STATE OF CALIFORNIA—HEALTH AND HUMAN SERVICES AGENCY

DEPARTMENT OF SOCIAL SERVICES
744 P Street • Sacramento, CA 95814 • www.cdss.ca.gov

CDSS

WILL LIGHTBOURNE
DIRECTOR

EDMUND G. BROWN JR.
GOVERNOR

October 16, 2015

ALL COUNTY LETTER (ACL) NO. 15-83

TO: ALL COUNTY WELFARE DIRECTORS
ALL CHIEF PROBATION OFFICERS
ALL CHILD WELFARE SERVICES PROGRAM MANAGERS
ALL COUNTY ELIGIBILITY SUPERVISORS
ALL FOSTER CARE MANAGERS
ALL COUNTY FISCAL OFFICERS
ALL CONSORTIA PROJECT MANAGERS
ALL CONSORTIUM REPRESENTATIVES
CHILD WELFARE SERVICES NEW SYSTEM
ALL COUNTY CALWORKS PROGRAM SPECIALISTS

SUBJECT: APPROVED RELATIVE CAREGIVER (ARC) FUNDING OPTION
PROGRAM PAYMENT PRORATION POLICY AND
METHODOLOGY EXAMPLES AND CLARIFICATION
REGARDING INCOME AND ASSET ELIGIBILITY

REFERENCE: ACL NO. 14-44, DATED JULY 28, 2014;
ACL NO. 14-58, DATED SEPTEMBER 22, 2014;
ACL NO. 15-20, DATED FEBRUARY 13, 2015;
COUNTY FISCAL LETTER (CFL) NO. 14/15-52,
DATED MARCH 20, 2015;
ACL NO. 15-58, DATED JULY 2, 2015;
ACL NO. 15-20E, DATED AUGUST 18, 2015
MANUAL OF POLICIES AND PROCEDURES (MPP)
SECTION 44-315.7

This ACL provides examples of initial month payment proration for both new mid-month ARC cases and California Work Opportunity and Responsibility to Kids (CalWORKs) cases converting to an ARC case mid-month. The main body of the letter describes payment proration methodology, reiterates program rate and level information and retroactivity payment policy, explains the method of attributing CalWORKs amounts to children in cases converting to ARC for proration and retroactivity calculations, and offers important claiming guidance. Attachment I of this ACL provides non-retroactive

payment proration examples, while Attachment II provides retroactive payment proration examples. Following the methodology explained in this letter and these attachments will ensure that overpayments/underpayments are avoided in ARC prorated payment calculations.

Format of Examples and Proration Methodology

Each example consists of five different parts: the type of example, a more detailed scenario upon which the calculations will be based, a graphical formula or set of formulas depicting the calculation of the payments, step-by-step detailed explanations of the calculations and claiming instructions for the payments and, if applicable, certain portions of those payments.

The CalWORKs and ARC/General Fund (GF) portions of prorated ARC payments are calculated separately. The CalWORKs portion is equal to the exempt MAP for an AU of one in the county of jurisdiction (county of residence for existing CalWORKs cases), less any amount of CalWORKs attributable to the child for that month, prorated from the date the ARC case begins. The ARC/GF portion is equal to the Foster Care basic rate, less the exempt MAP for an AU of one in the county of jurisdiction (county of residence for existing CalWORKs cases), prorated from the date the ARC case begins.

For retroactive payments, the amount of ARC/GF due for any month equals the Foster Care basic rate for that month, less any amount of CalWORKs attributable to the child for that month and/or any ARC payment made to the child.

The methodology for computing proration of both the CalWORKs and ARC/GF portions of ARC payments follows the general guidelines established in MPP section 44-315.7, including its guidance on rounding procedures. When dividing dollar amounts to calculate a daily rate/grant amount, any fractional cents should be rounded up or down to the nearest whole cent. Once the daily rate/grant amount has been multiplied by the relevant number of days, the resulting prorated grant amount (either the CalWORKs portion or ARC/GF portion of the ARC payment) attributable or payable to a recipient should be rounded down to the nearest whole dollar. The guideline referenced in MPP 44-315.726 (MPP 44-315.5) regarding prorated grant amounts of less than ten dollars does not apply to ARC proration amounts.

Consideration of Income in Regards to Retroactive, Prorated and Regular ARC Payments

Income does not affect the methodology used to calculate retroactive and prorated ARC payments. As explained in the section below on CalWORKs attribution, the calculations that use full MAP levels to determine the amount of CalWORKs attributable to a child for the purpose of retroactive and prorated payments do not consider any offsets, penalties or other reductions that are applied to the actual grant amount of the existing CalWORKs AU. Instructions for offsetting the final amount of an ARC payment due to income will be issued in a forthcoming ACL.

Rates and Levels Information Used in This Letter

These examples are based on 2014-2015 Foster Care basic rate and CalWORKs Maximum Aid Payment (MAP) level amounts. These MAP levels are described in the attachment labeled "State Law Changes Maximum Aid Payment (MAP) Levels for Cash Aid Recipients" of ACL No. 14-58, while the Foster Care basic rates are described on page two of ACL No. 14-44 in Table B. For the time period used in these examples, an ARC assistance unit (AU) of one includes the newer MAP of $387 for Region 1 and the newer MAP of $369 for Region 2. Please note that when calculating the amount attributed to an ARC child for the months of January, February and March 2015, the previous MAP levels must be used, and for April 2015 and beyond the newer MAP levels should be used. Please see the section below on the attribution of CalWORKs amounts and the attached examples for more information on how to calculate this amount. Counties should also be aware that new Foster Care basic rates were issued in ACL No. 15-58 (page three, Table B) and took effect on July 1, 2015. These updated rates should be used for any calculations of payments for months corresponding to that date and forward.

Retroactivity Option

For a county to make retroactive payments, the county must have begun implementation of the ARC program prior to July 1, 2015, **and** opted in to making retroactive payments no later than September 30, 2015. After receipt of the completed ARC application, retroactive payments may be issued extending back to the date that all ARC eligibility requirements were satisfied or January 1, 2015, whichever is later. These eligibility requirements include the approval of the caregiver's home and determination of the ARC child's federal Foster Care ineligibility. Retroactive payments may be allowed only for applications submitted on or before September 30, 2015. The California Department of Social Services (CDSS) expects counties to issue these retroactive payments in a timely manner after receipt of the competed ARC application. **The final deadline for issuance of ARC retroactive payments is December 31, 2015.** Please refer to ACL No.15-20, ACL No.15-20E and page four of CFL No. 14/15-52 for more information regarding the retroactivity option.

Attribution of CalWORKs Amounts to Children in Existing CalWORKs AUs for the Purposes of Initial Month Proration and Prior Months Retroactivity

For the purpose of simplicity in calculating retroactivity and proration, the amount of CalWORKs attributable to a child in an existing CalWORKs AU will be calculated using full MAP levels in their county of residence. As stated above in the section on consideration of income, this calculation should be done without regard to any offsets, penalties or other reductions to the actual grant amount of the existing CalWORKs AU. While ARC-eligible children are always entitled to an exempt MAP for an AU of one under the ARC program, the calculation of the amount of CalWORKs is attributable to them for proration and retroactivity purposes should use either exempt or non-exempt levels, depending on the CalWORKs AU from which they came. This applies whether

or not the child is remaining with the same caregiver or is changing caregivers as part of the process of applying for the ARC program.

As the attached examples demonstrate, the amount of CalWORKs attributable to a child from the existing CalWORKs case is subtracted from the exempt MAP for an AU of one in the county of residence. The remaining amount is prorated from the date the ARC case began. As stated in the preceding section regarding rates and levels information, for calculation of CalWORKs amounts attributable to a child in January, February and March 2015, the MAP levels that were effective from March 1, 2014, to March 31, 2015, must be used for those months. For April 2015 and beyond, the newer MAP levels effective April 1, 2015, must be used.

CalWORKs AUs of One Converting to ARC AUs

CalWORKs AUs of one converting to ARC AUs should be attributed an amount of CalWORKs equal to the MAP for an AU of one in their county of residence.

Child-only CalWORKs AUs of Two or More Converting to Multiple ARC AUs

The ACL No. 15-20 did not provide definitive guidance regarding which child in an AU consisting of two or more children should be considered the "first child" in the order of calculation and the amount of CalWORKs attributable to that child. To avoid confusion as to what amounts of CalWORKs are attributable to any particular child, CDSS is providing specific instructions, in this subsection and the following subsection, that supersede any stated or implied guidance regarding these topics.

When converting one CalWORKs AU comprised of several children (no needy caregiver) who are determined to be ARC eligible into multiple ARC AUs, the oldest child applying for ARC is considered to be child number one (or the first child) in the original CalWORKs AU and the full MAP amount for an AU of one is attributable to that oldest child.

Each subsequently younger child applying for ARC that is added to the AU count is attributed an amount of CalWORKs equal to the difference in the amounts between: (1) a MAP for an AU of that same count and (2) a MAP for an AU of one less of that count. The amount attributable to the second-oldest child (child number two) equals the MAP for an AU of two less the MAP for AU of one. If another child is added to the CalWORKs AU in the example, the amount for a third-oldest child (child number three) equals the MAP for an AU of three less the MAP for AU of two, and so forth, as shown in the following table:

Example of a Child-Only CalWORKs AU of Two or More Converting to Multiple ARC		
Oldest child/Child #1	**Second-oldest child/Child #2**	**Third-oldest child/Child #3**
MAP for AU of 1 is $387	MAP for AU of 2 is $636	MAP for AU of 3 is $788
(not applicable)	- MAP for AU of 1 is $387	- MAP for AU of 2 is $636
$387 attributed to this child	$249 attributed to this child	$152 attributed to this child

Mixed CalWORKs AUs with ARC-Eligible Children Converting to Multiple ARC AUs

When taking a mixed CalWORKs AU comprised of a needy caregiver, the caregiver's children, and children who are determined to be ARC eligible and converting those ARC-eligible children into multiple ARC AUs, the oldest ARC-eligible child applying for ARC is considered to be ARC child number one (or the first ARC child) in the original CalWORKs AU. The amount of CalWORKs attributable to that first ARC child is equal to a MAP for an AU count including that child, the caregiver, and any of caregiver's children less a MAP for an AU including only the caregiver and their children. An ARC child that was in a non-exempt CalWORKs AU of three (with a needy caregiver and their child) would be attributed an amount of CalWORKs equal to a MAP for an AU of three less a MAP for an AU of two (see table below).

Each subsequently younger ARC-eligible child applying for ARC that is added to the AU count is attributed an amount of CalWORKs equal to the difference in the amounts between: (1) a MAP for an AU of that same count and (2) a MAP for an AU of one less of that count. If another child is added to the CalWORKs AU in this example, the amount attributable to a second-oldest ARC child (ARC child number two) equals the MAP for an AU of four less the MAP for AU of three, the amount for a third-oldest ARC child (ARC child number three) equals the MAP for an AU of five less the MAP for AU of four, and so forth, as shown in the following table:

Example of Mixed CalWORKs AU of a Needy Caregiver, Caregiver's Child and ARC		
Oldest ARC child/ ARC Child #1	**Second-oldest ARC child/ ARC Child #2**	**Third-oldest ARC child/ ARC Child #3**
MAP for AU of 3 is $704	MAP for AU of 4 is $840	MAP for AU of 5 is $954
- MAP for AU of 2 is $569	- MAP for AU of 3 is $704	- MAP for AU of 4 is $840
$135 attributed to this child	$136 attributed to this child	$114 attributed to this child

CalWORKs AUs That Received Prorated CalWORKs Amounts

If a CalWORKs case converting to an ARC case received prorated CalWORKs benefits in a month for which a retroactive or prorated ARC payment is issued, additional consideration must be applied to the amount of CalWORKs attributed to the ARC child.

If the CalWORKs case is an AU of one, no additional CalWORKs portion is due.
- For a prorated ARC payment, the ARC/GF portion (the Foster Care basic rate less the exempt MAP of one) is prorated from the date the ARC case began.
- For retroactive ARC payments, the amount of ARC/GF due for any month equals the difference between the Foster Care basic rate and the prorated CalWORKs amount issued to the CalWORKs case.

If the CalWORKs case is an AU of two or more, the amount attributable to the child equals the difference between full MAP levels including and excluding that child, prorated from the date the CalWORKs case began.
- To calculate the remaining CalWORKs portion for a prorated ARC payment, the prorated difference between MAP levels is subtracted from the exempt MAP for an AU of one, with the remaining amount prorated from the date the ARC case began. The ARC/GF portion (the Foster Care basic rate less the exempt MAP of one) is also prorated from the date the ARC case began.
- To calculate the ARC/GF due for a retroactive ARC payment, the prorated difference between MAP levels is subtracted from the Foster Care basic rate for that month.

Claiming Guidance

For new ARC cases and for CalWORKs cases being converted to ARC cases, prorated payments will be claimed under one of the five ARC aid codes described on page 14 of ACL No. 15-20 and pages three through four of CFL No. 14/15-52, depending on their eligibility/ineligibility for federal and/or state CalWORKs and their age group (child or non-minor dependent [NMD]). These codes are:

- 2S - ARC Funding Option + federal CalWORKs
- 2T - ARC Funding Option + state CalWORKs
- 2U - ARC Funding Option + state CalWORKs (for Non-Minor Dependents)
- 2P - ARC Funding only (state General Fund)
- 2R - ARC Funding only (state General Fund [Non-Minor Dependents])

Please note that payments for retroactive months should be claimed under aid codes 2P – ARC Funding only or 2R – ARC Funding only NMD, regardless of a case's eligibility for federal or state CalWORKs. Instructions were provided in CFL No. 14/15-52 that provided guidance to counties to claim retroactive payments on Line 2 – Current Month Supplemental Payroll. However, upon further consideration of the guidance found in MPP section 25-740.5, CDSS has determined that claiming retroactive payments on Line 4 - Prior Month Supplemental Payroll is a more accurate option. Effective the date of this letter, County Welfare Departments (CWDs) are instructed to claim retroactive ARC payments on Line 4 – Prior Month Supplemental Payroll.

Prorated and regular ARC payments should be claimed under the appropriate aid code noted above according to the case's eligibility. Although prorated and

**regular ARC payments have been claimed on both Line 1 – Main Payroll and
Line 2 – Current Month Supplemental Payroll in the past, CDSS has determined
that claiming regular ARC payments on Line 1 – Main Payroll and prorated ARC
payments on Line 2 – Current Month Supplemental Payroll is the most accurate
option. Effective the date of this letter, CWDs are instructed to claim accordingly.
For full months of cash assistance payments as well as for cases associated with
a prorated payment, please enter AU counts on Line 13 – Assistance Units.**

Clarification Regarding Income and Asset Eligibility

The ACL No. 15-20 states: "Eligibility for the CalWORKs portion of the ARC payment is
based on the child's income and property resources. Income eligibility is determined by
applying the AFDC-FC income requirements. Up to $10,000 in property may be
retained." CDSS has now determined and is clarifying via this ACL that in the ARC
program the $10,000 limit applies to both income and resources. That is, when
determining eligibility for the CalWORKs portion of the ARC payment, the child's
combined income and resources must total no more than $10,000 in any given month
when reported at annual redetermination or as determined by the social worker in their
monthly visit. If the child has income and resources above $10,000 it does not make
him/her ineligible for ARC, however this will be coded as an ARC-only case paid solely
from state general funds.

If a county requires technical assistance in calculating a prorated and/or retroactive
ARC payment, please notify CDSS in writing via an email with the subject line noting
"ARC Initial Month Proration/Retroactivity" to the ARC mailbox at ARCFO@dss.ca.gov.

Sincerely,

Original Document Signed By: *Original Document Signed By:*

GREGORY E. ROSE   TODD R. BLAND
Deputy Director   Deputy Director
Children and Family Services Division   Welfare to Work Division

Attachments

Approved Relative Caregiver (ARC) Funding Option Program
Proration Calculation Scenarios and Examples

Non-Retroactive Proration Payment Examples

Example #1

Type of ARC case for Example #1:
Creation of New ARC AU with No Current CalWORKs Case Associated with the ARC Child

Scenario for Example #1:
On June 13, 2015, a 10 year-old currently meets all eligibility requirements, including an approved home placement, for a new ARC Program case under aid code 2S. Having no current CalWORKs case, both the CalWORKs and ARC portion of the child's payment must be prorated and paid. The county of jurisdiction for the ARC Program in this case is Region 2. The case is eligible for ARC for 18 days during the month of June.

Formulas for Example #1:

CalWORKs Portion (Steps A – C)	ARC/GF Portion (Steps D – G)
$369 – exempt MAP for AU of 1, Region 2 ÷ 30 – number of days in June $12.30 – daily rate x 18 – number of days eligible for ARC $221.40 – prorated amount before rounding	$764 – Foster Care basic rate (age 10) - $369 – exempt MAP for AU of 1, Region 2 $395 – amount of ARC/GF due for month ÷ 30 – number of days in June $13.17 – daily rate x 18 – number of days eligible for ARC $237.06 – prorated amount before rounding
$221 – prorated amount after rounding	$237 – prorated amount after rounding

Total Prorated Amount (Step H)
$221 – prorated CalWORKs amount   + $237 – prorated ARC/GF amount   **$458** – total amount due to the case

Steps for Calculation of Example #1:
To calculate the prorated ARC payment due to this case:

A. The county should take the CalWORKs MAP level for an AU of one ($369 in Region 2) and divide it by 30 (number of days in the month of June), which results in the amount of $12.30 per day.
B. This daily amount ($12.30) should be multiplied by 18 (number of days eligible for the month of June), which results in the prorated amount of $221.40.
C. This amount is rounded down to the nearest dollar ($221). **This is the CalWORKs portion of the prorated payment.**

D. The county should then identify the ARC/GF amount by taking the CalWORKs MAP level for an AU of 1 ($369) and subtracting it from the Foster Care basic rate under ARC ($764), generating the ARC/GF amount due to the case for an entire month ($395).

E. This amount ($395) should be divided by 30 (number of days in the month of June), which results in the amount of $13.17 per day.

F. This daily amount ($13.17) should then be multiplied by 18 (number of days eligible for the month of June), which results in the prorated amount of $237.06 for the month of June.

G. This amount is rounded down to the nearest dollar ($237). **This is the ARC/GF portion of the prorated payment.**

H. The CalWORKs portion ($221) and the ARC/GF portion ($237) are added together and the total amount ($458) is issued to the ARC case.

Claiming for Example #1:
The entire payment amount ($458) should be entered on the ARC claim in the Current Month Supplemental Payroll line (Line 2) under aid code 2S. The CalWORKs portion of the payment ($221 from Step C) should be entered on Line 14 - CalWORKs Portion under aid code 2S.

Example #2

Type of ARC case for Example #2:
CalWORKs AU of One Converting into ARC AU, County of Jurisdiction and County of Residence Are the Same

Scenario for Example #2:
On June 13, 2015, a 10 year-old currently in the CalWORKs Program meets all eligibility requirements, including an approved home placement, for a new ARC Program case under aid code 2S. The child has already received a full month of CalWORKs Program payment for June under aid code 3R. The county of jurisdiction for the ARC Program (in this case, Region 2) is the same as the county of residence for the CalWORKs Program, so there is no difference in the CalWORKs MAP levels. The case is eligible for ARC for 18 days during the month of June.

Formula for Example #2:

CalWORKs Portion	ARC/GF Portion (Steps A – D)
The CalWORKs portion has already been paid.	$764 – Foster Care basic rate (age 10) - $369 – exempt MAP for AU of 1, Region 2 $395 – amount of ARC/GF due for month ÷ 30 – number of days in June $13.17 – daily rate x 18 – number of days eligible for ARC $237.06 – prorated amount before rounding $237 – prorated amount after rounding
Total Prorated Amount	
$0 – prorated CalWORKs amount + $237 – prorated ARC/GF amount **$237** – total amount due to the case	

Steps for Calculation of Example #2:
To calculate the prorated ARC payment due to this case:

A. The county should take the CalWORKs MAP level for an AU of one ($369 in Region 2) and subtract it from the Foster Care basic rate under ARC ($764), generating the ARC/GF amount due to the case for an entire month ($395).
B. This amount ($395) should be divided by 30 (number of days in the month of June), which results in the amount of $13.17 per day.

C. This daily amount ($13.17) should then be multiplied by 18 (number of days eligible for the month of June), which results in the prorated amount of $237.06 for the month of June.

D. This amount is rounded down to the nearest dollar ($237) and issued to the ARC case.

Claiming for Example #2:

The entire payment amount ($237) should be entered on the ARC claim in the Current Month Supplemental Payroll line (Line 2) under aid code 2S. In this example, the full amount of CalWORKs for the month has already been paid ($369) via aid code 3R so no amount should be entered on Line 14 - CalWORKs Portion.

Example #3

Type of ARC case for Example #3:
CalWORKs AU of One Converting into ARC AU, County of Jurisdiction and County of Residence Are Different Regions

Scenario for Example #3:
On June 13, 2015, a 10 year-old currently in the CalWORKs Program meets all eligibility requirements, including an approved home placement, for a new ARC Program case under aid code 2S. The child has already received a full month of CalWORKs Program payment for June under aid code 3R. However, the county of jurisdiction for the ARC Program (in this case, Region 2) is different from the county of residence for the CalWORKs Program (Region 1), so there is a difference in the CalWORKs MAP levels. The county of jurisdiction, which is issuing the payment, must take into account the amount of MAP paid by the county of residence and use it (and not the MAP for the county of jurisdiction) in their calculation of how much prorated ARC/GF is due for the initial month. The case is eligible for ARC for 18 days during the month of June.

Formula for Example #3:

CalWORKs Portion	ARC/GF Portion (Steps A – D)
The CalWORKs portion has already been paid.	$764 – Foster Care basic rate (age 10)
	- $387 – exempt MAP for AU of 1, Region 1
	$377 – amount of ARC/GF due for month
	÷ 30 – number of days in June
	$12.57 – daily rate
	x 18 – number of days eligible for ARC
	$226.26 – prorated amount before rounding
	$226 – prorated amount after rounding
Total Prorated Amount	
$0 – prorated CalWORKs amount + $226 – prorated ARC/GF amount **$226** – total amount due to the case	

Steps for Calculation of Example #3:
To calculate the prorated ARC payment due to this case:

A. The county of jurisdiction should take the CalWORKs MAP level for an AU of one based on the county of residence ($387 in Region 1) and subtract it from the Foster

Care basic rate under ARC ($764), generating the ARC/GF amount due to the case for an entire month ($377).

B. This amount ($377) should be divided by 30 (number of days in the month of June), which results in the amount of $12.57 per day.

C. This daily amount ($12.57) should then be multiplied by 18 (number of days eligible for the month of June), which results in the prorated amount of $226.26 for the month of June.

D. This amount is rounded down to the nearest dollar ($226) and issued to the ARC case.

Claiming for Example #3:

The entire payment amount ($226) should be entered on the ARC claim in the Current Month Supplemental Payroll line (Line 2) under aid code 2S. In this example, the full amount of CalWORKs for the month has already been paid ($387) via aid code 3R so no amount should be entered on Line 14 - CalWORKs Portion.

Example #4

Type of ARC case for Example #4:
CalWORKs AU of Two (Children/Youth) Converting into Two ARC AUs of One, County of Jurisdiction and County of Residence Are the Same

Scenario for Example #4:
On June 13, 2015, an 11 year-old and a 10 year-old currently in a CalWORKs Program AU of two meet all eligibility requirements, including an approved home placement, for two new ARC Program cases, both under aid code 2S. They have already received a full month of CalWORKs Program payment for June for a MAP of two under aid code 3R ($636), but the amount of CalWORKs attributable to each child must be determined. Their county of jurisdiction for the ARC Program (in this case, Region 1) is the same as their county of residence for the CalWORKs Program, so there is no difference in the CalWORKs MAP level between the two programs' aid payments. These cases are eligible for ARC for 18 days during the month of June.

Formulas for Example #4:

First/Older Child for Example #4:

CalWORKs Portion (Step A)	ARC/GF Portion (Steps B – E)
The CalWORKs portion has already been paid. ($387 out of the $636 that was received through the MAP for an AU of 2)	$764 – Foster Care basic rate (age 11) - $387 – exempt MAP for AU of 1, Region 1 $377 – amount of ARC/GF due for month ÷ 30 – number of days in June $12.57 – daily rate x 18 – number of days eligible for ARC $226.26 – prorated amount before rounding $226 – prorated amount after rounding
Total Prorated Amount	
$0 – prorated CalWORKs amount + $226 – prorated ARC/GF amount **$226** – total amount due to the case	

Formulas for Example #4 continued:

Second/Younger Child for Example #4:

CalWORKs Portion (Step F – I)	ARC/GF Portion (Steps J – M)
$636 – exempt MAP for AU of 2, Region 1 - $387 – exempt MAP for AU of 1, Region 1 $249 – amount of CalWORKs attributable $387 – exempt MAP for AU of 1, Region 1 - $249 – amount of CalWORKs attributable $138 – amount of CalWORKs due for month ÷ 30 – number of days in June $4.60 – daily rate x 18 – number of days eligible for ARC $82.80 – prorated amount before rounding $82 – prorated amount after rounding	$764 – Foster Care basic rate (age 10) - $387 – exempt MAP for AU of 1, Region 1 $377 – amount of ARC/GF due for month ÷ 30 – number of days in June $12.57 – daily rate x 18 – number of days eligible for ARC $226.26 – prorated amount before rounding $226 – prorated amount after rounding
Total Prorated Amount (Step N)	
$82 – prorated CalWORKs amount + $226 – prorated ARC/GF amount **$308** – total amount due to the case	

Steps for Calculation of Example #4:

To calculate the prorated ARC payment due to these cases:

A. The county should identify the amount of CalWORKs cash aid attributable to each ARC-eligible child for the month of June under aid code 3R. This is done by taking the MAP for an AU of two in Region 1 ($636) and subtracting the MAP for an AU of one in Region 1 ($387, or the amount attributable to the first/older ARC-eligible child) to identify amount attributable to the second/younger ARC-eligible child ($249).

B. **For child number one (or first/older child),** the county will subtract the MAP level attributable to the child ($387) from the Foster Care basic rate under ARC ($764), generating the ARC/GF amount due to the first/older child's case for an entire month ($377).

C. This amount ($377) should be divided by 30 (number of days in the month of June), which results in the amount of $12.57 per day.

D. This daily amount ($12.57) should then be multiplied by 18 (number of days eligible for the month of June), which results in the prorated amount of $226.26 for the month of June.

E. This amount is rounded down to the nearest dollar ($226) and issued to the first/older child's ARC case.

F. **For child number two (or second/younger child)**, the county will subtract the amount of CalWORKs attributable to the second/younger child ($249) from the MAP

for an AU of one for Region 1 ($387) to obtain the remaining CalWORKs portion due to the second/younger child's ARC case for an entire month ($138).

G. This amount ($138) should be divided by 30 (number of days in the month of June), which results in the amount of $4.60 per day.

H. This daily amount ($4.60) should then be multiplied by 18 (number of days eligible for the month of June), which results in the prorated amount of $82.80 for the month of June.

I. This amount is rounded down to the nearest dollar ($82). **This is the CalWORKs portion of the prorated payment for the second/younger child.**

J. The county should then calculate the ARC/GF portion of the younger/second child's prorated payment by taking the Foster Care basic rate under ARC ($764) and subtracting the MAP for an AU of 1 ($387), generating the ARC/GF amount due to the second/younger child's case for an entire month ($377).

K. This amount ($377) should be divided by 30 (number of days in the month of June), which results in the amount of $12.57 per day.

L. This daily amount ($12.57) should then be multiplied by 18 (number of days eligible for the month of June), which results in the prorated amount of $226.26 for the month of June.

M. This amount is rounded down to the nearest dollar ($226). **This is the ARC/GF portion of the prorated payment for the second/younger child.**

N. The CalWORKs portion ($82) and the ARC/GF portion ($226) are added together and the total amount ($308) is issued to the second/younger child's ARC case.

Claiming for Example #4:

First/older child: The entire payment amount ($226 from Step E) should be entered on the ARC claim in the Current Month Supplemental Payroll line (Line 2) under aid code 2S. In the case of the first/older child, the full amount of CalWORKs for the month has already been paid ($387) via aid code 3R so no amount should be entered on Line 14 - CalWORKs Portion.

Second/younger child: The entire payment amount ($308) should be entered on the ARC claim in the Current Month Supplemental Payroll line (Line 2) under aid code 2S, while the CalWORKs portion of the payment ($82 from Step I) should be entered on Line 14 - CalWORKs Portion under aid code 2S.

Example #5

Type of ARC case for Example #5:
CalWORKs AU of Three (with a Needy Caregiver) Converting into ARC AU of 1, County of Jurisdiction and County of Residence Are the Same

Scenario for Example #5:
A 10 year-old who is currently living in a CalWORKs AU with two other CalWORKs recipients (non-exempt MAP for an AU of three, Region 1, under aid code 30) has an ARC application submitted on their behalf. On June 13, 2015, the 10 year-old meets all eligibility requirements, including an approved home placement, for a new ARC Program case under aid code 2S. The county of jurisdiction for the ARC Program is also the child's county of residence (Region 1). The CalWORKs AU of three has received a full month payment for June under aid code 30, but the CalWORKs amount attributable to the ARC-eligible child must be determined. The case is eligible for ARC Program payment for 18 days during the month of June under aid code 2S.

Formula for Example #5:

CalWORKs Portion (Step A – E)	ARC/GF Portion (Steps F – I)
$704 – non-exempt MAP, AU of 3, Region 1 - $569 – non-exempt MAP, AU of 2, Region 1 $135 – amount of CalWORKs attributable $387 – exempt MAP for AU of 1, Region 1 - $135 – amount of CalWORKs attributable $252 – amount of CalWORKs due for month ÷ 30 – number of days in June $8.40 – daily rate x 18 – number of days eligible for ARC $151.20 – prorated amount before rounding $151 – prorated amount after rounding	$764 – Foster Care basic rate (age 10) - $387 – exempt MAP for AU of 1, Region 1 $377 – amount of ARC/GF due for month ÷ 30 – number of days in June $12.57 – daily rate x 18 – number of days eligible for ARC $226.26 – prorated amount before rounding $226 – prorated amount after rounding
Total Prorated Amount (Step J) $151 – prorated CalWORKs amount + $226 – prorated ARC/GF amount **$377** – total amount due to the case	

Steps for Calculation of Example #5:
To calculate the prorated ARC payment due to this case:

A. The county should identify the amount of CalWORKs cash aid attributable to the ARC-eligible child for the month of June under aid code 30. This is done by taking the non-exempt MAP for an AU of three in Region 1 ($704) and subtracting the

non-exempt MAP for an AU of two in Region 1 ($569) to identify amount attributable to ARC-eligible child ($135).

B. This amount ($135) should be subtracted from the exempt MAP for an AU of one for Region 1 ($387) to obtain the remaining CalWORKs portion due to the ARC case for an entire month ($252).

C. This amount ($252) should be divided by 30 (number of days in the month of June), which results in the amount of $8.40 per day.

D. This daily amount ($8.40) should then be multiplied by 18 (number of days eligible for the month of June), which results in the prorated amount of $151.20 for the month of June.

E. This amount is rounded down to the nearest dollar ($151). **This is the CalWORKs portion of the prorated payment.**

F. The county should then calculate the ARC/GF portion of the prorated payment by taking the Foster Care basic rate under ARC ($764) and subtracting the MAP for an AU of 1 ($387), generating the ARC/GF amount due to the case for an entire month ($377).

G. This amount ($377) should be divided by 30 (number of days in the month of June), which results in the amount of $12.57 per day.

H. This daily amount ($12.57) should then be multiplied by 18 (number of days eligible for the month of June), which results in the prorated amount of $226.26 for the month of June.

I. This amount is rounded down to the nearest dollar ($226). **This is the ARC/GF portion of the prorated payment.**

J. The CalWORKs portion ($151) and the ARC/GF portion ($226) are added together and the total amount ($377) is issued to the ARC case.

Claiming for Example #5:
The entire payment amount ($377) should be claimed on the ARC claim in the Current Month Supplemental Payroll line (Line 2) under aid code 2S, while the CalWORKs portion of the payment ($151 from Step E) should be entered on Line 14 - CalWORKs Portion under aid code 2S.

**Approved Relative Caregiver (ARC) Funding Option Program
Proration Calculation Scenarios and Examples**

Retroactive Proration Payment Examples

Example #1

Type of ARC case for Example #1:
Creation of New ARC AU with No Current CalWORKs Case Associated with the ARC Child; Case Is Eligible for Retroactivity Back to January 1, 2015

Scenario for Example #1:
On December 15, 2014, a 10 year-old met all eligibility requirements, including an approved home placement, for the ARC Program. An ARC application on behalf of this child was completed and received by the CWD on June 13, 2015. Having no current CalWORKs case, both the CalWORKs and ARC portion of the initial month's payment (June) must be prorated between retroactive and non-retroactive portions. The case is eligible for prorated retroactive ARC for the first 12 days of the initial month and prorated regular ARC under aid code 2S for the final 18 days of the initial month. The county of jurisdiction for the ARC Program in this case is Region 2.

Formulas for Example #1:

Formula for June Proration Payment:

June Proration of CalWORKs Portion (Steps A – C)	June Proration of ARC/GF Portion (Steps D – G)
$369 – exempt MAP for AU of 1, Region 2	$764 – Foster Care basic rate (age 10)
÷ 30 – number of days in June	- $369 – exempt MAP for AU of 1, Region 2
$12.30 – daily rate	$395 – amount of ARC/GF due for month
x 18 – number of days eligible for ARC	÷ 30 – number of days in June
$221.40 – prorated amount before rounding	$13.17 – daily rate
	x 18 – number of days eligible for ARC
	$237.06 – prorated amount before rounding
$221 – prorated amount after rounding	$237 – prorated amount after rounding

Total Prorated Amount for June (Step H)
$221 – prorated CalWORKs amount
+ $237 – prorated ARC/GF amount
$458 – total amount due to the case

Formula for Retroactive Payment:

Retroactive for June (Step I)	Retroactive for Prior Months (Step J)
$764 – Foster Care Basic Rate (age 10) - $458 – total prorated amount due to case $306 – retroactive amount for June	$764 – Foster Care basic rate (age 10) x 5 – number of months retroactive $3,820 – retroactive amount for prior months
Total Retroactive Amount (Step K) $306 – retroactive amount for June + $3,820 – retroactive amount for prior months **$4,126** – total amount due to the case	

Steps for Calculation of Example #1:

Proration Calculation for Initial Month (June): To calculate the prorated regular ARC payment due to this case:

A. The county should take the CalWORKs MAP level for an AU of one ($369 in Region 2) and divide it by 30 (number of days in the month of June), which results in the amount of $12.30 per day.

B. This daily amount ($12.30) should be multiplied by 18 (number of days of prorated regular ARC payments for the month of June), which results in the prorated amount of $221.40.

C. This amount is rounded down to the nearest dollar ($221). **This is the CalWORKs portion of the prorated regular ARC payment.**

D. The county should then identify the prorated ARC/GF amount by taking the CalWORKs MAP level for an AU of 1 ($369) and subtracting it from the Foster Care basic rate under ARC ($764), generating the ARC/GF amount due to the case for an entire month ($395).

E. This amount ($395) should be divided by 30 (number of days in the month of June), which results in the amount of $13.17 per day.

F. This daily amount ($13.17) should then be multiplied by 18 number of days of prorated regular ARC payments for the month of June), which results in the prorated amount of $237.06 for the month of June.

G. This amount is rounded down to the nearest dollar ($237). **This is the ARC/GF portion of the prorated regular ARC payment.**

H. The CalWORKs portion ($221) and the ARC/GF portion ($237) are added together resulting in a total amount of $458. **This is the total prorated regular ARC payment due to the case in June.**

<u>Retroactive Calculation for Current and Prior Months:</u> To calculate the prorated
retroactive ARC amount for June and prior months' retroactive ARC due to this case:

I. The county will then subtract the total prorated regular ARC payment amount ($458)
    from the Foster Care basic rate under ARC ($764), to generate the amount of
    prorated retroactive ARC due to the case for the initial month of June ($306). **This
    is the total prorated retroactive payment amount for June.**

J. Because no CalWORKS funds were received during prior months, the payment will
    equal the number of prior months (five–January through May) multiplied by the
    Foster Care basic rate under ARC ($764), which results in an amount of $3,820 in
    retroactive ARC payments for those months. **This is the total retroactive payment
    amount for prior months.**

K. The county will add the total prorated retroactive payment amount for June ($306)
    and the total retroactive payment amounts from prior months ($3,820) together,
    which results in $4,126. **This is the total retroactive ARC payment amount due
    to the case.**

Claiming for Example #1:
The total prorated regular ARC payment amount from Step H ($458) should be entered
on the ARC claim in the Current Month Supplemental Payroll line (Line 2) under aid
code 2S. The total retroactive ARC payment amount from Step K ($4,126) should be
entered on the ARC claim in the Prior Month Supplemental Payroll line (Line 4) under
aid code 2P. The CalWORKs portion of the prorated regular ARC payment ($221 from
Step C) should be entered on Line 14 - CalWORKs Portion under aid code 2S.

Example #2

Type of ARC case for Example #2:
CalWORKs AU of One Converting into ARC AU, County of Jurisdiction and County of Residence Are the Same; Case Is Eligible for Retroactivity Back to January 1, 2015

Scenario for Example #2:
On December 15, 2014, a 10 year-old met all eligibility requirements, including an approved home placement, for the ARC Program. At that time, the child began receiving CalWORKs under aid code 3R. An ARC application on behalf of this child was completed and received by the CWD on June 13, 2015. The child has already received a full month of CalWORKs Program payment ($369, or the MAP for an AU of one in Region 2) for June under aid code 3R. The case is eligible for prorated retroactive ARC for the first 12 days of the initial month and prorated regular ARC (GF only portion, because full CalWORKs has been paid) for the final 18 days of the initial month. The county of jurisdiction for the ARC Program (in this case, Region 2) is the same as the county of residence for the CalWORKs Program, so there is no difference in the CalWORKs MAP levels.

Formulas for Example #2:

Formula for June Proration Payment:

June Proration of CalWORKs Portion	June Proration of ARC/GF Portion (Steps A – D)
The CalWORKs portion has already been paid.	$764 – Foster Care basic rate (age 10) - $369 – exempt MAP for AU of 1, Region 2 $395 – amount of ARC/GF due for month ÷ 30 – number of days in June $13.17 – daily rate x 18 – number of days eligible for ARC $237.06 – prorated amount before rounding $237 – prorated amount after rounding
Total Prorated Amount for June	
$0 – prorated CalWORKs amount + $237 – prorated ARC/GF amount **$237** – total amount due to the case	

Formula for Retroactive Payment:

Retroactive for June (Step E)	Retroactive for Prior Months (Steps F – H)
$395 – amount of ARC/GF due for month - $237 – total prorated amount due to case $158 – retroactive amount due for June	$395 – amount of ARC/GF due each month x 2 – months of April & May $790 – retroactive due for April & May $764 – Foster Care basic rate (age 10) - $351 – old exempt MAP, AU of 1, Region 2 $413 – old amount of ARC/GF due monthly x 3 – months of January, February & March $1,239 – retro for January, February & March

Total Retroactive Amount for June (Step I)
$158 – retroactive amount for June + $790 – retroactive amount for April & May + $1,239 – retroactive amount for January, February & March **$2,187** – total retroactive amount due to the case

Steps for Calculation of Example #2:

Proration Calculation for Initial Month (June): To calculate the prorated regular ARC payment due to this case:

A. The county should take the CalWORKs MAP level for an AU of one ($369 in Region 2) and subtract it from the Foster Care basic rate under ARC ($764), generating the ARC/GF amount due to the case for an entire month ($395).
B. This amount ($395) should be divided by 30 (number of days in the month of June), which results in the amount of $13.17 per day.
C. This daily amount ($13.17) should then be multiplied by 18 (number of days of prorated regular ARC payments for the month of June), which results in the prorated amount of $237.06 for the month of June.
D. This amount is rounded down to the nearest dollar ($237). **This is the total prorated regular ARC payment amount (GF only) due to the case in June.**

Retroactive Calculation for Current and Prior Months: To calculate the prorated retroactive ARC amount for June and prior months' retroactive ARC due to this case:

E. The county should then subtract the total prorated regular ARC payment ($237) from the total ARC/GF due to the case an entire month ($395 from Step A), to generate the amount of prorated retroactive ARC due to the case for the initial month of June ($158). **This is the total prorated retroactive payment amount for June.**

F. The retroactive ARC payment from April and May 2015 will equal the number of prior months (two) multiplied by the total ARC/GF due to the case for an entire month ($395 from Step A) under the newer MAP levels effective April 1, 2015, which results in an amount of $790 in retroactive ARC payments for those months. **This is the total retroactive payment amount for April and May.**

G. To calculate the retroactive ARC payment for the months of January, February and March 2015, the county must subtract the older exempt MAP for an AU of one taken from rates prior to April 1, 2015 ($351 in Region 2) from the Foster Care basic rate ($764), which generates an amount of $413 in ARC/GF due each month during those months.

H. The county will then multiply that amount ($413) by the number of prior months (three–January, February and March), which results in an amount of $1,239 in retroactive ARC payments for those months. **This is the total retroactive payment amount for January, February and March.**

I. The county will add the total prorated retroactive payment amount for June ($158) and the total retroactive payment amounts from April and May ($790) and from January, February and March ($1,239) together, which results in the amount of $2,187. **This is the total retroactive ARC payment amount due to the case.**

Claiming for Example #2:
The total prorated regular ARC payment amount from Step D ($237) should be entered on the ARC claim in the Current Month Supplemental Payroll line (Line 2) under aid code 2S. The total retroactive ARC payment amount from Step I ($2,187) should be entered on the ARC claim in the Prior Month Supplemental Payroll line (Line 4) under aid code 2P. In this example, the full amount of CalWORKs for the initial month has already been paid ($369) via aid code 3R so no amount should be entered on Line 14 - CalWORKs Portion.

Example #3

Type of ARC case for Example #3:
CalWORKs AU of One Converting into ARC AU, County of Jurisdiction and County of Residence Are Different Regions, Case Is Eligible for Retroactivity Back to January 1, 2015

Scenario for Example #3:
On December 15, 2014, a 10 year-old met all eligibility requirements, including an approved home placement, for the ARC Program. At that time, the child began receiving CalWORKs under aid code 3R. An ARC application on behalf of this child was completed and received by the CWD on June 13, 2015. The child has already received a full month of CalWORKs Program payment ($387, or the MAP for an AU of one in Region 1) for June under aid code 3R. The case is eligible for prorated retroactive ARC for the first 12 days of the initial month and prorated regular ARC (GF only portion, because full CalWORKs has been paid) for the final 18 days of the initial month. However, the county of jurisdiction for the ARC Program (in this case, Region 2) is different from the county of residence for the CalWORKs Program (Region 1), so there is a difference in the CalWORKs MAP levels. The county of jurisdiction, which is issuing the payment, must take into account the amount of MAP paid by the county of residence and use it (and not the MAP for the county of jurisdiction) in the calculation of how much prorated ARC/GF is due for the initial month.

Formulas for Example #3:

Formula for June Proration Payment:

June Proration of CalWORKs Portion	June Proration of ARC/GF Portion (Steps A – D)
The CalWORKs portion has already been paid.	$764 – Foster Care basic rate (age 10) - $387 – exempt MAP for AU of 1, Region 1 $377 – amount of ARC/GF due for month ÷ 30 – number of days in June $12.57 – daily rate x 18 – number of days eligible for ARC $226.26 – prorated amount before rounding $226 – prorated amount after rounding
Total Prorated Amount	
$0 – prorated CalWORKs amount + $226 – prorated ARC/GF amount **$226** – total amount due to the case	

Formula for Retroactive Payment:

Retroactive for June (Step E)	Retroactive for Prior Months (Steps F – H)
$377 – amount of ARC/GF due for month - $226 – total prorated amount due to case $151 – retroactive amount due for June	$377 – amount of ARC/GF due each month x 2 – months of April & May $754 – retroactive due for April & May $764 – Foster Care basic rate (age 10) - $369 – old exempt MAP, AU of 1, Region 1 $395 – old amount of ARC/GF due monthly x 3 – months of January, February & March $1,185 – retro for January, February & March

Total Retroactive Amount for June (Step I)

$151 – retroactive amount for June
+ $754 – retroactive amount for April & May
+ $1,185 – retroactive amount for January, February & March
$2,090 – total retroactive amount due to the case

Steps for Calculation of Example #3:

Proration Calculation for Initial Month (June): To calculate the prorated regular ARC payment due to this case:

A. The county of jurisdiction should take the CalWORKs MAP level for an AU of one in the county of residence ($387 in Region 1) and subtract it from the Foster Care basic rate under ARC ($764), generating the ARC/GF amount due to the case for an entire month ($377).
B. This amount ($377) should be divided by 30 (number of days in the month of June), which results in the amount of $12.57 per day.
C. This daily amount ($12.57) should then be multiplied by 18 (number of days of prorated regular ARC payments for the month of June), which results in the prorated amount of $226.26 for the month of June.
D. This amount is rounded down to the nearest dollar ($226). **This is the total prorated regular ARC payment amount (GF only) due to the case in June.**

Retroactive Calculation for Current and Prior Months: To calculate the prorated retroactive ARC amount for June and prior months' retroactive ARC due to this case:

E. The county should then subtract the total prorated regular ARC payment ($226) from the total ARC/GF due to the case for an entire month ($377 from Step A), to generate the amount of prorated retroactive ARC due to the case for the initial

month of June ($151). **This is the total prorated retroactive payment amount for June.**

F. The retroactive ARC payment from April and May 2015 will equal the number of prior months (two) multiplied by the total ARC/GF due to the case for an entire month ($377 from Step A) under the newer MAP levels effective April 1, 2015, which results in an amount of $754 in retroactive ARC payments for those months. **This is the total retroactive payment amount for April and May.**

G. To calculate the retroactive ARC payment for the months of January, February and March 2015, the county must subtract the older exempt MAP for an AU of one taken from rates prior to April 1, 2015 ($369 in Region 1) from the Foster Care basic rate ($764), which generates an amount of $395 in ARC/GF due each month during those months.

H. The county will then multiply that amount ($395) by the number of prior months (three–January, February and March), which results in an amount of $1,185 in retroactive ARC payments for those months. **This is the total retroactive payment amount for January, February and March.**

I. The county will add the total prorated retroactive payment amount for June ($151) and the total retroactive payment amounts from April and May ($754) and from January, February and March ($1,185) together, which results in the amount of $2,090. **This is the total retroactive ARC payment amount due to the case.**

Claiming for Example #3:
The total prorated regular ARC payment amount from Step D ($226) should be entered on the ARC claim in the Current Month Supplemental Payroll line (Line 2) under aid code 2S. The total retroactive ARC payment amount from Step I ($2,090) should be entered on the ARC claim in the Prior Month Supplemental Payroll line (Line 4) under aid code 2P. In this example, the full amount of CalWORKs for the initial month has already been paid ($387) via aid code 3R so no amount should be entered on Line 14 - CalWORKs Portion.

Example #4

Type of ARC case for Example #4:
CalWORKs AU of Two (Children/Youth) Converting into Two ARC AUs of One, County of Jurisdiction and County of Residence Are the Same, Case Is Eligible for Retroactivity Back to January 1, 2015

Scenario for Example #4:
On December 15, 2014, an 11 year-old and a 10 year-old who were then in a CalWORKs Program AU of two met all eligibility requirements, including an approved home placement, for the ARC Program. At that time, the children began receiving CalWORKs under aid code 3R. ARC applications on behalf of these children were completed and received by the CWD on June 13, 2015. The case is eligible for prorated retroactive ARC for the first 12 days of the initial month and prorated regular ARC for the final 18 days of the initial month. Their county of jurisdiction for the ARC Program (in this case, Region 1) is the same as their county of residence for the CalWORKs Program, so there is no difference in the CalWORKs MAP levels.

Formulas for First/Older Child of Example #4:

Formula for First/Older Child's June Proration Payment:

June Proration of CalWORKs Portion	June Proration of ARC/GF Portion (Steps A – E)
The CalWORKs portion has already been paid. ($387 out of the $636 that was received through the MAP for an AU of 2)	$764 – Foster Care basic rate (age 11) - $387 – exempt MAP for AU of 1, Region 1 $377 – amount of ARC/GF due for month ÷ 30 – number of days in June $12.57 – daily rate x 18 – number of days eligible for ARC $226.26 – prorated amount before rounding $226 – prorated amount after rounding
Total Prorated Amount $0 – prorated CalWORKs amount + $226 – prorated ARC/GF amount **$226** – total amount due to the case	

Formula for First/Older Child's Retroactive Payment:

Retroactive for June (Step O)	Retroactive for Prior Months (Steps P – R)
$377 – amount of ARC/GF due for month - $226 – total prorated amount due to case $151 – retroactive amount due for June	$377 – amount of ARC/GF due each month x 2 – months of April & May $754 – retroactive due for April & May $764 – Foster Care basic rate (age 11) - $369 – old exempt MAP, AU of 1, Region 1 $395 – old amount of ARC/GF due monthly x 3 – months of January, February & March $1,185 – retro for January, February & March

Total Retroactive Amount for June (Step S)
$151 – retroactive amount for June + $754 – retroactive amount for April & May + $1,185 – retroactive amount for January, February & March **$2,090** – total retroactive amount due to the case

Formulas for Second/Younger Child of Example #4:

Formula for Second/Younger Child's June Proration Payment:

June Proration of CalWORKs Portion (Step F – I)	June Proration of ARC/GF Portion (Steps J – M)
$636 – exempt MAP for AU of 2, Region 1 - $387 – exempt MAP for AU of 1, Region 1 $249 – amount of CalWORKs attributable $387 – exempt MAP for AU of 1, Region 1 - $249 – amount of CalWORKs attributable $138 – amount of CalWORKs due for month ÷ 30 – number of days in June $4.60 – daily rate x 18 – number of days eligible for ARC $82.80 – prorated amount before rounding $82 – prorated amount after rounding	$764 – Foster Care basic rate (age 10) - $387 – exempt MAP for AU of 1, Region 1 $377 – amount of ARC/GF due for month ÷ 30 – number of days in June $12.57 – daily rate x 18 – number of days eligible for ARC $226.26 – prorated amount before rounding $226 – prorated amount after rounding

Total Prorated Amount for June (Step N)
$82 – prorated CalWORKs amount + $226 – prorated ARC/GF amount **$308** – total amount due to the case

Formula for Second/Younger Child's Retroactive Payment:

Retroactive for June (Step T)	Retroactive for Prior Months (Steps U – X)
$764 – Foster Care basic rate (age 10) - $308 – total prorated amount due to case - $249 – amount of CalWORKs attributable $207 – retroactive amount due for June	$764 – Foster Care basic rate (age 10) - $249 – amount of CalWORKs attributable $515 – amount of ARC/GF due monthly x 2 – months of April & May $1,030 – retroactive due for April & May $606 – old exempt MAP, AU of 2, Region 1 - $369 – old exempt MAP, AU of 1, Region 1 $237 – old amount of CalWORKs attributable $764 – Foster Care basic rate (age 10) - $237 – old amount of CalWORKs attributable $527 – old amount of ARC/GF due monthly x 3 – months of January, February & March $1,581 – retro for January, February & March

Total Retroactive Amount for June (Step Y)

$207 – retroactive amount for June
+ $1,030 – retroactive amount for April & May
+ $1,581 – retroactive amount for January, February & March
$2,818 – total retroactive amount due to the case

Steps for Calculation of Example #4:

Proration Calculation for Initial Month (June): To calculate the prorated regular ARC payment due to these cases:

A. The county should identify the amount of CalWORKs cash aid attributable to each ARC-eligible child for the month of June under aid code 3R. This is done by taking the exempt MAP for an AU of two in Region 1 ($636) and subtracting the exempt MAP for an AU of one in Region 1 ($387, or the amount attributable to the first/older ARC-eligible child) to identify amount attributable to the second/younger ARC-eligible child ($249).

B. **For child number one (or first/older child)**, the county will subtract the MAP level attributable to the child ($387) from the Foster Care basic rate under ARC ($764), generating the ARC/GF amount due to the first/older child's case for an entire month ($377).

C. This amount ($377) should be divided by 30 (number of days in the month of June), which results in the amount of $12.57 per day.

D. This daily amount ($12.57) should then be multiplied by 18 (number of days of prorated regular ARC payments for the month of June), which results in the prorated amount of $226.26 for the month of June.

E. This amount is rounded down to the nearest dollar ($226). **This is the total prorated regular ARC payment amount (GF only) due to the first/older child's case in June.**

F. **For child number two (or second/younger child)**, the county will subtract the amount of CalWORKs attributable to the second/younger child ($249) from the MAP for an AU of one for Region 1 ($387) to obtain the remaining CalWORKs portion due to the second/younger child's ARC case for an entire month ($138).

G. This amount ($138) should be divided by 30 (number of days in the month of June), which results in the amount of $4.60 per day.

H. This daily amount ($4.60) should then be multiplied by 18 (number of days of prorated regular ARC payments for the month of June), which results in the prorated amount of $82.80 for the month of June.

I. This amount is rounded down to the nearest dollar ($82). **This is the CalWORKs portion of the prorated payment for the second/younger child.**

J. The county should then calculate the ARC/GF portion of the younger/second child's prorated payment by taking the Foster Care basic rate under ARC ($764) and subtracting the MAP for an AU of 1 ($387), generating the ARC/GF amount due to the second/younger child's case for an entire month ($377).

K. This amount ($377) should be divided by 30 (number of days in the month of June), which results in the amount of $12.57 per day.

L. This daily amount ($12.57) should then be multiplied by 18 (number of days of prorated regular ARC payments for the month of June), which results in the prorated amount of $226.26 for the month of June.

M. This amount is rounded down to the nearest dollar ($226). **This is the ARC/GF portion of the prorated payment for the second/younger child.**

N. The CalWORKs portion ($82) and the ARC/GF portion ($226) are added together and the total amount is $308. **This is the total prorated regular ARC payment amount due to the second/younger child's case in June.**

Retroactive Calculation for Current and Prior Months: To calculate the prorated retroactive ARC amount for June and prior months' retroactive ARC due to these cases:

O. **For child number one (or first/older child),** the county should then subtract the total prorated regular ARC payment ($226 from Step E) from the total ARC/GF due to the case an entire month ($377 from Step B), to generate the amount of prorated retroactive ARC due to the case for the initial month of June ($151). **This is the total prorated retroactive payment amount for June for the first/older child.**

P. The retroactive ARC payment from April and May 2015 will equal the number of prior months (two) multiplied by the total ARC/GF due to the case for an entire month ($377 from Step B) under the newer MAP levels effective April 1, 2015, which results in an amount of $754 in retroactive ARC payments for those months. **This is the total retroactive payment amount for April and May for the first/older child.**

Q. To calculate the retroactive ARC payment for the months of January, February and March 2015, the county must subtract the older exempt MAP for an AU of one taken from rates prior to April 1, 2015 ($369 in Region 1) from the Foster Care basic rate ($764), which generates an amount of $395 in ARC/GF due each month during those months.

R. The county will then multiply that amount ($395) by the number of prior months (three–January, February and March), which results in an amount of $1,185 in retroactive ARC payments for those months. **This is the total retroactive payment amount for January, February and March for the first/older child.**

S. The county will add the total prorated retroactive payment amount for June ($151) and the total retroactive payment amounts from April and May ($754) and from January, February and March ($1,185) together, which results in the amount of $2,090. **This is the total retroactive ARC payment amount due to the first/older child's case.**

T. **For child number two (or second/younger child),** the county should then subtract both the total prorated regular ARC payment ($308 from Step N) and the total amount attributed to the case ($249 from Step A) from the Foster Care basic rate ($764), to generate the amount of prorated retroactive ARC due to the case for the initial month of June ($207). **This is the total prorated retroactive payment amount for June for the second/younger child.**

U. To calculate the retroactive ARC payment for the months of April and May 2015, the county must subtract the amount attributable to the case during those months ($249 from Step A) from the Foster Care basic rate ($764), resulting in $515 due per month in retroactive payments.

V. The county will then multiply that amount ($515) by the number of prior months (two–April and May), which results in an amount of $1,030 in retroactive ARC payments for those months. **This is the total retroactive payment amount for April and May for the second/younger child.**

W. To calculate the retroactive ARC payment for the months of January, February and March 2015, the county must take the difference between the older exempt MAP levels for AUs of two ($606) and one ($369) taken from rates prior to April 1, 2015 (Region 1 in this example) and then subtract that difference ($237) from the Foster Care basic rate ($764) to calculate the retroactive amount due each month during those months ($527).

X. The county will then multiply that amount ($527) by the number of prior months (three–January, February and March), which results in an amount of $1,581 in retroactive ARC payments for those months. **This is the total retroactive payment amount for January, February and March for the second/younger child.**

Y. The county will add the total prorated retroactive payment amount for June ($207) and the total retroactive payment amounts from April and May ($1,030) and from January, February and March ($1,581) together, which results in the amount of $2,818. **This is the total retroactive ARC payment amount due to the second/younger child's case.**

Claiming for Example #4:

First/older child:
The total prorated regular ARC payment amount from Step E ($226) should be entered on the ARC claim in the Current Month Supplemental Payroll line (Line 2) under aid code 2S. The total retroactive ARC payment amount from Step S ($2,090) should be entered on the ARC claim in the Prior Month Supplemental Payroll line (Line 4) under aid code 2P. In the first/older child's case, the full amount of CalWORKs for the initial month has already been paid ($387) via aid code 3R so no amount should be entered on Line 14 - CalWORKs Portion.

Second/younger child:
The total prorated regular ARC payment amount from Step N ($308) should be entered on the ARC claim in the Current Month Supplemental Payroll line (Line 2) under aid code 2S. The total retroactive ARC payment amount from Step Y ($2,818) should be entered on the ARC claim in the Prior Month Supplemental Payroll line (Line 4) under aid code 2P. The CalWORKs portion of the prorated regular ARC payment ($82 from Step I) should be entered on Line 14 - CalWORKs Portion under aid code 2S.

Example #5

Type of ARC case for Example #5:
CalWORKs AU of Three (with a Needy Caregiver) Converting into ARC AU of 1, County of Jurisdiction and County of Residence Are the Same, Case Is Eligible for Retroactivity Back to January 1, 2015

Scenario for Example #5:
On December 15, 2014, a 10 year-old who was at the time in a mixed CalWORKs AU of three (a needy caregiver, the caregiver's child, and the ARC-eligible child) met all eligibility requirements, including an approved home placement, for the ARC Program. At that time, the ARC-child was receiving CalWORKs under aid code 30 as part of this non-exempt MAP for an AU of three in Region 1. An ARC application on behalf of this child was completed and received by the CWD on June 13, 2015. The case is eligible for prorated retroactive ARC for the first 12 days of the initial month and prorated regular ARC for the final 18 days of the initial month under aid code 2S. The county of jurisdiction for the ARC Program (in this case, Region 1) is the same as the county of residence for the CalWORKs Program, so there is no difference in the CalWORKs MAP levels.

Formulas for Example #5:

Formula for June Proration Payment:

June Proration of CalWORKs Portion (Step A – E)	June Proration of ARC/GF Portion (Steps F – I)
$704 – non-exempt MAP, AU of 3, Region 1 - $569 – non-exempt MAP, AU of 2, Region 1 $135 – amount of CalWORKs attributable $387 – exempt MAP for AU of 1, Region 1 - $135 – amount of CalWORKs attributable $252 – amount of CalWORKs due for month ÷ 30 – number of days in June $8.40 – daily rate x 18 – number of days eligible for ARC $151.20 – prorated amount before rounding $151 – prorated amount after rounding	$764 – Foster Care basic rate (age 10) - $387 – exempt MAP for AU of 1, Region 1 $377 – amount of ARC/GF due for month ÷ 30 – number of days in June $12.57 – daily rate x 18 – number of days eligible for ARC $226.26 – prorated amount before rounding $226 – prorated amount after rounding
Total Prorated Amount for June (Step J)	
$151 – prorated CalWORKs amount + $226 – prorated ARC/GF amount **$377** – total amount due to the case	

Formula for Retroactive Payment:

Retroactive for June (Step K)	Retroactive for Prior Months (Steps L – O)
$764 – Foster Care basic rate (age 10) - $377 – total prorated amount due to case - $135 – amount of CalWORKs attributable $252 – retroactive amount due for June	$764 – Foster Care basic rate (age 10) - $135 – amount of CalWORKs attributable $629 – amount of ARC/GF due monthly x 2 – months of April & May $1,258 – retroactive due for April & May $670 – old non-exempt MAP, AU of 3, Region 1 - $542 – old non-exempt MAP, AU of 2, Region 1 $128 – old amount of CalWORKs attributable $764 – Foster Care basic rate (age 10) - $128 – old amount of CalWORKs attributable $636 – old amount of ARC/GF due monthly x 3 – months of January, February & March $1,908 – retro for January, February & March
Total Retroactive Amount for June (Step P)	
$252 – retroactive amount for June + $1,258 – retroactive amount for April & May + $1,908 – retroactive amount for January, February & March **$3,418** – total retroactive amount due to the case	

Steps for Calculation of Example #5:

Proration Calculation for Initial Month (June): To calculate the prorated regular ARC payment due to this case:

A. The county should identify the amount of CalWORKs cash aid attributable to the ARC-eligible child for the month of June under aid code 30. This is done by taking the non-exempt MAP for an AU of three in Region 1 ($704) and subtracting the non-exempt MAP for an AU of two in Region 1 ($569) to identify amount attributable to ARC-eligible child ($135).

B. This amount ($135) should be subtracted from the exempt MAP for an AU of one for Region 1 ($387) to obtain the remaining CalWORKs portion due to the ARC case for an entire month ($252).

C. This amount ($252) should be divided by 30 (number of days in the month of June), which results in the amount of $8.40 per day.

D. This daily amount ($8.40) should then be multiplied by 18 (number of days of prorated regular ARC payments for the month of June), which results in the prorated amount of $151.20 for the month of June.

E. This amount is rounded down to the nearest dollar ($151)**. This is the CalWORKs portion of the prorated payment.**

F. The county should then calculate the ARC/GF portion of the prorated payment by taking the Foster Care basic rate under ARC ($764) and subtracting the MAP for an AU of 1 ($387), generating the ARC/GF amount due to the case for an entire month ($377).

G. This amount ($377) should be divided by 30 (number of days in the month of June), which results in the amount of $12.57 per day.

H. This daily amount ($12.57) should then be multiplied by 18 (number of days of prorated regular ARC payments for the month of June), which results in the prorated amount of $226.26 for the month of June.

I. This amount is rounded down to the nearest dollar ($226). **This is the ARC/GF portion of the prorated payment.**

J. The CalWORKs portion ($151) and the ARC/GF portion ($226) are added together and the total amount is $377. **This is the total prorated regular ARC payment amount due to the case in June.**

Retroactive Calculation for Current and Prior Months: To calculate the prorated retroactive ARC amount for June and prior months' retroactive ARC due to this case:

K. The county should then subtract both the total prorated regular ARC payment ($377 from Step J) and the total amount attributed to the case ($135 from Step A) from the Foster Care basic rate ($764), to generate the amount of prorated retroactive ARC due to the case for the initial month of June ($252). **This is the total prorated retroactive payment amount for June.**

L. To calculate the retroactive ARC payment for the months of April and May 2015, the county must subtract the amount attributable to the case during those months ($135 from Step A) from the Foster Care basic rate ($764), resulting in $629 due per month in retroactive payments.

M. The county will then multiply that amount ($629) by the number of prior months (two–April and May), which results in an amount of $1,258 in retroactive ARC payments for those months. **This is the total retroactive payment amount for April and May.**

N. To calculate the retroactive ARC payment for the months of January, February and March 2015, the county must take the difference between the older non-exempt MAP levels for AUs of three ($670) and two ($542) taken from rates prior to April 1, 2015 (Region 1 in this example) and then subtract that difference ($128)

from the Foster Care basic rate ($764) to calculate the retroactive amount due each month during those months ($636).

O. The county will then multiply that amount ($636) by the number of prior months (three–January, February and March), which results in an amount of $1,908 in retroactive ARC payments for those months. **This is the total retroactive payment amount for January, February and March.**

P. The county will add the total prorated retroactive payment amount for June ($252) and the total retroactive payment amounts from April and May ($1,258) and from January, February and March ($1,908) together, which results in the amount of $3,418. **This is the total retroactive ARC payment amount due to the case.**

Claiming for Example #5:

The total prorated regular ARC payment amount from Step J ($377) should be entered on the ARC claim in the Current Month Supplemental Payroll line (Line 2) under aid code 2S. The total retroactive ARC payment amount from Step P ($3,418) should be entered on the ARC claim in the Prior Month Supplemental Payroll line (Line 4) under aid code 2P. The CalWORKs portion of the prorated regular ARC payment ($151 from Step E) should be entered on Line 14 - CalWORKs Portion under aid code 2S.