

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, California 95814



June 30, 2006

ALL COUNTY INFORMATION NOTICE NO. I-47-06

TO: COUNTY WELFARE DIRECTORS
 COUNTY FISCAL OFFICERS
 COUNTY AUDITORS AND CONTROLLERS
 COUNTY CHIEF PROBATION OFFICERS

REASON FOR THIS TRANSMITTAL

- State Law Change
 Federal Law or Regulation Change
 Court Order
 Clarification Requested by
 One or More Counties
 Initiated by CDSS

SUBJECT: TITLE IV-E CHILD WELFARE WAIVER DEMONSTRATION CAPPED
 ALLOCATION PROJECT

REFERENCE: All County Information Notice No. I-30-06, Dated April 14, 2006
 County Fiscal Letter No. 05/06-45, Dated May 2, 2006
 Errata to County Fiscal Letter No. 05/06-45, Dated May 10, 2006

The purpose of this All County Information Notice (ACIN) is to provide additional information and to solicit a Letter of Intent from counties planning to participate in the Title IV-E Child Welfare Waiver Demonstration Capped Allocation Project (CAP).

Key Program Provisions

This is a five-year demonstration project to test the effect of a flexible funding strategy on the Child Welfare System. In accordance with the federal Waiver Terms and Conditions, the CAP implementation date for all participating counties is January 1, 2007. Participation will be at the option of the county, subject to California Department of Social Services (CDSS) approval and provided that the county has entered into a Memorandum of Understanding (MOU) with CDSS. Each participating county will submit to CDSS a detailed implementation plan describing specific strategies, procedures, and timelines for implementing the CAP. Under the federal Waiver Terms and Conditions, the Child Welfare Services (CWS) and Probation Title IV-E expenditures will be capped based on the approved methodology; therefore, in order for a county to participate in the CAP, a joint recommendation for the County Plan from the County Welfare Department and the Probation Department is required, in addition to the County Board of Supervisors' approval. The CDSS, in conjunction with the County Welfare Directors Association, community partners, and stakeholders will develop the criteria to be used for the county selection process.

Counties should consider all of the following factors in determining whether to participate in the waiver demonstration project:

- The proposed use of flexible funding will support improved safety, permanency, and well-being outcomes for children.
- The county project would support and/or expand practice, programs, and system improvements as identified in the County System Improvement Plan including how the proposed project strategies will impact specific targeted outcomes.
- The fiscal analysis of the Title IV-E funding capped allocation methodology based on the County Funding Template.

- The fiscal analysis of the Adoption Assistance cost neutrality threshold based on the County Funding Template.
- Projected federal/non-federal caseload trends for both CWS and Probation cases.
- Collaboration between the County Welfare and Probation Departments for plan development and project implementation.
- Local planning activities and efforts underway for implementing the waiver through engagement with public/private community partners and stakeholders.
- New restrictions on claiming Title IV-E imposed by the Deficit Reduction Act of 2005.

Opt-Out Guidelines

The county must plan for implementing and operating the full five-year demonstration project. However, should a county determine, after careful consideration and consultation with CDSS, that the county must terminate participation in the waiver, the county would exercise the opt-out election, and the following process will occur:

- The county must be able to successfully implement a transition strategy, including the required waiver demonstration project phase-down plan to ensure that children remain safe and needed services will continue.
- In accordance with the terms of the State/County MOU, a county electing to opt-out of the waiver will provide written notification to CDSS.
- A fiscal review and reconciliation will occur as a result of the county opt-out election and notification. Fiscal reviews as needed will coincide with the State budget process and State Fiscal Year (SFY) to ensure funding is available.
- A county that opts-out prior to the end of the waiver demonstration project will reconcile with the State any Title IV-E funds due to the Department of Health and Human Services.

Key Fiscal Provisions

The CAP provides participating counties the flexibility in their use of state and federal foster care maintenance and administrative for services necessary to support children and families. Pursuant to the federal Waiver Terms and Conditions, existing federal, State and county funds currently expended to support the Foster Care (FC) and CWS programs must remain in the FC/CWS programs. Any foster care savings realized as a result of the waiver demonstration project must be re-invested into the provision of child welfare services.

As stated in the federal Waiver Terms and Conditions, the Title IV-E funds allocated to counties will be based on a three-year average of expenditures from Federal Fiscal Years (FFYs) 2003 through 2005 excluding training, licensing, and SACWIS. The base amount will be increased by two percent for FFYs 2006 and 2007, and by two percent each year thereafter, for the five years of the project. Note: The FFY is from October 1st through September 30th.

Details on the State General Fund (SGF) allocation for the CAP are still being finalized, however, it is anticipated that counties will receive at a minimum, amounts received in their SGF allocations for State Fiscal Year (SFY) 2005/06. The affected allocations are identified in the County Funding Instructions and Template (Attachment B).

Upon approval of the SFY 2006/07 Budget, a State/County workgroup of counties who submit the letter of intent will convene to develop the final fiscal procedures.

County Funding Template

The County Funding Template is provided to help counties conduct an analysis of the fiscal impact of the CAP and estimate their Title IV-E allocation. Updated versions of the County Funding Template and Instructions (Attachment B) and Program Code listing (Attachment C) are included in this ACIN. The County Funding Template will provide important data for fiscal forecasting for participation in the CAP. The completed County Funding Template worksheets (1 – 4) must be returned to CDSS with the Letter of Intent submission. Please note: The calculations on these worksheets will be used for analysis purposes only. An electronic version of the template as an excel spreadsheet should be downloaded from the CAP web page on CDSS [Children and Family Services Division home page](http://www.childsworld.ca.gov) at <http://www.childsworld.ca.gov> or requested by email at IV-EWaiver.CAP@dss.ca.gov.

As stated in the federal Waiver Terms and Conditions, the Title IV-E funds allocated to counties will be based on a three-year average of expenditures from Federal Fiscal Years (FFYs) 2003 through 2005 excluding training, licensing, and SACWIS. The base amount will be increased by two percent for FFYs 2006 and 2007, and by two percent each year thereafter, for the five years of the project (until FFY 2012). Note: The FFY is from October 1st through September 30th.

Upon approval of the SFY 2006/07 Budget, a State/County workgroup of counties who submit the letter of intent will convene to develop the final fiscal procedures, and determine the State General Fund (SGF) allocations to be included in the CAP.

Fiscal Claiming

The CDSS will be developing policies and procedures for counties to claim assistance and the FC/CWS administration in the CAP. It is the intent of CDSS to streamline and simplify the claiming process to allow ease of controlling and reporting federal funds used, for including and controlling SGF in the CAP, and for tracking county funds expended in the project.

Pursuant to federal cost allocation requirements, counties should claim developmental costs incurred to establish the CAP prior to implementation for federal claiming purposes. These costs can begin with the preparation of the county's proposal and include development of policies and procedures. Developmental costs can only be claimed prior to the implementation date of the CAP. County Fiscal Letter No. 05/06-45 dated May 2, 2006, provided claiming and time study instructions. Counties may use their existing CWS Basic Allocation for this administrative review and decision making effort.

Submission Guidelines

County Letter of Intent Submission

To participate in the CAP counties must submit the Letter of Intent (Attachment A), the completed County Funding Template worksheets (1 - 4) (Attachment B), and the County Plan Proposal Summary to CDSS **by July 21, 2006**. Both the County Welfare Director and Chief Probation Officer must sign the Letter of Intent (Attachment A).

County Plan Proposal Summary Components

The County Plan Proposal Summary should provide an initial description and brief overview of the proposed project for the full five years of the demonstration project. This summary is a preliminary document and should be limited to a maximum of 15 pages. The proposal summary must address each of the following components:

- Identify the use of the flexible funding and specific objectives for the county project.
- Describe how the proposed use of flexible funding will support improved safety, permanency or well-being outcomes and provide services for children and families.
- Describe the proposed strategies for the project including the nature and scope of the child welfare services and/or system improvements that will be implemented.
- Describe the priority population(s) for the proposed strategies including an estimate of the number of children and families to be served under the county project.
- Identify how the CAP County Plan proposal supports and/or expands the County SIP goals and strategies including the proposed project strategies measurable impact on specific targeted outcomes.
- Describe the county administrative structure, capability, and resources for implementing and operating the five-year demonstration project. Identify the agency collaboration for CWS and Probation and the proposed structure for the CAP County Project Team.
- Identify the local county project planning efforts to date including engagement with public/private community partners and stakeholders.
- Describe the fiscal strategies the county will use to operate under a capped allocation.
- Describe how the county proposes to phase-down and end the demonstration project.

Submission Instructions

The original signed Letter of Intent and required documents should be submitted to:

**Monisha Avery, Manager
CDSS, IV-E Waiver Unit
744 P Street, Mail Station 11-86
Sacramento, CA 95814**

All county submissions must be received by CDSS **no later than July 21, 2006**. The electronic copy of the submission should be sent to IV-EWaiver.CAP@dss.ca.gov by the deadline. The original signed letter and required documents must be received by CDSS within seven days of the electronic copy submission date. No faxes will be accepted.

Upon receipt of the county's Letter of Intent submission, CDSS will notify the county and distribute the County Plan Template to the CAP county contact, as identified in the previously submitted County Letter of Interest. The template will provide the requirements, format, and instructions for the detailed County Implementation Plan proposal. The CAP County Plans will be due to CDSS by September 8, 2006.

Technical Assistance

Technical assistance related to the CAP is available through the Title IV-E Waiver Unit. The CDSS Title IV-E waiver demonstration staff will provide project development and implementation support, technical assistance, training, site visits, and project monitoring over the life of the five-year project. Counties may contact CDSS directly with any technical assistance requests including providing assistance related to preparing the County Plan proposal, answering specific questions regarding fiscal and program issues, and any other project implementation issues.

The CDSS has established an email address to receive questions and informational requests related to the CAP. The address is IV-EWaiver.CAP@dss.ca.gov. The CDSS staff will provide responses and information by email and/or telephone to any submitted inquiries. A web page has also been developed to provide access to updated information for the CAP. The web page may be accessed through [CDSS Children and Families Services Division home page](http://www.childsworld.ca.gov) at <http://www.childsworld.ca.gov>.

On-going collaboration with the counties, community partners, and other interested stakeholders will continue throughout the development of the CAP. The State will conduct additional county forums and conference calls as required to ensure that the counties have current information and participate in the decision-making and implementation planning process. Attachment D, included in this ACIN is a question and answer document that contains responses to a number of questions received from counties and interested stakeholders during the month of May.

The CDSS appreciates the continued interest in this waiver demonstration project and the commitment to make it successful in improving outcomes for children and families in the child welfare system in California.

If you have any questions, please contact Linne Stout, Chief, Resources Development and Training Support Bureau at (916) 651-6600 or Monisha Avery, Manager, IV-E Waiver Unit at (916) 651-6024.

Sincerely,
Original Document Signed By:

MARY L. AULT
Deputy Director
Children and Family Services Division

Attachment

**Letter of Intent
California Department of Social Services
Title IV-E Child Welfare Waiver Demonstration Capped Allocation Project**

_____ County is submitting this Letter of Intent to notify the California Department of Social Services (CDSS) of its intent to participate in the Title IV-E Child Welfare Waiver Demonstration Capped Allocation Project (CAP). As required in All County Information Notice No. I-47-06, the County Funding Template worksheets and County Plan Proposal Summary are included with this Letter of Intent submission.

The county, through submission of this letter, acknowledges the following requirements:

1. The CAP County Implementation Plan will be developed in collaboration with the Probation Department, local community partners, and stakeholders.
2. The CAP County Implementation Plan must support and/or expand the County System Improvement Plan goals and strategies and will be due to the CDSS on September 8, 2006.
3. The CAP County Implementation Plan must be approved and signed by the County Welfare Director and Chief Probation Officer.
4. The CAP County Plan submission must be approved by the County Board of Supervisors and include an approved Board Action or Resolution.
5. The county will be fiscally and programmatically ready to implement the demonstration project by the implementation start date for all participating counties of January 1, 2007.
6. The existing County Memorandum of Understanding between the County Welfare Department and the Probation Department will be amended to incorporate the joint department participation in the CAP and will specify the CAP implementation strategies and claiming procedures, prior to the project implementation start date of January 1, 2007.
7. The county will participate in any implementation CAP State/County workgroups, meetings, and conference calls.

Please submit this Letter of Intent with original signatures and the required documents to:

Monisha Avery, Manager
CDSS, IV-E Waiver Unit
744 P Street, Mail Station 11-86
Sacramento, CA 95814

County Welfare Director *(Name and Signature)*

Date

Chief Probation Officer *(Name and Signature)*

Date

**Title IV-E Child Welfare Waiver Demonstration Capped Allocation Project
(CAP) County Funding Template Instructions (June 2006)**

NOTE: These documents are to be used for planning purposes only.

The County Funding Template worksheets will help your county conduct an analysis of the fiscal impact of the Title IV-E CAP and to determine whether or not the proposed Title IV-E CAP is beneficial to your county. The amounts calculated on these worksheets will be used for analysis purposes only. The completed County Funding Template worksheets (1- 4) must be returned to CDSS with the Letter of Intent submission.

The worksheets will help determine:

1. The estimated Title IV-E funds available during the CAP
2. The estimated AAP growth during the CAP
3. The estimated commitment of county funds required during the CAP

The County Funding Template is an Excel workbook containing the following worksheets:

1. Asst. & Admin. Exp. Worksheet
2. CWS/FC Allocation Worksheet
3. Co. Worksheet - FC
4. Co. Worksheet - AAP
5. FC TEST Worksheet
6. AAP TEST Worksheet

An electronic version of the template as an excel spreadsheet should be downloaded from the [CAP web page](#) on the CDSS Children and Family Services Division home page at <http://www.childsworld.ca.gov> or requested by email at IV-EWaiver.CAP@dss.ca.gov.

INSTRUCTIONS:

On ALL worksheets, enter your county name and the name and phone number of the person CDSS would contact with any questions about the worksheet information.

1. Asst. & Admin. Exp. Worksheet

*Information on this worksheet is linked to the County worksheets for Foster Care and AAP. Use the Program Code Listing (Attachment C of the ACIN) to pull the appropriate program code expenditures in order to determine what program costs are applicable. The total columns on the worksheet will automatically sum. **The completed worksheet must be submitted with your county's Letter of Intent.***

- Foster Care Assistance and CWS/Foster Care Administration
 - Enter the Title IV-E expenditures in the appropriate columns by Federal Fiscal Year (FFY).
 - Enter the state and county expenditures in the appropriate columns by State Fiscal Year (SFY). For SFY 2005/06, enter the amount of your expenditures for the first three quarters plus an estimated amount of fourth quarter expenditures.

- Adoptions Assistance Program
 - Enter the expenditures in the appropriate columns by FFY. *Counties that have a State Operated Adoptions Program are not required to include those administrative expenditures on the AAP section of the worksheet.*

2. CWS/FC Allocation Worksheet

*Information on this worksheet will be used to document your State General Fund (SGF) CWS/FC Administrative allocation. **The completed worksheet must be submitted with your county's Letter of Intent.** All entries will use allocation information from SFY 2005/06. Complete each line using the County Fiscal Letter (CFL) allocation(s) as indicated:*

- Line 1: Enter the amount of your Foster Care allocation from CFL No. 05/06-16 columns: 1 – Foster Care Administrative Basic; and 2 – Foster Care Caseload Growth.
- Line 2: Enter the amount of your CWS Allocation from CFL No. 05/06-27 Attachment I – CWS Revised Basic (pg 2), EA Title IV-E (pg 3), County Self-Assessment & SIP (pg 8), Peer Quality Case Review (pg 9), and AB 408 – Child Relationships (pg 10).
- Line 3: Enter the amount of your CWS Augmentation from CFL No. 05/06-27 Attachment IV – CWS Planning Augmentation, federal and state funds only.
- Line 4: Enter the amount of your AB 2129 Foster Parent Training and Recruitment allocation from CFL No. 04/05-61.
- Line 5: Enter the amount of your Group Home Monthly Visits allocation from CFL. No. 05/06-14; total allocation column (Probation & Welfare).
- Line 6: Enter the amount of your Substance Abuse/HIV Infant Program allocation from CFL No. 05/06-13.

3. Co. Worksheet - FC

4. Co. Worksheet - AAP

*Information on these worksheets will show your county's historical expenditures and provide expenditure comparisons to the estimated federal funds your county could receive under the Title IV-E CAP. **These completed worksheets must be submitted with your county's Letter of Intent.***

Part A - All expenditure information is automatically calculated based upon information obtained from the Asst. & Admin. Worksheet. The Average % Growth is calculated based upon the historical expenditure information provided. However, if your anticipated county growth trend is different from the calculated percentage, you may manually enter a percentage on the appropriate line. The estimated expenditure trend without the Title IV-E CAP will then be calculated based on the percentage provided.

Part B (Co. Worksheet - FC) is designed to: 1) calculate the difference between the SGF administrative expenditures and the SGF administrative allocation and 2) estimate the amount of county funds to be committed to the Title IV-E CAP. *The SGF administrative allocation amount is linked to the CWS_FC Allocation Worksheet.*

Part C (Co. Worksheet - FC) is designed to estimate the amount of Title IV-E funds your county could receive if you do not participate in the Title IV-E CAP and compare it to the estimated amount that could be received if participating in the Title IV-E CAP.

Part B (Co. Worksheet - AAP) is designed to estimate the growth in the AAP for the five years of the Title IV-E CAP.

5. FC TEST Worksheet

6. AAP TEST Worksheet

Information on these worksheets is automatically populated from the Asst. & Admin. Worksheet. These worksheets are provided for testing other expenditure projections to help determine the impact of participating in the Title IV-E CAP. **Note: These worksheets do not have to be submitted with your county's Letter of Intent.**

TITLE IV-E CAP - Foster Care/CWS Funding

Enter County Name:
County Contact (Name/Phone Number):

Note: This worksheet must be completed and submitted with the County Letter of Intent

Worksheet Assumptions:

1. For Foster Care (FC), the federal share of costs will be based on the average of expenditures for FFY 2002/03 through FFY 2004/05. "Average expenditures" is defined as both FC assistance and FC eligibility and CWS administrative expenditures funded with Title IV-E. (See separate listing of program codes.)
2. Federal fiscal year starts October 1st and ends September 30th of each year.
3. There will be a 2 percent growth rate of Title IV-E funds for each year the waiver is in effect.
4. For planning purposes, use the SFY 2005/06 FC administrative and CWS administrative allocation and augmentation amounts.
5. The expenditure trends without the IV-E CAP assumes expenditure growth based on the average year-to-year percent change between FFY 2001/02 through 2004/05.

FOSTER CARE - ASSISTANCE AND ADMINISTRATIVE EXPENDITURES

A. Use this part to examine your county's historical Foster Care expenditures.

Federal Fiscal Year	Federal \$	Yr.-to-Yr. % Change (Federal Share)	State Fiscal Year	State \$	Yr.-to-Yr. % Change (State Share)	County	Yr.-to-Yr. % Change (County)	Total Expenditures
2000/01	\$-		2000/01	\$-		\$-		\$-
2001/02	\$-		2001/02	\$-		\$-		\$-
2002/03	\$-		2002/03	\$-		\$-		\$-
2003/04	\$-		2003/04	\$-		\$-		\$-
2004/05	\$-		2004/05	\$-		\$-		\$-
Average % Growth from 2001/02-2004/05:			Average % Growth from 2001/02-2004/05:			Average % Growth from 2001/02-2004/05:		
3-Yr. Average Expenditures.			3-Yr. Average Expenditures			3-Yr. Average Expenditures		

(For the federal IV-E grant, the base year equals the average of FFY 2002/03 to FFY 2004/05.)

B. Use this part to estimate the amount of funds to be committed to the CAP.

	Difference between SGF allocation and expenditures
SFY 2005/06 SGF Administrative Expenditures	\$
Less: SFY 2005/06 SGF Administrative Allocation	\$
Difference	\$

	For estimate of county admin. funds to be committed to CAP
Total from Column B35	\$
Plus: SFY 2005/06 County Admin. Expenditures	\$
TOTAL County admin. funds for CAP	\$

C. Use this part to examine the impact of not participating in the Title IV-E CAP versus participating in the Title IV-E CAP.

FOSTER CARE - FEDERAL SHARE

Federal Fiscal Year	Expenditure Trend Without IV-E CAP	2% Growth Title IV-E CAP	Annual Difference
2005/06		\$	
2006/07		\$	
2007/08		\$	
2008/09		\$	
2009/10		\$	
2010/11		\$	
Cumulative Total for FFY 2006/07 - 2010/11		\$	

TITLE IV-E CAP - Adoptions Funding

Enter County Name:

County Contact (Name/Phone Number):

Note: This worksheet must be completed and submitted with the County Letter of Intent

Worksheet Assumptions:

1. For Adoptions Assistance Payments, the federal share of costs will be based on FFY 2004/05 expenditures, or the most recent four quarters prior to implementation, whichever is higher.
2. There will be a 15 percent growth rate for each year the Title IV-E CAP is in effect with a cost neutrality cap.
3. The expenditure trends without the Title IV-E CAP assumes expenditure growth based on the average year-to-year percent change between FFY 2001/02 through 2004/05 for the federal share of costs.

ADOPTIONS ASSISTANCE PAYMENTS

Use this part to examine your county's historical Adoptions Assistance Payments expenditures.

Federal Fiscal Year	Federal	Yr.-to-Yr. Change
2000/01	\$	
2001/02	\$	
2002/03	\$	
2003/04	\$	
2004/05	\$	

Average % Growth from FFY 2001/02-2004/05: __ FFY 2004/05 Expenditures: \$ ____

B. Use this part to examine the impact of not participating in the Title IV-E CAP versus participating in the Title IV-E CAP.

ADOPTIONS ASSISTANCE PAYMENT - FEDERAL SHARE

Federal Fiscal Year	Federal Expenditure Trend Without IV-E CAP	15% Growth IV-E Capped Grant	Annual Difference
2005/06		\$	
2006/07		\$	
2007/08		\$	
2008/09		\$	
2009/10		\$	
2010/11		\$	

Federal Fiscal Year	Federal Expenditure Trend Without IV-E CAP	15% Growth IV-E Capped Grant	Annual Difference
Cumulative Total for FFY 2006/07 thru 2010/11		\$	

COUNTY WORKSHEET - AAP

TITLE IV-E CAP – Foster Care/CWS Funding

Enter County Name:
(Do not submit to CDSS)

Worksheet Assumptions:

1. For Foster Care (FC), the federal share of costs will be based on the average of expenditures for FFY 2002/03 through FFY 2004/05. "Average expenditures" is defined as both FC assistance and FC eligibility and CWS administrative expenditures funded with Title IV-E. (See separate listing of program codes.)
2. Federal fiscal year starts October 1st and ends September 30th of each year.
3. There will be a 2 percent growth rate of Title IV-E funds for each year the waiver is in effect.
4. For planning purposes, use the SFY 2005/06 FC administrative and CWS administrative allocation and augmentation amounts.
5. The expenditure trends without the IV-E CAP assumes expenditure growth based on the average year-to-year percent change between FFY 2001/02 through 2004/05.

I.FOSTER CARE - ASSISTANCE AND ADMINISTRATIVE EXPENDITURES

A.Use this part to examine your county's historical Foster Care expenditures.

Federal Fiscal Year	Federal	Yr.-to-Yr. % Change (Federal Share)	State Fiscal Year	State	Yr.-to-Yr. % Change (State Share)	County	Yr.-to-Yr. % Change (County Share)	Total Expenditures
2000/01	\$ -		2000/01	\$ -		\$ -		\$ -
2001/02	\$ -	#DIV/0!	2001/02	\$ -	#DIV/0!	\$ -	#DIV/0!	\$ -
2002/03	\$ -	#DIV/0!	2002/03	\$ -	#DIV/0!	\$ -	#DIV/0!	\$ -
2003/04	\$ -	#DIV/0!	2003/04	\$ -	#DIV/0!	\$ -	#DIV/0!	\$ -
2004/05	\$ -	#DIV/0!	2004/05	\$ -	#DIV/0!	\$ -	#DIV/0!	\$ -

Average % Growth from 2001/02-2004/05: #DIV/0! #DIV/0! #DIV/0!

3-Yr. Average Expenditures.: \$ -
(For the federal IV-E grant, the base year equals the average of FFY 2002/03 to FFY 2004/05.)

B.Use this part to estimate the amount of funds to be committed to the CAP.

Difference between SGF allocation and expenditures For estimate of county admin. funds to be committed to CAP

SFY 2005/06 SGF Administrative Expenditures	\$ -	Total from Column B35	\$ -
Less: SFY 2005/06 SGF Administrative Allocation	\$ -	Plus: SFY 2005/06 County Admin. Expenditures	\$ -
Difference	\$ -	TOTAL County admin. funds for CAP	\$ -

C.Use this part to examine the impact of not participating in the Title IV-E CAP versus participating in the Title IV-E CAP.

FOSTER CARE - FEDERAL SHARE

Federal Fiscal Year	Expenditure Trend Without IV-E CAP	2% Growth Title IV-E CAP	Annual Difference
2005/06	#DIV/0!	\$ -	#DIV/0!
2006/07	#DIV/0!	\$ -	#DIV/0!
2007/08	#DIV/0!	\$ -	#DIV/0!
2008/09	#DIV/0!	\$ -	#DIV/0!
2009/10	#DIV/0!	\$ -	#DIV/0!
2010/11	#DIV/0!	\$ -	#DIV/0!
Cumulative Total for FFY 2006/07 - 2010/11	#DIV/0!	\$ -	#DIV/0!

FC TEST WORKSHEET

TITLE IV-E CAP – Adoptions Funding

Enter County Name:
(Do not submit to CDSS)

Worksheet Assumptions:

1. For Adoptions Assistance Payments, the federal share of costs will be based on FFY 2004/05 expenditures, or the most recent four quarters prior to implementation, whichever is higher.
2. There will be a 15 percent growth rate for each year the Title IV-E CAP is in effect with a cost neutrality cap.
3. The expenditure trends without the Title IV-E CAP assumes expenditure growth based on the average year-to-year percent change between FFY 2001/02 through 2004/05 for the federal share of costs.

I. ADOPTIONS ASSISTANCE PAYMENTS

A. Use this part to examine your county's historical Adoptions Assistance Payments expenditures.

Federal Fiscal Year	Federal	Yr.-to-Yr. Change
2000/01	\$ -	
2001/02	\$ -	#DIV/0!
2002/03	\$ -	#DIV/0!
2003/04	\$ -	#DIV/0!
2004/05	\$ -	#DIV/0!

Average % Growth from FFY 2001/02-2004/05: #DIV/0!

FFY 2004/05 Expenditures: \$ -

B. Use this part to examine the impact of not participating in the Title IV-E CAP versus participating in the Title IV-E CAP.

ADOPTIONS ASSISTANCE PAYMENT - FEDERAL SHARE

Federal Fiscal Year	Federal Expenditure Trend Without IV-E CAP	15% Growth IV-E Capped Grant	Annual Difference
2005/06	#DIV/0!	\$ -	#DIV/0!
2006/07	#DIV/0!	\$ -	#DIV/0!
2007/08	#DIV/0!	\$ -	#DIV/0!
2008/09	#DIV/0!	\$ -	#DIV/0!
2009/10	#DIV/0!	\$ -	#DIV/0!
2010/11	#DIV/0!	\$ -	#DIV/0!
Cumulative Total for FFY 2006/07 - 2010/11	#DIV/0!	\$ -	#DIV/0!

TITLE IV-E CAP - Foster Care, CWS, and Adoptions Expenditure Detail

Note: This worksheet must be completed and submitted with the County Letter of Intent

Enter County Name:
 County Contact (Name/ Phone Number):

Use this worksheet to document your Assistance and Administrative costs for CWS/Foster Care and Adoptions Assistance Payments. Information entered on this page will populate the related county worksheets.

FOSTER CARE ASSISTANCE COSTS					
Federal Fiscal Year	Title IV-E Federal	State Fiscal Year	State	County	Total
2000/01		2000/01			\$
2001/02		2001/02			\$
2002/03		2002/03			\$
2003/04		2003/04			\$
2004/05		2004/05			\$
		2005/06			\$
<i>Estimate your 4th Qtr. Expenditures for SFY 05/06.</i>					
CWS/FOSTER CARE ADMINISTRATIVE COSTS					
Federal Fiscal Year	Title IV-E Federal	State Fiscal Year	State	County	Total
2000/01		2000/01			\$
2001/02		2001/02			\$
2002/03		2002/03			\$
2003/04		2003/04			\$
2004/05		2004/05			\$
		2005/06			\$
<i>Estimate your 4th Qtr. Expenditures for SFY 05/06.</i>					
TOTAL FOSTER CARE ASSISTANCE & CWS/FC ADMIN COSTS					
Federal Fiscal Year	Title IV-E Federal	State Fiscal Year	State	County	Total
2000/01	\$	2000/01	\$	\$	\$
2001/02	\$	2001/02	\$	\$	\$
2002/03	\$	2002/03	\$	\$	\$
2003/04	\$	2003/04	\$	\$	\$
2004/05	\$	2004/05	\$	\$	\$
		2005/06	\$	\$	\$

AAP ASSISTANCE COSTS	
Federal Fiscal Year	Title IV-E Federal
2000/01	
2001/02	
2002/03	
2003/04	
2004/05	
AAP ADMINISTRATIVE COSTS	
Federal Fiscal Year	Title IV-E Federal
2000/01	
2001/02	
2002/03	
2003/04	
2004/05	
TOTAL AAP ASSISTANCE & ADMIN COSTS	
Federal Fiscal Year	Title IV-E Federal
2000/01	\$ -
2001/02	\$ -
2002/03	\$ -
2003/04	\$ -
2004/05	\$ -

TITLE IV-E CAP - CWS/Foster Care Administrative Allocation

Enter County Name:
 County Contact (Name/Phone Number):

Note: This worksheet must be completed and submitted with the County Letter of Intent

Use this worksheet to document your CWS/FC Administrative allocation.
 Use the SFY 2005/06 allocations from the County Fiscal Letters (CFLs) identified below.

CWS/FOSTER CARE ADMINISTRATIVE ALLOCATION	
SGF Allocation	Amount
1. Foster Care*	
2. CWS Basic**	
3. CWS Basic Augmentation	
4. Foster Parent Training & Recruitment	
5. Group Home Monthly Visits	
6. Substance Abuse/HIV Infant Program	
Total SGF Allocation	\$

	State General Fund (SGF) Allocation Letters
Foster Care Allocation for Administration	CFL No. 05/06-16
FC Administrative Basic	
FC Caseload Growth	
CWS Allocation	CFL No. 05/06-27
Allocation Revised	
Revised CWS Basic:	
EA Title IV-E:	
County Self-Assessment & SIP	
Peer Quality Case Review:	
AB 408-Child Relationships	
CWS Planning Augmentation (federal and state funds only)	CFL No. 05/06-27
Foster Parent Training & Recruiting Allocation	CFL No. 04/05-61
Group Home Monthly Visits Allocation	CFL No. 05/06-14
Total Allocation Column (Probation & Welfare)	
Substance Abuse/HIV Infant Program	CFL No. 05/06-13

TITLE IV-E CAP - Foster Care/CWS Funding

Note: This worksheet must be completed and submitted with the County Letter of Intent

Enter County Name:
County Contact (Name/Phone Number):

Worksheet Assumptions:

1. For Foster Care (FC), the federal share of costs will be based on the average of expenditures for FFY 2002/03 through FFY 2004/05. "Average expenditures" is defined as both FC assistance and FC eligibility and CWS administrative expenditures funded with Title IV-E (See separate listing of program codes.)
2. Federal fiscal year starts October 1st and ends September 30th of each year.
3. There will be a 2 percent growth rate of Title IV-E funds for each year the waiver is in effect
4. For planning purposes, use the SFY 2005/06 FC administrative and CWS administrative allocation and augmentation amounts.
5. The expenditure trends without the IV-E CAP assumes expenditure growth based on the average year-to-year percent change between FFY 2001/02 through 2004/05.

I. FOSTER CARE • ASSISTANCE AND ADMINISTRATIVE EXPENDITURES

A. Use this part to examine your county's historical Foster Care expenditures.

Federal Fiscal Year	Federal	Yr..to-Yr. % Change (Federal Share)	State Fiscal Year	State	Yr..to-Yr. % Change (State Share)	Yr to Yr % Change (County)	Total Expenditures
2000/01			2000/01	\$ -		Sh==.	
2001/02		#DIV/0!	2001/02	\$ -	#DIV/0!	#OIV/0!	
2002/03		#DIV/0!	2002/03	\$ -	#DIV/0!	#OIV/0!	
2003/04		#OIV/0!	2003/04		#DIV/0!	#DIV/0!	
2004/05		#DIV/0!	2004/05		#OIV/0!	#DIV/0!	

Average % Growth from 2001/02-2004/05 #OIV/0! #OIV/0! #OIV/0!

3-Yr. Average Expenditures
(For the federal IV-E grant, the base year equals the average of FFY 2002/03 to FFY 2004/05.)

B. Use this part to estimate the amount of funds to be committed to the CAP.

Difference between SGF allocation and expenditures

SFY 2005/06 SGF Administrative Expenditures	
Less: SFY 2005/06 SGF Administrative Allocation	
Difference	

For estimate of county admin. funds to be committed to CAP

Total from Column B35	\$ -
Plus: SFY 2005/06 County Admin Expenditures	\$ -
TOTAL County admin. funds for CAP	\$ -

C. Use this part to examine the impact of not participating in the Title IV-E CAP versus participating in the Title IV-E CAP.

FOSTER CARE - FEDERAL SHARE

Federal Fiscal Year	Expenditure Trend Without IV-E CAP	2% Growth Title IV-E CAP	Annual Difference
2005/06			
2006/07	#DIV/0!		#DIV/0!
2007/08	#DIV/0!		#DIV/0!
2008/09	#OIV/0!		#DIV/0!
2009/10	#DIV/0!		#OIV/0!
2010/11	#DIV/0!		#DIV/0!
Cumulative Total for FFY 2006/07 - 2010/11	#DIV/0!		#DIV/0!

TITLE IV-E CAP - Adoptions Funding

Enter County Name:

County Contact (Name/Phone Number):

Note: This worksheet must be completed and submitted with the County Letter of Intent

Worksheet Assumptions:

1. For Adoptions Assistance Payments, the federal share of costs will be based on FFY 2004/05 expenditures, or the most recent four quarters prior to implementation, whichever is higher.
2. There will be a 15 percent growth rate for each year the Title IV-E CAP is in effect with a cost neutrality cap.
3. The expenditure trends without the Title IV-E CAP assumes expenditure growth based on the average year-to-year percent change between FFY 2001/02 through 2004/05 for the federal share of costs.

II. ADOPTIONS ASSISTANCE PAYMENTS

A. Use this part to examine your county's historical Adoptions Assistance Payments expenditures.

Federal Fiscal Year	Federal	Yr.-to-Yr. Change
2000/01	\$	
2001/02	\$	#DIV/0!
2002/03	\$	#DIV/0!
2003/04	\$	#DIV/0!
2004/05	\$	#DIV/0!

Average % Growth from FFY 2001/02-2004/05:

#DIV/0!

FFY 2004/05 Expenditures:

\$:,,,,,=====

B. Use this part to examine the impact of not participating in the Title IV-E CAP versus participating in the Title IV-E CAP.

ADOPTIONS ASSISTANCE PAYMENT - FEDERAL SHARE

Federal Fiscal Year	Federal Expenditure Trend Without IV-E CAP	15% Growth IV-E Capped Grant	Annual Difference
2005/06	#DIV/0!		
2006/07	#DIV/0!		#DIV/0!
2007/08	#DIV/0!	\$	#DIV/0!
2008/09	#DIV/0!	\$	#DIV/0!
2009/10	#DIV/0!	\$	#DIV/0!
2010/11	#DIV/0!	\$	#DIV/0!
Cumulative Total for FFY 2006/07 • 2010/11	#DIV/0!	\$	#DIV/0!

COUNTY WORKSHEET - AAP

C. Use this part to examine the impact of not participating in the Title IV-E CAP versus participating in the Title IV-E CAP.

FOSTER CARE - FEDERAL SHARE

Federal Fiscal Year	Expenditure Trend Without IV-E CAP	2% Growth Title IV-E CAP	Annual Difference
2005/06	#DIV/0!	\$ -	#DIV/0!
2006/07	#DIV/0!	\$ -	#DIV/0!
2007/08	#DIV/0!	\$ -	#DIV/0!
2008/09	#DIV/0!	\$ -	#DIV/0!
2009/10	#DIV/0!	\$ -	#DIV/0!
2010/11	#DIV/0!	\$ -	#DIV/0!
Cumulative Total for FFY 2006/07 - 2010/11	#DIV/0!	\$ -	#DIV/0!

TITLE IV-E CAP – Adoptions Funding

Enter County Name:

(Do not submit to CDSS)

Worksheet Assumptions:

1. → For Adoptions Assistance Payments, the federal share of costs will be based on FFY 2004/05 expenditures, or the most recent four quarters prior to implementation, whichever is higher.
2. → There will be a 15 percent growth rate for each year the Title IV-E CAP is in effect with a cost neutrality cap.
3. → The expenditure trends without the Title IV-E CAP assumes expenditure growth based on the average year-to-year percent change between FFY 2001/02 through 2004/05 for the federal share of costs.

I. → ADOPTIONS ASSISTANCE PAYMENTS

A. → Use this part to examine your county's historical Adoptions Assistance Payments expenditures.

Federal-Fiscal Year	Federal	Yr. to-Yr. Change
2000/01	\$ → -	
2001/02	\$ → -	#DIV/0!
2002/03	\$ → -	#DIV/0!
2003/04	\$ → -	#DIV/0!
2004/05	\$ → -	#DIV/0!

Average % Growth from FFY 2001/02-2004/05: → #DIV/0! →

FFY 2004/05 Expenditures: → \$ → -

B. → Use this part to examine the impact of not participating in the Title IV-E CAP versus participating in the Title IV-E CAP.

ADOPTIONS ASSISTANCE PAYMENT - FEDERAL SHARE

Federal-Fiscal Year	Federal Expenditure Trend Without IV-E CAP	15% Growth IV-E Capped Grant	Annual Difference
2005/06	#DIV/0!	\$ → -	#DIV/0!
2006/07	#DIV/0!	\$ → -	#DIV/0!
2007/08	#DIV/0!	\$ → -	#DIV/0!
2008/09	#DIV/0!	\$ → -	#DIV/0!
2009/10	#DIV/0!	\$ → -	#DIV/0!
2010/11	#DIV/0!	\$ → -	#DIV/0!
Cumulative Total for FFY 2006/07 - 2010/11	#DIV/0!	\$ → -	#DIV/0!

Title IV-E Child Welfare Waiver Demonstration Capped Allocation Project

Questions and Answers

General Project Implementation

1. What are the opt-in guidelines and timelines for the Capped Allocation Project (CAP)?

Counties will analyze the programmatic, fiscal, and planning implications for participation in the CAP. Counties intending to participate must submit the Letter of Intent by July 21, 2006, that includes the County Funding Template worksheets (1 – 4) and a County Plan Proposal Summary. A detailed county implementation plan would then be developed and submitted to the State. The due date for County Plans to be submitted to CDSS is September 8, 2006. Both the County Welfare Department (CWD) and Probation Department (Probation) must be involved in the development of the detailed CAP County Plan. Therefore, the CWD Director and the Chief Probation Officer will need to approve and sign the County Plan, in addition to, the County Board of Supervisors' approval. The implementation date for all participating counties is January 1, 2007.

2. What is the county selection process?

The California Department of Social Services (CDSS), in conjunction with the California Welfare Director's Association (CWDA) and community partners, will develop criteria for the county selection process. Some of the criteria under consideration include:

- Flexible funding will support improved safety, permanency, and well-being outcomes
- Service and system improvement strategies to be implemented
- Local planning efforts with public/private community partners and stakeholders
- County capacity and resources for implementation of the CAP
- Support and/or expansion of the County SIP goals and strategies
- Fiscal strategies for operating under a capped allocation
- Collaboration between CWD and Probation
- Plan to phase-down and end the demonstration project

Fiscal

3. What is the methodology to calculate the Title IV-E capped allocation?

For the Title IV-E funds, the base amount is the three-year average of foster care administrative and assistance payments excluding training, licensing, and SACWIS for Federal Fiscal Year (FFY) 2003 through 2005. The base amount will be increased by two percent for FFYs 2006 and 2007, and by two percent each year thereafter, for the five years of the project. The FFY begins on October 1st and ends on September 30th. Details on the State General Fund (SGF) allocation for the CAP are still being finalized, however, it is anticipated that counties will receive at a minimum, amounts received in their SGF allocations for State Fiscal Year 2005/06. The affected allocations are identified in the County Funding Instructions and Template (Attachment B).

4. Will the State calculate the capped allocation?

The county will estimate their federal Title IV-E foster care allocation based on the methodology for the five-year project. The State will verify the county's calculation of the capped allocation prior to the State/County Memorandum of Understanding (MOU) being completed.

5. How will the Deficit Reduction Act affect the waiver?

The federal base period is prior to the passage of this Act. Therefore, a participating county's Title IV-E allocation will include costs claimed during FFY 2003, 2004, and 2005. The Deficit Reduction Act contains restrictions regarding the claiming of Title IV-E. While the restrictions apply to Title IV-E, the CAP allows participating counties the flexible use of Title IV-E funds for persons who would not be eligible for Title IV-E funds in the absence of the CAP.

6. There are a number of items not included in the capped allocation, specifically training and administration, which make up a large portion of the county budget. Please address how augmentation dollars, Title XX and Title IV-E funds not included in the capped allocation will be issued.

- Most administrative activities are included in the Title IV-E allocation. However, costs associated with training, licensing, or SACWIS costs are excluded from the CAP. Federal funds for these will be paid through current processes. Participating counties will continue to claim costs excluded from the CAP through the County Expense Claim.
- Title XX is not included in the CAP and will be allocated through the current process.
- Participating counties are still eligible to receive the Child Welfare Services (CWS) Augmentation State General Fund (SGF), plus any additional SGF included for CWS in the final SFY 2006/07 Budget.

7. How will CWD and Probation costs associated with the capped allocation be claimed? Will new program and time study codes be issued?

The claiming procedures for the CAP are in the discussion and development stage at this time. Counties will be asked to participate in a State/County workgroup prior to the completion of the claiming procedures.

8. What will be the method to fund Probation? Who will determine this process?

The process to pass IV-E funds for Probation will not change. Each participating CWD will be required to collaborate with their Probation Department to determine how the federal funds under the CAP will be passed through to Probation. Counties may need to amend the current MOU to allow Probation the flexible use of the funds allocated under the CAP.

9. If a county currently overmatches in the Child Welfare Services (CWS) programs how will this overmatch be treated in the CAP?

All existing State and county funds included in the CAP, as well as any State and county funds that are added in during the life of the CAP are required to continue to be invested in CWS/FC programs.

10. What will be the impact of statutory COLAs in the FC program or any other programs including any new mandates? Will the capped allocation be adjusted to reflect the new State mandates?

There is currently no statutory COLA for FC assistance. If such COLAs were enacted, this would require a negotiation of the federal Waiver Terms and Conditions by CDSS and the federal government.

11. Will the two percent growth rate for Title IV-E be calculated on a county-by-county basis or a statewide average?

Based on the federal Terms and Conditions, the two percent growth rate will be based on the Title IV-E funding base for each participating county. There will be an annual increase of two percent for each of the five years of the project. Since the project will not begin until January 2007, each participating county will also receive a two percent increase of Title IV-E funds for FFY 2006.

12. Is the 15 percent annual increase for the Adoption Assistance Program annually or is it 15 percent over five years? Also, is the 15 percent increase county-by-county or statewide? Will the State operations costs for State Adoptions be included?

The cost neutrality cap for the Adoption Assistance Program will be calculated as follows:

- The base year amount shall equal the amount of Federal adoption assistance payments, including nonrecurring adoption expenses, adoption assistance subsidies and administrative expenses related to adoptions or adoption assistance, paid to the State on behalf of participating counties for FFY 2005.
- Increase the base amount by an annual increase of 15 percent in FFY 2006 and in each of the five years of the demonstration.
- The cost neutrality threshold for the participating counties shall be the cumulative five year total of the base amount adjusted by the annual increases. However, counties will be monitored on an individual county basis.
- CDSS will work with counties who have State Adoption Operations programs to monitor and analyze their administrative expenditures.
- CDSS believes that there is sufficient funding for adoptions, but there is the ability to revisit this if separate actions cause adoptions to increase.

13. How will a participating county be affected by future re-alignment?

At this time, the CDSS does not see any changes in the realignment calculation based on the CAP. If realignment calculations change in the future, CDSS will work with CWDA and stakeholders to discuss the impacts of this and address them appropriately.

14. Will a participating county be able to “roll over” funds for the five years of the CAP? Is there a limit to the amount of funds that can be rolled over?

Participating counties will be able to roll forward Title IV-E funds for the five years of the CAP. There is not a limit to the funds that can be rolled forward. It is the intent of the state to allow participating counties to roll unspent SGF forward.

15. How will the non-federal discount rate be determined for training, licensing, and SACWIS?

Costs associated with these programs are excluded from the CAP. Therefore, the current procedures for claiming will not change for these programs. Participating counties must still determine federal eligibility. Therefore, the county discount rate will be calculated and used to determine the amount of federal reimbursement in the excluded programs.

16. Will the State provide guidelines on how the Title IV-E and SGF can be spent?

Under the waiver demonstration project each participating county will receive flexibility in the use of Title IV-E funds for services to support children and families. Participating counties will use the Title IV-E capped allocation to support and expand child welfare practices, programs, and system improvements. In addition, counties will have the flexibility to use SGF FC assistance funds for services. Each participating county is required to submit a detailed county implementation plan describing specific strategies, procedures, and timelines for implementing the service components it will operate under the CAP.

The State will provide guidelines through the county plan development and approval process. The CAP County Plan proposal is required to support and/or expand the County System Improvement Plan goals and strategies including the proposed project strategies measurable impact on specific targeted outcomes. The County Plan Template will provide the specific requirements, format, and instructions for the detailed County Implementation Plan proposal.

17. If the State has been sanctioned as a result of a Title IV-E audit, could this reduce the capped allocation?

The Department of Health and Human Services (DHHS) has indicated that adjustments are likely for court cases, audits, and other disallowances if they fall within the base year of 2003, 2004, and 2005. This will likely result in a reduction of the total Title IV-E capped funds available for the project.

18. Will the sharing ratios be the same for the programs included in the CAP? Could a change in the sharing ratios affect the amount of the CAP allocation a county receives?

At this time, the CDSS does not see any changes in the current sharing ratios based on the CAP. If sharing ratios change in the future, CDSS will work with CWDA and stakeholders to discuss the impacts of this and address them appropriately.

19. Please explain the “re-investment of savings”.

Pursuant to the federal Waiver Terms and Conditions, existing federal, State and county funds currently expended to support the Foster Care (FC) and CWS programs must remain in the FC/CWS programs. Any foster care savings realized as a result of the waiver demonstration project must be re-invested into the provision of child welfare services.

20. How will funds be advanced to the participating counties?

Participating counties will be issued an allocation letter for the CAP. In lieu of the fixed base, plus two percent growth, counties may choose to receive 5 equal payments of up to 20 percent of their cumulative five-year total of their Title IV-E funds.

21. How will the discount rate be developed for Probation? How will this impact the allocation?

There will not be any change to how the discount rate is determined for either CWD or Probation as participating counties must still determine federal eligibility. The Title IV-E capped allocation is based on actual expenditures from FFY 2003, 2004, and 2005. The CWD and Probation will calculate the amount of the capped allocation based on the three-year average of expenditures in the base years. The CWD and Probation, via a county MOU, will determine Probation’s share of the capped allocation.

22. Will all funds currently in CWS be included in the CAP?

All funds tied to CWS programs on the Program Code Listing will be included in the CAP, unless the SGF is used as a match for other federal funds. For example, State Family Preservation Program funds are used to match federal Promoting Safe and Stable Families (PSSF) funds, and cannot be used to match Title IV-E funds. These funds will remain as a commitment and investment to the CWS program, but the SGF allocation will not be included as part of the CAP.

Program

23. What are the opt-out guidelines and timeframe?

The county must plan for implementing and operating the full five-year demonstration project. However, should a county determine, after careful consideration and consultation with the CDSS, that the county must terminate participation in the waiver, the county would exercise the opt-out election, and the following process will occur:

- The county must be able to successfully implement a transition strategy, including the required waiver demonstration project phase-down plan to ensure that children remain safe and needed services will continue.
- In accordance with the terms of the State/County MOU, a county electing to opt-out of the waiver will provide written notification to the CDSS.

- A fiscal review and reconciliation will occur as a result of the county opt-out election and notification. Fiscal reviews as needed will coincide with the State budget process and State Fiscal Year (SFY) to ensure funding is available.
- A county that opts-out prior to the end of the waiver demonstration project will reconcile with the State any Title IV-E funds due to the Department of Health and Human Services.

24. If a county opts-out, how will the State determine allocations at that point?

A final reconciliation process will occur as a result of the county opt-out election. The county will then follow the same allocation process as non-participating counties.

25. Is there any penalty if we opt-out?

There is no “penalty” assessed for any county who elects to opt-out of the waiver early. However, there will be a reconciliation of funds and the county must implement a transition strategy, including the required waiver demonstration project phase-down plan and, if necessary, county reimbursement of federal funds that may be owed as a result of the opt-out.

26. What is the foster care eligibility process during the waiver? Are there any children who are not eligible?

Federal foster care eligibility determinations are not affected by the CAP. The normal eligibility process will still occur. However, the CAP allows for federal Title IV-E funds to be expended on children and families who are not normally eligible to be served with Title IV-E.

27. How does differential response fit into the waiver?

The participating county’s detailed implementation plan will describe specific strategies to support and expand child welfare practices, programs, and system improvements it will operate under the CAP that may include differential response. Receipt of additional General Fund will not result in an increase of Title IV-E.

28. Some pilot counties have received limited State funds for these programs – can we use the waiver to fund county improvement programs?

Each participating county when submitting the detailed county implementation plan describing specific strategies, procedures, and timelines for implementing the service components it will operate under the CAP, may wish to include current innovative county programs. The CAP County Plan must be aligned with the county’s System Improvement Plan (SIP). Therefore, a county’s use of the flexible funds would support and expand the improvement goals and strategies of the county SIP.

29. Will the CAP waive Division 31 and Division 45 requirements?

Division 31

The CAP, as a federal Title IV-E waiver demonstration project, does not waive State Division 31 regulations. Division 31 regulations are in place to ensure the safety, permanence, and well-being for children served by the child welfare system. Should a county identify specific Division 31 regulations in the County Plan proposal as a barrier to implementation for the proposed county strategies; the State may consider the county request through the Director's waiver authority. Any county request to waive Division 31 requirements would need to include the proposed alternative the county would use to meet the intent of the regulatory requirement from which the county seeks exemption. However, under the *Higgins v. Saenz* lawsuit settlement the Department would have no authority to waive Division 31, Section 445. Assembly Bill 1695 (chapter 653, Statutes of 2001) and the settlement provisions established the standards and requirements for assessing and approving the homes of relative and non-relative extended family member caregivers.

Division 45

The federal Waiver Terms and Conditions did not waive federal foster care eligibility requirements but do allow flexible use of Title IV-E funds to support non-federal foster children. Federal rules described in the 1997 Adoption and Safe Families Act (ASFA) specify that federally eligible foster children must meet these mandated requirements. Additionally, the CAP, as a federal Title IV-E waiver demonstration project, does not waive State Division 45 regulations. However, should a county identify specific Division 45 regulations in the County Plan proposal as a barrier to implementing proposed strategies, the State may consider the county request through the Director's waiver authority to the extent it does not harm children or negatively impact federal funding.

30. What is the relationship between the County System Improvement Plan (SIP) and the capped allocation?

Each participating county is required to submit a detailed county implementation plan describing specific strategies, procedures, and timelines for implementing the service components it will operate under the CAP. The CAP County Plan must be aligned with the county's System Improvement Plan (SIP). Therefore, it is required that a county's use of the flexible funds would support and expand the improvement goals and strategies of the county SIP including the proposed CAP strategies measurable impact on specific targeted outcomes.

31. What will be the implementation and eligibility guidelines for Probation?

Probation and the CWD will have the same implementation and eligibility guidelines. The detailed county implementation plan submitted by each participating county must include Probation.

32. How can other departments, e.g., mental health participate in the process? How will the funding work such as public health funding, Medi-Cal, etc.? Is there a recommended cross-agency implementation structure from other states that have implemented waiver demonstration projects?

The CDSS encourages the collaborative relationship with mental health and other partners to broaden the array of services that lead toward the achievement of improved well-being for children and families. The current structure a county has in place for collaboration and partnering with other agencies will not be affected by the CAP. Flexible use of Title IV-E funds does not change/affect the funding mechanisms in place for other programs. The CDSS does not have a recommended cross-agency implementation structure. However, information on waiver demonstrations in other states is available and CDSS would be able to provide assistance to counties in obtaining this information.

33. Does the waiver permit use of California Work Opportunity and Responsibility to Kids (CalWORKs) funds if those funds are in support of families whose children have not yet been removed? For example, can CalWORKs funds be used in reunification cases?

The CAP only relates to federal Title IV-E foster care funding and CalWORKs is funded by Title IV-A funds. Therefore, the CAP Waiver would not have any affect on how CalWORKs funding, rules, or regulations operate. The information regarding CalWORKs funds for use in reunification cases are contained in All County Letter 02-36, All County Information Notice (ACIN) I-39-02, and ACIN I-40-04.

34. What about group home rates?

The CDSS does not anticipate any change to the structure of group home rates at this time. Should a county propose in their CAP implementation plan a reasonable option or supplemental rate; the State may consider the waiver request. In addition, if there are federal or State legislative changes that would require group home rates to be adjusted, the CDSS would work with the counties to ensure the necessary adjustments are made.

35. Is there the ability to use funds for emancipated youth? Will 18 years of age be the cut-off?

As specified in the federal Waiver Terms and Conditions, the CAP targets Title IV-E eligible and non IV-E eligible children ages zero through 19 who are currently in out-of-home placement, or who are at risk of entering or re-entering foster care. While there are no restrictions to using the IV-E flexible funds towards services to children who are about to emancipate, a county would need to decide if funding emancipation services would meet the specific goals of their CAP County Plan.

36. How will counties access the technical support that is available through CDSS?

Technical assistance related to the CAP is available through the Title IV-E Waiver Unit. The CDSS Title IV-E waiver demonstration staff will provide project development and implementation support, technical assistance, training, site visits, and project monitoring over the life of the five-year project. Counties may contact the Department directly with any technical assistance requests including providing assistance related to preparing the County Plan proposal, answering specific questions regarding fiscal and program issues, and any other project implementation issues.

The CDSS has established an email address to receive questions and informational requests related to the CAP. The address is IV-EWaiver.CAP@dss.ca.gov. CDSS staff will provide responses and information by email and/or telephone to any submitted inquiries. A web page has also been developed to provide access to updated information for the CAP. The web page may be accessed through the [CDSS Children and Families Services Division home page](http://www.childsworld.ca.gov) at <http://www.childsworld.ca.gov>.

37. What happens at the end of the waiver?

All counties are required to have a plan to phase-down and end the waiver demonstration project to ensure that children remain safe and needed services will continue. At the end of the five-year waiver demonstration, the counties would then be required to meet the current laws and regulations regarding the use of Title IV-E.

38. Will the *Katie A. v. Bonta* lawsuit have any impact on the CAP?

Katie A. is a lawsuit which challenges the adequacy of mental health services provided to foster children and children at risk of foster care placement with mental health needs, and which seeks to expand the use of wraparound and therapeutic foster care programs to meet these needs. At the present time CDSS and the Department of Health Services have been enjoined to expand these programs, and are working, along with the state Department of Mental Health, to identify initial implementation strategies to comply with the injunction. This lawsuit is not directly related to the CAP; however, the flexibility allowed under the waiver may be used by a county to expand the programs that are the subject of the Katie A. injunction. An All County Information Notice with further information about the Katie A. v. Bonta lawsuit will be issued.

39. What about the new regulation on imminent risk, will it be required under the CAP?

The CAP does not affect the regulations concerning imminent risk. The federal, State and Departmental procedures regarding imminent risk provide the guidelines for counties in considering and documenting a child as a candidate for foster care.

Evaluation

40. How will the State collect data?

The State evaluation contractor will be using data collected from a number of sources:

- Outcome data will be taken from the CWS/CMS system and various outcome reports to support the outcome evaluation.
- Site visits in the counties including direct contact with county administrative and program staff to support the process evaluation.
- County allocations and claim reports to support the cost study. In addition, cost data will be collected from the counties.

41. What will the State be looking at in the evaluation?

The CAP proposes to test flexibility in funding and how service selection may change in the context of this flexibility. In addition, the evaluation will assess whether and to what extent program outcomes will change during the course of the CAP.

42. What type of evaluation feedback and updates will there be to the counties over the course of the waiver?

The evaluation contractor will provide semi-annual evaluation progress reports to CDSS, including feedback on the process evaluation. The specific process for evaluation activities including updating counties has yet to be developed. This process will be finalized upon selection of the participating counties and completion of the final CAP Evaluation Plan.

43. Will there be potential penalties if the outcomes are not achieved?

There are no specific outcome related penalties tied to the federal waiver demonstration project or the waiver evaluation. As a DHHS requirement for waiver demonstration projects, the purpose of the evaluation is to assess the effectiveness of the five-year federal waiver demonstration project as implemented in California.

44. Will data collection be centralized at the State, or will it be at a local level with a contractor?

While data collection will be mainly at the State level for federal reporting purposes, pre and post comparisons will be made by the evaluation contractor based on county-level data, some of which will be collected directly from the counties. Counties are not required to conduct their own evaluation. The CAP evaluation will be conducted by the single State evaluation contractor.

45. Will there be sharing of Probation and CWS data?

The data obtained from probation and child welfare will not be specifically shared. However, the aggregate data from both program areas may be published in the interim and final evaluation reports, which will be available to both Probation and Child Welfare Departments.