used toward meeting the CCDF MOE requirement or to receive federal matching funds, these expenditures may count toward the state's TANF MOE, provided that the benefiting families meet the state's definition for TANF eligibility. All other TANF MOE requirements and limitations, as set forth in federal regulations, must also be met.

Other Departments' TANF MOE Eligible Expenditures CDE Child Care Programs

IMPLEMENTATION DATE:

This premise implemented July 1, 1997.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Title 45, Code of Federal Regulations, sections 263.2 and 263.3.
- Based on estimated General Fund (GF) expenditures for CalWORKs recipients and CalWORKs eligible families in CDE child care programs, it is assumed that eligible MOE expenditures totaling $598.6 million will be counted towards the state's base TANF MOE requirement in FY 2008-09 and FY 2009-10.
- Federal regulations allow state expenditures for child care to satisfy both the CCDF MOE and the TANF MOE, provided that these expenditures meet the MOE requirements for both grants.
- All TANF/CalWORKs-eligible families meet CCDF eligibility requirements and would, therefore, meet both the CCDF and TANF MOE expenditure requirements.
- The total "double-countable" expenditures cannot exceed the MOE level for the CCDF ($85.6 million).

METHODOLOGY:

For FYs 2008-09 and 2009-10, the estimate reflects the anticipated amount of MOE-eligible expenditures to be counted towards the base MOE requirement.

FUNDING:

This program is funded with 100 percent GF.

CHANGE FROM THE APPROPRIATION:

There is no change

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Other Departments' TANF MOE Eligible Expenditures
CDE Child Care Programs

EXPENDITURES:

(in 000's)

	2008-09 Grant	2009-10 Grant
Total	$598,598	$598,598
Federal	0	0
State	598,598	598,598
County	0	0
Reimbursements	0	0

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Other Departments' TANF MOE Eligible Expenditures State Disregard Payment to Families

DESCRIPTION:

This premise reflects the state maintenance of effort (MOE) expenditures made by the Department of Child Support Services (DCSS) for the $50 State Disregard Payment to Families for current recipients of benefits under the California Work Opportunity and Responsibility to Kids (CalWORKs) program.

Public Law (P.L.) 104-193, the federal welfare reform legislation, established the Temporary Assistance for Needy Families (TANF) program and a TANF block grant to replace the Aid to Families with Dependent Children (AFDC) program. For Fiscal Year (FY) 2008-09, an adjustment has been made to reflect that California is not expected to meet the federal work participation rate (WPR) for the CalWORKs program in Federal Fiscal Year (FFY) 2007. When the state fails to meet this rate, the MOE level remains at 80 percent. In addition, adjustments are made to the MOE as a result of Tribal TANF. Therefore, with the WPR and Tribal TANF MOE Adjustments, the final MOE level is $2.9 billion in FY 2008-09 and FY 2009-10.

The state may count both local and state expenditures made by the California Department of Social Services (CDSS) and other departments on behalf of TANF/CalWORKs-eligible families toward the MOE. If these expenditures would have been authorized and allowable under the former AFDC, JOBS, Emergency Assistance, Child Care for AFDC recipients, At-Risk Child Care or Transitional Child Care programs in FFY 1995, then the expenditures may count toward the MOE. However, if such expenditures were not previously authorized and allowable, then countable current year expenditures are limited to the amount by which allowable current year expenditures exceed the total state program expenditures in FFY 1995. State expenditures that are used as a match to draw down other federal funding are generally not countable toward the TANF MOE.

In addition to the CalWORKs grant, custodial parents also receive the first $50 of the current month's child support payment collected from the noncustodial parent. Forwarding the disregard portion of the collection to the family instead of retaining it to reduce the state's cost of the CalWORKs grant results in cost increases (lost collection revenues).

In 1996, the federal government discontinued federal financial participation (FFP) in the disregard payment to the family (P.L. 104-193). With the passage of the federal Deficit Reduction Act (DRA) (P. L. 109-171), FFP has been reinstated as of October 1, 2008. In California, the FFP ratio is 50 percent federal, 50 percent state. In addition, the DRA changed the amount that states may disregard and pass through to families. Effective October 1, 2008, states may disregard up to $100 per month for one child, and up to $200 for families with two or more children, in child support payments collected on behalf of a TANF or foster care family.

This premise reflects the cost for the state to fund 100 percent of the $50 disregard payment to the custodial parent through September 2008 (before the FFP is reinstated), and 50 percent of all future disregard payments.

Other Departments' TANF MOE Eligible Expenditures State Disregard Payment to Families

IMPLEMENTATION DATE:

This program was originally implemented in FY 1984-85.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 11475.3 and Family Code section 17504.
- It is assumed the eligible MOE expenditures claimed by DCSS will be $15.3 million in FY 2008-09 and $12.5 million in FY 2009-10. The estimate is based on projected expenditures from DCSS.
- The child support payment data are based on the counties' monthly CS 35 Reports and the Child Support Services Supplement to the CS 34 Monthly Report of Collections and Distributions.
- Through September 2008, the state will pay the full $50 disregard without any FFP.
- Beginning October 2008, the $50 disregard share of cost will be split 50/50 between the state and the federal government.

METHODOLOGY:

The cost of the disregard is reported monthly on the CS 35 Report. The disregard is paid when the child support collection is distributed.

FUNDING:

For the purpose of counting program expenditures toward the MOE, this program is funded with 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The anticipated expenditures for the Budget Year decreased due to updated information from DCSS and a full year of the change due to the DRA.

Other Departments' TANF MOE Eligible Expenditures State Disregard Payment to Families

EXPENDITURES:

(in 000's)

	2008-09 Grant	2009-10 Grant
Total	$15,272	$12,495
Federal	0	0
State	15,272	12,495
County	0	0
Reimbursements	0	0

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Other Departments' TANF MOE Eligible Expenditures Cal Grants

DESCRIPTION:

This premise reflects the state maintenance of effort (MOE) expenditures associated with Cal Grants, awarded through the California Student Aid Commission (CSAC), to assist students with paying college expenses. The Cal Grants awards are paid with state funded grants for students attending public or private colleges and universities. Due to the passage of the TANF final rule, the state is no longer able to count Cal Grants expenditures toward the TANF MOE. The TANF final rule, effective October 1, 2008, only allows expenditures spent toward meeting TANF Goals Three and Four (preventing and reducing out-of-wedlock pregnancy, and promoting and maintaining two-parent families) as counting toward the MOE requirement if the expenditures are spent on TANF-eligible families, or as defined in the healthy marriage promotion and responsible fatherhood section of the Deficit Reduction Act of 2004.

CSAC is the principal state agency responsible for administering financial aid programs for students attending public and private universities, colleges, and vocational schools in California. The Cal Grants awards have been used to help middle- and low-income students finance their unmet financial needs for college.

There are two components of the Cal Grants awards used for this premise:

Cal Grant A can be used for tuition and fees at public and private colleges as well as some occupational and career colleges.

Cal Grant B provides low-income students with a living allowance and assistance with tuition and fees.

Public Law (P.L.) 104-193, the federal welfare reform legislation, established the TANF program and a TANF block grant to replace the Aid to Families with Dependent Children (AFDC) program. For Fiscal Year (FY) 2008-09, an adjustment has been made to reflect that California is not expected to meet the federal work participation rate (WPR) for the California Work Opportunity and Responsibility to Kids (CalWORKs) program in Federal Fiscal Year (FFY) 2007. When the state fails to meet this rate, the MOE level remains at 80 percent. In addition, adjustments are made to the MOE as a result of Tribal TANF. Therefore, with the WPR and Tribal TANF MOE Adjustments, the final MOE level is $2.9 billion in FY 2008-09 and FY 2009-10.

The state may count both local and state expenditures made by California Department of Social Services (CDSS) and other departments on behalf of TANF/CalWORKs eligible families toward the MOE. If these expenditures would have been authorized and allowable under the former AFDC, Job Opportunities and Basic Skills (JOBS), Emergency Assistance, Child Care for AFDC recipients, At-Risk Child Care, or Transitional Child Care programs in FFY 1995, then the expenditures may count toward the MOE. However, if such expenditures were not previously authorized and allowable, countable expenditures are limited to the amount by which allowable current year expenditures exceed the total state program expenditures in FFY 1995. State expenditures that are used as a match to draw down other federal funding are generally not countable toward the TANF MOE.

Other Departments' TANF MOE Eligible Expenditures Cal Grants

IMPLEMENTATION DATE:

This premise implemented July 1, 2006.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Title 45, Code of Federal Regulations, sections 263.2 and 263.4.
- All Cal Grants expenditures for Cal Grants A and B used for tuition and fees for unmarried students are countable in the same year they are expended. The expenditures for the excess allowance for Cal Grants B recipients are removed from the countable expenditures.

METHODOLOGY:

For FY 2008-09 and FY 2009-10, the estimate reflects that as of October 1, 2008, the state will no longer be able to count Cal Grants toward its MOE requirement.

FUNDING:

This program is funded with 100 percent General Fund (GF).

CHANGE FROM THE APPROPRIATION:

There is no change

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	Grant	Grant
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

Other Departments' TANF MOE Eligible Expenditures After School

DESCRIPTION:

This premise reflects the state maintenance of effort (MOE) associated with expenditures made by the California Department of Education (CDE) for students attending After School programs as made available by the CDE. It is assumed that state expenditures for After School programs are countable toward the Temporary Assistance for Needy Families (TANF) MOE requirement under Purpose Three of TANF.

The After School Education and Safety (ASES) program is the result of the 2002 voter approved initiative, Proposition 49. The ASES program funds the establishment of local after school education and enrichment programs. These programs are created through partnerships between schools and local community resources to provide literacy, academic enrichment, and safe, constructive alternatives for students in kindergarten through ninth grade. Funding is designed to: 1) maintain existing before- and after-school program funding, and 2) provide eligibility to all elementary and middle schools throughout California that submit quality applications.

Public Law (P.L.) 104-193, the federal welfare reform legislation, established the TANF program and a TANF block grant to replace the Aid to Families with Dependent Children (AFDC) program. For Fiscal Year (FY) 2008-09, an adjustment has been made to reflect that California is not expected to meet the federal work participation rate (WPR) for the California Work Opportunity and Responsibility to Kids (CalWORKs) program in Federal Fiscal Year (FFY) 2007. When the state fails to meet this rate, the MOE level remains at 80 percent. In addition, adjustments are made to the MOE as a result of Tribal TANF. Therefore, with the WPR and Tribal TANF MOE Adjustments, the final MOE level is $2.9 billion in FY 2008-09 and FY 2009-10.

The state may count both local and state expenditures made by California Department of Social Services (CDSS) and other departments on behalf of TANF/ CalWORKs eligible families toward the MOE. If these expenditures would have been authorized and allowable under the former AFDC, Job Opportunities and Basic Skills (JOBS), Emergency Assistance, Child Care for AFDC recipients, At-Risk Child Care, or Transitional Child Care programs in FFY 1995, then the expenditures may count toward the MOE. However, if such expenditures were not previously authorized and allowable, countable expenditures are limited to the amount by which allowable Current Year (CY) expenditures exceed the total state program expenditures in FFY 1995. State expenditures that are used as a match to draw down other federal funding are generally not countable toward the TANF MOE.

IMPLEMENTATION DATE:

This premise implemented July 1, 2006.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Title 45, Code of Federal Regulations, sections 263.2 and 263.4.
- All MOE eligible General Fund (GF) expenditures spent on After School programs will be counted towards the MOE requirement in the year it is spent.
- It is assumed the eligible MOE expenditures will be $60.7 million in FY 2008-09 and $38.6 million in FY 2009-10.

Other Departments' TANF MOE Eligible Expenditures After School

METHODOLOGY:

The estimate reflects the anticipated MOE-eligible expenditures for FY 2008-09 and FY 2009-10 that will be counted towards the base TANF MOE requirement.

FUNDING:

This program is funded with 100 percent GF.

CHANGE FROM THE APPROPRIATION:

The change in the CY reflects an updated projection of the amount of expenditures from After School programs that will be counted toward the base MOE requirement.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease in the Budget Year reflects the anticipated amount of $38.6 million to count toward the base MOE.

Expenditures:

(in 000's)

	2008-09 Grant	2009-10 Grant
Total	$60,667	$38,568
Federal	0	0
State	$60,667	38,568
County	0	0
Reimbursements	0	0

Other Departments' TANF MOE Eligible Expenditures Community College Fee Waivers

DESCRIPTION:

This premise reflects the state maintenance of effort (MOE) countable expenditures associated with the California Community College Chancellor's Office (CCCCO) Board of Governor's (BOG) fee waivers program which provides tuition costs to financially needy students attending any of the state's Community Colleges. Due to the passage of the TANF final rule, the state is no longer able to count fee waiver expenditures toward the TANF MOE. The TANF final rule, effective October 1, 2008, only allows expenditures spent toward meeting TANF Goals Three and Four (preventing and reducing out-of-wedlock pregnancy, and promoting and maintaining two-parent families) as counting toward the MOE requirement if the expenditures are spent on TANF-eligible families, or as defined in the healthy marriage promotion and responsible fatherhood section of the Deficit Reduction Act of 2005.

Public Law (P.L.) 104-193, the federal welfare reform legislation, established the TANF program and a TANF block grant to replace the Aid to Families with Dependent Children (AFDC) program. For FY 2008-09, an adjustment has been made to reflect that California is not expected to meet the federal work participation rate (WPR) for the California Work Opportunity and Responsibility to Kids (CalWORKs) program in Federal Fiscal Year (FFY) 2007. When the state fails to meet this rate, the MOE level remains at 80 percent. In addition, adjustments are made to the MOE as a result of Tribal TANF. Therefore, with the WPR and Tribal TANF MOE Adjustments, the final MOE level is $2.9 billion in FY 2008-09 and FY 2009-10.

The state may count both local and state expenditures made by California Department of Social Services (CDSS) and other departments on behalf of TANF/CalWORKs eligible families toward the MOE. If these expenditures would have been authorized and allowable under the former AFDC, Job Opportunities and Basic Skills (JOBS), Emergency Assistance, Child Care for AFDC recipients, At-Risk Child Care, or Transitional Child Care programs in FFY 1995, then the expenditures may count toward the MOE. However, if such expenditures were not previously authorized and allowable, countable expenditures are limited to the amount by which allowable current year expenditures exceed the total state program expenditures in FFY 1995. State expenditures that are used as a match to draw down other federal funding are generally not countable toward the TANF MOE.

IMPLEMENTATION DATE:

This premise implemented July 1, 2007.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Title 45, Code of Federal Regulations, sections 263.2 and 263.4.
- Any eligible General Fund (GF) expenditures identified will be counted towards the MOE requirement in the same year they are spent.

Other Departments' TANF MOE Eligible Expenditure Community College Fee Waivers

METHODOLOGY:

For FY 2008-09 and FY 2009-10 the estimate reflects that as of October 1, 2008, the state will no longer be able to count Fee Waivers toward its MOE requirement.

FUNDING:

This program is funded with 100 percent GF.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	Grant	Grant
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

General Fund Maintenance of Effort Work Participation Rate Adjustment

DESCRIPTION:

This premise reflects adjustments made on the California Department of Social Services' (CDSS) federal reports for prior Federal Fiscal Years (FFYs) that reduce the state's maintenance of effort (MOE) requirement from 80 percent of the base year expenditures to 75 percent. These adjustments are the result of meeting the federal work participation rates (WPR) for the California Work Opportunity and Responsibility to Kids (CalWORKs) program.

CDSS assumes an 80 percent MOE requirement until notified by the federal government that the state has met the federal work participation rates. This typically occurs after the end of the FFY. After notification by the federal government, CDSS files an amended federal report for that past FFY to reflect the lower MOE expenditure level of 75 percent. California is not expected to meet the WPR for FFY 2007; therefore, the state will have to meet the 80 percent MOE requirement in FY 2008-09.

IMPLEMENTATION DATE:

The WPR adjustment is not made until after the federal government has notified the state that it has met the rate for the FFY. This does not occur until after the end of the FFY for which the adjustment is being made.

METHODOLOGY:

California is not expected to meet the WPR in FFY 2007 or FFY 2008; therefore the state will have to meet the 80 percent MOE requirement in FY 2008-09 and FY 2009-10.

FUNDING:

The funding is 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

General Fund Maintenance of Effort Work Participation Rate Adjustment

EXPENDITURES:

(in 000's)

	2008-09 Grant	2009-10 Grant
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

Total TANF Reserve

DESCRIPTION:

This premise reflects the Temporary Assistance for Needy Families (TANF) funds that are held in reserve to meet unanticipated pressures in the California Work Opportunity and Responsibility to Kids (CalWORKs) program. Expenditures as determined by the California Department of Social Services (CDSS) are subject to Legislative notification and approval by the California Health and Human Services Agency and the Department of Finance.

IMPLEMENTATION DATE:

This premise implemented July 1, 2000.

KEY DATA/ASSUMPTIONS:

- The reserve was originally established by the Budget Act of 2000.
- The Total TANF Reserve funds are used to meet unforeseen program needs in the CalWORKs program.

METHODOLOGY:

The reserve has been eliminated to zero due to existing budget pressures.

FUNDING:

This premise is funded with 100 percent federal TANF funds.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

RESERVE:

(in 000's)	2008-09	2009-10
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

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