Table of Contents

101 – TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF)/CALIFORNIA WORK OPPORTUNITY AND RESPONSIBILITY TO KIDS (CalWORKs) PROGRAMS

101 CalWORKs ASSISTANCE

General Fund Maintenance of Effort Adjustment 1
Two-Parent Families (matches to Auxiliary Table). 3
Basic Grants 7
Previous CalWORKs Reform Efforts 11
July 2007 MAP COLA 17
July 2008 MAP COLA 19
MAP Reduction 21
Homeless Assistance (AB 1808) 23
Minimum Wage Increases (AB 1835) 29
Undocumented Citizens (SB 1569) 37
CalWORKs Resources (AB 2466) 47
CalWORKs Resources (AB 1078) 51
Subsidized Employment (AB 98) 55
Tribal TANF 59
Cal Learn Bonuses and Sanctioned Grants 131
CalWORKs Safety Net Program 111
Prospective Budgeting 63
Recent Noncitizen Entrants 75
Emergency Freeze Response 79
Rosales v. Thompson (Reversal) 215
Enhanced Kin-GAP Savings 187
Pre-Assistance Employment Readiness Program 85
Self Sufficiency Review 89
Graduated Full Family Sanctions 93
Modified Safety Net Proposal 99
Child Only Time Limit 103

101 CalWORKs SERVICES

Employment Training Fund 107
CalWORKs Basic 109
Previous CalWORKs Reform Efforts 11

101 CalWORKs SERVICES (CONTINUED)

Homeless Assistance (AB 1808) 23
CalWORKs Safety Net Program 111
Substance Abuse Services 115
Mental Health Services 117
Mental Health/Substance Abuse for Indian Health Clinics 119
Undocumented Citizens (SB 1569) 37
Emergency Freeze Response 79
CalWORKs Resources (AB 2466) 47
CalWORKs Resources (AB 1078) 51
Subsidized Employment (AB 98) 55
County Performance Incentives 121
Pay For Performance 123
Effect of EDD Wagner-Peyser Reimbursement 125
Recent Noncitizen Entrants 75
Tribal TANF 59
Pre-Assistance Employment Readiness Program 85
Graduated Full Family Sanction 93
Modified Safety Net Proposal 99
CalWORKs Pay for Performance Reduction 127
TANF Pass-Through for State Agencies 129

101 TEEN PROGRAMS

Cal Learn 131

101 CalWORKs - ADMINISTRATION

TANF/CalWORKs Administrative Costs - Basic 135
MAP Reduction 21
Restore CalWORKs Administration Costs 137
Single Allocation Reduction 139
CalWORKs Safety Net Program 111
Work Verification 141
Be Vu v. Mitchell 379
Tribal TANF 59
Fraud Recovery Incentives 145
Fraud Recovery Incentives-Reappropriation 147
PA to NA Fund Shift 149

101 CalWORKs - ADMINISTRATION (CONTINUED)

Medi-Cal Services Eligibility/Common Costs 151
Administrative Cap Adjustment 153
Court Cases 155
Homeless Assistance (AB 1808) 23
Minimum Wage Increases (AB 1835) 29
Undocumented Citizens (SB 1569) 37
State/County Peer Reviews 157
Emergency Freeze Response 79
Recent Noncitizen Entrants 75
Research and Evaluation 159
County Maintenance of Effort (MOE) Adjustment 161
Prospective Budgeting 63
Rosales v. Thompson (Reversal) 215
Enhanced Kin-GAP Savings 187
Pre-Assistance Employment Readiness Program 85
Self Sufficiency Review 89
Graduated Full Family Sanctions 93
Modified Safety Net Proposal 99
Child Only Time Limit 103
Governor's Proposal - Mailing Cost 163

101 CalWORKs CHILD CARE PROGRAMS

CalWORKs Child Care - Stage One Services and Administration 165
Previous CalWORKs Reform Efforts 11
Undocumented Citizens (SB 1569) 37
Emergency Freeze Response 79
Homeless Assistance (AB 1808) 23
CalWORKs Safety Net Program 111
RMR Impact 169
Recent Noncitizen Entrants 75
Pre-Assistance Employment Readiness Program 85
State-Only Cal Learn Child Care 171
Graduated Full Family Sanctions 93
Child Care - Trustline 173
Self-Certification 177
Child Care Stage One/Two Holdback 179

101 TANF TRANSFERS

Transfer to Probation 181
Transfer to Student Aid Commission 183
Transfer to Boys and Girls Club 185

101 KIN-GAP PROGRAM

Kin-GAP Basic Costs 187
Kin-GAP Administration 187
Kin-GAP Enhancements 187
Rate Increase - 5 Percent 205
Reduce Rate by 10 Percent 241

101 FOSTER CARE PROGRAM

Title IV-E Child Support Collections 193
Foster Family Home-Basic Costs 195
Group Home-Basic Costs 197
Foster Family Agency-Basic Costs 199
Seriously Emotionally Disturbed Children Basic Costs 203
Rate Increase - 5 Percent 205
Supplemental Clothing Allowance 209
Title XX Foster Care 211
Rosales v. Thompson (Reversal) 215
Tribal-State Title IV-E Agreements 427
Supportive Transitional Emancipation Program (STEP) 219
Emergency Assistance Program -- Foster Care Welfare 221
Improving Adoptions Outcomes Savings 533
PAARP Savings 539
Foster Care Overpayments 223
Dual Agency Proposal 225
Title IV-E Foster Parent Child Care Program 229
SSI/SSP FC Application (AB 1331) 231
Foster Care - Infant Rate (SB 500) 235
IV-E funding for-Profit Group Homes (AB 1462) 239
Enhanced Kin-GAP Savings 187
Reduce Rate by 10 Percent 241

101 ADOPTION ASSISTANCE PROGRAM

Basic Costs 245
Dual Agency Proposal 225
Improving Adoptions Outcome 533
PAARP 539
Rate Increase - 5 Percent 205
Reduce Rate by 10 Percent 241

101 REFUGEE CASH ASSISTANCE

Basic Costs 247
Prospective Budgeting 63
Undocumented Citizens (SB 1569) 37

101 CALIFORNIA FOOD ASSISTANCE PROGRAM

Emergency Food Assistance Fund 249
Food Bank Funding 251
California Food Assistance Program 253
Minimum Wage Increases (AB 1835) 29
Undocumented Citizens (SB 1569) 37
Simplification Options 363
Prospective Budgeting 63
Emergency Freeze Response 79
Ten Percent CFAB Benefit Reduction 257
Face to Face Waiver 369

111 - SUPPLEMENTAL SECURITY INCOME/STATE SUPPLEMENTARY PAYMENT (SSI/SSP)/IN-HOME SUPPORTIVE SERVICES

111 SSI/SSP

Basic Costs 261
January 2008 COLA 263
January 2009 COLA 265
SSP Administration 267
SSI/SSP FC Application (AB 1331) 231
California Veterans Cash Benefit Program 269
SSI/SSP Suspension of the COLAs 271
No Pass-Through of January 2009 COLA 273
Cash Assistance Program for Immigrants (CAPI) - Base Program 275
CAPI - Extended Time Limit 275

111 SSI/SSP (CONTINUED)

Elimination of the CAPI Program 279
SSP MOE Eligible 281

111 IN-HOME SUPPORTIVE SERVICES (IHSS)

Personal Care Services Program/Residual IHSS Basic Costs 283
CMIPS and Associated Costs 289
CMIPS Enhancements 293
CMIPS II Contract Procurement 295
Public Authority Administration 299
PCSP Three-Month Retroactive Benefits 303
IHSS Quality Assurance 307
Minimum Wage Increase (AB 1835) 29
Reduce State Participation to Minimum Wage 311
Criminal Background Check (SB 868) 313
Conlan II *315*
Service Reduction of Hours 317
Limits IHSS to Functional Index levels above 3 319
Income Eligible Shift Share of Cost Buyout 321
Waiver Personal Care Services 323
Tyler v. Anderson Settlement and Implementation 325
Waiver Program/Medi-Cal State Plan Amendment for Residual Program 327
Title XIX Reimbursement (IHSS/CSBG/CWS) 329

111 IHSS ADMINISTRATION

Basic Costs 333
PCSP Three-Month Retroactive Benefit 303
County Employer of Record (AB 2235) 335
IHSS Court Cases 337
IHSS Advisory Committees 339
IHSS Quality Assurance 307
Reduce County Admin by 10 Percent 341
Eligibility Income Adjustment 343
Limiting Share of Cost 345

141 - COUNTY ADMINISTRATION

141 FOSTER CARE

FC & NAFS Administrative Costs - Basic Costs 347
Enhanced Kin-GAP Savings 187
Rosales v. Thompson (Reversal) 215
STEP Eligibility 219
Improving Adoptions Outcomes 533
PAARP Savings 539
SSI/SSP FC Application (AB 1331) 231
Foster Care Reforms 351
Emergency Assistance - Foster Care Welfare 221
Tribal-State Title IV-E Agreements 427
Court Cases 155

141 FOOD STAMPS ADMINISTRATION

Basic Costs 347
Be Vu v. Mitchell - FS Admin 379
Food Stamp Administrative Reduction 353
Employment and Training Program 355
California Nutrition Network 359
UC Food Stamp Nutrition Education Plan 361
PA to NA Fund Shift 149
Prospective Budgeting 63
Simplification Options 363
Emergency Freeze Response - NAFS 79
Face to Face Waiver 369
NAFS Reduction 373
California Food Assistance Program 253
CFAP - State-Only Program 253
CFAP - Prospective Budgeting 63
CFAP - Undocumented Citizens (SB 1569) 37
Emergency Freeze Response - CFAP 79
CFAP - Face to Face Waiver 369
CFAP - Ten Percent Benefit Reduction .....

141 REFUGEE CASH ASSISTANCE

Refugee Cash Assistance - Administration....375
Prospective Budgeting....63

141 AUTOMATION UPDATES

Previous CalWORKs Reform Efforts....11
TANF Reauthorization....377
Be Vu v. Mitchell....379
Work Incentive Nutrition Supplement....383

141 AUTOMATION PROJECTS

SAWS Statewide Project Management....385
SAWS - Welfare Data Tracking Implementation Project....387
Interim Statewide Automated Welfare System (ISAWS)....389
ISAWS Migration....391
LEADER....393
LEADER Replacement....395
Welfare Client Data System (WCDS) - CalWIN....397
Consortium IV (C-IV) Implementation....399
SAWS/CCSAS Interface....401
ISAWS Migration - Reduction....403
Statewide Fingerprint Imaging System (SFIS)....405
Electronic Benefits Transfer Project M&O....407
Electronic Benefits Transfer Project Reprocurement....409

151 SOCIAL SERVICE PROGRAMS

151 CHILD WELFARE SERVICES

Basic Costs....411
Federal Budget Bill - Loss of FFP....417
Improving Adoptions Outcomes Savings....533
PAARP Savings....539
Augmentation to Child Welfare Services....419
CWS/CMS System Support Staff....421
Emergency Assistance Program - TANF & Title IV-E....423
Enhanced Kin-GAP Savings....187
Tribal-State Title IV-E Agreements....427
Gomez v. Saenz....429
Title XX Transfer to DSS....211

151 CHILD WELFARE SERVICES (CONTINUED)

State Family Preservation 431
Promoting Safe and Stable Families 433
Independent Living Program 435
Extended Independent Living Program 437
Chafee Postsecondary Education and Training Vouchers 439
Transitional Housing for Foster Youth 441
STEP - Transitional Independent Living Plan Activity 219
Emancipated Foster Youth Stipends 443
Recruitment and Retention of Social Workers 445
Total Child Welfare Training Program 447
Substance Abuse/HIV Infant Program (Options for Recovery) 449
Pass-Through Title IV-E Costs 451
Foster Parent Training and Recruitment 455
Minor Parent Services and Investigations 457
Foster Care - Infant Rate (SB 500) 235
Kinship Support Services 459
Kinship/Foster Care Emergency Funds 461
CWS/CMS Staff Development 463
CWS/CMS Ongoing M&O 465
CWS/CMS New System 467
Child Health and Safety Fund 469
Supportive and Therapeutic Options Program (STOP) 471
Group Home Monthly Visits 473
Caregiver Court Filing (SB 1667) 475
Criminal Records Check for FR (AB 1774) 477
Background Checks 479
Relative Home Approvals 481
Multiple Relative Home Approvals 483
Grievance Review for Relatives 485
Live Scan Technology 487
Health Services for Children in Foster Care 489
County Self-Assessment and SIP Development 491
Federal Child & Family Services Review 493
Program Improvement Plan Penalty 495
Data Requirements for New Activities 497

151 CHILD WELFARE SERVICES (CONTINUED)

Peer Quality Case Reviews 499
Child Fatality and Near Fatality PQCR's 501
Statewide Standardized Training 503
CWS Program Improvement Fund 505
CWS DR, SA, and PYS 507
CWS Outcome Improvement Project 509
Safe & Timely Interstate Placement of Foster Care Act of 2006 511
Adam Walsh Child Protection & Safety Act of 2006 513
Child Relationships (AB 480 amended by AB 1412) 517
Resource Family Approval Pilot (AB 340) 521
SSI/SSP FC Application (AB 1331) 231
Health Benefit Determination (AB 1512) 525
Foster Youth Identity Theft (AB 2985) 527
Reduce CWS Allocations 529

151 ADOPTIONS PROGRAM

Basic Costs 531
Improving Adoptions Outcomes 533
Older Foster Youth Adoption Project 537
Private Agency Adoption Reimbursement Payments (PAARP) 539
Foster and Adoptive Home Recruitment 543
County Counsel Costs 545
Nonrecurring Adoption Expenses 547
Specialized Training for Adoptive Parents (STAP) 549
Nonresident Petitions for Adoption (AB 746) 551
Electronic Record System 553
Disclosure of Sibling Contact Info (AB 2488) 555
Resource Family Approval Pilot (AB 340) 521
Safe & Timely Interstate Placement of FC Act of 2006 511
Adoption Opportunity Grant 557
Privatization of Independent Adoptions 559
Repeal of Assembly Bill 2488 561

151 CHILD ABUSE PREVENTION PROGRAM

County Third Party Contracts....563
Federal Grants....565
State Children's Trust Fund Program....567

151 COUNTY SERVICES BLOCK GRANT

Basic Costs....569
Adult Protective Services....571
APS Contract for Training Curriculum and Services....573
Reduce APS Program by 10 percent....575

151 COMMUNITY CARE LICENSING

Foster Family Home-Basic Costs....577
Family Child Care Home-Basic Costs....579
Gresher v. Anderson....581
Adam Walsh Child Protection & Safety Act of 2006....513
Resource Family Approval Pilot (AB 340)....521
Court Cases....583
Title XX Funding....211
Fee-Exempt Live Scan....585
Reduce Random Visits to 14 Percent....587

151 SPECIAL PROGRAMS

Other Specialized Services....589
Eligibility/Extension of Dog Food Allowance....591
Access Assistance/Deaf Program - Basic Costs....593
Access Assistance/Deaf Program - Title XX Funding....211
Access Assistance/Deaf Program - Reduce Services by 10 Percent....595
Refugee Employment Social Services....597
Targeted Assistance....599
Refugee School Impact Grant....601
Undocumented Citizens (SB 1569)....37

153 - TITLE IV-E WAIVER....603

TANF
OTHER DEPARTMENTS' TANF MOE ELIGIBLE EXPENDITURES

Community Colleges Expansion of Services to TANF Eligibles 611
CDE Child Care Programs.....613
State Disregard Payment to Families 617
CalGrants MOE.....621
After School MOE 623
Community College-Fee Waivers 625
Excess MOE 627

ADDITIONAL TANF/MOE

General Fund Maintenance of Effort Work Participation Rate Adjustment 629
TANF Transfer to CDE.....631
Total TANF Reserve 633
Restore TANF Reserve.....635

Cost-of-Doing Business 637

General Fund Maintenance of Effort Adjustment

DESCRIPTION:

Public Law (P.L.) 104-193, the federal welfare reform legislation, established the Temporary Assistance for Needy Families (TANF) program and a TANF block grant to replace the Aid to Families with Dependent Children (AFDC) program. For Fiscal Year (FY) 2007-08, an adjustment has been made to reflect that California met the federal work participation rate (WPR) for the California Work Opportunity and Responsibility to Kids (CalWORKs) program in Federal Fiscal Year (FFY) 2006. California is not expected to meet the federal WPR in FFY 2007. When the state meets this rate, the MOE level falls from 80 percent to 75 percent. In addition, adjustments are made to the MOE as a result of Tribal TANF. Therefore, with the WPR and Tribal TANF MOE Adjustments, the final MOE level is $2.7 billion in FY 2007-08 and $2.9 billion in FY 2008-09.

IMPLEMENTATION DATE:

This premise implemented October 1, 1996.

METHODOLOGY:

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

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

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

FUNDING:

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

General Fund Maintenance of Effort Adjustment

CHANGE FROM PRIOR SUBVENTION:

The decrease in the CY is due to a combined effect of increased CalWORKs costs due to caseload/cost per case, and an increase in other departments' MOE. The increase in the BY is due to an increase in GF spending in the CalWORKs program as a result of the final TANF rule, effective October 1, 2008, and the increased costs in the CalWORKs program.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase in the BY is due to an increase in GF spending in the CalWORKs program resulting from the loss of other departments' MOE due to final TANF rule, effective October 1, 2008, and the increased costs in the CalWORKs program.

EXPENDITURES:

(in 000's)

	2007-08	2008-09
	Grant	Grant
Total	$0	$0
Federal	-717,559	-1,372,717
State	717,559	1,372,717
County	0	0
Reimbursements	0	0

Two-Parent Families

DESCRIPTION:

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

IMPLEMENTATION DATE:

This premise implemented on October 1, 1999.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10553.
- The grant costs for two-parent families are based on the percentage of two-parent families in the Current Year (CY) and the Budget Year (BY) caseload projections.
- The CY administrative, employment services, and child care costs for two-parent families are held to the Appropriation.
- The employment services and Stage One child care costs for two-parent families are based on actual expenditure data from calendar year 2007.
- The ratio for two-parents participating in the CalWORKs Mental Health program is 12.44 percent and 13.71 percent in the Substance Abuse program and is based on CalWORKs Welfare-To-Work Monthly Activity Report (WtW 25/25A) caseload data for calendar year 2007.

METHODOLOGY:

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

Two-Parent Families

FUNDING:

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

CHANGE FROM PRIOR SUBVENTION:

- The CY increase for CalWORKs grant costs is due to a higher CalWORKs projected caseload than used in the prior subvention and the delayed implementation of Graduated Full Family Sanctions. The BY decrease is due to the "MAP Reduction" premise.
- The BY services costs decrease is due to a decrease in the two parent services' expenditures to the overall CalWORKs' expenditures ratio
- The BY administrative costs increase is due the increase to the overall CalWORKs caseload.
- The BY child care costs have increased due to an increase in the cost per child.

REASON FOR YEAR-TO-YEAR CHANGE:

- The BY decrease for CalWORKs grant costs is due to increased savings due to the "Previous CalWORKs Reform Efforts" premise, the "MAP Reduction" premise and the "Graduated Full Family Sanctions" premise.
- The BY decrease for CalWORKs service is due to a decrease in Substance Abuse Services expenditures.
- The BY decrease in administrative costs is primarily due to the implementation of the "Graduated Full Family Sanctions" premise, the "MAP Reduction" premise and the increase in the PA to NA fund shift.
- The BY increase in child care cost is primarily due to the implementation of the "Graduated Full Family Sanctions" premise and the impact of the increased Regional Market Rate.

Two-Parent Families

CASELOAD:

	2007-08	2008-09
Average Monthly Caseload	33,356	31,781

EXPENDITURES:

(in 000's)

ITEM 101 - Total	2007-08 Total	2008-09 Total
Total	$391,798	$363,725
Federal	366,737	334,106
State	18,357	23,487
County	6,704	6,132
Reimbursements	0	0

ITEM 101 - CalWORKs Grants	2007-08 Grant	2008-09 Grant
Total	$268,143	$245,274
Federal	261,439	239,142
State	0	0
County	6,704	6,132
Reimbursements	0	0

Two-Parent Families

EXPENDITURES (CONTINUED):

(in 000's)

ITEM 101 - CalWORKs Services	2007-08 Services	2008-09 Services
Total	$68,046	$64,128
Federal	68,046	64,128
State	0	0
County	0	0
Reimbursements	0	0

ITEM 101 - CalWORKs Administration	2007-08 Admin.	2008-09 Admin.
Total	$37,252	$30,836
Federal	37,252	30,836
State	0	0
County	0	0
Reimbursements	0	0

ITEM 101 - CalWORKs Stage One Child Care	2007-08 Child Care	2008-09 Child Care
Total	$18,357	$23,487
Federal	0	0
State	18,357	23,487
County	0	0
Reimbursements	0	0

CalWORKs – Basic Grants

DESCRIPTION:

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

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 11450.
- For Fiscal Year (FY) 2007-08, a total of 10,522,276 All Other Families (AF) personmonths and 1,529,638 Two-Parent (TP) personmonths are anticipated. For FY 2008-09, 10,498,802 AF personmonths and 1,529,916 TP personmonths are projected.
- For both the Current Year (CY) and the Budget Year (BY), AF cases consist of 2.35 persons and TP cases consist of 3.91 persons.
- Adjustments are made for the estimated costs of current premises which are already included in the base period. These premises include: “Cal Learn Bonuses,” “Cal Learn Sanctioned Grants,” “Recent Noncitizen Entrants (RNEs),” and “Emergency Freeze Response.” Also, an adjustment is made for the costs associated with new tribes establishing Tribal Temporary Assistance for Needy Families (TANF) programs.
- Costs are included for the Diversion Program. Based on the most recent California Work Opportunity and Responsibility to Kids (CalWORKs) Cash Grant Caseload Movement Reports (CA 237) and CalWORKs Expenditure Reports (CA 800D), the average monthly diversion caseload is estimated at 54 for the CY and 54 for the BY with an average cost per case of $2,316 for the both years.
- The estimated cost per person is based on an average of the actual cost per person from October 2007 to December 2007.
- The AF cost per person is $230.07 for the CY and $230.94 for the BY. The TP cost per person is $169.93 for the CY and $170.54 for the BY.
- The AF and TP basic costs are adjusted for the OASDI COLA. The Consumer Price Index (CPI)-W COLAs are 3.3 percent effective January 1, 2007, 2.3 percent effective January 1, 2008, and 2.7 percent effective January 1, 2009.
- The OASDI COLA adjustment reflects the impact of the projected CPI COLAs on the average Social Security Benefits received by CalWORKs cases, resulting in a FY 2007-08 reduction in cash grants of $2,596,865 and a FY 2008-09 reduction of $4,023,616.
- Effective January 2005, Proposition L provides a minimum wage increase every January for San Francisco County based on the current CPI-U. This will result in approximately $16,984 in grant savings in FY 2007-08, and $69,366 in grant savings in FY 2008-09. Approximately 377 recipients in the CY and 385 in the BY will receive additional earnings. The CPI-U is 2.4 percent for calendar year 2007 and 2.1 for calendar year 2008.

CalWORKs – Basic Grants

KEY DATA/ASSUMPTIONS (CONTINUED):

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

METHODOLOGY:

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

DATA COMPARISON CHART:

FY 2007-08	AF	TP
Projected Personmonths	10,522,276	1,529,638
Projected Casemonths	4,476,980	391,425
Persons Per Case	2.35	3.91

FY 2008-09	AF	TP
Projected Personmonths	10,498,802	1,529,916
Projected Casemonths	4,465,891	390,803
Persons Per Case	2.35	3.91

FUNDING:

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

The funding in the CY is 96.34 percent TANF, 1.16 percent GF, and 2.5 percent county. The funding in the BY is 96.33 percent TANF, 1.17 percent GF, and 2.5 percent county.

CHANGE FROM PRIOR SUBVENTION:

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

The CalWORKs caseload was previously projected to decrease 1.0 percent in the CY and 1.92 percent in the BY. The caseload is now projected to decrease 0.08 percent in the CY and 0.24 percent in the BY. The slower rate of caseload decline results in higher grant costs.

In addition to an increased caseload, the TP cost per case has increased 2.9 percent and the AF cost per case has increased 1.7 percent.

CalWORKs – Basic Grants

REASON FOR YEAR-TO-YEAR CHANGE:

The caseload is projected to decrease by 0.24 percent from the CY to the BY.

CASELOAD:

	2007-08	2008-09
Average Monthly Caseload	405,700	404,725
Average Monthly Persons	1,004,326	1,002,393

EXPENDITURES:

(in 000's)

	2007-08 Grant	2008-09 Grant
Total	$2,641,411	$2,638,104
Federal	2,544,700	2,541,217
State	30,676	30,934
County	66,034	65,953
Reimbursements	0	0

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Previous CalWORKs Reform Efforts

DESCRIPTION:

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

SB 1104

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

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

AB 1808

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

IMPLEMENTATION DATE:

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

Previous CalWORKs Reform Efforts

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC sections 10533, 10534, 10540.6,10544, 11322.8, 11325.21.
- In Fiscal Year (FY) 2007-08, Services and Child Care is held to the Appropriation,
- As a result of the reform efforts, this estimate assumes an increase in the WPR of four percent in Federal Fiscal Year (FFY) 2008 and an additional six percent increase by the end of FFY 2009 for a total of 10 percent. Based on historical experience between FFY 1997 and FFY 1999, the WPR increased 12 percent. Because of the renewed focus on participation resulting from the provisions of AB 1808, it is assumed that the State will experience a similar increase in work participation.
- Excluding Safety Net, Sanctioned, and Child Only cases, in FY 2007-08 and 2008-09 there are 211,917 and 210,767 cases, respectively, with an aided adult.
- Based on the FFY 2006 CalWORKs Characteristics Survey (Q5), 39 percent of the cases with an aided adult are currently participating in work activities, and 24.6 percent of the cases are fully meeting the federal WPR.
- The impact of previous welfare reform efforts are assumed to be phased in over a 15-month period beginning July 2007.
- In order to reach the projected four percent increase in the WPR in FFY 2008, it is assumed that 15,100 recipients that are currently partially participating will need to increase their hours of participation, on average, 22 hours per month by June 2008.
- In order to reach the total projected WPR increase of ten percent in FFY 2009, it is assumed that a total of 33,325 current recipients will either need to increase their hours of participation or begin participating by June 2009.
- It is assumed that of those cases that are expected to increase their work or participation hours, 68 percent will do so through increased work and 32 percent will do so through non-work activities.
- Because of the renewed focus on participation, it is assumed that cases working or participating less than 20 hours per week will increase weekly work or participation hours by between 10 and 20 hours per week. It is assumed that newly working cases will work 32 hours per week.
- The average monthly grant savings achieved for those cases that increase work hours is approximately $246.
- The impact of Quarterly Reporting/Perspective Budgeting (QR/PB) results in a delay of grant savings due to employment. QR/PB assumes that one-third of individuals will be required to report earnings in the month employment is obtained, one-third in the second month after employment is obtained, and the remaining one-third in the third month after employment is obtained
- Based on historical child care utilization rates, it is estimated that approximately 2,193 cases will receive child care services in the Budget Year (BY).
- On average, there are 1.9 children per case with an average child care cost per child of $797.52 in BY.

Previous CalWORKs Reform Efforts

KEY DATA/ASSUMPTIONS (CONTINUED):

- Based on historical transportation and ancillary services utilization rates, it is estimated that in the BY approximately 3,541 cases on average each month will receive transportation and 691 will receive ancillary services.
- The cost per case for transportation is $71.21 and the cost per case for ancillary services is $79.39..
- Due to the elimination of the 18- or 24-month time limit, administrative savings are achieved by eliminating the staff time required to track cases that are pre 18- or 24-months. Based on WTW 25 data reports, there is an average of 0.63 percent of the total cases in assessment per month.
- By eliminating the 18- or 24-month time limit, it is assumed one hour of case management time and one-quarter hour of orientation/appraisal time would be saved for each case. The average hourly cost for staff to conduct an assessment is $57.57.
- Based on the May 2008 projected total CalWORKs caseload used for this estimate [460,905 for the BY], and accounting for an accumulating 15-month phase in beginning July 2007, an average of 2,863 cases per month are projected to be in assessment in the BY.
- Pursuant to AB 1808, the Budget includes an additional $90 million in federal TANF block grant funds for the CalWORKs program to assist the counties in improving their WPR. This estimate assumes full expenditure of the $90 million in employment services in the Current Year (CY) and assumes an additional $90 million in the BY.
- Based on information received from the Office of Systems Integration, the automation costs will be $1.0 million in the CY to and $1.6 million in the BY. These funds are to reprogram existing systems to implement the provisions of CalWORKs Previous Reform Efforts including $500,000 intended for Data Master Plan efforts. The funding for the automation costs is 100 percent federal/TANF.

METHODOLOGY:

- Total grant savings for the CY were determined by multiplying the number of cases that are assumed to increase work hours (13,830 cases assuming a 15-month phase in) by 68 percent (the number of individuals who will participate by working). This caseload is multiplied by the estimated average monthly grant savings. (13,830 *.68 *$246 *12)
- Total grant savings for the BY were determined by multiplying the number of cases that need to fully participate by 68 percent (the number of individuals who will participate by working). This caseload is multiplied by the estimated average monthly grant savings. (33,325 *0.68 * $246 *12)
- Total child care costs were determined by multiplying the monthly caseload projected to receive child care, the average number of children per case, and the cost per child, by 12 months. (2,193 *1.9 *$797.52 *12)
- Total services costs were determined by multiplying the monthly caseload projected to receive transportation and ancillary services, by the cost per case, by 12 months. (3,541 *$71.21*12) + (691 *$79.39*12)

Previous CalWORKs Reform Efforts

METHODOLOGY (CONTINUED):

- The projected cases in assessment is multiplied by the average cost for staff time, the amount of time saved by eliminating the 18- or 24-month time clock, and then by the number of impacted months (2,863 x 57.57 x 1.25 hours x 12 = $2,472,537 in the BY).
- Services costs are offset by $2.5 million in assessment savings.

FUNDING:

- The grant funding for the CalWORKs program in the CY and BY is 96.40 percent TANF, 1.10 percent General Fund (GF), and 2.5 percent county.
- The funding for transportation and ancillary costs in the CY is 98.6 percent TANF and 1.4 percent GF. The BY is 99.27 percent TANF and 0.73 percent GF.
- The funding for child care in the CY is 96.7 percent TANF and 3.3 percent GF and the BY is 96.5 percent TANF and 3.5 percent GF. Child care funding for two-parent families continues to be funded with GF.

CHANGE FROM PRIOR SUBVENTION:

The increase in grant savings in the CY and BY is due to an increase in caseload. The CY services and child care costs were held to the Appropriation. The decrease in the BY services costs is due to a decrease in the projected number of newly participating recipients necessary to meet the four and ten percent increase in the WPR. The decrease in the BY child care costs is due to a decrease in the projected number of newly participating recipients necessary to meet the ten percent. The automation costs reflect a pushback of funding from CY to BY.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase in grant savings is due to nine months of full program implementation. The decrease in services cost is due to a decrease in the projected number of newly participating recipients necessary to meet the four and ten percent increase in the WPR. The decrease in child care costs is due to a decrease in the projected number of newly participating recipients necessary to meet the ten percent. The automation costs reflect a pushback of funding from CY to BY

Previous CalWORKs Reform Efforts

EXPENDITURES:

101 – CalWORKs Basic Grants	2007-08	2008-09
	Grant	Grant
Total	-$27,761	-$66,950
Federal	-26,761	-64,540
State	-306	-736
County	-694	-1,674
Reimbursement	0	0

101 – CalWORKs Services	2007-08	2008-09
	Services	Services
Total	$93,535	$91,212
Federal	92,188	90,546
State	1,347	666
County	0	0
Reimbursement	0	0

101 – CalWORKs Stage One Child Care	2007-08	2008-09
	Child Care	Child Care
Total	$63,441	$39,870
Federal	61,342	38,464
State	2,099	1,406
County	0	0
Reimbursement	0	0

Previous CalWORKs Reform Efforts

EXPENDITURES (CONTINUED):

141-TANF Reauthorization	2007-08	2008-09
(AB 1808) – Automation		
Total	$1,019	$1,581
Federal	1,019	1,581
State	0	0
County	0	0
Reimbursements	0	0

NET TOTAL	2007-08	2008-09
Total	$130,234	$65,713
Federal	127,788	66,051
State	3,140	1,336
County	-694	-1,674
Reimbursement	0	0

Maximum Aid Payment – 2007 COLA

DESCRIPTION:

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

As part of the 2006 Budget Act, Senate Bill (SB) 84 (Chapter 177, Statutes of 2006) eliminated the Fiscal Year (FY) 2007-08 COLA

IMPLEMENTATION DATE:

This premise implemented July, 1 2007.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 11453.
- SB 84 (Chapter 177, Statutes of 2006) eliminated the FY 2007-08 COLA.
- Due to the late signing of the budget, the COLA was issued for July and August.
- The cost associated with giving the COLA for two months based on the current CNI rate of 3.7 percent is $20.8 million.
- The cost avoidance associated with eliminating the COLA based on the current CNI rate is $103.8 million

METHODOLOGY:

Costs for the annual COLA are based on the CNI rate of 3.7 percent, which increased the average CalWORKs grant by 4.16 percent.

FUNDING:

The funding for this premise is 86.05 percent Temporary Assistance for Needy Families funds, 11.45 percent General Fund, and 2.5 percent county funds.

CHANGE FROM PRIOR SUBVENTION:

The current estimate assumes a higher projected Current Year (CY) CalWORKs caseload than was projected in the prior subvention.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a CY only item.

Maximum Aid Payment – 2007 COLA

EXPENDITURES:

(in 000's)

	2007-2008 Grant	2008-09 Grant
Total	$20,760	$0
Federal	17,864	0
State	2,377	0
County	519	0
Reimbursements	0	0

Maximum Aid Payment – 2008 COLA

DESCRIPTION:

This premise reflects the cost of adding a cost-of-living adjustment (COLA) to the California Work Opportunity and Responsibility to Kids (CalWORKs) maximum aid payment (MAP). The COLA is based on the changes determined by the Department of Finance in the California Necessities Index (CNI), which are the weighted average changes for food, clothing, fuel, utilities, rent and transportation for low-income consumers. In accordance with Welfare and Institutions Code (W&IC) section 11453, the effective date of the COLA is October 1, based on an action by the Legislature to delay the COLA from July to October 2008.

IMPLEMENTATION DATE:

This premise was to implement on October 1, 2008 based on an action by the Legislature to delay the COLA from July to October 2008.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 11453.
- For Fiscal Year 2008-09, the Administration proposes to suspend the 2008 COLA. In order to implement this proposal, statutory changes are required.

METHODOLOGY:

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

FUNDING:

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

CHANGE FROM PRIOR SUBVENTION:

The Administration has proposed to suspend the COLA.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a Budget Year item only.

Maximum Aid Payment – 2008 COLA

EXPENDITURES:

(in 000's)

	2007-08 Grant	2008-09 Grant
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

CalWORKs MAP Reduction

DESCRIPTION:

This premise reflects the implementation of a five percent Maximum Aid Payment (MAP) reduction to the California Work Opportunity and Responsibility to Kids (CalWORKs) Program. This reduction is necessary to maintain the CalWORKs program costs within the available Temporary Assistance to Needy Families (TANF) and Maintenance of Effort (MOE) funding.

IMPLEMENTATION DATE:

This premise will implement on October 1, 2008.

KEY DATA/ASSUMPTIONS:

- Statute needs to be enacted to implement this premise.
- The MAP levels for non-exempt and exempt Assistance Units (AUs) are reduced by five percent. The reduced MAP levels will be used to calculate the grant amount for CalWORKs recipients.
- Depending on the amount of grant each CalWORKs case currently receives, the actual percentage of reduction to their grant would be different. Based on Federal Fiscal Year (FFY) 2006 CalWORKs Characteristic Survey (Q-5) Data, the percentage of reduction to the CalWORKs average cost per case is approximately 5.6 percent.
- Based on FFY 2006 Q-5 data, approximately 3.5 percent of the CalWORKs and Safety Net cases will lose eligibility because the reduced MAP levels will render their current grant to zero.
- It is anticipated that approximately 13,400 CalWORKs cases will lose eligibility and become discontinued as a result of this MAP reduction.
- Administrative costs for mid-quarter activities are $8.63 per case per month and for quarterly activities are $24.95 per case per month.
- The administrative savings is a result of cases that will discontinue due to excess income.

METHODOLOGY:

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

FUNDING:

The CalWORKS grants are 97.5 percent Temporary Assistance for Needy Families (TANF) funded and 2.5 percent county funded.

The CalWORKs administrative costs are 100% TANF funds.

CHANGE FROM PRIOR SUBVENTION:

This is a new premise

CalWORKs MAP Reduction

REASON FOR YEAR-TO-YEAR CHANGE:

THIS PREMISE IMPLEMENTS IN BUDGET YEAR EXPENDITURES:

(in 000's)

Item 101 – CalWORKs (TANF) Grant Savings	2007-08	2008-09
	Grant	Grant
Total	$0	-$106,809
Federal	0	-104,173
State	0	0
County	0	-2,636
Reimbursements	0	0

Item 101 – CalWORKs (TANF) Administrative Savings	2007-08	2008-09
	Admin.	Admin.
Total	$0	-$4,058
Federal	0	-4,058
State	0	0
County	0	0
Reimbursements	0	0

Homeless Assistance

DESCRIPTION:

This premise reflects the costs and savings associated with changes to the existing Homeless Assistance (HA) program, as mandated by Assembly Bill (AB) 1808 (Chapter 75, Statutes of 2006), which increased temporary homeless shelter rates from $40 per day to $65 per day and allowed for once-in-a-lifetime permanent housing (PH) assistance under threat of eviction. These changes are expected to result in fewer families becoming homeless and utilizing Temporary Housing (TH). Because PH will stabilize the recipient's shelter needs, it is anticipated that these recipients will comply with Welfare to Work (WtW) requirements.

The rent threshold for PH is changed from 80 percent of the maximum aid payment (MAP) to 80 percent of the total monthly household income. PH is available to pay up to two months of rent arrearages to prevent eviction. HA remains a once-in-a-lifetime program.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2006.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 11450.
- The provisions in AB 1808 allow additional cases to become eligible for PH.
- Based on the CalWORKs Homeless Assistance Program report (CA 237 HA) comparing calendar year 2006 to calendar year 2007, approximately 180 new PH cases were approved each month.
- An estimated 180 new monthly cases will receive PH as a result of the HA changes included in AB 1808 in the Current Year (CY).
- It is assumed that the effect of AB 1808 will be fully realized in the caseload trend by the end of the CY. As a result, the Budget Year (BY) caseload growth mirrors the overall California Work Opportunity and Responsibility to Kids (CalWORKs) caseload.
- The estimated increased TH cost is the net effect of the increase in the number of TH cases and an increase in the daily TH rate from $40 to $65 per day.
- The data shows the number of approved TH cases increased by 209 cases per month in the CY.
- Based on historical participation rates of all CalWORKs families, it is assumed that in the BY, 45 new cases each month will participate in WtW activities as a result of stabilizing their housing situation.
- The average monthly new cases participating in WtW with earnings for the BY is 26. The caseload accumulates monthly resulting in an average monthly caseload of 421 in the BY.
- The grant savings per case applies the earned income disregards and accounts for the minimum wage increases from $6.75 to $7.50 per hour in January 2007 and to $8.00 per hour in January 2008. It is assumed that these cases will work 20 hours a week.

Homeless Assistance

KEY DATA/ASSUMPTIONS: (CONTINUED)

Grants

- The CY grant savings is based on 421 monthly cases that will work with an average monthly savings of $225 per case for 12 months. The $225 average is impacted by both minimum wage increases. In the BY 421 monthly cases will work with an average monthly savings of $234 per case for 12 months.
- The total grant cost is the net value of the increased costs for PH and TH from Fiscal Year (FY) 2005-06, offset by the grant savings associated by the new cases projected to work.

Employment Services

- The CY employment services costs are held to the Appropriation.
- The employment services costs are based on the new cases that will participate in WtW activities which include transportation and ancillary costs.
- Based on actual expenditures and the WtW 25 and 25a reports, approximately 51.99 percent of the cases participating in WtW utilize transportation services at a cost of $71.21, per case and approximately 10.14 percent utilize ancillary services at a cost of $79.39 per case.
- The average monthly cases that will utilize transportation services in the BY is 387cases.
- The average monthly cases that will utilize ancillary services in the BY is 76.

Child Care Services

- The CY child care costs are held to the Appropriation.
- Based on child care data and expenditures, approximately 33.3 percent of cases participating in WtW activities utilize child care services. On average, each case has 1.9 children.
- The child care cost per case is $798 for FY 2008-09
- A monthly average of 443 children will utilize child care in the BY.

Administrative Costs

- The CY administrative costs are held to the Appropriation
- The BY administrative costs are based on an average of 209 cases that will submit applications to receive PH.
- Based on an historical HA time study report, the average amount of time it takes to process each case is 2.26 hours.
- The estimated administrative cost per hour is $57.57.

Homeless Assistance

METHODOLOGY:

Grant Costs:

- The total grant cost is the net result of the increased costs for PH and TH from FY 2005-06, offset by the grant savings associated with the new cases projected to work monthly.
- The total PH grant cost for FY 2005-06 is $9 million.
- The projected PH grant cost for the CY and the BY are approximately $13 million, an increase of $4 million from FY 2005-06.
- The total grant costs for TH in FY 2005-06 is $11 million.
- The projected TH grant cost for the CY and the BY are approximately $21 million, an increase of $10 million over FY 2005-06.
- The PH and TH increases are offset by $1.14 million in grant savings associated with the newly working cases in the CY and $1.18 million in the BY.

Employment Services:

- The annual employment services cost includes transportation and ancillary costs.
- The transportation cost is determined by multiplying the average monthly number of cases by the cost per case.
- The ancillary cost is determined by multiplying the average monthly number of cases by the cost per case.

Child Care:

- Child care costs are determined by multiplying the average number of children by the cost per child.

Administrative Costs:

- The administrative cost is determined by multiplying the average monthly number of new cases eligible for PH by the cost per case.

FUNDING:

In the CY, the grant costs are 86.05 percent federal funds, 11.45 percent General Fund (GF) and 2.5 percent county funds. In the BY, the costs are 85.75 percent federal funds, 11.75 percent GF and 2.5 percent county funds

In the CY, the employment and administrative services costs are held to the Appropriation. In the BY, the costs are 87.95 percent federal funds and 12.05 percent GF.

In the CY the child care costs is held to the Appropriation. In BY, child care costs is 95.82 percent federal funds and 4.18 percent GF.

Homeless Assistance

CHANGE FROM PRIOR SUBVENTION:

Grant costs have increased in the CY due to an increase in the growth of the TH population over what was projected in the prior subvention.

The grant costs for the BY has decreased due to the PH population not achieving the growth that was projected in the prior subvention.

The CY child care, administrative, and services costs are held to the Appropriation.

The BY child care, administrative, and services costs have decreased due to the PH population not achieving the growth that was projected in the prior subvention.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY decrease in grant costs is due to an increase in grant savings from those who are projected to participate in work due to AB 1808. The grant savings have increased due a full year effect of the January 2008 minimum wage.

The BY, child care, administrative, and services costs have decreased due to a smaller projected caseload than was projected in the Appropriation for the CY, based on recent actuals.

EXPENDITURES:

(in 000's)

ITEM 101 - CalWORKs Assistance Payments	2007-08	2008-09
	Grants	Grants
Total	$12,434	$12,400
Federal	10,699	10,633
State	1,424	1,457
County	311	310

Homeless Assistance

EXPENDITURES (CONTINUED):

(in 000's)

ITEM 101 - CalWORKs Services	2007-08 Services	2008-09 Services
Total	$439	$404
Federal	385	355
State	54	49
County	0	0
Reimbursements	0	0

ITEM 101 - CalWORKs Administration	2007-08 Administration	2008-09 Administration
Total	$649	$327
Federal	569	288
State	80	39
County	0	0
Reimbursements	0	0

ITEM 101 - CalWORKs Child Care	2007-08	2008-09
Total	$5,149	$4,243
Federal	4,979	4,065
State	170	178
County	0	0
Reimbursements	0	0

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Minimum Wage Increases (AB 1835)

DESCRIPTION:

This premise reflects costs associated with increasing the minimum wage pursuant to state law. Assembly Bill (AB) 1835 (Chapter 230, Statutes of 2006) raised the state minimum wage from $6.75 per hour to $7.50 per hour effective January 1, 2007. The minimum wage is further increased to $8.00 per hour, effective January 1, 2008.

The California Work Opportunity and Responsibility to Kids (CalWORKs) and California Food Assistance Program (CFAP) cases with an adult who works with hourly earnings between $6.75 and $8.00 an hour will be impacted. As monthly earned income increases, the monthly cash grant and CFAP benefits correspondingly decrease resulting in grant and CFAP savings.

In-Home Supportive Services (IHSS) are provided through one of three modes: welfare staff, individual provider, and county contract. The wages and benefits paid to the IHSS service provider vary by mode. Wages and benefits are set by statute, by the public authority, or nonprofit consortium established in each county to deliver IHSS services. Increasing the minimum wage will increase costs for those counties with wages at or below $8.00 per hour.

IMPLEMENTATION DATE:

This premise implemented January 1, 2007.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Labor Code section 1182.12.

CalWORKs

- It is assumed that grant savings will be realized one month after implementation.
- Due to the effects of Quarterly Reporting/Prospective Budgeting (QR/PB), wage increases are phased in through the initial three months, effective in February of each fiscal year.
- Based on the Federal Fiscal Year (FFY) 2006 CalWORKs Characteristics Survey (Q5), the average recipient works 108.7 hours per month.
- The grant savings reflect only the January 2008 minimum wage increase, as the impact of the January 2007 increase is assumed to be reflected in caseload and expenditure trends.
- Effective January 1, 2008, cases with an adult earning $7.50 will receive an additional 50 cent increase and cases with an adult who earns between $7.50 and $8.00 will, on average, receive a 25 cent increase.
- It is assumed all cases with earned income currently have the CalWORKs earned income disregard ($225 plus 50 percent of the remainder) applied towards their monthly grant. Grant savings are estimated using only the 50 percent disregard of the additional earned income attributed to the minimum wage increase.
- The projected total CalWORKs caseload for Current Year (CY) is 460,511 and for Budget Year (BY) is 460,905.
- Of the cases with an aided adult, six percent earn $6.75 an hour, four percent earn between $6.75 and $7.50 per hour, and three percent earn between $7.50 and $8.00 per hour.

Minimum Wage Increases (AB 1835)

KEY DATA/ASSUMPTIONS (CONTINUED):

- The estimate includes additional cases with an adult who are expected to be working due to the Emergency Freeze Response and Previous CalWORKs Reform Efforts premises.
- For the CY, the effect of the second minimum wage increase only applies to the period from February 2008 to June 2008 due to QR/PB.
- For the CY, on average, 27,186 monthly cases have an average grant savings of $24 per case due to the effect of the second minimum wage increase only.
- For the BY, on average, 36,015 monthly cases will have an average grant savings of $24 per case per month for 12 months.
- For the CY, the administrative savings are held to the Appropriation.
- The BY administrative savings are based on the following:
    - Based on FFY 2006 Q5 data, an estimated 0.016 percent of the monthly CalWORKs caseload will be discontinued from aid due to excess income, as a result of the minimum wage increase.
    - Due to the phased-in approach associated with QR/PB, the average monthly caseload discontinued will be 71 in BY.
    - The administrative cost for mid-quarter activities is $8.63 per case per month.
    - The administrative cost for quarterly activities is $24.95 per case per month.
    - The administrative savings are a result of cases that will discontinue due to excess income.

CFAP

- The projected average monthly CFAP cases for the CY is 8,278 and 8,883 in the BY. In the CY, there are 6,358 Non-Assistance Food Stamp (NAFS) cases and 1,920 Public Assistance Food Stamp (PAFS) cases. In the BY, there are 6,822 NAFS cases and 2,060 PAFS.
- It is assumed that CFAP savings will be realized one month after implementation.
- Due to the effects of QR/PB, wage increases for both the CY and the BY will be phased-in through the initial three months, effective in February of each fiscal year.
- The average recipient works 108.7 hours per month.
- Effective January 1, 2008, cases for an adult earning $7.50 will receive an additional 50 cent increase and cases for an adult earning between $7.50 and $8.00, on average, will receive a 25 cent increase.
- Based on FFY 2006 Q5 data, an estimated six percent of cases earn $6.75 per hour, 4.52 percent earn between $6.76 and $7.50 per hour, and 2.63 percent earn between $7.51 and $8.00 per hour.

Minimum Wage Increases (AB 1835)

KEY DATA/ASSUMPTIONS (CONTINUED):

- For the CY, on average, 752 NAFS monthly cases reflect a CFAP savings of $27 per case. On average, 227 monthly PAFS cases reflect a CFAP savings of $10 per case.
- For the BY, on average, 909 monthly NAFS cases will reflect a CFAP savings of $36 per case. On average, 275 PAFS monthly cases will reflect a CFAP savings of $13 per case.

IHSS

- The wage and benefit rates are based on the individual counties' current rate information.
- The casemonths and average hours per case are based on the individual counties' data.
- Eighteen counties will only increase wages to $8.00 per hour effective January 1, 2008.

METHODOLOGY:

CalWORKs

Grant Savings:

- For the CY and the BY, the average monthly cases that will receive additional earnings is determined by multiplying the number of cases with an adult by the percentage of cases with earnings and adding the number of cases that are impacted due to the Emergency Freeze Response and Previous CalWORKs Reform Efforts premises.
- The grant savings are calculated by multiplying the average monthly savings per case by the number of cases that will receive additional earnings.
- To calculate the savings for the CY and the BY, the average monthly effected caseload is multiplied by the savings per case and by the number of months (BY: 36,015 x $24 x 12).

Administrative Savings:

- The CY administrative savings are held to the Appropriation.
- The annual administrative savings is calculated by multiplying the average monthly cases that will discontinue due to excess income by the estimated savings per case. The BY reflects a full year of savings (BY: 71 x $33.58 x 12).

CFAP

- For the CY and the BY, the average monthly cases that will receive additional earnings is determined by multiplying the number of cases with an adult by the percentage of cases with earnings.
- The annual NAFS savings is calculated by multiplying the average monthly savings per case by the number of cases that will receive additional earnings (CY: 752 x $27 x 12, BY: 909 x $36 x 12).
- The annual PAFS savings is calculated by multiplying the average monthly savings per case by the number of cases that will receive additional earnings (CY: 227 x $10 x 12, BY: 275 x $13 x 12).
- The total CFAP savings is calculated by adding the annual savings for NAFS and PAFS.

Minimum Wage Increases (AB 1835)

METHODOLOGY (CONTINUED):

IHSS

In the CY, the estimated cost is computed by multiplying the casemonths by the average hours per case by the difference between the November 2007 per hour rate and the current per hour rate. For the BY, the estimated cost is computed by multiplying the casemonths by the average hours per case by the difference between the current per hour rate and $8.00 per hour.

FUNDING:

CalWORKs

The grant savings for the CY is funded with 86.05 percent Temporary Assistance for Needy Families (TANF), 11.45 percent General Fund (GF) and 2.5 percent county funds. In the BY, the grant savings are funded with 85.75 percent TANF, 11.75 percent GF, and 2.5 percent county funds.

The administrative savings for the CY has been held to the Appropriation. The BY savings is 87.95 percent TANF and 12.05 percent GF.

CFAP

The CFAP savings is 100 percent GF.

IHSS

- In the Personal Care Services Program (PCSP), the Title XIX Federal Medical Assistance Percentage (FMAP) rate is 50 percent.
- The nonfederal share is split 65 percent state and 35 percent county.
- In the Residual Program, the state share is 65 percent of the total, and the county share is 35 percent.

CHANGE FROM PRIOR SUBVENTION:

CalWORKs

There is no change for the CY administrative savings.

For the CY and the BY grants, and the BY administrative savings, this premise now reflects only the effects of the January 2008 minimum wage increase. The prior subvention included the effects of both the January 2007 and January 2008 minimum wage increase.

CFAP

There is a decrease in savings due to a slower than expected caseload growth.

IHSS

The CY increase reflects current caseload and actual wage and benefit increases.

Minimum Wage Increases (AB 1835)

REASON FOR YEAR-TO-YEAR CHANGE:

CalWORKs and CFAP

The increased savings reflect a full year implementation of the January 2008 minimum wage increase.

IHSS

The net BY increase reflects costs for 18 counties to increase wages to $8.00 per hour, including caseload growth. The cost of the January 1, 2007 increase to $7.50 is included in the PCSP/Residual IHSS Basic Costs premise.

EXPENDITURES:

(in 000's)

ITEM 101 - CalWORKs Grants	2007-08 Grant	2008-09 Grant
Total	-$3,293	-$10,712
Federal	-2,834	-9,186
State	-377	-1,258
County	-82	-268
Reimbursements	0	0

ITEM 101 - CalWORKs Administration	2007-08 Administration	2008-09 Administration
Total	-$149	-$29
Federal	-130	-26
State	-19	-3
County	0	0
Reimbursements	0	0

Minimum Wage Increases (AB 1835)

EXPENDITURES (CONTINUED):

(in 000's)

ITEM 101 - **CFAP**	2007-08 Coupon	2008-09 Coupon
Total	-$278	-$438
Federal	0	0
State	-278	-438
County	0	0
Reimbursements	0	0

ITEM 111 - IHSS January 1, 2007	2007-08 Grant	2008-09 Grant
Total	$18,576	$0
Federal	0	0
State	6,037	0
County	0	0
Reimbursements	12,539	0

ITEM 111 - IHSS January 1, 2008	2007-08 Grant	2008-09 Grant
Total	$7,803	$25,990
Federal	0	0
State	2,536	8,447
County	0	0
Reimbursements	5,267	17,543

Minimum Wage Increases (AB 1835)

EXPENDITURES (CONTINUED):

(in 000's)

PCSP	2007-08	2008-09
January 1, 2007		
Total	$ 15,816	$0
Federal	0	0
State	5,140	0
County	0	0
Reimbursements	10,676	0

	2007-08	2008-09
PCSP		
January 1, 2008		
Total	$ 6,832	$ 22,074
Federal	0	0
State	2,220	7,174
County	0	0
Reimbursements	4,612	14,900

	2007-08	2008-09
Residual Program		
January 1, 2007		
Total	$ 2,759	$0
Federal	0	0
State	897	0
County	0	0
Reimbursements	1,862	0

Minimum Wage Increases (AB 1835)

EXPENDITURES (CONTINUED):

(in 000's)

Residual Program

January 1, 2008

Total	$ 971	$ 3,916
Federal	0	0
State	316	1,273
County	0	0
Reimbursements	655	2,643

Undocumented Citizens (SB 1569)

DESCRIPTION:

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

IMPLEMENTATION DATE:

This premise was implemented on January 1, 2007.

KEY DATA/ASSUMPTIONS:

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

CalWORKs

- It is assumed that recipients who apply for U visas are adults who are added to existing CalWORKs cases. These cases receive additional CalWORKs benefits and services associated with adding one person to the existing Assistance Unit (AU). Recipients who apply for T visas are more likely to be single and would not be eligible for CalWORKs.

Undocumented Citizens (SB 1569)

KEY DATA/ASSUMPTIONS (CONTINUED):

- Recipients are required to apply for a U visa to become eligible for CalWORKs. Until the U visa application is approved or denied, these recipients can continue to receive CalWORKs benefits and services.
- Between January and June 2007, actual data reported from the counties show 70 adults have been added to existing CalWORKs cases under SB 1569. An additional 365 adults are projected to be added to existing CalWORKs cases by the end of the Budget Year (BY).
- The cost of adding an adult to an existing AU is $139 per case.
- It is assumed these recipients are not legally able to work to receive earned income to offset the monthly grant.
- The average monthly number of new cases for the Current Year (CY) and the BY is 15.
- The CY administrative costs are held to the Appropriation.
- The BY administrative costs include a one-time cost of $8.63 for adding an adult to the existing caseload.
- The provisions of SB 1569 state these recipients are subject to the same welfare-to-work (WtW) requirements and exemptions as other participants, provided that compliance with these requirements is authorized by law. The county will assist these recipients to engage in work activities once these recipients achieve legal residency.
- For the BY, it is assumed that there are 1.7 children per case and assumed that 33.3 percent of the cases that are required to participate in WtW activities utilize child care services.
- The child care cost per case is $797.52 in the BY.
- The average number of children who will receive services is 222 in the BY.

California Food Assistance Program (CFAP)

- The average monthly number of CFAP recipients is 202 in the CY and 350 in the BY. This includes unduplicated persons estimated to receive benefits for CalWORKs, CAPI, and RCA.
- The average monthly coupon benefit per person is $86.95 from July 2007 through September 2007. The benefits will increase to $91.64 from October 2007 through September 2008, and will further increase to $95.82 October 2008 due to the annual federal cost of living adjustments.
- An estimated 7.2 percent of the new cumulative caseload will be subject to mid-quarter reporting.
- The administrative costs include one-time intake cost of $51.00 for new cases, ongoing costs of $13.11 per case per month, and mid-quarter costs of $28.23 per case per month.

Undocumented Citizens (SB 1569)

KEY DATA/ASSUMPTIONS (CONTINUED):

RCA

- Recipients will receive benefits for no more than eight months.
- Cases were phased in starting in July 2007.
- The projected average monthly number of RCA recipients is 11 in the CY and 16 in the BY.
- Based on actual data reported by the counties, the average combined RCA grant and administrative cost per case is $395.20.

CAPI

- Cases were phased in beginning in June 2007.
- The projected average monthly number of CAPI recipients is eight in the CY and 17 in the BY.
- Based on actual data reported by the counties, the average combined CAPI grant and administrative cost per case for the CY is $972.49. The average grant will increase due to a 2.3 percent federal cost-of-living adjustment (COLA) effective January 1, 2008, and a 3.7 percent State COLA effective October 1, 2008. The average base CAPI grant will also increase in 2009 to reflect a 2.7 percent federal COLA and 5.26 percent State COLA.

Refugee Employment Social Services (RSS)

- The projected average monthly number of RSS recipients is 137 in the CY and 389 in the BY.
- Based on the level of RSS funding currently provided for refugees under the federal program, the average monthly RSS cost per case is $79.26.

METHODOLOGY:

For the BY, the table has been reorganized to encompass all program elements of undocumented citizens into three categories: Grants, Services, and Administration costs. For the CY, all program elements are listed separately.

CalWORKs

- The grant cost is calculated by multiplying the average monthly number of cases by the cost per case.
- The employment services costs include case management, transportation, and ancillary costs. The average monthly number of cases for the BY is 351, which is multiplied by the utilization rate for each service and the corresponding cost per case. The utilization rates and cost per case are as follows: Case management (41.2 percent; $206), transportation (51.99 percent; $71), and ancillary (10.14 percent; $79).

Undocumented Citizens (SB 1569)

METHODOLOGY (CONTINUED):

- The employment services costs are calculated by multiplying the average monthly number of cases utilizing the service by the cost per case.
- The one-time administrative cost associated with adding the adult to the existing CalWORKs case is calculated by multiplying the average monthly number of new adults by the cost per case.
- The child care costs are calculated by multiplying the average monthly number of children by the cost per child.

CFAP

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

RCA

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

CAPI

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

RSS

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

FUNDING:

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

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

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

Undocumented Citizens (SB 1569)

CHANGE FROM THE PRIOR SUBVENTION:

CalWORKs/CFAP

For the CY grants, employment services, child care, and administrative costs, there is no change.

RCA/CAPI/RSS

The CY costs decreased due to a lower monthly cost per case based on calendar year 2007 actuals.

REASON FOR YEAR-TO-YEAR CHANGE:

The CalWORKs grants, employment services, administrative services, child care, CFAP, RCA, RSS, and CAPI costs reflect a change from the CY to the BY due to an accumulating caseload that is projected to phase-in through June 2009.

EXPENDITURES:

(in 000's)

ITEM 101 - CalWORKs Assistance Payments	2007-2008	2008-2009
	Grant	Grant
Total	$282	$0
Federal	0	0
State	275	0
County	7	0

ITEM 101 - CalWORKs Services	2007-2008	2008-2009
	Services	Services
Total	$598	$0
Federal	0	0
State	598	0
County	0	0

Undocumented Citizens (SB 1569)

EXPENDITURES (CONTINUED):

(in 000's)

ITEM 101 - CalWORKs Administration	2007-08 Administration	2008-09 Administration
Total	$143	$0
Federal	0	0
State	143	0
County	0	0

ITEM 101 - CalWORKs Child Care	2007-08 Services/ Administration	2008-09 Services/ Administration
Total	$1,145	$0
Federal	0	0
State	1,145	0
County	0	0

ITEM 101 - CFAP Coupon	2007-08 Food Assistance Programs	2008-09 Food Assistance Programs
Total	$220	$0
Federal	0	0
State	220	0
County	0	0

ITEM 101 - RCA	2007-08 Services/ Administration	2008-09 Services/ Administration
Total	$52	$0
Federal	0	0
State	52	0
County	0	0
Reimbursements	0	0

Undocumented Citizens (SB 1569)

EXPENDITURES (continued):

(in 000's)

ITEM 111 - CAPI	2007-08 Services/ Administration	2008-09 Services/ Administration
Total	$89	$0
Federal	0	0
State	89	0
County	0	0
Reimbursements	0	0

ITEM 141	2007-08	2008-09
CFAP Administration	County Administration	County Administration
Total	$37	$0
Federal	0	0
State	37	0
County	0	0

ITEM 151 - RSS	2007-08 Services	2008-09 Services
Total	$130	$0
Federal	0	0
State	130	0
County	0	0
Reimbursements	0	0

Undocumented Citizens (SB 1569)

EXPENDITURES (CONTINUED):

(in 000's)

ITEM 101 - Grand Total	2007-08	2008-09
Total	$0	$4,387
Federal	0	0
State	0	4,372
County	0	15
Reimbursements	0	0

ITEM 101 - Grants	2007-08	2008-09
Total	$0	$1,276
Federal	0	0
State	0	1,261
County	0	15
Reimbursements	0	0

ITEM 151 - Services	2007-08	2008-09
Total	$0	$3,047
Federal	0	0
State	0	3,047
County	0	0
Reimbursements	0	0

Undocumented Citizens (SB 1569)

EXPENDITURES (continued):

(in 000's)

ITEM 151 - Administration	2007-08	2008-09
Total	$0	$64
Federal	0	0
State	0	64
County	0	0
Reimbursements	0	0

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CalWORKs Resources (AB 2466)

DESCRIPTION:

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

IMPLEMENTATION DATE:

This premise implemented on January 1, 2007.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 11155.6.
- Both the Current Year (CY) and the Budget Year (BY) are held to Appropriation.
- It is assumed that one percent of the cases that are discontinued due to excess resources will no longer be discontinued.
- Since 401(k) plans, 403(b) plans, IRA, 457 plans, 529 college savings plans, and Coverdell ESAs are now excluded from consideration for recipients, it is assumed the number of discontinuances will decrease by two cases per month.
- The average monthly recipient caseload is 25 for the CY and the BY.
- It is assumed that there will be a 0.5 percent increase in cases that are denied due to excess resources.
- It is assumed one new case per month will be denied for excess resources because these accounts are considered property for applicants.
- The average monthly applicant caseload is 13 in the CY and the BY.
- The average monthly grant per case is $545.
- The mid-quarter activities monthly cost per case is $8.63 and $24.95 for quarterly activities.
- The average monthly child care cost per child is $626.28. The utilization rate is 24.5 percent and the average number of children per case is 1.7.
- The intake cost per case is $197.75.
- The cost of employment services is anticipated to increase by 0.001 percent associated with cases that would have been discontinued from CalWORKs due to excess resources.

CalWORKs Resources (AB 2466)

METHODOLOGY:

CalWORKs Grants

The grant costs associated with cases that are no longer discontinued is offset by the grant savings associated with new denials due to excess resources. The net grant cost is $81,687 in the CY and the BY.

CalWORKs Services

- The costs for administration, child care, and employment services programs are combined and are included in the services premise line.
- The net impact to administration costs associated with cases that are no longer discontinued and cases that are denied due to excess resources is $5,037 in the CY and the BY.
- The net impact to employment services costs associated with cases that are no longer discontinued and cases that are denied due to excess resources is $26,200 in the CY and the BY.
- The net impact to child care costs associated with cases that are no longer discontinued and cases that are denied due to excess resources is $26,213 in the CY and the BY.

FUNDING:

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

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

CalWORKs Resources (AB 2466)

EXPENDITURES:

(in 000's)

101-CalWORKs
Basic Grants

	2007-08 Grant	2008-09 Grant
Total	$82	$82
Federal	80	80
State	0	0
County	2	2
Reimbursements	0	0

101-CalWORKs
Services & Admin.

	2007-08 Services	2008-09 Services
Total	$57	$57
Federal	57	57
State	0	0
County	0	0
Reimbursements	0	0

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CalWORKs Resources (AB 1078)

Description:

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

IMPLEMENTATION DATE:

This premise will implement on January 1, 2008.

KEY DATA/ASSUMPTIONS:

- Authorizing statutes: Welfare and Institutions Code sections 11155.6.
- It is assumed that one new case per month will be granted CalWORKs due to the exclusion of certain investment accounts as resources.
- The childcare, administration, employment services and grant costs are based on the November 2007 Subventon data because AB 1078 is a reversal of a portion of the AB 2466 November 2007 Subvention estimate.
- The average monthly grant cost per case is $545.
- No funds for employment services were budgeted in the Current Year (CY) as the county employment service allocations were held to the appropriation level.
- In the Budget Year (BY), the cost of employment services is anticipated to increase by 0.005 percent associated with cases that will now be approved.
- The employment services utilization rate is 67.4 percent.
- The employment services cost for the entire caseload is $567 million.
- Based on updated CalWORKs data, 24.5 percent of the AB 1078 caseload will utilize child care. There are an estimated 1.7 children per case. The average child care cost is $626.28 per month.

METHODOLOGY:

CalWORKs Grants

- The grant cost is calculated by multiplying the average monthly number of cases by the cost per case. The CY will have a six month impact and the BY will have a full year impact (for CY: 3.5 cases x $545 x six months, for BY: 12.5 cases x $545 x 12 months).

CalWORKs Resources (AB 1078)

METHODOLOGY (CONTINUED):

CalWORKs Services

- The costs for administration, childcare, and employment services programs are combined and are included in the services premise line.
- For CY, the overall administration, child care, and employment services costs are held to the Appropriation.
- For BY, the employment services cost is calculated by multiplying the anticipated 0.005 percent increase by the total caseload's employment services cost (0.005 percent x 567 million).
- For BY, the administration costs are calculated by multiplying the total casemonths by the administration cost per case, which includes the mid-quarter activities cost and the quarterly reporting cost (150 x $8.63 + 150 x $24.95).
- For BY, the child care costs are calculated by multiplying the number of children that will receive child care by the cost per child (150 cases x 67.4 percent services utilization x 24.5 percent child care rate x 1.7 children per case x $626.28).

FUNDING:

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

Employment services costs are fund with 100 percent federal funds.

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

CalWORKs grants:

The BY represents a full year impact. Also, the caseload accumulates from CY to BY.

CalWORKs Services:

The BY reflects costs for services.

CalWORKs Resources (AB 1078)

Expenditures:

(in 000's)

ITEM 101 - CalWORKs Assistance Payments	2007- 2008 Grant	2008-2009 Grant
Total	$11	$82
Federal	10	80
State	0	0
County	1	2
Reimbursements	0	0

ITEM 101 - CalWORKs Services	2007-2008 Services	2008-2009 Services
Total	$0	$57
Federal	0	57
State	0	0
County	0	0
Reimbursements	0	0

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Subsidized Employment: AB 98

DESCRIPTION:

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

IMPLEMENTATION DATE:

This premise implemented January 1, 2008.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 11322.63.
- The net cost of the program is approximately $0.2 million in the Current Year (CY) and $5.6 million in the Budget Year (BY). These costs only reflect the incremental increase associated with the additional state share of the subsidy payment, offset by associated grant savings. This estimate does not account for any increased costs associated with the establishment of additional subsidized employment slots. It is assumed that any additional costs of this program will be funded through the county CalWORKs single allocation.
- It is assumed that approximately 386 monthly cases statewide will participate in public or private subsidized employment statewide, based on data extrapolated from Los Angeles County's existing program.
- Assuming a January 2008 effective date, and allowing three months to secure subsidized employment slots, participants will be phased into the work subsidy program over a six-month period beginning April 2008. The full 386 new monthly participants will be achieved in the sixth month following implementation, or September 2008.
- Based on Los Angeles County's employment training program, 23 percent or 91 participants will not complete the subsidized employment program. It is assumed that each group of participants will experience an attrition of 11.7 percent in the second month of the subsidized employment program. Another 11.7 percent will enroll in the program but will not complete the program due to various reasons.
- It is assumed the average wage subsidy cost is $723 per month per participant and the state's share of the subsidy is $362.
- Based on the Federal Fiscal Year 2006 CalWORKs Characteristics Survey (Q5) data, 65 percent of individuals who are currently participating do so through work activities and the remaining 35 percent participate in non-work activities.
- Without regard to the subsidized employment program, it is assumed 65 percent of individuals would have participated in employment and 35 percent in non-work activities.
- The cost of the subsidy is partially offset by grant savings for the 35 percent that would have not otherwise worked resulting in a net cost of $113.00 per case per month.

Subsidized Employment: AB 98

KEY DATA/ASSUMPTIONS: (continued)

- Based on Los Angeles County's statistics from Fiscal Year (FY) 2006-07, 77 percent of subsidized employment cases, or 295 participants per month will fully complete the program. Of those that completed the program, 56 percent or 165 participants will enter unsubsidized employment with an average hourly wage of $9.28.
- Current budgetary assumptions (associated with Previous CalWORKs Reforms) regarding increased work participation and the associated fiscal implications impact grant savings from unsubsidized employment. It is assumed that 65 percent of the population would have otherwise participated through work activities at an average of $8.00 per hour and assumes an average of 20 hours per week of unsubsidized employment
    - Of those that enter unsubsidized employment after completion of the subsidized work program, 65 percent would have increased hourly earnings of $1.28 per hour and 35 percent are newly employed, earning $9.28 per hour.
- The impact of Quarterly Reporting/Perspective Budgeting (QR/PB) results in a delay of grant savings due to employment (subsidized or unsubsidized). QR/PB assumes that one-third of individuals will be required to report earnings in the month employment is obtained, one-third in the second month after employment is obtained, and the remaining one-third in the third month after employment is obtained.
- This premise does not include additional costs for child care and other services. Child care and services costs for all program activities are included in the Previous CalWORKs Reforms premise.

METHODOLOGY:

Beginning April 2008, the population assumed to participate in the subsidized employment program are phased in over a six-month period, with each group remaining in the subsidized employment program for six months. The Subsidized Employment population is divided into two groups; one that represents the grant savings and subsidized employment costs associated with the 65 percent employment population, and one that represents the grant savings and subsidized employment costs associated with the 35 percent non-work population. The net cost is $0.2 million in FY 2007-08 and $5.6 million in FY 2008-09.

<u>Wage Subsidy Cost</u>

- Wage Subsidy costs associated with the 65 percent employment population are $0.14 million in FY 2007-08 and $4.78 million in FY 2008-09.
- Wage Subsidy costs associated with the 35 percent employment population are $0.08 million in FY 2007-08 and $2.57 million in FY 2008-09.

<u>Grant Savings</u>

- Grant savings in FY 2007-08 are $0.03 million and in FY 2008-09 are $1.8 million.

Subsidized Employment: AB 98

FUNDING:

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

CHANGE FROM PRIOR SUBVENTION:

The premise in the CY and the BY was updated for an increased caseload and a change in the percentage of people who meet the WPR through work activities. The premise has also been changed to reflect the full cost of the wage subsidy for all cases on the budget line in employment services and the full grant savings on the budget line in CalWORKs grants. In the November Subvention, some of the grant savings were netted against costs and reflected on the budget line in services employment.

REASON FOR YEAR-TO-YEAR CHANGE:

The CY reflects three months of costs and savings. The BY reflects a full year of costs and savings.

EXPENDITURES:

(in 000's)

101 – CalWORKs Grants	2007-08	2008-09
	Grants	Grants
Total	$-26	-$1,803
Federal	-25	-1,740
State	0	-18
County	-1	-45
Reimbursements	0	0

101 – CalWORKs Services	2007-08	2008-09
	Services	Services
Total	$221	$7,357
Federal	219	7,288
State	2	69
County	0	0
Reimbursements	0	0

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Tribal TANF

DESCRIPTION:

This premise reflects the General Fund (GF) cost to operate Tribal Temporary Assistance for Needy Families (TANF) programs in California. Assembly Bill (AB) 1542 (Chapter 270, Statutes of 1997) allowed GF to be provided for tribes to administer a Tribal TANF program. The California Department of Social Services has established a memorandum of understanding with the following: 1) California Tribal TANF Partnership (CTTP), representing the tribal members in Amador, Butte, Colusa, Del Norte, Glenn, Humboldt, Lake, Lassen, Modoc, Napa, Plumas, Solano, San Joaquin, Sutter, Trinity, and Yuba counties; 2) Hoopa, representing tribal members in Humboldt County; 3) Morongo, representing tribal members in Riverside County; 4)North Fork Rancheria (NFR), representing the tribal members in Fresno, Madera, Mariposa, and Merced counties; 5) Owens Valley Career Development Center (OVCDC), representing the tribal members in Fresno, Inyo, Kern, Kings, and Tulare counties; 6) Tule Reservation Scott's Valley, representing the tribal members in Contra Costa county; 7) Southern California Tribal Chairman Association (SCTCA), representing tribal members in Santa Barbara and San Diego counties; 8) Soboba, representing tribal members in Riverside County; 9) Torres-Martinez Tribal TANF (TMTT), representing tribal members in Los Angeles and Riverside counties; 10) Washoe Tribe of Nevada and California (WTNC), representing tribal members in Alpine, Alameda, El Dorado, Nevada, Placer, Sacramento, San Francisco, San Joaquin, San Mateo, Santa Clara, and Santa Cruz counties; and 11) Yurok, representing tribal members in Del Norte and Humboldt counties.

Federal welfare reform legislation allows for each Indian tribe that has an approved Tribal Family Assistance Plan to receive a Tribal Family Assistance Grant (TFAG) based on Federal Fiscal Year (FFY) 1994 actual expenditures. The administrative authority to operate a TANF program is transferred to the tribes, together with federal and state funding based on FFY 1994 levels. Transferred funds include monies to meet grant costs and administrative costs related to cash aid and Welfare to Work (WTW) services. The GF costs are based on the estimated participation rates of reimbursement for the counties during FFY 1994, in which the tribal organizations are located.

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

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

Tribal TANF

IMPLEMENTATION DATE:

- The original CTTP tribes implemented in July 2003. CTTP Phase II consisting of tribes in Amador, Butte, Colusa, Del Norte, Humboldt, Lake, Modoc, and Trinity counties implemented in July 2004. CTTP Phase III-A in San Joaquin County implemented in June 2006. CTTP Phase III-B in Calaveras, Tehama, and Yolo counties are pending federal approval of their February 2008 implementation date.
- The Graton tribe that represents tribal members from Marin and Sonoma counties implemented in January 2008.
- The original Hoopa tribe in Humboldt implemented in October 2004.
- The Karuk tribe that represents tribal members from Siskiyou and Humboldt is seeking federal approval of their February 2008 implementation date.
- The Morongo Band of Mission Indians in Riverside County implemented in March 2006. Morongo-Phase II in Riverside County is seeking federal approval of their January 2008 implementation.
- The original tribes in NFR implemented in August 2003. NFR-Phase II in Fresno County implemented in July 2007.
- The original OVCDC tribes in Inyo and Kern implemented in May 2001 and October 2001, respectively. The OVCDC tribe expansion in Tule River Reservation and Tulare County implemented in July 2002. Additional OVCDC tribes in Fresno and Kings counties implemented in January 2004. Mono and Ventura counties are seeking federal approval of their March 2008 implementation.
- The Scotts Valley Band of Pomo Indians that represents tribal members from Contra Costa County implemented in January 2008.
- The original SCTCA tribes implemented in March 1998. Seventeen additional tribes in San Diego County implemented in May 1999. Another tribal expansion in San Diego County implemented in June 2006.
- The Soboba Band of Luiseno Indians in Riverside County implemented in October 2005.
- The original TMTT tribes in Los Angeles and Riverside counties implemented in May 2001. The TMTT tribal service area expansion in nine additional cities in Riverside implemented in April 2002 and January 2008. Additional TMTT tribes in Imperial, Orange, and San Bernardino counties are seeking federal approval of their April 2008 implementation.
- The original Washoe tribe implemented in January 2003. Washoe Phase II implemented in July 2005. Washoe Phase III was not implemented in California because it included two counties in the State of Nevada and was therefore negotiated with Nevada. Phase IV was not implemented because it included counties that were already covered by other Tribes and were not available to Washoe. Washoe Phase V consisting of Amador, Monterey, San Benito, San Luis Obispo, and Sierra counties is seeking federal approval of their April 2008 implementation.
- The Yurok tribe in Del Norte and Humboldt counties implemented on August 1, 2006.

Tribal TANF

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10553.25.
- TANF transferred directly to the tribes and the state participation rates for FFY 1994 are estimated based on the following:
  - The average monthly cash aid cost of $211.34 per person is based on the average cash aid expenditure amount per person for FFY 1994.
  - The average monthly number of cash aid cases is 18,870 in the Current Year (CY) and 23,891 in the Budget Year (BY).
  - The average persons per case is 2.9.
  - The average monthly number of cases receiving Welfare-to-Work (WTW) services is 2,068 in the CY and 2,634 in the BY.
  - The average monthly WTW services cost per person is $206.36.
  - The average monthly administrative cost per case is $50.73.

METHODOLOGY:

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

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

FUNDING:

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

CHANGE FROM PRIOR SUBVENTION:

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

Tribal TANF

REASON FOR YEAR-TO-YEAR CHANGE:

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

EXPENDITURES:

(in 000's)

	2007-08			2008-09		
	Grants	WTW Services	County Admin.	Grants	WTW Services	County Admin.
Total	$65,995	$1,972	$4,356	$83,555	$2,509	$5,510
Federal [1]	0	0	0	0	0	0
State	65,995	1,972	4,356	83,555	2,509	5,510
County	0	0	0	0	0	0
Reimbursements	0	0	0	0	0	0

[1] The federal share of the above costs was deducted from the TANF block grant to show the transfer of funds to the tribal organizations, a total of $77.7 million in FY 2007-08 and $98.4 million in FY 2008-09.

Prospective Budgeting

DESCRIPTION:

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

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

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

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

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

IMPLEMENTATION DATE:

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

KEY DATA/ASSUMPTIONS:

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

Prospective Budgeting

KEY DATA/ASSUMPTIONS (continued):

- The estimated grant/coupon costs and administrative savings are based on comparing statistical information from the previous Monthly Retrospective Reporting Budgeting (MRRB) system to the current QR/PB reporting system.
- The current year (CY) costs and savings are based on 5,526,129 CalWORKs casemonths; 6,331,436 NAFS casemonths; 20,400 RCA casemonths; and 99,332 CFAP casemonths.
- The budget year (BY) costs and savings are based on 5,530,856 CalWORKs casemonths; 6,967,268 NAFS casemonths; 20,736 RCA casemonths; and 106,591 CFAP casemonths.
- It is assumed that 10.4 percent of the total NAFS/CFAP cases are currently subject to nonmonthly/change reporting based on the FS Characteristics Survey. The remaining cases, 5,672,966 NAFS cases and 89,002 CFAP cases in CY; and 6,242,672 NAFS cases and 95,506 CFAP cases in the BY, are subject to quarterly reporting.
- Based on actual caseload and expenditure data, the cost for on-going activities for CalWORKs cases under monthly reporting was $42.75 per month per case and $25.01 per month per case for NAFS.
- The CalWORKs eligibility worker cost per hour is $57.57.
- Based on county time study data collected during October and November 2005, the amount of time needed for CalWORKs continuing case activities under QR/PB is 26 minutes per month at a cost of $24.95 per case.
- Based on county time study data collected during October and November 2005, the amount of time needed to process CalWORKs mid-quarter activities averages nine minutes per month per case at a cost of $8.63 per case.
- Based on county time study data collected during March 2005, the NAFS/CFAP on-going case activities under QR/PB are at a cost of $39.33 per case.
- Based on county time study data collected during March 2005, the NAFS/CFAP mid-quarter case activities under QR/PB are estimated to cost $28.23 per case.
- Mid-quarter administrative activities for CalWORKs and NAFS/CFAP cases include voluntary and mandatory mid-quarter reporting and county initiated contact.
- CalWORKs mid-quarter activities also include IRT reporting.
- The current cost for mailing a monthly report form to a recipient is $0.78. It is assumed that the cost for mailing the quarterly report is $0.78 per household/case.
- It is assumed that only one-third of the total CalWORKs, NAFS, CFAP, and RCA cases will report each month under QR/PB. The remaining two-thirds of the cases will only report outside their normal quarterly report month in certain circumstances.

Prospective Budgeting

KEY DATA/ASSUMPTIONS (continued):

- Based on the CalWORKs Report on Reasons for Discontinuances of Cash Grant, (CA 253 CW), 8.73 percent of CalWORKs cases are discontinued each month, and 12.39 percent of the cases are discontinued due to income exceeding CalWORKs eligibility limits under MRRB. Under QR/PB some of these cases will experience a delay in being discontinued until their quarterly report month.
- CalWORKs recipients with unearned income only are exempt from mid-quarter reporting when their income exceeds the IRT. This group of recipients accounts for 0.55 percent of the CalWORKs caseload under MRRB. It is assumed that 50 percent of these cases will receive one month of additional benefits and 50 percent will receive two months of additional benefits before being discontinued when their quarterly report is filed.
- Due to the difference in income level between the CalWORKs eligibility limit and the IRT, it is assumed that 40.04 percent of the CalWORKs cases currently are discontinued due to excess earned income. It is assumed that 50 percent of these cases will receive one month of additional benefits and 50 percent will receive two months of additional benefits before being discontinued when a quarterly report is filed.
- Based on data from the Fraud Investigation Activity Report (DPA 266) for Fiscal Year (FY) 2006-07, fraud cases account for 2.35 percent of total CalWORKs cases. Fifty percent of the cases will result in an overpayment for one month and 50 percent of the cases will result in a two-month overpayment. Based on fraud overpayment collection experience, it is assumed that 50 percent of the overpayments will be recovered after a six-month period.
- Based on the Employment Development Department wage data, prior to becoming ineligible due to excess income, the average CalWORKs case receives a grant of $206.50 and the average CFAP household receives a benefit of $85.00.
- Based on a county survey regarding Reduced Income Supplemental Payments (RISPs) applications, it is estimated that 2.72 percent of the total caseload will have decreased earnings and will report the decrease during the non-quarterly report months.
- Under monthly reporting rules recipients may receive supplemental payments equal to 80 percent of the grant increase. Under QR/PB, CalWORKs recipients will receive a grant adjustment equal to 100 percent of the grant increase associated with reported decrease in income. The average CalWORKs grant impact for cases that would report decreased income in non-quarterly report months is estimated at $116.67.
- CFAP cases will receive a supplemental payment equal to the increase; under monthly reporting, these cases do not receive a supplemental payment. The average CFAP benefit for cases that would report decreased income in non-quarterly report months is $53.03.

Prospective Budgeting

KEY DATA/ASSUMPTIONS (continued):

- Based on the CA 253, calendar year 2007, 0.85 percent of CalWORKs monthly cases would become ineligible for the following reasons: no eligible child, excess resources, and no deprivation. It is assumed that 50 percent of these cases will continue to receive one additional full month of the grant and 50 percent will continue to receive two additional months of the full grant before being discontinued.
- Based on data from the CA 253, FY 2002-03 reports, 4.73 percent of CalWORKs and CFAP cases were discontinued each month for not submitting a Monthly Eligibility Report (CW 7) under the monthly reporting system. It is assumed that 25 percent of these cases now delay discontinuance for one or two months under the quarterly reporting system. It is assumed that 50 percent of the remaining cases will continue to receive one additional full month of grant and 50 percent will continue to receive two additional full months of grant before being discontinued.
- The average CalWORKs monthly grant is $544.82 based on the CA 800 CalWORKs expenditure reports for the period from October 2007 to December 2007.
- The average CFAP benefit per case is $230.65 based on the DFA 256 Reports the period from October 2007 to December 2007.
- Based on Refugee Services Program Services Participation and Outcomes Report (RS 50) data, 1.26 percent of the current RCA cases are terminated due to employment, and 0.45 percent of the cases have their grant reduced due to employment.
- Based on the most recent actual RCA expenditures, the average grant per case for RCA is $304.70 in the CY and BY. The average grant for RCA cases just prior to exiting the program is estimated at $115.49.
- It is estimated that four CFAP cases per month that otherwise would have discontinued due to income exceeding eligibility limits will not be discontinued until their quarterly report month. It is assumed that 50 percent of these cases will continue to receive one additional full month of grant and 50 percent will continue to receive two additional full months of grant before being discontinued.
- It is estimated that 22 CFAP cases per month that would have otherwise had their benefits decreased due to increased income will continue to receive additional benefits. It is assumed that 50 percent of these cases will continue to receive one month of increased benefits and 50 percent will continue to receive two additional months of increased benefits.
- The costs and savings under QR/PB are compared to MRRB. Assuming one-third of the income increases occur in each month, the result is one month of costs, one month of savings, and one month of no cost or savings to the CalWORKs and CFAP programs. The net effect is zero in those cases with increased income of all ranges of non-reporting.
- Based on a county survey, 4.47 percent of the NAFS/CFAP caseload will report a change of address, change in household composition, or shelter cost that will result in mid-quarter administrative activity. An additional 0.69 percent of the NAFS/CFAP caseload will be subject to a county initiated action during mid-quarter months.

Prospective Budgeting

KEY DATA/ASSUMPTIONS (continued):

- Able-Bodied Adults Without Dependents (ABAWDs) are required to report during the quarter when they are not meeting the work requirement. Based on the Stat 47, Food Stamp Program Work Registrant, ABAWD, and Food Stamp Employment and Training (FSET) program Caseload Report, for calendar year 2007, 0.11 percent of the monthly NAFS/CFAP caseload for non-waiver counties (3,642,875 in CY and 4,008,710 in BY) experience a reduction in work hours causing them to become ineligible for the FS program.

METHODOLOGY:

Administration

- The CalWORKs, NAFS, CFAP and RCA prospective budgeting administrative costs are calculated by adding the administrative costs to process the quarterly reports and mid-quarter changes.
- The CalWORKs administrative costs are held to the Appropriation.
- The CalWORKs and RCA administrative savings associated with continuing case activities under monthly reporting are calculated by multiplying the monthly continuing case cost by the total casemonths [CalWORKs BY: ($42.75 x 5,426,140)].
- The CalWORKs and RCA administrative costs associated with continuing case activities under QR/PB are calculated by multiplying the monthly continuing case cost by the casemonths of those required to report on a quarterly basis [CalWORKs BY: ($24.95 x 5,426,140)].
- The CalWORKs and RCA administrative costs to process mid-quarter changes are calculated by multiplying the casemonths by the cost per month [CalWORKs BY: ($8.63 x 5,426,140)].
- The NAFS and CFAP administrative savings associated with no longer processing monthly reports are calculated by multiplying the monthly cost to process a continuing case by the total casemonths [NAFS BY: ($25.01 x 6,242,672)].
- The NAFS and CFAP administrative costs to process quarterly reports are calculated by multiplying the quarterly cost to process a continuing case by the casemonths of those required to report on a quarterly basis [NAFS BY: ($39.33 x 6,242,672 x 33 percent)].
- The NAFS and CFAP administrative costs to process a change resulting in increased benefits are calculated by multiplying the number of cases that would report their reduced earnings outside the quarterly reporting months by the cost per case [NAFS BY: (6,242,672 x 2.72 percent x $28.23)].

  The NAFS and CFAP administrative costs to process a change of address, change in household composition, or shelter costs during non-quarterly report months are calculated by multiplying the number of cases that would report the changes outside the quarterly reporting months by the cost per case [NAFS BY: (6,242,672 x 4.47 percent x $28.23)].

Prospective Budgeting

METHODOLOGY (continued):

- The NAFS and CFAP administrative costs to process a county initiated actions is calculated by multiplying the number of cases that would report the changes outside the quarterly reporting months by the cost per case [NAFS BY: (6,242,672 x 0.69 percent x $28.23)].
- The administrative cost to process discontinuances for ABAWDs who do not meet the work requirements is calculated by multiplying the number of cases that would report outside the quarterly report month and are not exempted from the ABAWD waivers by the cost per case [NAFS BY: (4,008,710x 0.11 percent x $28.23)].
- The CalWORKs, NAFS, CFAP and RCA administrative cost to mail quarterly reports is calculated by multiplying the annual casemonths by one-third to determine the number of cases in a quarter; then multiplying by the mailing cost which is determined based on the monthly number of mid-quarter reports x $0.78 [NAFS BY: (6,242,672 x 33 percent x $0.78), for CalWORKs (BY: 5,530,856 x 33 percent x $0.78)].
- The CalWORKs, NAFS, CFAP and RCA administrative savings due to not mailing monthly reports is calculated by multiplying the number of cases reporting monthly by the mailing cost [NAFS BY: (6,242,672 x $0.78), for CalWORKs BY: (5,426,140 x $0.78)].

Grants/Benefits

- CalWORKs grant and CFAP coupon costs associated with noncompliance cases who do not submit their monthly reports are calculated by multiplying the average monthly grant/coupon per case by the impacted casemonths, assuming 50 percent receive one month of additional grant and 50 percent receive two months of additional grant [CalWORKs BY: ($544.82 x 68,692 x 50 percent) + (($544.82 x 68,692 x 50 percent x 2)].
- CalWORKs grant and CFAP coupon costs associated with not discontinuing ineligible cases until the quarterly report month are calculated by multiplying the monthly average grant/coupon per case by the impacted casemonths, assuming 50 percent receive one month of additional grant and 50 percent receive two months of additional grant [CalWORKs BY: [($544.82 x 30 x 50 percent) + ($544.82 x 30 x 50 percent x 2)].
- RCA grant costs for not adjusting cases with increased earnings until the quarterly report month are calculated by multiplying the impacted casemonths by the monthly average reduction in grants of $119.47 [RCA BY: (56 x $115.49 x 50 percent) + (56 x $115.49 x 50 percent x 2)].
- CalWORKs grant costs for not discontinuing cases with income over the CalWORKs eligibility limit but under the IRT until the quarterly report are calculated by multiplying the impacted casemonths by the average grant per case assuming 50 percent receive one month of additional grant and 50 percent receive two months of additional grant [CalWORKs BY: ($206.50 x 513 x 50 percent) + ($206.50 x 513 x 50 percent x 2)].

Prospective Budgeting

METHODOLOGY (CONTINUED):

- CalWORKs grant costs for those cases exempt from reporting when their income exceeds the IRT because they have unearned income only, are calculated by multiplying the impacted casemonths by the associated average grant per case, assuming 50 percent receive one month of additional grant and 50 percent receive two months of additional grant [CalWORKs BY: ($206.50 x 14,351 x 50 percent) + ($206.50 x 14,351 x 50 percent x 2)].
- CalWORKs grant costs for increasing the benefits of those cases reporting a decrease in income during mid-quarter months are calculated by multiplying the impacted casemonths by the average grant increase of $116.67 [CalWORKs BY: ($116.67 x 150,270 x 50 percent) + ($116.67 x 150,270 x 50 percent x 2)].
- Overpayments for those cases that will not report income exceeding the IRT are calculated by multiplying the average grant per case by the impacted casemonths of those that will not report, assuming that 50 percent receive one additional monthly grant and 50 percent receive two additional monthly grants, and 50 percent of the overpayments will be recovered after a six-month period [CalWORKs in BY: [($206.50 x 33 x 50 percent) x 50 percent] + ($206.50 x 33 x 50 percent x 2 x 50 percent)].
- CFAP coupon costs for not discontinuing cases with income over the eligibility limit are calculated by multiplying the impacted casemonths by the average grant per case assuming 50 percent receive one month of additional grant and 50 percent receive two months of additional grant [CFAP BY: ($85.00 x 11 x 50 percent) + ($85.00 x 11 x 50 percent x 2)].
- CFAP coupon costs for those cases reporting a decrease in income during mid-quarter months are calculated by multiplying the impacted casemonths by the average coupon increase [CFAP BY: ($53.03 x 2,595) + ($53.03 x 2,595 x 50 percent)].
- CFAP coupon costs for not decreasing benefits for cases that have an increase in income are calculated by multiplying the impacted casemonths by the average increased coupon amount times two months [CFAP BY: ($53.03 x 2,595 x 2)].

FUNDING:

CalWORKs

The funding for CalWORKs grants for CY is 86.05 percent TANF, 11.45 percent General Fund (GF) and 2.5 percent county. For BY, funding is 85.75 percent TANF, 11.75 percent GF, and 2.5 percent county.

The funding for CalWORKs administration for CY is held to the Appropriation. The funding for BY is 87.95 percent TANF and 12.05 percent GF.

NAFS and CFAP

For CY and BY, the FS funding is 50 percent federal, 35 percent State, and 15 percent county funds. CFAP costs are 100 percent GF with 23.19 percent being Maintenance of Effort eligible.

Prospective Budgeting

FUNDING (CONTINUED):

RCA

RCA costs for CY and BY are funded with 100 percent federal funds.

CHANGE FROM PRIOR SUBVENTION:

CalWORKs

The CY administrative costs are held to the Appropriation.

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

NAFS and CFAP

The increase in NAFS administrative savings is due to an increase in caseload. The decrease in CFAP administrative savings is associated with a slower than expected caseload growth.

RCA

The CY grant costs and administrative savings increased due to an increase of the RCA caseload projection over what was projected in the prior subvention.

The BY grant costs and administrative savings decreased due to a decrease of the RCA caseload projection over what was projected in the prior subvention.

REASON FOR YEAR-TO-YEAR CHANGE:

The CalWORKs grant costs and administrative savings increased from CY to BY due to caseload growth.

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

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

The RCA grant costs and administrative savings decreased due to caseload decline.

Prospective Budgeting

EXPENDITURES:

(in 000's)

ITEM 101 – CalWORKs Grants	2007-08	2008-09
	Grant	Grant
Total	$86,771	$87,068
Federal	74,665	74,662
State	9,937	10,229
County	2,169	2,177
Reimbursements	0	0

ITEM 101 – CalWORKs Administration	2007-08	2008-09
	Admin.	Admin.
Total	-$53,352	-$53,627
Federal	-46,777	-47,165
State	-6,575	-6,462
County	0	0
Reimbursements	0	0

ITEM 101 – RCA Grants	2007-08	2008-09
	Grant	Grant
Total	$13	$10
Federal	13	10
State	0	0
County	0	0
Reimbursements	0	0

Prospective Budgeting

EXPENDITURES (CONTINUED):

(in 000's)

ITEM 101 – CFAP Grants	2007-08	2008-09
	Grant	Grant
Total	$857	$920
Federal	0	0
State	857	920
County	0	0
Reimbursements	0	0

ITEM 141 – Food Stamp Administration	2007-08	2008-09
	Admin.	Admin.
Total	-$58,148	-$63,998
Federal	-29,074	-31,999
State	-20,352	-22,399
County	-8,722	-9,600
Reimbursements	0	0

ITEM 141- CFAP Administration	2007-08	2008-09
	Admin.	Admin.
Total	$-912	$-979
Federal	0	0
State	-912	-979
County	0	0
Reimbursements	0	0

Prospective Budgeting

EXPENDITURES (CONTINUED):

(in 000's)

ITEM 141 – RCA Administration	2007-08	2008-09
	Admin.	Admin.
Total	-$639	-$486
Federal	-639	-486
State	0	0
County	0	0
Reimbursements	0	0

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Recent Noncitizen Entrants

DESCRIPTION:

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

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

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

IMPLEMENTATION DATE:

This premise implemented in September 1996.

KEY DATA/ASSUMPTIONS:

- The Current Year (CY) employment services, administration, and child care costs are held to the Appropriation.
- Based on the calendar year 2007 Summary Report of Assistance Expenditures (CA 800L and CA 800M), the projected average monthly persons that are not TANF eligible is 16,495 for the CY and 16,653 for the Budget Year (BY).
- The overall CalWORKs caseload is projected to increase by 0.16 percent in CY and 0.09 percent in BY.
- Based on the calendar year 2007 CA 800L and CA 800M reports, the average grant per person is $157.33.
- Cal Learn Bonuses and Sanction grant costs for RNE recipients is projected to be $48,827 in the CY and $50,686 in the BY.
- Based on claims from the counties for calendar year 2007, the administration cost for RNEs was approximately $7.4 million.
- The percentage of persons that are TANF eligible is 50.27 percent.
- The funds associated with persons that are TANF eligible are reflected in the Basic premises for grants, childcare, and administration and employment services.
- The BY services costs are based on actual expenditure data from calendar year 2007.

Recent Noncitizen Entrants

KEY DATA/ASSUMPTIONS: (continued)

- Of the total amount of $12 million for RNE employment services from calendar year 2007, $6 million are TANF eligible and are shifted to the "CalWORKs Basic" premise (refer to that premise for more detailed information regarding services).
- For CalWORKs child care, the cost is 0.46 percent of the "CalWORKs Stage One Child Care" cost in the BY (refer to that premise for more detailed information regarding child care.) The percentage is based upon actual expenditures from calendar year 2007..
- For Cal Learn, the RNE costs in the BY reflect 1.6 percent of the Cal Learn cost which is reflected in the "Cal Learn" premise. The percentage is based upon actual expenditures from calendar year 2007

METHODOLOGY:

- The grant costs were calculated by multiplying the projected monthly recipients by the average grant per person by 12 months (BY: 16,653 x 157.33 x 12 months). This total is then added to the Cal-Learn grants and bonuses.
- The administration costs for the RNEs are based on actual expenditures from calendar year 2007 that have been adjusted for projected caseload growth. Of the total costs, 50.27 percent represent federal households and remains in the CalWORKs basic Administration, funded with General Fund (GF). The remaining portion of RNEs is reflected in this premise.
- The child care costs for the RNEs is 0.46 percent based on Stage One expenditures from calendar year 2007. Of the 0.46 percent, 50.27 percent represent federal households and remains in the Stage One Basic Program, funded with GF. The remaining portion of RNEs is reflected in this premise.
- The services costs for the RNEs are based on actual expenditures from calendar year 2007. Of the total cost, 50.27 percent represent federal households and remain in CalWORKs Employment Services Basic, funded with GF. The remaining portion of RNEs is reflected in this premise.

FUNDING:

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

CHANGE FROM PRIOR SUBVENTION:

The CY and BY increase in grant costs is due to an increase in the RNE caseload over what was projected in the prior subvention.

There is no change in administrative costs in the CY. The BY decrease in RNE administrative costs is due to a decrease in the percentage of the RNE caseload that is state-only.

There is no change in the services costs in the CY. The BY increase in services costs is due to an increase in expenditures.

Recent Noncitizen Entrants

CHANGE FROM PRIOR SUBVENTION: (continued)

There is no change in child care costs in the CY. The BY increase in child care is due to an increase in caseload and the cost per case.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase in grants costs is due to an increase in the RNE caseload from CY to BY.

The decrease in administrative costs is due to a decrease in RNE expenditures.

The increase in services costs is due to an increase in RNE expenditures.

The decrease in child care is due to a decrease in the percentage of RNE expenditures to total child care expenditures.

EXPENDITURES:

(in 000's)

ITEM 101 - CalWORKs Grants	2007-08	2008-09
	Grant	Grant
Total	$31,199	$31,493
Federal	0	0
State	29,639	29,918
County	1,560	1,575
Reimbursements	0	0

ITEM 101 - CalWORKs Services	2007-08	2008-09
	County Services	County Services
Total	$5,197	$5,986
Federal	0	0
State	5,197	5,986
County	0	0
Reimbursements	0	0

Recent Noncitizen Entrants

EXPENDITURES (continued):

(in 000's)

ITEM 101 - CalWORKs Administration	2007-08 Admin.	2008-09 Admin.
Total	$4,834	$3,860
Federal	0	0
State	4,834	3,860
County	0	0
Reimbursements	0	0

ITEM 101 - CalWORKs Stage One Child Care	2007-08 Child Care	2008-09 Child Care
Total	$1,763	$1,325
Federal	0	0
State	1,763	1,325
County	0	0
Reimbursements	0	0

CalWORKs and Food Stamps Freeze Emergency Response

DESCRIPTION:

The Governor declared 18 counties as disaster areas due to recent weather conditions that devastated many farming-related businesses and left many farm workers unemployed.

This premise will reflect ongoing costs associated with cases that will receive California Work Opportunity and Responsibility to Kids (CalWORKs) cash assistance, employment services, child care, federal food stamps, and California Food Assistance Program (CFAP) benefits as a result of this effort.

IMPLEMENTATION DATE:

This premise implemented on January 31, 2007.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Government Code section 8686(a).
- Due to freezing weather conditions that occurred during the period of January 11th to January 17th, 2007, 18 counties were declared disaster areas. Those counties are El Dorado, Fresno, Imperial, Kern, Kings, Madera, Merced, Monterey, Riverside, San Bernardino, San Diego, San Luis Obispo, Santa Barbara, Santa Clara, Stanislaus, Tulare, Ventura, and Yuba.
- The estimated cost is based on current data reported from the counties reflecting new applications for Food Stamp and CalWORKs benefits.
- Actual data received from counties was used to project costs for the non-reporting counties.

CalWORKs

- The CalWORKs Current Year (CY) employment services, administrative, and childcare costs have been held to the Appropriation.
- Based on actual data provided by the counties, 783 families have applied for CalWORKs benefits.
- Based on actual data provided by the counties, approximately 342 cases are receiving CalWORKs benefits each month in both the Budget Year (BY) and CY.
- The average cost per case is $542.65 for CY and $544.82 for BY.
- The total administrative costs for the BY include mid-quarter costs of $8.63 per case per month and ongoing costs of $24.95 per case per month.
- Monthly mid-quarter and quarterly administrative costs are included for 342 cases per month for the BY.
- All cases that receive CalWORKs cash assistance have an aided adult. The costs for employment services for these cases include case management, transportation, and ancillary costs.

CalWORKs and Food Stamps Freeze Emergency Response

KEY DATA/ASSUMPTIONS (CONTINUED):

- The monthly case management cost per case is $206.02. The percentage of cases utilizing transportation services is 51.99 percent with a cost of $71.21 per case. The percentage of cases utilizing ancillary services is 10.14 percent with a cost of $79.39 per case.
- Approximately 33.32 percent of the total CalWORKs caseload utilizes child care services. On average, each case has 1.9 children. The monthly child care cost is $797.52 in the BY..
- The average number of cases that will utilize child care services for the BY is 114 cases.
- There are approximately 217 children who will receive child care in the BY.

Non-Assistance Food Stamps (NAFS) and CFAP

- Based on actual data from reporting counties, 2,397 families applied for Food Stamp benefits.
- Based on actual data from reporting counties, approximately 59.7 percent of applications received are approved.
- Based on actual data reported from the counties, 1,432 new cases will receive NAFS benefits in the CY and BY.
- It is assumed 50 percent of new cases are CFAP cases and 50 percent are federal NAFS cases.
- The average coupon cost per case for CFAP is $219 from July 2007 to September 2007, $227 from October 2007 to September 2008, and $237 from October 2008 to June 2009.
- The total administrative costs include mid-quarter costs of $28.23 per case per month for approximately 7.2 percent of the monthly caseload, and ongoing costs of $13.11 per case per month.

METHODOLOGY:

CalWORKs

- The grant costs are determined by multiplying the average monthly number of cases by the average cost per case by 12 months.
- The total employment services costs are determined by combining the costs for case management, transportation and ancillary services.
- The case management costs are determined by multiplying the average monthly number of cases by the monthly cost per case by 12 months.
- The transportation costs are determined by multiplying the monthly number of cases that will utilize transportation services by the monthly cost per case and by 12 months.

CalWORKs and Food Stamps Freeze Emergency Response

METHODOLOGY (CONTINUED):

- The ancillary costs are determined by multiplying the average monthly number of cases that will utilize ancillary services by the monthly cost per case and by 12 months.
- The administrative costs include mid-quarter and ongoing costs.
- The mid-quarter costs are determined by multiplying the average number of cases by the cost per case.
- The ongoing costs are determined by multiplying the average number of cases by the cost per case.
- The child care costs are determined by multiplying the number of children by the cost per child.

NAFS and CFAP

- The CFAP coupon costs are determined by multiplying the average number of cases by the average cost per case.
- The total administrative costs include mid-quarter and ongoing costs.
- The mid-quarter costs are determined by multiplying the percentage of cases that report during the mid-quarter period by the cost per case.
- The ongoing costs are determined by multiplying the average number of cases by the cost per case.
- Fifty percent of the total administrative costs reflect the administrative costs for CFAP.
- Twenty-three percent of the CFAP administrative costs are maintenance of effort (MOE) eligible and 77 percent of the costs are not MOE eligible.

FUNDING:

CalWORKs

The funding for CalWORKs grants for the CY is 95.67 percent federal, 1.83 percent General Fund (GF), and 2.5 percent county. For the BY, funding is 95.66 percent federal, 1.84 percent GF, and 2.5 percent county.

Funding for CalWORKs administrative and employment services costs for the CY have been held to the Appropriation. The Funding for BY is 98.12 percent federal and 1.88 percent state.

Funding for child care for the CY has been held to the Appropriation. The funding for the BY is 96.12 percent federal and 3.88 percent GF.

NAFS and CFAP

For the CY and BY, the funding for NAFS administration is 50 percent federal, 35 percent GF, and 15 percent county funds. The CFAP administrative costs are 100 percent GF.

CalWORKs and Food Stamps Freeze Emergency Response

CHANGE FROM PRIOR SUBVENTION:

The CY administrative, services, and child care costs have been held to the Appropriation.

For the CY and BY, the CalWORKs grant costs increase due to an increase in the cost per case.

The food stamp coupon increased due to an increased cost per case. The food stamp administrative costs decrease due to a technical adjustment, which divides the costs between NAFS and CFAP.

REASON FOR YEAR-TO-YEAR CHANGE:

There is an increase for CalWORKs grants due to an increased cost per case.

The cost for food stamps increased due to increased coupon costs. The food stamp administrative costs decrease due to a technical adjustment, which divides the costs between NAFS and CFAP.

The decrease in administrative costs is due to a lower caseload than was projected in the Appropriation.

The increase in services is due to an increase in the projected cases utilizing services over what was projected in the Appropriation.

The increase in child care is due to an increase in the cost per child.

EXPENDITURES:

(in 000's)

ITEM 101 -	2007-08	2008-09
CalWORKs Assistance Payments	Grant	Grant
Total	$2,228	$2,236
Federal	2,131	2,139
State	41	41
County	56	56
Reimbursements	0	0

CalWORKs and Food Stamps Freeze Emergency Response

EXPENDITURES (CONTINUED):

(in 000's)

ITEM 101 - CalWORKs Services	2007-08	2008-09
	Services	Services
Total	$753	$1,031
Federal	742	1011
State	11	20
County	0	0
Reimbursements	0	0

ITEM 101 - CalWORKs Administration	2007-08	2008-09
	Admin.	Admin.
Total	$187	$138
Federal	184	135
State	3	3
County	0	0
Reimbursements	0	0

ITEM 101 - CalWORKs Child Care	2007-08	2008-09
Total	$1,558	$2,073
Federal	1,507	2,003
State	51	70
County	0	0
Reimbursements	0	0

CalWORKs and Food Stamps Freeze Emergency Response

EXPENDITURES (CONTINUED):

(in 000's)

ITEM 101 - CFAP	2007-08 Coupon	2008-09 Coupon
Total	$1,929	$2,013
Federal	0	0
State	1,929	2,013
County	0	0
Reimbursements	0	0

ITEM 141 - NAFS	2007-08 County Admin.	2008-09 County Admin.
Total	$130	$130
Federal	65	65
State	46	46
County	19	19
Reimbursements	0	0

ITEM 141 - CFAP	2007-08 County Admin.	2008-09 County Admin.
Total	$130	$130
Federal	0	0
State	130	130
County	0	0
Reimbursements	0	0

Pre-Assistance Employment Readiness Program

DESCRIPTION:

This premise reflects the impact of the Pre-Assistance Employment Readiness system (PAERs). Under PAERs, able-body work eligible families (meeting current eligibility requirements) entering aid would be placed in PAERS for up to 120 days. The goal of PAERS is to help recipients either become employed or to sign a welfare–to–work plan. This program requires that in order for families to move to the California Work Opportunity and Responsibility to Kids (CalWORKs) program and continue receiving aid, they must become employed for sufficient hours to meet federal work participation requirements, or sign the welfare–to–work plan (unless they can establish that they are exempt or have good cause under current law for nonparticipation). Failure to meet at least one of these requirements would mean that the family does not enter CalWORKs. Families could immediately have aid restored upon agreeing to sign their plan.

There would be no sanction or conciliation process during PAERS. Noncompliant families would be reminded of the requirement that they sign their plan or become employed with 120 days of entering PAERS.

IMPLEMENTATION DATE:

This premise assumes a July 1, 2008 enactment of Legislation and notification with an October 2008 implementation date.

KEY DATA/ASSUMPTIONS:

- Based on Federal Fiscal Year (FFY) 2006 CalWORKs Characteristics Survey (Q5) data, 8,706 monthly CalWORKs applicants have an able body adult.
- Based on FFY 2006 Q5 data, of the 8,706 cases, 73 percent (6,346 cases) do NOT have a child under one (i.e. not federally exempt).
- Based on natural attrition rates for the CalWORKs program calculated using FFY 2006 Q5 data, the caseload is projected to decrease to 6,314 cases in the second month, 5,973 cases in the third month, and 5,394 cases in the fourth month.
- The phased in caseload will be 6,346 cases in the first month, 12,660 cases the second month, and 18,633 cases in the third month.
- Assuming an accumulation of the four months of caseload, the ongoing caseload in the PAERs program is projected to be 24,027 cases.
- It is assumed that 96 percent of the PAERs caseload will transfer to CalWORKs. Of this group, ten percent is estimated to meet the federal Work Participation Rate (WPR). The remaining are anticipated to sign a welfare-to-work plan upon transferring to CalWORKs.
- It is assumed that four percent of the PAERs caseload will choose to leave PAERs and not enter CalWORKs.

Pre-Assistance Employment Readiness Program

KEY DATA/ASSUMPTIONS (CONTINUED):

- The average grant for cases that discontinue is $584, based on the maximum aid payment for an assistance unit of two.
- The administrative savings is $33.58 per month, based on the average ongoing monthly administrative cost per case.
- It is assumed that half of the caseload that transfers to CalWORKs each month and are fully meeting the WPR will be newly working and be eligible for child care.
- Based on current CalWORKs child care caseload reports, it is assumed that 33.3 percent of participants utilize child care services.
- Based on current CalWORKs child care expenditure data, caseload reports, and assuming an increase in the cost of doing business, the cost per child will be $798 from October through December 2008 and $837 from January through June 2008.
- It is assumed that half of the caseload that transfers to CalWORKs each month and are fully meeting the WPR will be newly working and be eligible for CalWORKs services.
- Based on Calendar Year (CY) 2007 CalWORKs services caseload and expenditure reports, it is assumed that 51.99 percent of participants utilize transportation services at a cost of $71.21 per case.
- Based on CY 2007 CalWORKs services caseload and expenditure reports, it is assumed that 10.14 percent of participants utilize transportation services at a cost of $79.39 per case.

METHODOLOGY:

The CalWORKs grant savings are calculated by multiplying the average monthly discontinued caseload by the cost per case by nine months.

The CalWORKs employment services costs are calculated by multiplying the participating caseload by the utilization rate and by the cost per case for both transportation and ancillary services. The total services cost is the sum of the transportation and ancillary services

The CalWORKs administrative savings are calculated by multiply the average monthly discontinued caseload by the cost per case by nine months.

The CalWORKs child care costs are calculated by multiplying the monthly caseload transferring from PAERs to CalWORKs by the child care utilization rate and by the appropriate cost per case and number of months.

FUNDING:

The CalWORKs grant funding is 85.75 percent Temporary Assistance for Needy Families (TANF) funding, 11.75 percent General Fund and 2.5 percent county funds.

The CalWORKs administrative funding is 87.95 percent TANF and 12.05 percent General Fund.

Pre-Assistance Employment Readiness Program

CHANGE FROM PRIOR SUBVENTION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

This premise implements in budget year.

EXPENDITURES:

(in 000's)

ITEM 101-CalWORKs Grants	2007-08	2008-09
	Grant	Grant
Total	$0	-$4,521
Federal	0	-3,877
State	0	-531
County	0	-113
Reimbursements	0	0

ITEM 101-CalWORKs Services	2007-08	2008-09
	Services	Services
Total	$0	$410
Federal	0	408
State	0	2
County	0	0
Reimbursements	0	0

Pre-Assistance Employment Readiness Program

EXPENDITURES (CONTINUED):

(in 000's)

ITEM 101-CalWORKs Administration	2007-08	2008-09
	Administration	Administration
Total	$0	-$244
Federal	0	-215
State	0	-29
County	0	0
Reimbursements	0	0

ITEM 101-CalWORKs Child Care	2007-08	2008-09
	Child Care	Child Care
Total	$0	$4,355
Federal	0	4,206
State	0	149
County	0	0
Reimbursements	0	0

Self Sufficiency Review

DESCRIPTION:

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

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

IMPLEMENTATION DATE:

This premise assumes a July 1, 2008 enactment of Legislation and notification with an October 2008 implementation date.

KEY DATA/ASSUMPTIONS:

- Statute needs to be enacted to implement this premise.
- Considering the impacts of the Previous CalWORKs Reform Efforts, Modified Safety Net, Pre–Assistance Employment Readiness System (PAERS), and CalWORKs grant reduction premises, and after removing the foster care cases, the percentage of the total CalWORKs caseload meeting the WPR is projected to be on average 20.59 percent from October 2008 through June 2009.
- It is assumed that the total caseload impacted will be phased in from October 2008 to December 2008. It is assumed that one-third of this caseload will be reviewed each month.
- It is anticipated that 5 percent of the cases that are subject to the review will discontinue for failing to complete the review.
- The average grant savings for cases that discontinue is projected to be $584 per month.
- The total CalWORKs caseload after considering the above items is on average 370,412 from October 2008 through June 2009.
- The administrative savings will result as cases discontinue due to not complying with the self-sufficiency review requirement.
- It is assumed that it will take 15 minutes for an eligibility worker to complete the self-sufficiency Review.

Self Sufficiency Review

KEY DATA/ASSUMPTIONS (CONTINUED):

- The administrative cost to complete the self-sufficiency review is assumed to be $14.39 per review.

METHODOLOGY:

- CalWORKs grant savings are calculated by multiplying together the average monthly discontinued cases, the cost per case and the total number of months.
- CalWORKs administrative savings are calculated by multiplying together the average monthly discontinued cases, the cost per case and the total number of months.
- CalWORKs administrative costs are included for a fifteen minute biannual review for all cases subject to the Self Sufficiency Review.

FUNDING:

The CalWORKs grant funding is 85.75 percent Temporary Assistance for Needy Families(TANF) funding, 11.75 percent General Fund and 2.5 percent county funds.

The CalWORKs administrative funding is 87.95 percent TANF and 12.05 percent General Fund.

CHANGE FROM PRIOR SUBVENTION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

This premise implements in budget year.

EXPENDITURES:

(in 000's)

ITEM 101-CalWORKs Grants	2007-08	2008-09
	Grant	Grant
Total	$0	-$69,609
Federal	0	-59,690
State	0	-8,179
County	0	-1,740
Reimbursements	0	0

Self Sufficiency Review

EXPENDITURES (CONTINUED):

(in 000's)

ITEM 101-CalWORKs Administration	2007-08	2008-09
	Administration	Administration
Total	$0	$8,196
Federal	0	7,208
State	0	988
County	0	0
Reimbursements	0	0

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Graduated Full Family Sanction

DESCRIPTION:

This premise reflects the fiscal impact associated with implementing a graduated full family sanction policy for noncompliant cases.

This proposal strengthens work requirements and recipient accountability by imposing a graduated sanction model for the California Work Opportunity and Responsibility to Kids (CalWORKs) program that will eventually lead to a full family sanction for able-bodied recipients who fail to comply with program work participation requirements over an extended period of time. Currently in CalWORKs, adults who do not comply with program rules are given 20 days to establish good cause or enter into a compliance plan, or a sanction is imposed the first of the following month (30 days after the notification of noncompliance is issued). At the end of the 30 days, those adults who are not participating without good cause are sanctioned and removed from the assistance unit. The current sanction policy, however, allows sanctioned adults to continue receiving aid for their eligible children (until these children reach 18 years of age) without ever having to end their sanction or participate.

Under this proposal, adults who remain in sanction status for an accumulated total of six months will receive an escalated sanction: the family grant will be reduced to 50 percent of the child-only grant. Families with an adult who has been sanctioned for not participating for a second accumulated total of six months (i.e., adults who have a total of 12 months in sanction) will receive a full family sanction, thereby closing the case.

Implementation of a graduated full family sanction policy will support current county efforts to get adults engaged in work activities, and better position the state to meet federal work participation rate requirements.

IMPLEMENTATION DATE:

This premise assumes a July 1, 2008 enactment of Legislation with an October 2008 implementation date.

KEY DATA/ASSUMPTIONS:

- Beginning in October 2008, sanctioned cases will be provided a notice that informs them of the consequences of continuing in sanction. At each additional sanction, an additional reminder notice will be provided regarding the consequences of and options for curing their sanctions.

- Prior to imposition of the 50 percent reduction, counties will contact the sanctioned recipient to urge program compliance, ensure the recipient understands the participation requirements, and connect adults to resources in order to remove barriers to participation. Contacts may consist of some combination of phone calls, letters, and home visits.

- It is assumed that based on this policy 45 percent of the existing sanction caseload will cure their sanction before the case receives a full family sanction.

Graduated Full Family Sanction

KEY DATA/ASSUMPTIONS: (continued)

- The total projected sanction caseload in Fiscal Year (FY) 2007-08 is 40,397.
- The following represents the ongoing impact to the sanctioned caseload as a result of this policy change (the estimate assumes a six month phase in):
  - It is assumed that 12,574 cases will cure before the first instance of increased sanction (i.e., before cumulated six months) as a result of county contacts, home visits and communication of the overall changes to the sanction policy. Of this number, 6,968 cure as a result of increased county contacts.
  - It is assumed that 27,823 cases will be subject to increased penalty. All cases will receive the 50 percent grant reduction.
  - It is assumed that 5,605 cases will cure before imposition of full family sanction.
  - It is assumed that 22,218 cases will be subject to a full family sanction. All cases will receive the full family sanction.
  - It is assumed that 6,085 cases will cure and return to CalWORKs after receiving a full family sanction.
  - It is assumed that 16,134 cases do not return to CalWORKs after receiving the full family sanction.
  - The overall cure rate of the policy change is 60 percent.
  - Cases will begin curing sanctions in October 2008.
  - Cases will begin receiving the 50 percent grant reduction in April 2009.
  - Cases will begin receiving the full family sanction in October 2009.
- Los Angeles County (which represents 31 percent of the total sanctioned caseload) experienced a 25 percent cure rate of their existing sanction caseload when they implemented a home visit program.
- It is assumed that the remainder of the counties will experience similar results with the statewide implementation of mandated home visits/increased county contacts.
- Of the cases that cure as a result of county contact efforts, fifteen percent will be determined to be exempt, 42.5 percent are assumed to fully meet federal requirements, and 42.5 percent are assumed to partially participate but not fully meet federal requirements.
- Of the cases that cure as a result of the receiving a 50 percent reduction to the child-only grant, 50 percent will fully meet federal requirements, and 50 percent will not fully meet federal requirements.
- Based on the Federal Fiscal Year 2006 CalWORKs Characteristics Survey (Q5), 65 percent of the non-exempt cases that will cure will participate through work activities, and 35 percent will participate in non-work activities.

Graduated Full Family Sanction

KEY DATA/ASSUMPTIONS: (continued)

- It is estimated that 8,887 cases will reapply for CalWORKs following a graduated full family sanction. Of that amount, it is assumed 6,085 cases will have their CalWORKs benefits restored. Fifteen percent will be exempt. The remaining 42.5 percent will immediately fully participate, and 42.5 percent will not be immediately participating.

- The average monthly grant savings resulting from a 50 percent reduction of the child-only grant is $292 per case.

- The average hourly eligibility worker cost is $57.57. It is assumed that it will take 2.4 hours of administrative time per case to process an application for restoration of benefits resulting in a total cost of $138.43 per case.

- For cases that cure before receiving the 50 percent grant reduction, those that cure through work will have an average monthly grant savings of $95 and those that cure through non-work or by exemption will have an average monthly grant cost of $139.

- For cases that cure after receiving the 50 percent grant reduction, those that cure through work will have an average monthly grant cost of $197, and those that cure through non-work will have an average monthly grant cost of $431.

- It is assumed the average grant amount is $533.58 for cases that return to CalWORKs following a full family sanction.

- Based on current experience in the CalWORKs program, it is assumed that newly participating cases will utilize child care services at the same rate as the overall CalWORKs caseload. The average number of children per case is 1.9 and the average cost per child is $797.52.

- Based on current experience in the CalWORKs program, it is assumed that 10.14 percent of the newly participating cases will utilize ancillary services. The average cost is $79.39 per month.
- Based on current experience in the CalWORKs program, it is assumed that 51.99 percent of the newly participating cases will utilize transportation services. The average cost is $71.21 per month.

METHODOLOGY:

- Cases that Cure as a Result of County Efforts
  - Of the cases that cure their sanction through county efforts (assuming a six month phase in) a monthly average of 5,033 in BY will cure their sanctions based on a determination of exemption, or participation through work or non-work activities; with 50 percent fully participating and 50 percent partially participating.

Graduated Full Family Sanction

METHODOLOGY: (continued)

- Fifteen percent of the curing population, or a monthly average of 755 cases in Budget Year (BY), will cure their sanctions and be determined as exempt from work participation. As a result of curing, each case will generate a cost of $139 per month. This results in grant costs of $0.9 million in BY.
- Eighty-five percent of the curing population, or a monthly average of 4,278 cases in BY, will fully or partially participate through work or non-work activities. Of this group:
  - It is assumed that 50 percent, or a monthly average of 2,139 in BY, cure their sanction but do not fully participate. As a result of curing, each case will generate a cost of $139 per month. This results in a grant cost of $2.7 million in BY.
  - For the remaining 50 percent of the curing population, or a monthly average of 2,139 in BY, it is assumed:
    - Sixty-five percent, or a monthly average of 1,390 cases in BY, will participate by working an average of 20 hours per week. As a result of curing, each case will generate a savings of $95 per month. This results in grant savings of $1.2 million in BY.
    - Thirty-five percent, or a monthly average of 749 in BY, will participate through non-work activities. As a result of curing, each case will generate a cost of $139 per month. This results in grant costs of $0.9 million in BY.

- On an annual basis, 11,210 cases will cure their sanction prior to receiving a full family sanction (excluding the cases that cure based on county efforts). Fifty percent, or 5,605 sanctioned cases, will cure prior to receiving increased sanctions, and the remaining 50 percent, or 5,605 cases, will cure following a 50 percent grant reduction.
  - Cases that Cure Prior to Receiving a Grant Reduction
    - Of the cases that cure prior to receiving additional sanctions (assuming a six month phase in) it is assumed that 50 percent, or a monthly average of 2,024 in BY, will cure their sanctions but not fully participate. As a result of curing, each case will generate a cost of $139 per month. This results in a cost of $2.5 million in BY.
    - For the remaining 50 percent of cases that cure prior to receiving additional sanctions, it is assumed:
      - Sixty-five percent, or a monthly average of 1,316 in BY, will participate by working an average of 20 hours per week. As a result of curing, each case will generate a savings of $95 per month. This results in grant savings of $1.1 million in BY.
      - Thirty-five percent, or a monthly average of 708 cases in BY, will participate through non-work activities. As a result of curing, each case will generate a cost of $139 per month. This results in grant costs of $0.9 million in BY.

Graduated Full Family Sanction

METHODOLOGY: (continued)

- Cases that Cure after Receiving a Grant Reduction
  - Of the cases that cure after receiving a 50 percent reduction to the child-only grant, it is assumed that 50 percent, or a monthly average of 841 cases in BY, cure their sanctions but do not fully participate. As a result of curing, each case will generate a cost of $431 per month. This results in grant costs of $0.7 million in BY.
  - Of the remaining 50 percent, it is assumed:
    - Sixty-five percent, or a monthly average of 546 cases in BY, will participate by working an average of 20 hours per week. As a result of curing, each case will generate a cost of $197 per month. This results in grant costs $0.2 million in BY.
    - Thirty-five percent, or a monthly average of 294 cases in BY, will participate through non-work activities. As a result of curing, each case will generate a cost of $431 per month. This result in grant costs of $0.3 million in BY.
- Cases that Cure after Receiving Full Family Sanction
  - It is assumed that 55 percent of the total projected sanction caseload, a monthly average of 22,218 in BY, will receive a full family sanction. This will not occur until FY 2009-10.

- Ancillary and transportation services costs were determined by multiplying the number of newly participating cases, or a monthly average of 6,524 in BY, by the ratio of cases who utilize ancillary/transportation services, then by the average monthly costs. This results in costs of $3.5 million in BY.
- Child care services costs were determined by multiplying the number of newly participating cases, or a monthly average of 6,524 in BY, by the utilization rate, the average number of children per case, and the average Stage One Child Care payment per child. This results in costs of $32.5 million in BY.

FUNDING:

The funding for the CalWORKs Program is 96.3 percent Temporary Assistance for Needy Families (TANF), 1.2 percent General Fund (GF), and 2.5 percent county. The funding for administration, transportation, and ancillary costs are shared 99.2 percent TANF and 0.8 percent GF. Child care funding is 96.5 percent TANF and 3.5 percent GF.

CHANGE FROM PRIOR SUBVENTION:

The change in current year and BY reflect the effect of delaying implementation from June 2008 to October 2008.

REASON FOR YEAR-TO-YEAR CHANGE:

This premise implements in the BY.

Graduated Full Family Sanction

EXPENDITURES:

(in 000's)

101-Grants	2007-08	2008-09
Total	$0	-$17,519
Federal	0	-16,888
State	0	-193
County	0	-438
Reimbursements	0	0

101-Services	2007-08	2008-09
Total	$0	$3,529
Federal	0	3,503
State	0	26
County	0	0
Reimbursements	0	0

101-Admin	2007-08	2008-09
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

101-Child Care	2007-08	2008-09
Total	$0	$32,579
Federal	0	31,429
State	0	1,150
County	0	0
Reimbursements	0	0

CalWORKs Modified Safety Net

DESCRIPTION:

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

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

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

This premise is necessitated by the above circumstances and the budget balancing reductions.

IMPLEMENTATION DATE:

This reduction assumes a July 1, 2008 enactment of Legislation with an October 1, 2008 implementation date.

KEY DATA/ASSUMPTIONS:

- In order to implement this proposal, statutory changes are required.
- Recipients who do not meet the WPR will be impacted by this policy change with the cases being discontinued effective June 2008.
- The projected average monthly Safety Net caseload for Budget Year (BY) is 46,819 cases.
- For Current Year (CY) and BY, the data sources used to determine the impacted caseload were the Calendar Year 2007 CalWORKs Cash Grant Caseload Movement Report (CA 237) for grants and the CalWORKs Welfare-To-Work Monthly Activity Report (WTW 25/25A) for services.
- Based on the FFY 2005 CalWORKs Characteristics Survey (Q5) data, it is assumed that 31.1 percent of the Safety Net caseload will meet the federal WPR through work and non-work related activities and will remain eligible for assistance.
- The average monthly grant for Safety Net cases that participate in work, but less than 17 hours a week is $456.

CalWORKs Modified Safety Net

KEY DATA/ASSUMPTIONS (CONTINUED):

- The average monthly grant for Safety Net cases that do not work is $584.
- Based on FFY 2005 Q5 data, 19.6 percent of the current Safety Net caseload works sufficient hours to meet the WPR.
- Based on FFY 2005 Q5 data, 9.3 percent of the Safety Net caseload works more than 17 hours a week, but less than 30 hours a week.
- It is assumed that as a result of this program change, 70 percent of the 9.3 percent will increase their work hours to avoid being discontinued from the Safety Net program.
- Based on FFY 2005 Q5 data, 11.4 percent of the Safety Net caseload are cases that work less than 17 hours a week. It is assumed that these cases will not increase hours sufficient to remain in the Safety Net program.
- Based on FFY 2005 Q5 data, 2.27 percent of the Safety Net caseload are cases that participate in non-work activities and meet the WPR.
- Based on FFY 2005 Q5 data, 3.88 percent of the Safety Net caseload are cases that participate in non-work activities and partially meet the WPR.
- It is assumed that as a result of this program change, 70 percent of the 3.88 percent will increase their hours to avoid being discontinued from the Safety Net program.
- Based on FFY 2005 Q5 data, 54.7 percent of the Safety Net caseload are not participating in work activities and will not meet the WPR.
- The total number of cases expected to be discontinued for not meeting the WPR is 32,260.
- Based on FFY 2005 Q5 data, 67 percent of the current Safety Net cases receiving services will continue receiving services as a result of this policy change.
- The funding for services in the BY is projected to be $9,621,742.
- The funding for administration costs in the BY is projected to be $31,461,839.
- Based on actual expenditures from the county expense claims, the administration cost for Safety Net cases represents 10.95 percent of the total CalWORKs eligibility expenditures.

METHODOLOGY:

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

CalWORKs Modified Safety Net

METHODOLOGY (continued):

The administration savings are calculated by subtracting the administration costs associated with the cases remaining on Safety Net from the Fiscal Year 2008-09 total Safety Net administration costs.

FUNDING:

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

CHANGE FROM PRIOR SUBVENTION:

The prior subvention assumed a March 2008 enactment date with a June 2008 implementation. The current estimate assumes a July 2008 enactment date with an October 2008 implementation. The changed implementation date results in no savings for the CY and a reduced savings in the BY.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a BY item only.

EXPENDITURES:

(in 000's)

ITEM 101 - CalWORKs Grants	2007-08 Grants	2008-09 Grants
Total	$0	-$167,003
Federal	0	0
State	0	-162,828
County	0	-4,175
Reimbursements	0	0

ITEM 101 - CalWORKs Services	2007-08 Services	2008-09 Services
Total	$0	-$2,385
Federal	0	0
State	0	-2,385
County	0	0
Reimbursements	0	0

CalWORKs Modified Safety Net

EXPENDITURES (CONTINUED):

(in 000's)

ITEM 101 -	2007-08	2008-09
CalWORK Administration	Admin.	Admin.
Total	$0	-$16,259
Federal	0	0
State	0	-16,259
County	0	0
Reimbursements	0	0

CalWORKs Child Only Time Limit

DESCRIPTION:

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

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

This premise is necessitated by the budget balancing reductions.

IMPLEMENTATION DATE:

This reduction assumes a July 1, 2008 enactment of Legislation with an October 2008 implementation date.

KEY DATA/ASSUMPTIONS:

- In order to implement this proposal, statutory changes are required.
- Child-only cases where the unaided adult is an undocumented non-citizen, drug felon, or fleeing felon that have been on aid for 60 or more months will be impacted by this policy change with the first cases being discontinued effective October 2008.
- Based on projections from the CalWORKs Cash Grant Caseload Movement Report (CA 237) from Calendar Year 2007, the Fiscal Year (FY) 2008-09 caseload is projected to be 460,905.
- Based on Federal Fiscal Year (FFY) 2005 CalWORKs Characteristics Survey (Q5) information, 0.69 percent of the CalWORKs caseload are child only cases with a drug felon adult.
- Based on Q5 FFY 2005 information, 0.13 percent of the CalWORKs caseload are child only cases with a fleeing felon adult.
- Based on FFY 2005 Q5 information, 19.2 percent of the CalWORKs caseload are child only cases with an undocumented non-citizen adult.
- Based on FFY 2005 Q5 and Medi-Cal Eligibility Data Systems (MEDS) data, approximately 40.56 percent of child only cases with an undocumented non-citizen, drug felon, or fleeing felon adult have been on aid for 60 or more months, resulting in approximately 37,426 cases affected by this policy change in the Budget Year (BY).
- The average monthly grant that these cases receive is $491

CalWORKs Child Only Time Limit

KEY DATE/ASSUMPTIONS (CONTINUED):

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

METHODOLOGY:

- In the BY, the discontinuance of 37,426 cases will result in grant savings of $165.5 million.
- In the BY, the discontinuance of 37,426 cases will result in administrative savings of $11.3 million.

FUNDING:

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

CHANGE FROM PRIOR SUBVENTION:

The estimate has been revised to assume a July 2008 enactment date with an October 2008 implementation. This is due to the Legislature not taking action on this reduction during the March emergency legislative session..

REASON FOR YEAR-TO-YEAR CHANGE:

This is a BY item only.

EXPENDITURES:

(in 000's)

101-Grants	2007-08	2008-09
Total	$0	-$165,572
Federal	0	-161,436
State	0	0
County	0	-4,136
Reimbursements	0	0

CalWORKs Child Only Time Limit

EXPENDITURES (CONTINUED):

101-Admin	2007-08	2008-09
Total	$0	-$11,311
Federal	0	-11,311
State	0	0
County	0	0
Reimbursements	0	0

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Employment Training Fund

DESCRIPTION:

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

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

IMPLEMENTATION DATE:

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

KEY DATA/ASSUMPTIONS:

It is assumed $45 million will be available from the ETF in FY 2007-08 and $35 million in FY 2008-09 .

METHODOLOGY:

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

FUNDING:

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

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease in savings is due to a $10 million reduction in available ETF funds.

EXPENDITURES:

(in 000's)	2007-08	2008-09
	County Admin.	County Admin.
Total	-$45,000	-$35,000
Federal	0	0
State	-45,000	-35,000
County	0	0
Reimbursements	0	0

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

DESCRIPTION:

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

IMPLEMENTATION DATE:

This premise implemented January 1, 1998.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 15204.3(a), amended by Assembly Bill (AB) 1111, Senate Bill (SB) 1104, and SB 68.
- Fiscal Year (FY) 2007-08 is held to the Appropriation.
- The base funding for CalWORKs Services Basic is $737.9 million for FY 2007-08.
- FY 2008-09 reflects no change to the caseload from FY 2006-07.
- Staff development costs in FY 2008-09 are $5.9 million, based on Calendar Year 2007 actual expenditures.
- The Wagner-Peyser reimbursement amount is $2.7 million for FY 2008-09.
- Time limit savings are $161.1 million in FY 2008-09.
- In FY 2008-09, $12 million of the CalWORKs Services Basic expenditures are for Recent Noncitizens Entrant (RNEs). Of the $12 million, $6 million reflects the costs for federally eligible recipients in mixed households and are funded with General Fund (GF) in this premise.
- Cal Learn RNEs are funded with GF in the amount of $226,600 in FY 2008-09.
- Contract costs are projected to be $3.9 million for FY 2008-09.
- A single allocation adjustment amount of $191.9 million (previously budgeted in a separate premise) is now included in this premise.

METHODOLOGY:

The basic funding for FY 2007-08 is adjusted to reflect staff development expenditures, time limit savings, single allocation adjustment, Cal Learn RNE costs, contract costs, and the Wagner-Peyser reimbursement. Funds for Temporary Assistance for Needy Families (TANF) ineligible RNEs were subtracted and shifted to the RNE premise.

FUNDING:

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

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

CHANGE FROM PRIOR SUBVENTION:

Effective FY 2007-08, the single allocation adjustment budget item has been rolled into this premise.

REASON FOR YEAR-TO-YEAR CHANGE:

FY 2008-09 reflects an increase in Cal Learn RNE costs.

EXPENDITURES:

(in 000's)	2007-08	2008-09
	County Admin.	County Admin.
Total	$769,237	$769,933
Federal	763,839	763,655
State	5,398	6,278
County	0	0
Reimbursements	0	0

CalWORKs Safety Net Program

DESCRIPTION:

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

IMPLEMENTATION DATE:

This premise implemented January 1, 2003.

KEY DATA/ASSUMPTIONS:

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

Grants

- The average monthly grant ($459) for Safety Net cases is calculated using actual data reported on the October 2007 to December 2007 CA 800 and CA 237 reports.
- The average monthly Safety Net caseload is 45,449 in the CY.
- The average monthly Safety Net caseload is 46,819 in the BY.

Services

- The funding for the CY is held to the Appropriation.
- The funding for the BY reflects an increase in caseload.
- The monthly cost of providing Safety Net employment services in the BY is approximately $141 per case based on the cases reported on the WTW 25/25A Reports and the County Expense Claim (CEC) for Safety Net employment services for calendar year 2007.
- The projected average monthly caseload for the BY is 5,694.

CalWORKs Safety Net Program

KEY DATA/ASSUMPTIONS (CONTINUED):

Administration

- The funding for the CY is held to the Appropriation.
- The funding for the BY is based on actual expenditures from calendar year 2007 CEC.
- The administrative cost for Safety Net cases represents 10.95 percent of the total CalWORKs expenditures in the BY.

Child Care

- The funding for the CY is held to the Appropriation.
- In the BY the projected monthly Stage One Safety Net caseload (children) is 2,335, based on actual Safety Net cases reported on the CW 115/115A for calendar year 2007.
- Based on actual Safety Net expenditures and caseload from calendar year 2007 as reported on the CEC and the CW 115/115A reports, the monthly cost of Stage One Safety Net is approximately $126 per child in the BY.

METHODOLOGY:

Grants

- For the CY and BY, Safety Net grant costs are calculated by multiplying the average monthly Safety Net cases by the cost per case (BY: 46,819 x $459 x 12).

Services

- In the BY, the employment services costs are calculated by multiplying the average monthly number of Safety Net cases receiving services by the monthly services cost per case by 12 months (BY: 5,694 x $141 x 12).

Administration

- In the BY, the shift in administrative costs from CalWORKs to the Safety Net was calculated by applying 10.95 percent to the total CalWORKs eligibility expenditures for calendar year 2007.

Child Care

- The Stage One Child Care Safety Net costs are calculated by multiplying the caseload (children) by the cost per child multiplied by 12 months. The total cost for the BY is $3.5 million (2,335 x $125.78 x 12). In the BY, five percent of the remaining costs are reflected in the Stage One/Two Child Care Holdback premise. Therefore, the net cost for the BY is $3.3 million.

CalWORKs Safety Net Program

FUNDING:

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

CHANGE FROM PRIOR SUBVENTION:

Grant costs increased in the CY due to an increase in the cost per case.

Grant costs decreased in the BY due to slower caseload growth than what was projected in the prior subvention.

Employment services costs in the BY increased due to an increase in the projected caseload

Administration costs in the BY have decreased due to slower caseload growth than what was projected in the prior subvention.

There is no change to the child care costs in the CY. In the BY, the costs decreased due to a decrease in the safety net caseload and cost per case.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase in Safety Net grants reflects an increase in the projected caseload.

The increase in employment services reflects an increase in the projected caseload.

The increase in administration costs reflects an increase in the projected caseload.

The decrease in child care reflects a decrease in the safety net caseload and cost per case.

EXPENDITURES:

(in 000's)

ITEM 101 - CalWORKs Grants	2007-08 Grants	2008-09 Grants
Total	$249,000	$258,133
Federal	0	0
State	242,775	251,680
County	6,225	6,453
Reimbursements	0	0

CalWORKs Safety Net Program

EXPENDITURES (CONTINUED):

(in 000's)

CalWORKs Services	Services	Services
Total	$7,219	$9,622
Federal	0	0
State	7,219	9,622
County	0	0
Reimbursements	0	0

ITEM 101 -	2007-08	2008-09
CalWORKs Administration	Admin.	Admin.
Total	$29,977	$31,462
Federal	0	0
State	29.977	31,462
County	0	0
Reimbursements	0	0

ITEM 101 -	2007-08	2008-09
CalWORKs Stage One Child Care	Child Care	Child Care
Total	$9,556	$3,348
Federal	0	0
State	9,556	3,348
County	0	0
Reimbursements	0	0

Substance Abuse Services

DESCRIPTION:

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

IMPLEMENTATION DATE:

This premise implemented on January 1, 1998.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 11322.6 and 11325.8.
- The funding for Fiscal Year (FY) 2007-08 is being held to the Governor's Budget.
- The projected average monthly caseload is 1,865 for FY 2008-09. The FY 2008-09 caseload is based on a 24-month linear regression and projection from calendar year 2007.
- The cost per case is $1,946 in FY 2008-09. This cost is based on calendar year 2007 expenditures divided by the calendar year 2007 average monthly caseload.

METHODOLOGY:

The projected average monthly caseload is multiplied by the projected cost per case.

FUNDING:

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

CHANGE FROM PRIOR SUBVENTION:

There is no change for the Current Year (CY). The Budget Year (BY) reflects updated caseload and expenditure data.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease in the BY is due to decrease in the projected average monthly caseload.

Substance Abuse Services

EXPENDITURES:

(in 000's)

	2007-08	2008-09
	County Services	County Services
Total	$49,908	$43,560
Federal	0	0
State	49,908	43,560
County	0	0
Reimbursements	0	0

Mental Health Services

DESCRIPTION:

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

IMPLEMENTATION DATE:

This premise implemented on January 1, 1998.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 11322.6.
- The funding for Fiscal Year (FY) 2007-08 is being held to the Governor's Budget.
- The projected average monthly caseload is 7,239 in FY 2008-09. The FY 2008-09 caseload is based on a 12-month linear regression and projection from calendar year 2007.
- The cost per case is $716 in FY 2008-09. This cost is based on calendar year 2007 expenditures divided by the calendar year 2007 average monthly caseload.

METHODOLOGY:

The projected caseload is multiplied by the projected cost per case.

FUNDING:

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

CHANGE FROM PRIOR SUBVENTION:

There is no change for the Current Year (CY). The Budget Year (BY) reflects updated caseload and expenditure data.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease in the BY reflects a decrease in the average monthly caseload.

Mental Health Services

EXPENDITURES:

(in 000's)

	2007-08	2008-09
	County Services	County Services
Total	$65,369	$62,228
Federal	0	0
State	65,369	62,228
County	0	0
Reimbursements	0	0

Mental Health/Substance Abuse Services for Indian Health Clinics

DESCRIPTION:

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

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

IMPLEMENTATION DATE:

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

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 11322.6.
- The Legislature has appropriated $2.1 million to services for Indian health clinics for FY 2007-08.

FUNDING:

This premise is funded with 100 percent General Fund, which is countable toward the TANF maintenance of effort requirement. The funds for FY 2007-08 will be distributed quarterly through an interagency agreement (IA) with the Department of Alcohol and Drug Program (DAPD) for allocation to the Indian health clinics. Beginning FY 2008-09, funding will remain with CDSS.

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease reflects CDSS no longer having an IA with the DAPD beginning FY 2008-09. Direct administration and oversight will be transferred to CDSS resulting in a shift in costs from local assistance to state operations.

Mental Health/Substance Abuse Services for Indian Health Clinics

EXPENDITURES:

(in 000's)

	2007-08	2008-09
Total	$2,100	$1,943
Federal	0	0
State	2,100	1,943
County	0	0
Reimbursements	0	0

County Performance Incentives

DESCRIPTION:

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

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

IMPLEMENTATION DATE:

This premise implemented January 1, 1998.

KEY DATA/ASSUMPTIONS:

- Authorizing Statute: Welfare and Institutions Code sections 10544.1 and 10544.2.
- Section 10544.2 provides that incentive funds shall be available for encumbrance and expenditure by counties without regard to fiscal year until all funds are expended. After the supplemental claims the unexpended performance incentive balance was $18,320 million, as reflected in the FY 2007-08 TANF Performance Incentives allocation.
- Pursuant to an agreement with the County Welfare Director's Association (CWDA), unspent performance incentives were considered in the methodology for distribution in the FY 2007-08 CalWORKs single allocation.

METHODOLOGY:

The available fiscal incentives for FY 2007-08 are based on the unexpended balance as of FY 2006-07.

FUNDING:

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

County Performance Incentives

CHANGE FROM PRIOR SUBVENTION:

The balance of unexpended funds from FY 2006-07 is re-appropriated to the CY. There is no change in the Budget Year (BY).

REASON FOR YEAR-TO-YEAR CHANGE:

No county performance incentives will be provided in the BY.

EXPENDITURES:

(in 000's)

	2007-08[1] Services	2008-09 Services
Total	$18,320	$0
Federal	18,320	0
State	0	0
County	0	0
Reimbursements	0	0

[1] – The CY amount represents unspent funding appropriated in FY 2003-04 and is a non-add item in the Detail Tables.

Pay for Performance

DESCRIPTION:

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

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

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

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

IMPLEMENTATION DATE:

This premise implemented July 1, 2005.

KEY DATA/ASSUMPTIONS:

A total of $40 million is budgeted in FY 2008-09 for counties that meet or exceed performance outcome goals; however, due to the necessity of maintaining the CalWORKs budget within current funding levels, the FY 2008-09 funds have been removed in the CalWORKs Pay for Performance Reduction premise.

FUNDING:

This program is 100 percent federally funded.

Pay for Performance

CHANGE FROM PRIOR SUBVENTION:

The Current Year (CY) change is due to Legislative action to remove funding for FY 2007-08. There is no change in the Budget Year.

REASON FOR YEAR-TO-YEAR CHANGE:

The Legislature eliminated the funding for CY only. Please refer to the CalWORKs Pay for Performance Reduction premise for information on the elimination of funds in FY 2008-09.

EXPENDITURES:

(in 000's)

101 – CalWORKs Services	2007-08	2008-09
	Services	Services
Total	$0	$40,000
Federal	0	40,000
State	0	0
County	0	0
Reimbursement	0	0

Effect of EDD Wagner-Peyser Reimbursement

DESCRIPTION:

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

IMPLEMENTATION DATE:

This is an ongoing premise based on an annual appropriation.

METHODOLOGY:

Funding amounts are identified and provided by EDD.

FUNDING:

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

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2007-08	2008-09
	County Admin.	County Admin.
Total	$2,735	$2,735
Federal	0	0
State	0	0
County	0	0
Reimbursements	2,735	2,735

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CalWORKs Pay for Performance Reduction

DESCRIPTION:

This premise reflects the elimination of the $40 million in Pay for Performance incentive funds in Fiscal Year (FY) 2008-09 (see the Pay for Performance premise for details on this program). Counties have not yet been awarded funds for this incentive program. This proposal will reduce the impact on the General Fund costs by $40 million in FY 2008-09. This premise is necessary to maintain the CalWORKs budget within current funding levels.

IMPLEMENTATION DATE:

This premise implemented March 1, 2008.

KEY DATA/ASSUMPTIONS:

The $40 million in Pay for Performance funds will be eliminated in FY 2008-09.

FUNDING:

This program is 100 percent federally funded.

CHANGE FROM PRIOR SUBVENTION:

In Current Year, there is no change. In Budget Year, the change is due to maintaining the CalWORKs budget within current funding levels.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to maintaining the CalWORKs budget within current funding levels...

EXPENDITURES:

(in 000's)

	2007-08	2008-09
Total	$0	-$40,000
Federal	0	-40,000
State	0	0
County	0	0
Reimbursements	0	0

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TANF Pass-Through for State Agencies

DESCRIPTION:

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

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

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

IMPLEMENTATION DATE:

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

KEY DATA/ASSUMPTIONS:

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

	FY 2007-08	FY 2008-09
CCC	$ 8.39 million	$ 8.39 million
CDE	$ 9.98 million	$ 9.98 million
CDPH	$20.00 million	$20.00 million

METHODOLOGY:

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

FUNDING:

This premise is funded with 100 percent TANF funds

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

TANF Pass-Through for State Agencies

EXPENDITURES:

(in 000's)

	2007-08 Services	2008-09 Services
Total	$38,374	$38,374
Federal	38,374	38,374
State	0	0
County	0	0
Reimbursements	0	0

Cal Learn

DESCRIPTION:

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

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

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

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

IMPLEMENTATION DATE:

This premise implemented April 1, 1994.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 11331.7.
- Cal Learn services costs for Fiscal Year (FY) 2007-08 are held to the Appropriation.
- The projected average monthly caseload for Cal Learn is 8,530 in FY 2007-08 and 8,836 in FY 2008-09.
- Cal Learn incentives include a $100 bonus per report card period for satisfactory progress and a $500 bonus upon graduation. The disincentive is a $100 sanction per report card period for failure to submit a report card or to make adequate progress.
- The sanctioned caseload (324 in FY 2007-08 and 336 in FY 2008-09) represents 3.8 percent of the projected Cal Learn caseload. This is based on the actual sanctioned caseload compared to the total Cal Learn caseload as reported on the monthly Stat 45 Reports from Calendar Year 2007.
- The sanctioned grant cost is $484 per month. These rates are based on the Maximum Aid Payment (MAP) for an assistance unit (AU) of two minus the $100 sanction.

Cal Learn

KEY DATA/ASSUMPTIONS (CONTINUED):

- Based on the actual Calendar Year 2007 caseload as reported on the Stat 45 Reports, it is assumed that 5.1 percent of the Cal Learn participants receive the $100 bonus and one percent receives the $500 bonus.
- The average hourly eligibility worker (EW) cost is $57.57.
- It is assumed the EW requires one hour of administrative time per month for each case.
- The case management cost is $2,597 per case per year for all activities performed by the case manager. The rate is based on Calendar Year 2007 case management expenditures divided by the total Cal Learn caseload.
- It is assumed that 19.4 percent of the total Cal Learn caseload will utilize transportation services at a cost of $31.10 per month per participant. The utilization rate is based on the Calendar Year 2007 caseload as reported on the monthly Stat 45 Reports. The cost is based on Calendar Year 2007 county transportation expenditure claims.
- It is assumed that 2.5 percent of the total Cal Learn caseload will utilize ancillary services at a cost of $97.25 per month per participant. The utilization rate is based on Calendar Year 2007 caseload as reported on the monthly Stat 45 Reports. The cost is based on Calendar Year 2007 county ancillary expenditure claims.
- Subsidized child care is available for Cal Learn participants attending high school. Please refer to the “CalWORKs Child Care - Stage One Services and Administration” premise for the assumptions and methodology used to develop the estimate.
- The funding for FY 2008-09 for Services and Administration costs are based on the following key data/assumptions:
    - The estimate assumes that 8,836 CalWORKs cases in FY 2008-09 are pregnant or parenting teens in the Cal Learn program. This caseload is based on applying a linear regression to the actual Cal Learn caseload as reported for Calendar Year 2007 on the monthly Stat 45 Reports and projected through June 2009.
    - Automation costs for Cal Learn tracking is approximately $173,625.
    - The Recent Noncitizen Entrants (RNE) caseload of 133 in FY 2008-09 represents 1.5 percent of the projected Cal Learn caseload and is funded with GF.
    - The sanctioned caseload of 336 in FY 2008-09 represents 3.8 percent of the projected Cal Learn caseload and is funded with GF.

METHODOLOGY:

- For FYs 2007-08 and 2008-09, the case management cost was multiplied by the projected Cal Learn caseload to determine the annual cost.
- The EW cost per hour was multiplied by the Cal Learn caseload, and then multiplied by 12 months to determine the annual county administration cost.

Cal Learn

METHODOLOGY (CONTINUED):

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

FUNDING:

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

CHANGE FROM PRIOR SUBVENTION:

The decrease in bonuses in the CY and BY is due to a decrease in the $100 bonus utilization rate and the decrease in sanctioned grants is due to a decrease in the sanctioned caseload. There is no change in the services cost for CY. The increase in services costs in the BY are due to an increase in the projected caseload.

REASON FOR YEAR-TO-YEAR CHANGE:

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

CASELOAD:

	2007-08	2008-09
Average Monthly Caseload	8,530	8,836

Cal Learn

EXPENDITURES [1]:
(in 000's)

101 – CalWORKs Bonuses	2007-08	2008-09
	Grant	Grant
Total	$968	$1,003
Federal	968	1,003
State	0	0
County	0	0
Reimbursement	0	0

101 – CalWORKs Sanctioned Grants	2007-08	2008-09
	Grant	Grant
Total	$1,882	$1,951
Federal	0	0
State	1,882	1,951
County	0	0
Reimbursement	0	0

101 – CalWORKs Services & Administration	2007-08	2008-09
	Services	Services
Total	$29,799	$29,896
Federal	28,352	28,532
State	1,447	1,364
County	0	0
Reimbursement	0	0

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

TANF/CalWORKs Administrative Costs – Basic

DESCRIPTION:

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

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

IMPLEMENTATION DATE:

This premise implemented January 1, 1998.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 14154.
- FY 2007-08 is held to the Appropriation.
- The FY 2007-08 base funding for CalWORKs County Administrative Basic is $639.4 million.
- The estimate reflects a projected caseload increase of 0.09 percent in FY 2008-09.
- Staff development costs in FY 2008-09 are $17.9 million based on actual expenditures from calendar year 2007.
- Statewide Automated Welfare System (SAWS) development and testing interface costs are $129,000 in FY 2008-09.
- Administrative costs related to the Merced Automated Global Information Control (MAGIC) automation system are $272,000 in FY 2008-09.
- Electronic Benefit Transfer (EBT) savings are $10.6 million in FY 2008-09.
- Time limit savings are $38.1 million in FY 2008-09.
- Legacy Systems savings are $12.1 million in FY 2008-09.
- Contract costs are $4.1 million for FY 2008-09.
- In FY 2008-09, $7.8 million of the CalWORKs Administrative Basic expenditures are for Recent Noncitizens Entrants (RNEs). Of the $7.8 million, $3.9 million reflects the federally eligible recipients in mixed households.

TANF/CalWORKs Administrative Costs – Basic

KEY DATA/ASSUMPTIONS (CONTINUED):

- In FY 2008-09, $138,000 of the CalWORKs Administrative Basic expenditures are for Emergency Freeze Response.

METHODOLOGY:

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

FUNDING:

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

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

CHANGE FROM PRIOR SUBVENTION:

For the Current Year there is no change. For the Budget Year, the change reflects an increase in the caseload and staff development expenditures.

REASON FOR YEAR-TO-YEAR CHANGE:

The FY 2008-09 estimate reflects an increase in the projected caseload and staff development expenditures.

EXPENDITURES:

(in 000's)

	2007-08	2008-09
	County Admin.	County Admin.
Total	$593,407	$601,119
Federal	588,503	597,219
State	4,904	3,900
County	0	0
Reimbursements	0	0

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

DESCRIPTION:

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

IMPLEMENTATION DATE:

This premise implemented July 1, 2006.

KEY DATA/ASSUMPTIONS:

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

METHODOLOGY:

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

FUNDING:

The funds are 100 percent TANF.

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

101- CalWORKs Administration	2007-08	2008-09
Total	$140,000	$140,000
Federal	140,000	140,000
State	0	0
County	0	0
Reimbursements	0	0

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Single Allocation Reduction

DESCRIPTION:

Section 15204.2 of the Welfare and Institutions Code provides that state and federal funds shall be appropriated in a single allocation to county welfare departments (CWDs) for the support of administrative activities undertaken by the CWDs to provide benefit payments to California Work Opportunity and Responsibility to Kids (CalWORKs) recipients and to provide work activities and supportive services to efficiently and effectively carry out the purposes of the CalWORKs program. Due to pressures on Temporary Assistance for Needy Families (TANF) block grant funding and the overall General Fund (GF) budget, the single allocation has been reduced by $16 million in Fiscal Year (FY) 2007-08 and by $20.6 million in FY 2008-09.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2006.

KEY DATA/ASSUMPTIONS:

- The CalWORKs single allocation was reduced by $16 million TANF funds in FY 2007-08 and by $20.6 million TANF funds in FY 2008-09.
- In FY 2007-08, CWDs can backfill the reduction in the single allocation with county fraud recovery incentive funds previously earned and allocated but not spent. In FY 2008-09, it is assumed that 50 percent of the prior year's county performance incentive funds and fraud recovery incentive funds will remain unspent and will be used to offset the single allocation in FY 2008-09.

METHODOLOGY:

The funding for CalWORKs Administration was reduced by $16 million in FY 2007-08 and by $20.6 million in FY 2008-09.

FUNDING:

This reduction will be 100 percent TANF funds.

CHANGE FROM PRIOR SUBVENTION:

In the Current Year (CY), there is no change. In the Budget Year (BY), the reduction is based on 50 percent of unspent performance incentive and fraud recovery funds.

REASON FOR YEAR-TO-YEAR CHANGE:

In the CY, the reduction is based on unspent fraud recovery incentives. In the BY, the reduction is based on 50 percent of unspent performance incentive and fraud recovery funds.

Single Allocation Reduction

EXPENDITURES:

(in 000's)

101 – CalWORKs	2007-08	2008-09
Administration		
Total	-$16,000	-$20,613
Federal	-16,000	20,613
State	0	0
County	0	0
Reimbursement	0	0

Work Verification

DESCRIPTION:

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

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

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

IMPLEMENTATION DATE:

This premise will implement July 1, 2008.

KEY DATA/ASSUMPTIONS:

- Funding may be used by counties to hire additional staff, retrain existing staff, and/or pay for staffs' additional workload to document and verify work participation required by federal law. Clearly documenting and verifying an individual's participation will enhance California's ability to meet the federal work participation rates and avoid penalties associated with inadequate documentation and verification of the data used in calculating the rates.

- The total projected number of pre 60-month time limit, non-exempt cases with an adult who are subject to work verification requirements is 189,250 in Fiscal Year (FY) 2008-09.

- The total projected sanctioned/noncompliant/unengaged less than 60 days caseload in FY 2008-09 is 88,850.

- Based on the federal fiscal year 2006 California Work Opportunity and Responsibility to Kids Characteristics Survey (Q5) data, 65 percent of individuals who are currently participating do so through work activities and the remaining 35 percent participate in non-work activities.

- Approximately 52,000 cases are currently participating through work activities per Q5 data.

Work Verification

KEY DATA/ASSUMPTIONS (CONTINUED):

- Based on information from the County Welfare Directors Association of California, of the cases that are currently participating through work activities, 80 percent or 41,600 cases have pay stubs that fulfill work verification requirements (documented hours for which the individual was paid); 20 percent or 10,400 cases will require additional documentation by the county.

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

- The total projected number of post 60-month time limit or safety net cases subject to work verification requirements in FY 2008-09 is 46,800.

- Per Q5, 40 percent of the safety net caseload is projected to participate either partially or fully through work activities. Two percent is projected to fully participate through non-work activities.

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

METHODOLOGY:

Pre 60-Month Time Limit:

- It is assumed that 100,400 non-exempt cases with an adult will be subject to work verification requirements in FY 2008-09. (189,250 non-exempt cases with an adult minus 88,850 sanctioned/noncompliant/unengaged less than 60 days cases.)

- Per Q5, 65 percent or 65,250 cases will participate through work activities and the remaining 35 percent or 35,100 cases will participate in non-work activities.
    - Of the 65,250 cases projected to work, 52,000 are estimated to be currently working cases and 13,250 cases are estimated to become newly working in FY 2008-09.
        - Of the 52,000 working cases, 10,400 or 20 percent will require additional documentation and 100 percent of the newly working cases will require additional documentation by the county resulting in administration costs of $2.7 million in FY 2008-09.
    - Of the 35,100 cases projected to participate through non-work, 100 percent of these cases will require additional documentation by the county resulting in administration costs of $6.1 million in FY 2008-09.

Work Verification

METHODOLOGY (CONTINUED):

Post 60-Month Time Limit:

- Per Q5, approximately 18,800 safety net cases will fully participate through work activities and 1,000 cases will fully participate through non-work activities.
    - One hundred percent of these cases will require additional documentation by the county resulting in administration costs of $2.4 million in FY 2008-09. ($2.2 million in administration costs for cases that participate through work activities and $0.2 million for cases that participate through non-work activities.)

FUNDING:

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

CHANGE FROM PRIOR SUBVENTION:

There is no change for the Current Year. For the Budget Year (BY) this premise has been revised to reflect updated caseload projections.

REASON FOR YEAR-TO-YEAR CHANGE:

This premise implements in the BY.

EXPENDITURES:

(in 000's)

ITEM 101-
CalWORKs Administration

	2007-08 Admin.	2008-09 Admin.
Total	$0	$11,149
Federal	0	8,736
State	0	2,413
County	0	0
Reimbursements	0	0

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Fraud Recovery Incentives

DESCRIPTION:

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

IMPLEMENTATION DATE:

This premise implemented on January 1, 1998.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 11486(j).
- Based on the FNS 209 Status of Claims Against Households, client-caused overpayments represent 55.7 percent of all collections.
- The total overpayment collections were $56.9 million for Fiscal Year (FY) 2006-07.
- The total estimated overpayment collections are $59.0 million for FY 2007-08.
- Based on the amount of overpayment collections, incentive payments are made annually to the counties in arrears.
- Effective with the passage of AB 444, the counties receive 12.5 percent of the savings due to client-caused overpayments.
- Overpayments are assumed to be funded 97.5 percent TANF/maintenance of effort and 2.5 percent county.

METHODOLOGY:

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

FUNDING:

The costs are 100 percent TANF.

Fraud Recovery Incentives

CHANGE FROM PRIOR SUBVENTION:

There is no change in Current Year. Budget Year (BY) was changed to reflect the percent of client caused errors reducing from 71 percent to 55.7 percent.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY reflects a decrease in projected overpayment collections due to the percentage of client caused errors reducing from 71 percent to 55.7 percent.

EXPENDITURES:

(in 000's)

	2007-08	2008-09
ITEM 101 – TANF	County Admin.	County Admin.
Total	$4,921	$4,412
Federal	4,921	4,412
State	0	0
County	0	0
Reimbursements	0	0

Fraud Recovery Incentives-Reappropriation

DESCRIPTION:

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

IMPLEMENTATION DATE:

This premise implemented on July 1, 2006.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 11486(j).
- The Budget Act of 2006 (AB 1801).

METHODOLOGY:

The Budget Act of 2006 (AB 1801) authorized the reappropriation of funds for fraud recovery incentive payments earned by counties but unexpended as of June 30, 2006. Unexpended Federal Fraud Incentives from Fiscal Year (FY) 1998-99 to FY 2005-06 are reappropriated to FY 2007-08.

FUNDING:

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

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The unexpended Federal Fraud Incentives from FY 1998-99 to FY 2005-06 were fully reappropriated in FY 2007-08.

Fraud Recovery Incentives-Reappropriation

EXPENDITURES:

(in 000's)

ITEM 101 – TANF	2007-08 County Admin.	2008-09 County Admin.
Total	$16,464	$0
Federal	16,464	0
State	0	0
County	0	0
Reimbursements	0	0

TANF and NAFS Programs – PA to NA Fund Shift

DESCRIPTION:

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

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

IMPLEMENTATION DATE:

This premise implemented in March of 1984.

KEY DATA/ASSUMPTIONS:

- The amount shifted from CalWORKs Administration for Fiscal Year (FY) 2007-08 was held to the appropriation. The amount shifted to Food Stamps Administration was updated to reflect actual expenditures.
- The eligibility worker intake administrative costs are divided equally among CalWORKs, PAFS and Medi-Cal. The PAFS share of the common intake costs is $56 million in FY 2007-08 and FY 2008-09.
- Based on calendar year 2007 data, the amount of ongoing eligibility costs shifted to the Food Stamp program was $155 million.

METHODOLOGY:

The FY 2007-08 and FY 2008-09 PAFS shift was calculated by adjusting the calendar year 2007 ongoing costs shifted to food stamps for projected caseload growth. The PAFS share of the common intake costs was then added to determine the total fund shift.

FUNDING:

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

TANF and NAFS Programs – PA to NA Fund Shift

CHANGE FROM PRIOR SUBVENTION:

The amount shifted from CalWORKs Administration for FY 2007-08 was held to the appropriation. The amount shifted to Food Stamps Administration was updated to reflect actual expenditures.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase in funds shifting from CalWORKs Administration to FS Administration is due to a slight increase in the CalWORKs caseload in the Budget Year.

EXPENDITURES:

(in 000's)

	2007-08	2008-09
ITEM 101 – TANF	County Admin.	County Admin.
Total	-$178,561	-$211,746
Federal	-178,561	-211,746
State	0	0
County	0	0
Reimbursements	0	0

ITEM 141 – Food Stamps	2007-08	2008-09
	County Admin.	County Admin.
Total	$211,421	$211,746
Federal	105,711	105,873
State	73,997	74,111
County	31,713	31,762
Reimbursements	0	0

Medi-Cal Services Eligibility / Common Costs

DESCRIPTION:

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

IMPLEMENTATION DATE:

This premise implemented July 1, 1998.

KEY DATA/ASSUMPTIONS:

- The Current Year (CY) is held to the Appropriation.
- The initial eligibility determination expenditures are $168.1 million, which represents 19.16 percent of the total CalWORKs eligibility expenditures for Calendar Year 2007.
- The CalWORKs county administrative cost for Calendar Year 2007 is $877.3 million, which includes common costs for the Food Stamp and Medi-Cal programs.
- The Medi-Cal, CalWORKs, and Food Stamp programs each share one third of the initial eligibility determination common costs.

METHODOLOGY:

The Fiscal Year (FY) 2008-09 estimate is based on Calendar Year 2007 CalWORKs county administrative expenditures of $877.3 million, which was increased by 0.5 percent to be consistent with the projected FY 2007-08 caseload. Of this amount, 19.16 percent represents total CalWORKs eligibility expenditures or $169 million of which one third or $56.3 million is attributable to Medi-Cal Services Eligibility/Common Cost in FY 2008-09. This amount was further increased by the projected FY 2008-09 caseload increase of 0.09 percent.

FUNDING:

The funds are 100 percent TANF.

Medi-Cal Services Eligibility / Common Costs

CHANGE FROM PRIOR SUBVENTION:

For the CY, there is no change. For the BY, the change reflects an increase in caseload and expenditures.

REASON FOR YEAR-TO-YEAR CHANGE:

For the BY, the change reflects an increase in caseload and expenditures.

EXPENDITURES:

(in 000's)

	2007-08	2008-09
	County Admin.	County Admin.
Total	-$49,335	-$56,374
Federal	-49,335	-56,374
State	0	0
County	0	0
Reimbursements	0	0

CalWORKs Administrative Cap Adjustment

DESCRIPTION:

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

IMPLEMENTATION DATE:

This premise implemented October 1, 1999.

KEY DATA/ASSUMPTIONS:

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

METHODOLOGY:

- Actual State and federal administrative expenditures from October 1, 2005 through September 30, 2006 were compared to the net annual TANF grant and the required State MOE for Federal Fiscal Year 2007.
- Administrative expenditures were adjusted between federal TANF (7.94 percent) and State MOE (7.94 percent) until the administrative cost percentages were at the lowest common rate.

FUNDING:

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

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

CalWORKs Administrative Cap Adjustment

EXPENDITURES:

(in 000's)

	2007-08 County Admin.	2008-09 County Admin.
Total	$0	$0
Federal	-116,000	-116,000
State	116,000	116,000
County	0	0
Reimbursements	0	0

Court Cases

DESCRIPTION:

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

KEY DATA/ASSUMPTIONS:

Item 101 – TANF Administration

- A total of $464,000 is budgeted in Fiscal Year (FY) 2007-08 for attorney fees and settlement costs associated with small court cases expected to be resolved in the Current Year (CY).
- A total of $610,000 is budgeted in FY 2008-09 for attorney fees and settlement costs associated with small court cases expected to be resolved in the Budget Year (BY).

Item 141 – FC, AAP, and Food Stamp Administration

- A total of $1,400,000 is budgeted in FY 2007-08 for attorney fees and settlement costs associated with small court cases expected to be resolved in the CY.
- A total of $1,768,000 is budgeted in FY 2008-09 for attorney fees and settlement costs associated with small court cases expected to be resolved in the BY.

METHODOLOGY:

Item 101 – TANF Administration

The estimate is based on actual and projected attorney fees, settlement costs, and miscellaneous writs to be paid in FYs 2007-08 and 2008-09.

Item 141 – FC, AAP, and Food Stamp Administration

The estimate is based on actual and projected attorney fees, settlement costs, and miscellaneous writs to be paid in FYs 2007-08 and 2008-09.

FUNDING:

Item 101 –TANF Administration

The funding is 100 percent TANF.

Item 141 – FC, AAP, and Food Stamp Administration

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

Court Cases

CHANGE FROM PRIOR SUBVENTION:

The decrease in the CY TANF administration court case costs and increase in the BY costs is due to cases, which were expected to settle in the CY being pushed back into the BY.

The increase in the CY FC, AAP, and Food Stamp court costs is due to higher expected attorney fees for ongoing cases.

The increase in the BY FC, AAP, and Food Stamp court costs is due to an increase in projected cases.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY TANF administrative court costs reflect an increase due to the push back of cases that were expected to be resolved in the CY.

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

EXPENDITURES:

(in 000's)

ITEM 101 –	2007-08	2008-09
TANF Administration	County Admin.	County Admin.
Total	$464	$610
Federal	464	610
State	0	0
County	0	0
Reimbursements	0	0

ITEM 141 –	2007-08	2008-09
FC, AAP, and Food Stamp Administration	County Admin.	County Admin.
Total	$1,768	$1,400
Federal	884	700
State	884	700
County	0	0
Reimbursements	0	0

State/County Peer Reviews

DESCRIPTION:

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

IMPLEMENTATION DATE:

This premise implemented July 1, 2007.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10533.
- There will be two peer reviews in Fiscal Year (FY) 2007-08 and up to 18 peer reviews in FY 2008-09.
- Each peer review will take approximately five days (eight hours per day) to complete. One additional eight hour day is required for preparation and training in the host county for staff from the visiting counties.
- Two staff persons from each of the two visiting counties will travel to the host county for the Peer Review. One manager and two staff persons from the host county will participate in the Peer Review.
- The travel and per diem costs for each person from the visiting counties is $1,336 per visit.
- This estimate includes the costs for county staff backfill for four county staff; one staff person from each of the two visiting counties and two staff persons from the host county. No backfill is assumed for managers.
- The hourly salary and benefits for a worker is $35.80.

METHODOLOGY:

- The cost for travel and per diem for one manager and one staff person from each visiting county for two peer reviews is $10,688 in FY 2007-08 and for 18 peer reviews is $96,192 in FY 2008-09.
- The average backfill cost for each county staff for 48 hours is $1,718.
- The total backfill cost for four county staff for two peer reviews is $13,744 in FY 2007-08 and for 18 visits is $123,725 in FY 2008-09.

State/County Peer Field Reviews

METHODOLOGY (CONTINUED):

- The total cost for travel, per diem and county staff backfill is $24,432 in FY 2007-08 and $219,917 in FY 2008-09.

FUNDING:

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

CHANGE FROM PRIOR SUBVENTION:

For the current year, the decrease reflects two peer reviews instead of the up to 20 peer reviews that were assumed in the Governor's Budget. For the budget year, the change reflects up to 18 peer reviews instead of the up to 20 peer reviews that were assumed in the Governor's Budget.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase is due to a change in the number of peer reviews conducted, from two peer reviews in FY 2007-08 to up to 18 peer reviews in FY 2008-09

EXPENDITURES:

(in 000's)

	2007-08	2008-09
	County Admin.	County Admin.
Total	$24	$220
Federal	$24	220
State	0	0
County	0	0
Reimbursements	0	0

Research and Evaluation

DESCRIPTION:

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

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

IMPLEMENTATION DATE:

This premise implemented on July 1, 1997.

KEY DATA/ASSUMPTIONS:

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

METHODOLOGY:

The funding in Fiscal Year (FY) 2007-08 and FY 2008-09 has been held at the Budget Act of 2007 Appropriation level.

FUNDING:

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

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Research and Evaluation

EXPENDITURES:

(in 000's)

	2007-08	2008-09
	County Admin.	County Admin.
Total	$4,000	$4,000
Federal	4,000	4,000
State	0	0
County	0	0
Reimbursements	0	0

County Maintenance of Effort Adjustment

DESCRIPTION:

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

IMPLEMENTATION DATE:

This premise implemented July 1, 1997.

KEY DATA/ASSUMPTIONS:

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

METHODOLOGY:

The funds reflected in this premise are the total statewide expenditures for FY 1996-97 minus the estimated county expenditures for the administration of the Food Stamp (FS) program (including the amount of the projected overmatch for FY 2008-09 ($136,723,907).

FUNDING:

This is a shift from federal to county funds.

CHANGE FROM PRIOR SUBVENTION:

There is no change for the CY. The Budget Year (BY) decrease is due to an increase in the county share of cost in the FS program.

REASON FOR YEAR-TO-YEAR CHANGE:

The decreased amount shifted in the BY is due to an increase in the county share of cost in the FS program.

County Maintenance of Effort Adjustment

EXPENDITURES:

(in 000's)

	2007-08 County Admin.	2008-09 County Admin.
Total	$0	$0
Federal	-20,668	-3,816
State	0	0
County	20,668	3,816
Reimbursements	0	0

CalWORKs Governor's Proposals- Mailing Cost

DESCRIPTION:

The California Work Opportunity and Responsibility to Kids (CalWORKs) program will be implementing proposals that impact Safety Net cases and child only cases that have a parent or caretaker who is a fleeing felon, drug felon, or undocumented non-citizen. In addition, CalWORKs will implement graduated full family sanctions for cases that do not meet the federal work participation rate. A mailing will be sent out to the entire CalWORKs' caseload to inform them of these changes at a cost of $174,000 in the current year.

This premise is necessitated by the budget balancing reductions.

IMPLEMENTATION DATE:

This reduction assumes a July 1, 2008 enactment of Legislation and implementation date.

KEY DATA/ASSUMPTIONS:

- The California Department of Social Services will develop an inter-agency agreement with the Employment Development Department to complete this mailing.
- Based on calendar year 2007 CalWORKs Cash Grant Caseload Movement Report (CA 237), the CalWORKs caseload is approximately 460,905 cases.
- Based on current United States Postal Service rates, the cost to mail each letter is $0.38.

METHODOLOGY:

The administration cost is determined by multiplying the caseload by the cost per letter.

FUNDING:

This premise is funded with 87.95 percent Temporary Assistance for Needy Families funding and 12.05 percent General Fund.

CHANGE FROM PRIOR SUBVENTION:

Since the Legislature did not act on this proposal during special session, the implementation has been delayed until the Budget Year (BY).

REASON FOR YEAR-TO-YEAR CHANGE:

Since the legislature did not act on this proposal during special session, the implementation has been delayed until the BY.

CalWORKs Governor's Proposals- Mailing Cost

EXPENDITURES:

(in 000's)

101-Admin	2007-08	2008-09
Total	$0	$175
Federal	0	154
State	0	21
County	0	0
Reimbursements	0	0

CALWORKS CHILD CARE -
Stage One Services and Administration

DESCRIPTION:

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

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

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

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

Total Stage One costs are reduced by five percent and are reflected in the Stage One/Two Holdback premise. This allows flexibility in funding for both programs due to the uncertainty of when recipients may transition between the two stages.

IMPLEMENTATION DATE:

This premise implemented January 1, 1998.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Education Code sections 8350, 8351, 8352 and Welfare and Institutions Code section 11331.7.
- Fiscal Year (FY) 2007-08 is held to the Appropriation but also includes the five percent holdback funds, plus an additional $3.5 million need as identified by the counties for Stage One child care.
- In FY 2008-09, the cost of providing CalWORKs child care is based on the following:
  - The projected monthly caseload (children) for the Budget Year (BY) is 61,174 based on a regression analysis projection using actual caseload from calendar year 2007 as reported on the Child Care Monthly Report - CalWORKs Families (CW 115) and Child Care Monthly Report - Two-Parent Families (CW 115A).

CalWORKs Child Care - Stage One Services and Administration

KEY DATA/ASSUMPTIONS (continued):

- The monthly cost of CalWORKs child care for FY 2008-09 is $717 per child. This is based on child care expenditures and caseload as reported on the County Expense Claims and the CW 115 and CW 115A reports from January 2007 – December 2007 and increased by a cost of doing business equivalent to the July 2008 Consumer Necessities Index of 5.26 percent.
- The CalWORKs child care administrative ratio is 11.28 percent and is based on the actual administrative expenditures compared to services expenditures for calendar year 2007.
- The child care cost for two-parent families is 3.53 percent based on Stage One expenditures from calendar year 2007.
- The child care costs for the Recent Noncitizen Entrants (RNEs) is 0.46 percent based on Stage One expenditures from calendar year 2007.
- The child care cost for sanctioned teens for State-Only Cal Learn Child Care is 0.05 percent based on Stage One expenditures from calendar year 2007.
- It is assumed $190.2 million in the Current Year (CY) and $167.6 million in the BY in Temporary Assistance for Needy Families (TANF) funds are transferred to Title XX and used to fund Stage One.
- The Stage One/Stage Two holdback is $0 in the CY as approximately $21.2 million was already transferred to counties for the Stage One child care program, and approximately $25.5 million was already transferred to CDE for the Stage Two child care program.
- In the BY, the Stage One holdback is $29.7 million. It is assumed that CDSS will no longer hold back TANF Reserve funds for the Stage Two child care program in the BY. This amount is based on five percent of Stage One child care basic costs, including Safety Net and the RMR impact. Refer to the “Child Care Stage One/Two Holdback” premise description for more information.

- In FY 2008-09, the net need after adjustments for Emergency Freeze Response, Homeless Assistance (AB 1808), Recent Noncitizen Entrants (RNE), State-Only Cal Learn, and the RMR impact for Stage One Child Care is $589.7 million.

METHODOLOGY:

- The Stage One child care services costs are calculated by multiplying the caseload by the cost per child multiplied by 12 months.
- The Stage One child care administrative costs are calculated by multiplying the services costs by the administrative ratio.
- The Stage One Child Care basic costs, Safety Net, and the RMR impact are reduced by five percent and placed in the Stage One/Two Holdback.
- The Stage One two-parent child care costs are calculated by multiplying the total Stage One child care costs by 3.53 percent. These funds are then shifted to GF.
- The RNE caseload represents 0.46 percent of Stage One Child Care costs.

CalWORKs Child Care - Stage One Services and Administration

METHODOLOGY (continued):

- Federally eligible members of mixed RNE households represent 50.27 percent and remain in the Stage One Basic Program, funded with GF. The remaining portion of the RNE child care cost is reflected on the RNE premise line. Refer to the "Recent Noncitizen Entrants Services/Administration" premise description for more information.
- Sanctioned teens for State-Only Cal Learn Child Care represent 0.05 percent of Stage One Child Care Costs. These funds are reflected in the "State-Only Cal Learn Child Care" premise, funded with GF.
- Additional adjustments to basic are made for child care costs associated with "Emergency Freeze Response" and "Homeless Assistance (AB 1808)" and are shown as separate premises.

FUNDING:

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

CHANGE FROM PRIOR SUBVENTION:

In the CY, the change reflects the addition of the FY 2007-08 Stage One Holdback plus an additional $3.5 million need as identified by the counties. In the BY, the change reflects an increase in the projected caseload, cost per case, and the application of a 5.26 percent cost of doing business adjustment equivalent to the California Necessities Index (CNI) increase.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase in services and administration costs in the BY reflects an increase in the projected caseload, cost per case, and the application of a 5.26 percent cost of doing business increase.

CASELOAD:

	2007-08	2008-09
Average Monthly Children	51,496	61,174

CalWORKs Child Care - Stage One Services and Administration

EXPENDITURES:

101 – CalWORKs Child Care

(in 000's)

	2007-08 Services	2008-09 Services
Total	$361,270	$503,457
Federal	348,334	485,700
State	12,936	17,757
County	0	0
Reimbursements	0	0

	2007-08 Administration	2008-09 Administration
Total	$40,434	$56,800
Federal	39,084	54,797
State	1,350	2,003
County	0	0
Reimbursements	0	0

RMR Impact

DESCRIPTION:

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

IMPLEMENTATION DATE:

This premise implemented on October 1, 2006.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Education Code sections 8357 and 8447.
- Fiscal Year (FY) 2007-08 is held to the Appropriation.
- The estimated costs for FY 2008-09 are based on the most recent expenditure data which includes the impact of the RMR changes.
- The impact of the October 2006 RMR is reflected in the caseload and expenditures utilized to develop the child care basic premise in FY 2008-09.
- For FY 2008-09, this premise reflects the implementation of the new regional market rates at the 75th percentile, effective January 2009.
- This premise reflects the January 2009 RMR impact from the following premises: Stage One Child Care Services and Administration; Previous CalWORKs Reform Efforts; Emergency Freeze Response; Homeless Assistance (Assembly Bill (AB) 1808); Safety Net; Recent Noncitizen Entrants Services and Administration; State-Only Cal Learn Child Care; and Graduated Full Family Sanctions.
- Five percent of the costs associated with the October 2006 and January 2009 RMR updates are reflected in the Stage One/Two Child Care Holdback.

METHODOLOGY:

In May 2004, the costs associated with changing the RMR ceilings from the 93rd percentile to the 85th percentile, and from the 93rd percentile to the 75th percentile, were estimated using 1998 survey data. To calculate the reduction in costs for changing the January 2009 RMR from the 85th percentile to the 75th percentile, the ratios of total expenditures to the RMR decrease from the above estimates were applied to the total CalWORKs Stage One expenditures.

FUNDING:

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

RMR Impact

CHANGE FROM PRIOR SUBVENTION:

For the Current Year, there is no change. For the Budget Year (BY), the change is due to an updated methodology to reflect the impact of the January 2009 RMR at the 75th percentile. In the prior subvention the premise reflected the impact of the October 2006 and a March 2008 RMR adjustment.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY reflects the impact of the January 2009 RMR at the 75th percentile.

EXPENDITURES:

(in 000's)

	2007-08	2008-09
Total	$44,643	$13,603
Federal	43,166	13,123
State	1,477	480
County	0	0
Reimbursements	0	0

State-Only Cal Learn Child Care

DESCRIPTION:

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

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

IMPLEMENTATION DATE:

This premise implemented on April 1, 1999.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 11331.7.
- Fiscal Year (FY) 2007-08 is held to the Appropriation.
- For FY 2008-09, 0.05 percent of the California Work Opportunity and Responsibility to Kids (CalWORKs) Stage One Child Care caseload represent sanctioned teens receiving services under the State-Only Cal Learn Child Care.
- Refer to the “Stage One Services and Administration” premise for more information regarding the Cal Learn Child Care estimate.

METHODOLOGY:

The sanction rate for the Budget Year (BY) was applied to the total Stage One Child Care cost to determine the State-Only Cal Learn Child Care need.

FUNDING:

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

State-Only Cal Learn Child Care

CHANGE FROM PRIOR SUBVENTION:

There is no change in the Current Year. In the BY, the change is due to an increase in the Child Care Stage One expenditures.

REASON FOR YEAR-TO-YEAR CHANGE:

In the BY, the change is due to an increase in the Child Care Stage One expenditures.

EXPENDITURES:

(in 000's)

	2007-08	2008-09
	County Admin.	County Admin.
Total	$79	$277
Federal	0	0
State	79	277
County	0	0
Reimbursements	0	0

Child Care – Trustline

DESCRIPTION:

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

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

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

IMPLEMENTATION DATE:

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

KEY DATA/ASSUMPTIONS:

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

Child Care – Trustline

KEY DATA ASSUMPTIONS (CONTINUED):

- The funding for county administration for Fiscal Year (FY) 2007-08 is held to the Appropriation.
- For FY 2008-09, the cost of providing for the Trustline for the California Department of Social Services (CDSS), CDE, and voluntary applicants is based on the following key data and assumptions:
    - The projected number of Trustline applications for CDE, CDSS, and voluntary is 27,286. This is based on a regression analysis projection using the number of actual applications for Trustline fingerprinting from calendar year 2007. The estimate assumes the effects of the Previous CalWORKs Reform Efforts, Undocumented Citizens (SB 1569), and Homeless Assistance (AB 1808) premises. As more adults begin to work or participate in work activities, there would be a greater need for child care; therefore, the number of Trustline applications would increase.
    - This estimate assumes that 0.50 percent of CDSS and CDE caseloads use Cardscan and 99.50 percent use Live Scan.
    - This estimate assumes that 100 percent of voluntary cases use Live Scan.
    - The county administration cost per case is $91 based on actual county expenditures divided by the number of DOJ applications for calendar year 2007.
- The Trustline Automated Registration Process (TARP) pilot implemented in October 2006, with Kern County as the pilot county. San Bernardino County implemented in April 2007 and San Diego County implemented in July 2007. Statewide implementation is expected to occur in the Current Year (CY). The projected caseload is 23,908. TARP costs are reflected in the Identix contract.
- FBI reduced the fingerprinting fees from $24 to $19 effective October 1, 2007.
- Included in the Identix contract is a $35,000 maintenance fee for the Live Scan machines.
- The R &R Network implemented a new $15 fee for incomplete applications in July 2007 and increased its application fee from $25 to $35 in July 2008.

Child Care – Trustline

KEY DATA ASSUMPTIONS (CONTINUED):

- The fees for the contracted services are as follows:

	FY 2007-08	FY 2008-09
DOJ Fingerprinting/Criminal History File	$32	$32
DOJ California Child Abuse Central Index	$15	$15
DOJ FBI Fingerprints	$24 Jul.-Sep. 2007 $19 as of Oct. 2007	$19
R&R Network Application Fee	$25	$35
R&R Network Incomplete Application Fee	0	$15
Identix Cardscan Fee[1]	$10	$10
Identix Live Scan[1]	$16	$16
TARP	$5	$5

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

METHODOLOGY:

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

	FY 2007-08	FY 2008-09
DOJ	$1,716,549	$1,626,570
R&R Network	$666,450	$1,004,164
Identix [2]	$549,691	$548,115
County Administrative Costs	$1,724,649	$1,270,968

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

FUNDING:

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

Child Care – Trustline

CHANGE FROM PRIOR SUBVENTION:

There is no change in the CY. The Budget Year (BY) reflects an increase in the caseload and the R&R Network application fee increase and new incomplete application fee.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease in the BY reflects a decrease in the county administration cost per case, and a decrease in DOJ/FBI fingerprint fees, and a decrease in TARP costs.

CASELOAD:

	2007-08	2008-09
Average Monthly CDSS Trustline Caseload	1,326	1,153
Average Monthly CDE Trustline Caseload	732	894
Average Monthly Voluntary Trustline Caseload	164	220

Expenditures:

(in 000's)

	2007-08	2008-09
	County Admin.	County Admin.
Total	$4,657	$4,450
Federal	3,541	2,982
State	170	213
County	0	0
Reimbursements	946	1,255

Self-Certification

DESCRIPTION:

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

IMPLEMENTATION DATE:

This premise implemented on October 1, 1996.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Health and Safety Code sections 1596.60 through 1596.68, Health and Safety Code section 1596.67, and Welfare and Institutions Code section 11324.
- The funding for Fiscal Year (FY) 2007-08 is held to the Appropriation.
- For FY 2008-09, the projected cost of self-certification is based on the following key data and assumptions:
  - The projected number of Trustline applications for the California Department of Social Services is 13,917, based on a regression analysis projection using the number of applications for Trustline fingerprinting from calendar year 2007. The estimate assumes the effects of the Previous California Work Opportunity and Responsibility to Kids Reform Efforts, Undocumented Citizens (Senate Bill 1569), and Homeless Assistance (AB 1808) premises.
  - The statewide cost of self-certification ($128) is based on actual county expenditures divided by total Trustline applications processed in calendar year 2007.

METHODOLOGY:

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

For the Budget Year: $128 x 13,917 = $1.8 million

FUNDING:

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

Self-Certification

CHANGE FROM PRIOR SUBVENTION:

There is no change in the Current Year. The Budget Year (BY) change reflects a caseload decline.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY decrease reflects a caseload decline.

CASELOAD:

	2007-08	2008-09
Average Annual Caseload	15,912	13,917

EXPENDITURES:

(in 000's)

	2007-08	2008-09
	County Admin.	County Admin.
Total	$1,969	$1,782
Federal	1,904	1,701
State	65	81
County	0	0
Reimbursements	0	0

Child Care
Stage One/Two Holdback

DESCRIPTION:

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

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

IMPLEMENTATION DATE:

This premise implemented on July 1, 1998.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Education Code sections 8350, 8351, 8352, and 8353.
- In Fiscal Year (FY) 2008-09, the net need for Stage One Basic and Safety Net is $593.2 million.
- In FY 2008-09, CDSS will no longer hold back TANF reserve funds for Stage Two.
- In FY 2008-09, a total of five percent from Stage One will be held in the reserve.

METHODOLOGY:

- In FY 2007-08, the Stage One/Stage Two holdback is $0 as approximately $21.2 million from the Stage One holdback has already been transferred to counties for Stage One Child Care and approximately $25.5 million has already been transferred to CDE for Stage Two Child Care.
- In FY 2008-09, the total holdback is five percent of Stage One ($29.7 million).

FUNDING:

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

Child Care
Stage One/Two Holdback

CHANGE FROM PRIOR SUBVENTION:

The Current Year reflects that funds have already been transferred to the counties and to CDE.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year reflects five percent of the estimated need for Stage One.

EXPENDITURES:

(in 000's)	2007-08	2008-09
	Grant	Grant
Total	$0	$29,663
Federal	0	29,663
State	0	0
County	0	0
Reimbursements	0	0

TANF Transfer for Probation

DESCRIPTION:

This premise reflects a shift of federal Temporary Assistance for Needy Families (TANF) program funds from the California Work Opportunity and Responsibility to Kids (CalWORKs) program to fund benefits and services provided to children in county juvenile assessment and residential treatment facilities. The TANF funds will be backfilled with General Fund from the California Department of Corrections and Rehabilitation (CDCR) and will be used to fund the CalWORKs program and be counted toward the California Department of Social Services' (CDSS) maintenance of effort (MOE) requirement. This shift is necessary to continue to meet federal MOE requirements without increasing overall General Fund (GF) expenditures or decreasing total expenditures in other programs.

The shift of TANF program funds to CDCR and the backfill of GF to help meet CDSS' MOE requirement is allowable since there is no requirement that TANF funds be spent on TANF-eligible families as there is if using TANF MOE. TANF funds may be spent on juvenile assessment and treatment facilities as it can be reasonably calculated to accomplish TANF Goal Three as describe below:

> (3) Prevent and reduce the incidence of out-of-wedlock pregnancies and establish annual numerical goals for preventing and reducing the incidence of these pregnancies.

IMPLEMENTATION DATE:

This premise will implement July 1, 2008.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Title 45, Code of Federal Regulations, sections 263.2.
- Probation placement and administrative funds have been based on actual expenditures for FFY 1995.

METHODOLOGY:

For FY 2008-09, the estimate reflects the anticipated TANF expenditures.

FUNDING:

This program is 100 percent federally funded.

CHANGE FROM PRIOR SUBVENTION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

This premise implements in the budget year.

TANF Transfer for Probation

EXPENDITURES:

(in 000's)

	2007-08 Grant	2008-09 Grant
Total		$151,842
Federal	0	151,842
State	0	0
County	0	0
Reimbursements	0	0

TANF Transfer for Student Aid Commission

DESCRIPTION:

This premise reflects a shift of federal Temporary Assistance for Needy Families (TANF) program funds from the California Work Opportunity and Responsibility to Kids (CalWORKs) program to fund Cal Grants. The TANF funds will be backfilled with General Fund (GF) from the California Student Aid Commission (CSAC) and will be used to fund the CalWORKs program and be counted toward the California Department of Social Services' (CDSS) Maintenance of Effort (MOE) requirement. This shift is necessary due to the passage of the final TANF rule, which only allows expenditures spent toward meeting TANF Goals Three and Four (preventing and reducing out-of-wedlock pregnancy, and promoting and maintaining two-parent families) as counting toward the MOE requirement if the expenditures are spent on TANF-eligible families, or as defined in the healthy marriage promotion and responsible fatherhood section of the Deficit Reduction Act of 2005.

The shift of TANF program funds to CSAC and the backfill of GF to help meet CDSS' MOE requirement is allowable since there is no requirement that TANF funds be spent on TANF-eligible families, as there is if using TANF MOE. TANF funds may be spent on Cal Grants as it can be reasonably calculated to accomplish TANF Goal Three as describe below:

> 3) Prevent and reduce the incidence of out-of-wedlock pregnancies and establish annual numerical goals for preventing and reducing the incidence of these pregnancies.

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

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

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

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

IMPLEMENTATION DATE:

This premise will implement July 1, 2008.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Title 45, Code of Federal Regulations, sections 263.2 and 263.4.
- All Cal Grants expenditures for Cal Grants A and B used for tuition and fees for unmarried students are countable in the same year they are expended. The expenditures for the excess allowance for Cal Grants B recipients are removed from the countable expenditures.

METHODOLOGY:

For FY 2008-09, the estimate reflects the anticipated TANF expenditures.

FUNDING:

This program is 100 percent federally funded.

TANF Transfer for Student Aid Commission

CHANGE FROM PRIOR SUBVENTION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

This premise implements in the Budget Year.

EXPENDITURES:

(In 000's)

	2007-08 Grant	2008-09 Grant
Total		$223,000
Federal	0	223,000
State	0	0
County	0	0
Reimbursements	0	0

TANF Pass-Through for California Alliance of Boys and Girls Clubs

DESCRIPTION:

This premise reflects the passed through Temporary Assistance for Needy Families (TANF) funding to the California Alliance of Boys and Girls Clubs (CABGC) to fund youth programs emphasizing education, health, safety, leadership, skill development, job readiness, pregnancy prevention, and drug avoidance to youth of all ages. These programs are administered by the CABGC. As a result of the pass through of these funds, CABGC will report to the California Department of Social Services (CDSS) CABGC's maintenance of effort (MOE) eligible program expenditures for Federal Fiscal Year (FFY) 2008 that will be considered as excess MOE dollars that may be counted toward the state's caseload reduction credit (CRC) for FFY 2009.

Under the final TANF rule, which implemented the federal Deficit Reduction Act of 2005, states that are investing funds in programs serving eligible families, in excess of the required MOE level, may receive a pro rata CRC. The resulting CRC the state will receive from excess MOE will enable it to move closer toward meeting the federal work participation rate and will subsequently assist the state in avoiding or reducing any federal penalties (please see Excess MOE premise for additional information).

IMPLEMENTATION DATE:

This premise will implement July 1, 2008.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Title 45, Code of Federal Regulations, sections 261.43
- The contracted amount of TANF funds provided to the CABGC is $5 million for Fiscal Year (FY) 2008-09.
- Sixty-five percent of CABGC expenditures are used for TANF-eligible children and are countable as excess MOE in the same year that they are expended.

METHODOLOGY:

The CDSS will enter into a contract with the CABGC that specifies the amount of TANF funds to be transferred and the amount of expenditures that may be counted as excess MOE.

FUNDING:

This program is 100 percent federally funded.

CHANGE FROM PRIOR SUBVENTION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

TANF Pass-Through for California Alliance of Boys and Girls Clubs

EXPENDITURES:

(in 000's)

	2007-08 Services	2008-09 Services
Total	0	$5,000
Federal	0	5,000
State	0	0
County	0	0
Reimbursements	0	0

Kinship Guardianship Assistance Payment Program

DESCRIPTION:

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

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

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

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

IMPLEMENTATION DATE:

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

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC sections 11360 through 11380.
- The Kin-GAP rate equals 100 percent of the basic foster care rate for children placed in a licensed or approved foster family home, including all clothing allowances and SCIs received while in FC, as specified in statute.
- Caseload based on actual cases reported on the CA 800 KG (federal) and CA 800 KG (nonfederal), Summary Report of Expenditures for the Kin-GAP Program, through December 2007.
- A State-Only Kin-GAP program is available for those cases that are not eligible for the California Work Opportunity and Responsibility to Kids (CalWORKs) program but would be eligible for the Kin-GAP program. Based on the caseload reported on the CA 800 KG, nonfederal cases represent an insignificant percentage of the total caseload.
- The average Kin-GAP grant payments are based on the most recent actual expenditures and cases reported on the CA 800 KG through December 2007. The average federal Kin-GAP grant payment is $558.47 and the average nonfederal Kin-GAP grant payment is $558.70.
- It is assumed a total of 223 cases per month will move from FC to Kin-GAP, beginning January 1, 2008, to be phased in over a 24 month period.

Kinship Guardianship Assistance Payment Program

KEY DATA/ASSUMPTIONS (CONTINUED):

- The average Temporary Assistance for Needy Families (TANF) portion of the Kin-GAP rate is $347 but will no longer be federally funded and will be replaced with General Fund (GF).
- Based on actual expenditures through December 2007, the cost of ongoing county Kin-GAP administrative functions is $33.99 per case per month.
- State and county expenditures associated with all cases are considered to be eligible for the state's TANF maintenance of effort requirement.
- This estimate assumes no Title IV-E funding.
- Based on data from all counties, the average initial clothing allowance provided to new cases is $220, and $99 annually thereafter.
- All cases will also receive an annual supplemental clothing allowance of $100.
- Savings to FC grants and administration, CalWORKs grants and administration, and Child Welfare Services (CWS) administration due to new cases transferring from FC to Kin-GAP as a result of the enhanced benefits are displayed as separate premises titled "Enhanced Kin-GAP Savings" under the appropriate Budget Item.
- FC grant savings for Fiscal Year (FY) 2007-08 and FY 2008-09 will be realized as a result of cases exiting FC and are based on the Kin-GAP grant each child will receive.
- CWS administrative savings of $349 per permanent placement case each month will be realized as a result of cases exiting the FC and CalWORKs programs. In addition, eligibility worker savings of $57.11 per case per month will be realized as a result of cases exiting the FC program.
- CalWORKs administrative savings of $33.58 per case per month will be realized as a result of cases exiting the CalWORKs program.
- Due to the impact of the Title IV-E Waiver, the estimated savings to FC grants, FC Administration and CWS will not be reflected for Los Angeles County and Alameda County. Federal funding will not be reduced below the federal Title IV-E Waiver capped amount.

METHODOLOGY:

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

FUNDING:

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

Kinship Guardianship Assistance Payment Program

FUNDING (CONTINUED):

The annual and supplemental clothing allowance costs are shared 50 percent GF and 50 percent county. Effective September 2006, the supplemental clothing allowance will be paid with 100 percent GF.

CHANGE FROM PRIOR SUBVENTION:

Total program costs have decreased for the Current Year (CY) and the Budget Year (BY) as a result of a lower average monthly caseload than projected in the November Estimate, due to a six-month delay of FC cases moving to Kin-GAP.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY cost increases are based on a projected caseload growth of 15.3 percent.

CASELOAD:

	2007-08	2008-09
Average Monthly Caseload (Existing)	13,874	13,655
Average Monthly Caseload (New)	390	2,788
Average Monthly Caseload (Total)	14,264	16,443

EXPENDITURES:

(in 000's)

Item 101 –	2007-08	2008-09
Kin-GAP Basic Costs	Grant	Grant
Total	$95,591	$110,191
Federal	0	0
State	77,395	89,222
County	18,196	20,969
Reimbursements	0	0

Kinship Guardianship Assistance Payment Program

EXPENDITURES (CONTINUED):

(in 000's)

Item 101 – Kin-GAP Administration	2007-08	2008-09
	County Admin.	County Admin.
Total	$6,722	$6,706
Federal	0	0
State	6,715	6,696
County	7	10
Reimbursements	0	0

Kin-GAP Enhancements	2007-08	2008-09
	Grant	Grant
Total	$15,972	$29,858
Federal	0	0
State	8,586	15,818
County	7,386	14,040
Reimbursements	0	0

Item 101 – CalWORKs Savings	2007-08	2008-09
Total	-$8	-$52
Federal	-4	-26
State	-3	-18
County	-1	-8
Reimbursements	0	0

Item 101 – CalWORKs Admin Savings	2007-08	2008-09
	County Admin.	County Admin.
Total	-$5	-$5
Federal	-4	-3
State	-1	-1
County	0	-1
Reimbursements	0	0

Kinship Guardianship Assistance Payment Program

EXPENDITURES (CONTINUED):

(in 000's)

Item 101 – Foster Care Savings	2007-08	2008-09
Total	-$2,289	-$15,868
Federal	-1,087	-7,762
State	-477	-3,363
County	-725	-4,743
Reimbursements	0	0

Item 141 – Foster Care Admin Savings	2007-08	2008-09
	County Admin.	County Admin.
Total	-$114	-$816
Federal	-57	-408
State	-40	-286
County	-17	-122
Reimbursements	0	0

Item 151 – CWS Admin Savings	2007-08	2008-09
	County Admin.	County Admin.
Total	-$-568	-$4,053
Federal	-284	-2,026
State	-199	-1,419
County	-85	-608
Reimbursements	0	0

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Title IV-E Child Support Collections/Recovery Fund

DESCRIPTION:

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

IMPLEMENTATION DATE:

This premise implemented on July 1, 2000.

KEY DATA/ASSUMPTIONS:

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

METHODOLOGY:

The estimates are provided by DCSS.

FUNDING:

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

CHANGE FROM PRIOR SUBVENTION:

The increase in collections reflects updated actual FC collections.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Y ear increase in collections reflects updated actual FC collections.

Title IV-E Child Support Collections/Recovery Fund

Offset Collections:

(in 000's)

	2007-08 Grant	2008-09 Grant
Total	-$11,769	-$11,029
Federal	-11,769	-11,029
State	0	0
County	0	0
Reimbursements	0	0

Recovery Fund:

(in 000's)

	2007-08 Grant	2008-09 Grant
Total	$11,769	$11,029
Federal	11,769	11,029
State	0	0
County	0	0
Reimbursements	0	0

Foster Family Home – Basic Costs

DESCRIPTION:

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

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

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

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 11461.
- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.
- The caseload presumed to be eligible for federal and nonfederal Foster Care (FC) program benefits is based on a twelve month period, ending December 2007 as reported by the counties on the FC Caseload Movement and Expenditures Report (CA 237 FC). Federal cases are projected to account for 70.9 percent of total FFH placements.
- Federal and nonfederal average grant computations utilized caseload and expenditure data reported by the non-Title IV-E Waiver counties on the CA 237 FC during the most recent twelve month period ending December 2007. The projected federal grant is $677.76 and the nonfederal grant is $714.08.
- The percentage of federally-eligible expenditures is based on actual county expenditure data.
- The amount of federal financial participation (FFP) is based on the Federal Medical Assistance Percentage (FMAP) rate of 50 percent.

METHODOLOGY:

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

FUNDING:

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

Foster Family Home – Basic Costs

CHANGE FROM PRIOR SUBVENTION:

The Current Year (CY) and Budget Year (BY) decreases reflect lower caseloads than were projected for the November Estimate, and updated average grants based on actual expenditures.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY reflects projected caseload decline.

CASELOAD:

	2007-08	2008-09
Average Monthly Caseload	24,699	24,145
Federal Caseload	17,513	17,120
Nonfederal Caseload	7,186	7,025

EXPENDITURES:

(in 000's)	2007-08	2008-09
FFH – Basic Costs	Grant	Grant
Total	$204,012	$199,435
Federal	63,062	61,647
State	56,380	55,115
County	84,570	82,673
Reimbursements	0	0

FFH – Federal	2007-08 Grant	2008-09 Grant
Total	$142,438	$139,242
Federal	63,062	61,647
State	31,750	31,038
County	47,626	46,557
Reimbursements	0	0

FFH – Nonfederal	2007-08 Grant	2008-09 Grant
Total	$61,574	$60,193
Federal	0	0
State	24,630	24,077
County	36,944	36,116
Reimbursements	0	0

Group Home – Basic Costs

DESCRIPTION:

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

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

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

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 11462.
- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.
- The caseload presumed to be eligible for federal and nonfederal Foster Care (FC) program benefits is based on a twelve month period, ending December 2007, as reported by the counties on the FC Caseload Movement and Expenditures Report (CA 237 FC). Federal cases are projected to account for 60.2 percent of total GH placements.
- The federal and nonfederal average grant computations utilized caseload and expenditure data reported on the CA 237 FC during the most recent twelve month period ending December 2007. The projected federal grant is $5,057.66 and the nonfederal grant is $5,351.92.
- The percentage of federally-eligible expenditures is based on actual county expenditure data.
- The amount of federal financial participation (FFP) is based on the Federal Medical Assistance Percentage (FMAP) rate of 50 percent.

METHODOLOGY:

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

FUNDING:

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

Group Home – Basic Costs

CHANGE FROM PRIOR SUBVENTION:

The Current Year (CY) and Budget Year (BY) decreases reflect lower caseloads than were projected for the November Estimate, and updated average grants based on actual expenditures.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY decrease reflects a projected caseload decline.

CASELOAD:

	2007-08	2008-09
Average Monthly Caseload	7,031	6,963
Federal Caseload	4,235	4,194
Nonfederal Caseload	2,796	2,769

EXPENDITURES:

(in 000's)	2007-08	2008-09
GH – Basic Costs	Grant	Grant
Total	$436,644	$432,350
Federal	113,807	112,685
State	129,135	127,866
County	193,702	191,799
Reimbursements	0	0

GH – Federal	2007-08 Grant	2008-09 Grant
Total	$257,055	$254,522
Federal	113,807	112,685
State	57,299	56,735
County	85,949	85,102
Reimbursements	0	0

GH – Nonfederal	2007-08 Grant	2008-09 Grant
Total	$179,589	$177,828
Federal	0	0
State	71,836	71,131
County	107,753	106,697
Reimbursements	0	0

Foster Family Agency – Basic Costs

DESCRIPTION:

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

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

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

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 11463 and 18358.3.
- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.
- The caseload presumed to be eligible for federal and nonfederal FC Program benefits are based on a twelve month period ending December 2007, as reported by the counties on the FC Caseload Movement and Expenditures Report (CA 237 FC). Federal cases are projected to account for 82.5 percent of total FFA placements.
- Federal and nonfederal average grant computations utilized caseload and expenditure data reported by the counties on the CA 237 FC during the most recent twelve month period ending December, 2007. The projected federal grant is $1,748.82 and the nonfederal grant is $2,000.04.
- The percentage of federally-eligible expenditures is based on actual county expenditure data.
- The amount of federal financial participation (FFP) is based on the Federal Medical Assistance Percentage (FMAP) rate of 50 percent.

METHODOLOGY:

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

Foster Family Agency – Basic Costs

FUNDING:

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

CHANGE FROM PRIOR SUBVENTION:

The Current Year (CY) and Budget Year (BY) decreases reflect lower caseload growth than projected for the November Estimate, and updated average grants based on actual expenditures.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY increase reflects projected caseload growth.

CASELOAD:

	2007-08	2008-09
Average Monthly Caseload	13,145	13,395
Federal Caseload	10,849	11,055
Nonfederal Caseload	2,296	2,340

EXPENDITURES:

(in 000's)	2007-08	2008-09
FFA – Basic Costs	Grant	Grant
Total	$282,772	$288,140
Federal	100,795	102,709
State	72,791	74,172
County	109,186	111,259
Reimbursements	0	0

Foster Family Agency – Basic Costs

EXPENDITURES (continued):

(in 000's)

FFA– Federal	2007-08 Grant	2008-09 Grant
Total	$227,665	$231,989
Federal	100,795	102,709
State	50,748	51,712
County	76,122	77,568
Reimbursements	0	0

FFA – Nonfederal	2007-08 Grant	2008-09 Grant
Total	$55,107	$56,151
Federal	0	0
State	22,043	22,460
County	33,064	33,691
Reimbursements	0	0

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Seriously Emotionally Disturbed Children Basic Costs

DESCRIPTION:

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

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

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

IMPLEMENTATION DATE:

This premise implemented on July 1, 1987.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&I Code sections 18350-18356.
- Casemonths are based on trend caseload projections.
- Average grants are based on actual expenditure and caseload data for the most recent twelve months ending in December 2007. The projected average grant for Los Angeles County is $5,341.20. The projected average grant for the remaining counties is $5,721.59.

METHODOLOGY:

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

FUNDING:

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

Seriously Emotionally Disturbed Children
Basic Costs

CHANGE FROM PRIOR SUBVENTION:

The Current Year (CY) and Budget Year (BY) increases reflect higher caseload growth than projected for the November Estimate, and updated average grants based on actual expenditures.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY estimate reflects projected caseload growth.

CASELOAD:

	2007-08	2008-09
Average Monthly Caseload	1,796	1,903

EXPENDITURES:

(in 000's)

	2007-08	2008-09
	Grant	Grant
Total	$120,606	$127,774
Federal	0	0
State	48,242	51,110
County	72,364	76,664
Reimbursements	0	0

Foster Care Rate Increase - Five Percent

DESCRIPTION:

Senate Bill (SB) 84, (Chapter 177, Statutes of 2007, 8/24/2007), provides a five percent increase to Foster Family Home (FFH) basic rates, Specialized Care Increments (SCIs), and Emergency Assistance (EA) basic rates, commencing January 1, 2008. SB 84 delinks Family Foster Agencies (FFAs) from the five percent increase authorized for FFHs linked to the Adoption Assistance Program (AAP). SB 84 also applies the five percent increase to AAP agreements executed after January 1, 2008.

SB 84 extends the adjusted Rate Classification Levels (RCLs) for Group Home (GH) rates to continue through Fiscal Year (FY) 2007-08 to provide temporary rate relief for GH providers. SB 84 provides a five percent wage increase to the GH RCL system and raises benefit amounts for entry level child care workers from 20.325 percent to 24 percent.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2008.

KEY DATA/ASSUMPTIONS:

- All estimates reflects costs for the 56 non-Title IV-E Waiver counties for GH and FFH.
- Federal and nonfederal average grant computations for FFHs utilized caseload and expenditure data reported by the non-Title IV-E Waiver counties on the CA 237 FC during the most recent twelve month period ending December 2007. The projected federal grant is $677.76 and the nonfederal grant is $714.08. Both grant amounts received a five percent increase effective January 1, 2008.
- The federal and nonfederal average grant computations for GHs utilized caseload and expenditure data reported on the CA 237 FC during the most recent twelve month period ending December 2007. The projected federal grant is $5,057.66 and the nonfederal grant is $5,351.92. Both grant amounts received a five percent increase effective January 1, 2008.
- The average federal Kinship Guardanship Assistance Program (Kin-GAP) grant payment is $558.47 and the average nonfederal Kin-GAP grant payment is $558.70. Both grant amounts received a five percent increase effective January 1, 2008.
- The average Current Year (CY) AAP federal grant amount is $764.79 and the average CY AAP nonfederal grant amount is $797.34. The average Budget Year (BY) AAP federal grant amount is $776.32 and the average BY AAP nonfederal amount is $787.59.
- The average grant computations for EA utilized caseload and expenditure data during the most recent twelve month period ending December 2007. The average grant for the EA-Foster Care (FC) grant is $1,495.69, and the average grant for EA-General Assistance (GA) grant is $1,969.34.
- A five percent increase will apply only to AAP cases when the adoption assistant agreement is executed after January 1, 2008.

METHODOLOGY:

The estimates are the product of caseloads and corresponding average grants.

Foster Care Rate Increase - Five Percent

FUNDING:

Item 101

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

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

Kin-GAP Assistance Payment Program – The Kin-GAP rate was paid utilizing the applicable regional per-child California Work Opportunity and Responsibility to Kids (CalWORKs) grant from federal funds received as part of the Temporary Assistance for Needy Families (TANF) block grant. This portion will now be funded with GF. The balance of the Kin-GAP basic and SCI rate is paid with 50 percent GF and 50 percent county funds. For State-Only Kin-GAP cases, grant and administrative costs are shared 50 percent GF and 50 percent county.

Emergency Assistance – Funding was used in the TANF block grant calculation and, therefore, is part of the TANF funding schedule. Effective October 1, 1999, the EA-FC component is funded 70 percent TANF, 30 percent county; the EA-GA component is funded 50 percent TANF, 50 percent county; and, the EA administrative costs are funded 85 percent TANF and 15 percent county.

CHANGE FROM PRIOR SUBVENTION:

Changes to the CY and the BY reflect updated caseloads and expenditure information.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY increase reflects a full year of costs.

EXPENDITURES:

(in 000's)

Kin-GAP 101	2007-08	2008-09
Total	$2,452	$5,510
Federal	0	0
State	1,226	2,755
County	1,226	2,755
Reimbursements	0	0

Foster Care Rate Increase - Five Percent

EXPENDITURES (CONTINUED):

(in 000's)

Foster Care - 101	2007-08	2008-09
Total	$17,474	$34,203
Federal	4,377	8,503
State	5,710	11,209
County	7,387	14,491
Reimbursements	0	0

AAP - 101	2007-08	2008-09
Total	$487	$3,518
Federal	204	1,478
State	212	1,530
County	71	510
Reimbursements	0	0

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Supplemental Clothing Allowance

DESCRIPTION:

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

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

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

IMPLEMENTATION DATE:

This premise implemented on July 1, 2000.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 11461(f) (4) and 11463(g).
- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.
- The statewide annual supplemental clothing allowance will be $100 per child.
- All FFH and FFA placements are eligible for the clothing allowance. The average monthly projected caseload is 37,844 for Fiscal Year (FY) 2007-08, and 37,539 for FY 2008-09.
- All cases shifting to the Kin-GAP Program are presumed to receive the clothing allowance prior to exiting foster care.
- The amount of federal financial participation (FFP) is based on the Federal Medical Assistance Percentage (FMAP) rate of 50 percent.

METHODOLOGY:

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

FUNDING:

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

Supplemental Clothing Allowance

CHANGE FROM PRIOR SUBVENTION:

The Current Year (CY) and Budget Year (BY) reflect lower caseload growth than was projected for the November Estimate.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY estimate reflects a projected decline in caseload.

EXPENDITURES:

(in 000's)	2007-08	2008-09
	Grant	Grant
Total	$3,784	$3,754
Federal	1,418	1,409
State	2,366	2,345
County	0	0
Reimbursements	0	0

Title XX Funding

DESCRIPTION:

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

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

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

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

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 13000 through 13008.
- State legislation permits Title XX funds to be used in CWS and Foster Care to supplant the state share without affecting county funds.
- The Title XX funding awarded to California is $ 206.1 million for Federal Fiscal Year (FFY) 2007 and $205.9 million for FFY 2008. $365.6 million in TANF grant dollars in FFY 2007-08 and $363.5 million in TANF grant dollars will be transferred to Title XX. FY 2007-08 also includes a $2 million grant to assist with meeting the life-sustaining needs for families relocated to California as a result of Hurricanes Katrina, Rita and Wilma.
- The FFY awards are adjusted to conform to FY funding needs.

Title XX Funding

METHODOLOGY:

- In the Current Year (CY) $33.8 million in TANF grant dollars will be transferred into the Title XX Block Grant to fund services for children residing in group homes in non-Title IV-E Waiver counties. The funds increase to $34.2 million in the Budget Year (BY) for the non-Title IV-E Waiver counties. In the CY and BY $16.9 million in TANF grant dollars will be transferred into the Title XX Block Grant to fund services for children residing in group homes in the Title IV-E Waiver counties.
- For FY 2007-08 and FY 2008-09, $147.9 million in Title XX funds are being shifted to the Department of Developmental Services (DDS). For FY 2007-08, an additional $2.0 million in Title XX funds can be used for meeting the human services needs of people affected by recent hurricanes.
- TANF funds are transferred to Title XX for the following purposes: $34.6 million in FY 2007-08 and $32.5 million in FY 2008-09 for non-Title IV-E Waiver counties and $24.2 million for each FY for the Title IV-E Waiver counties to supplant a portion of the state share of CWS eligible expenditures in the California Department of Social Services (CDSS), and $56.0 million and $78.2 million for the CY and BY respectively are added to the Title XX funds shifted to DDS.
- In the Deaf Access Program, $3.0 million and $2.8 million respectively for the CY and BY in Title XX funds will reduce General Fund (GF) in an otherwise 100 percent GF program.
- For Community Care Licensing (CCL), State Support, $55.2 million in Title XX funds will be used in CCL for both the CY and BY.
- In the CY and BY, $20.0 million of TANF funds may be transferred to Title XX for child care: $10 million for CDSS' Stage One Child Care program and $10 million for the California Department of Education's child care programs, in order to broaden access to Child and Adult Care Food Program (CACFP) benefits for low-income children in proprietary child care centers. The CY and BY reflects an additional TANF Title XX amount of $180.2 million and $157.6 million respectively to fund Stage One Child Care.

FUNDING:

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

CHANGE FROM PRIOR SUBVENTION:

The Title XX transfer from TANF for Foster Care has decreased to reflect actual expenditures. For FY 2007-08, the Title XX transfer from TANF for Stage One Child Care has been reduced due to a decrease in the amount of total TANF available to transfer to Title XX. For FY 2008-09, the Title XX transfer from TANF to CWS has decreased due to a decrease in Title XX-eligible costs

REASON FOR YEAR-TO-YEAR CHANGE:

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

Title XX Funding

EXPENDITURES:
(in 000's)

	2007-08 Grant	2008-09 Grant
Total Title XX	**$571,629**	**$569,391**
Title XX Grant	206,071	205,852
TANF Transfer In	365,558	363,539
Foster Care (Transfer from TANF)	$0	$0
Item 101		
Federal	33,835	34,204
State	-33,835	-34,204
Item 153		
Federal	16,858	16,858
State	-16,858	-16,858
CWS		
(Item 151)		
CWS Transfer to DDS	$203,903	$226,111
CWS (Title XX Transfer to DDS)	147,903	147,903
Federal	147,903	147,903
State	0	0
CWS (Transfer from TANF)		
For Transfer to DDS		
Federal	56,000	78,208
State	0	0
Title XX Hurricane Katrina	$2,039	$0
Federal	2,039	0

Title XX Funding

EXPENDITURES (continued):

(in 000's)

	2007-08 Grant	2008-09 Grant
For CWS (Transfer from TANF)	$58,710	$56,634
Item 151		
Federal	34,560	32,484
State	-34,560	-32,484
Item 153		
Federal	24,150	24,150
State	-24,150	-24,150
Deaf Access (Item 151)	$0	$0
Federal	2,996	2,777
State	-2,996	-2,777
CCL (Item 151)	$0	$0
Federal	0	0
State	0	0
CCL (State Support)	$0	$0
Federal	55,172	55,172
State	-55,172	-55,172
CalWORKs Child Care (Transfer from TANF)		
	$200,155	$177,635
Federal	200,155	177,635
State	0	0

Rosales v. Thompson (Reversal)

DESCRIPTION:

The Federal Deficit Reduction Act of 2005 clarified federal statute which in effect reversed the expanded eligibility criteria for relatives established by the *Rosales v. Thompson* Court Ruling. The net effect will be decreased federal costs, and increased State and local foster care (FC) costs.

IMPLEMENTATION DATE:

Implementation date of June 9, 2006.

KEY DATA/ASSUMPTIONS:

- It is assumed that federal funding will continue for cases that entered foster care prior to June 9, 2006. After June 9, 2006, cases during their annual redetermination will shift out of federal foster care.
- For cases entering foster care on or after June 9, 2006, it is assumed that those cases will no longer be eligible for Title IV-E funding but will be eligible for nonfederal foster care or the California Work Opportunity and Responsibility to Kids (CalWORKs) program.
- Due to the actual claims submitted by counties, the majority of foster care entries expected to be impacted will be placed in nonfederal FC, while a smaller number of new foster care entries will receive a CalWORKs child only grant.
- The estimate reflects costs for only the 56 non-Title IV-E Waiver counties.
- Based on actual claims submitted by counties, the estimate assumes no measurable impact on the Adoption Assistance Program (AAP) or the CalWORKs child only caseload.

METHODOLOGY:

Item 101 - Assistance Payments

Non-Waiver counties Aid to Families with Dependent Children – Foster Care (AFDC-FC) grant costs are the product of total casemonths and the average federal and non-federal AFDC-FC Grant, plus the cost of supplemental clothing allowances. The established waiver base will be added to the non-waiver county estimates for the total estimate.

CalWORKs grant costs are calculated by multiplying the number of impacted children by the average zero-parent per child grant. The total CalWORKs grant savings is minimal for Current Year (CY) and Budget Year (BY).

FUNDING:

Item 101 – Foster Care

Federal funding for AFDC-FC assistance payments is provided by Title IV-E of the Social Security Act for cases meeting eligibility criteria. The amount of federal financial participation (FFP) is based on the Federal Medical Assistance Percentage (FMAP). Funding for the non-federal AFDC-FC program is 40 percent General Fund and 60 percent county funds.

Rosales V. Thompson (Reversal)

FUNDING (CONTINUED):

Item 101 – CalWORKs

CalWORKs grant payments for child-only cases are shared 97.5 percent TANF, and 2.5 percent county funds. CalWORKs administrative costs for these cases are funded with 100 percent TANF funds.

Item 141 - County Administration

The prospective administrative cost associated with this shift is based on the average AFDC-FC administrative cost per casemonth of $32.78 based on Fiscal Year 2004-05 data.

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change. The Premise is discontinued in the BY because expenditures will be in the county claimed expenditures trends.

EXPENDITURES:

(in 000's)

Item 101 – CalWORKs	2007-08 Grant	2008-09 Grant
Total	$ 43	$ 0
Federal	42	0
State	0	0
County	1	0
Reimbursements	0	0

Item 101 - Foster Care	2007-08 Grant	2008-09 Grant
Total	-$205	$ 0
Federal	-1,355	0
State	460	0
County	690	0
Reimbursements	0	0

Rosales V. Thompson (Reversal)

EXPENDITURES (CONTINUED):

(in 000's)

Item 101 – CalWORKs Administration	Admin	Admin
Total	$ 3	$ 0
Federal	3	0
State	0	0
County	0	0
Reimbursements	0	0

	2007-08	2008-09
Item 141 – Foster Care Administration	Admin	Admin
Total	$ 130	$ 0
Federal	65	0
State	43	0
County	22	0
Reimbursements	0	0

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Supportive Transitional Emancipation Program

DESCRIPTION:

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

IMPLEMENTATION DATE:

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

KEY DATA/ASSUMPTIONS:

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

METHODOLOGY:

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

FUNDING:

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

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Supportive Transitional Emancipation Program

EXPENDITURES:

(in 000's)

101 – Assistance Payments – STEP	2007-08 Grant	2008-09 Grant
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

Item 141 – STEP Eligibility	2007-08 County Admin.	2008-09 County Admin.
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

Item 151 – STEP Plan Activity	2007-08 County Admin.	2008-09 County Admin.
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

Emergency Assistance Program

DESCRIPTION:

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

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

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

IMPLEMENTATION DATE:

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

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10101.
- Based on actual expenditure and caseload data through December 2007, the projected average grant for EA-FC cases is $1,495.69, and the projected average grant for EA-GA cases is $1,969.34.
- EA casemonths are projected using a 12-month linear trend forecast based on actual caseload data. EA-FC and EA-GA caseloads are projected separately.
- The Current Year (CY) EA administrative costs are held to Governor's Budget.
- Foster children receiving EA benefits are eligible to receive the $100 supplemental clothing allowance.

METHODOLOGY:

- **Item 101** – EA-FC and EA-GA costs are the product of projected casemonths and the computed average grant, plus the cost of the supplemental clothing allowance for each case.
- **Item 141** - Costs for administrative activities performed by County Welfare Department staff are based upon actual expenditures and adjusted for caseload growth in both Fiscal Years (FYs) 2007-08 and 2008-09. Administrative costs also include $35,000 added to the federal share for reimbursements to the California Department of Health Services for data processing activities associated with the Assistance to Children in Emergency System, which enables tracking of EA cases currently receiving assistance.

Emergency Assistance Program

FUNDING:

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

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

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

CHANGE FROM PRIOR SUBVENTION:

The CY and the Budget Year (BY) assistance estimate increases reflect higher caseloads than were projected in the November Estimate. The CY and the BY administrative costs were held to the November Estimate.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease in the BY assistance costs reflects a projected decrease in caseload.

CASELOAD:

	2007-08	2008-09
Average Monthly Caseload	3,549	3,477

EXPENDITURES:

(in 000's)

ITEMS 101 & 141 – EA	2007-08		2008-09	
	Grant	County Admin.	Grant	County Admin.
Total	$64,216	$7,744	$62,920	$7,526
Federal	44,925	6,588	44,016	6,402
State	0	0	0	0
County	19,291	1,156	18,904	1,124
Reimbursements	0	0	0	0

Foster Care Overpayments

DESCRIPTION:

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

IMPLEMENTATION DATE:

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

KEY DATA/ASSUMPTIONS:

- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties from July 1, 2007.
- The federal share of additional identified retrospective overpayments for Los Angeles County audits have been budgeted for FY 2007-08.

METHODOLOGY:

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

FUNDING:

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

CHANGE FROM PRIOR SUBVENTION:

There is no change in the Current Year (CY) or the Budget Year (BY).

REASON FOR YEAR-TO-YEAR CHANGE:

The BY reflects actual on-going overpayment expenditures, with counties sharing from January 1, 2009 to June 30th, 2009.

Foster Care Overpayments

EXPENDITURES:

(in 000's)

ITEM 101 – FC Payments	2007-08 Grant	2008-09 Grant
Total	$2,703	$1,675
Federal	0	0
State	2,703	1,172
County	0	503
Reimbursements	0	0

Dual Agency Rate

DESCRIPTION:

The California Department of Social Services (CDSS) and the California Department of Developmental Services (CDDS) have developed a rate-setting methodology for the care and supervision of foster and adoptive children receiving services from both county welfare departments and regional centers. This premise proposes a rate that would be established to cover the costs associated with care and supervision of children placed in out-of-home care. Services as identified in the child's Individual Program Plan (IPP) would continue to be provided as needed by regional centers. The rate would be prospective from the date of enactment in order to mitigate any negative impact to rates that were established prior to this premise. The county welfare departments and regional centers would be provided training by both CDSS and CDDS, as necessary, to facilitate their implementation and administration of the new rate-setting responsibilities. It is expected that these changes will ensure a comprehensive and equitable rate-setting methodology that will be used throughout the state and will provide appropriate and timely services to dual agency children.

IMPLEMENTATION DATE:

This premise implemented July 1, 2007.

KEY DATA/ASSUMPTIONS:

- Although the Budget Act of 2007 was signed on August 24th, 2007, the estimate is based on a July 1, 2007 implementation date.
- This estimate reflects foster care (FC) costs for only the 56 Non-Title IV-E Waiver counties. The costs associated for Title IV-E Waiver counties are located in the IV-Waiver Premise.
- All estimates are based on children residing in a Foster Family Home or Relative out-of-home placements.
- Senate Bill 84 (SB 84) established a workgroup consisting of multiple state and county departments, advocacy groups, the legislative analyst office, and regional centers to develop the criteria for children with "Extraordinary Needs' that will be eligible for the supplemental rate. In that process, it was agreed that the supplemental rate is to be comprised of four payment categories - $250, $500, $750, and $1,000. The supplemental rate is to be paid retroactively back to July 1, 2007. The SB 84 workgroup criteria for children eligible for the supplemental rate and the instructions to counties are scheduled for a May 2008 release. However, this premise does not include the cost associated with this additional payment pending actual data from the counties.

<u>Foster Care Caseloads</u>

- Federal cases are projected to account for 71 percent of total FC placements.
- It is estimated that there are currently 2,172 foster care children receiving a foster care assistance payment from CDSS and regional center services. Of these, 838 children are under 3 years of age and 1,334 children are over 3 years of age. The estimated caseload for the Non-Title IV-E waiver counties will be based on 713 children over 3 years of age and 609 children under 3 years of age.

Dual Agency Rate

Foster Care Caseloads (continued)

- Of the 713 children over 3 years of age, 526 children are at grant levels lower than the established grant of $2,006 and will receive a grant increase, and 187 children will continue to receive grants over the $2,006 rate.
- Of the 609 children under 3 years of age, 564 children are at grant levels lower than the established grant of $898 and will receive a grant increase, and 45 children will continue to receive grants over the $898 rate.
- It is estimated that 242 children over 3 years of age will begin receiving both a foster care assistance payment from CDSS and regional center services annually.
- It is estimated that 152 children under 3 years of age will begin receiving both a foster care assistance payment from CDSS and regional center services annually.
- Due to recent rate setting trends based on a Regional Center Survey, the estimate assumes that 58 percent of all new entries would have received a grant higher than the newly established rates ($2,006 over 3, $898 under 3).

Adoption Caseloads

- Federal cases are projected to account for 87 percent of total AAP placements.
- It is estimated that there are currently 2,489 children receiving an Adoption Assistance Payment (AAP) from CDSS and regional center services. Of these, 385 children are under 3 years of age and 2,104 children are over 3 years of age.
- Of the 2,104 children over 3 years of age, 1,694 children are at grant levels lower than the established grant of $2,006 and will receive a grant increase, and 410 children will continue to receive grants over the $2,006 rate.
- Of the 385 children under 3 years of age, 284 children are at grant levels lower than the established grant of $898 and will receive a grant increase, and 101 children will continue to receive grants over the $898 rate.
- It is estimated that 117 children over 3 years of age will begin receiving both an AAP from CDSS and regional center services annually.
- It is estimated that 73 children under 3 years of age will begin receiving both an AAP from CDSS and regional center services annually.

Grants for AAP and Foster Care

- The estimated current rate for children over 3 years of age receiving less than $2,006 is $1,087. This assumes the basic rate and the Specialized Care Increment for both FC and AAP payments. These children will receive an increase of $919 to their current monthly grant ($2,006 - $1,087).
- The estimated current rate for children under 3 years of age receiving less than $898 is $425. These children will receive an increase of $473 to their current monthly grant ($898 - $425).
- Due to recent rate setting trends based on a Regional Center Survey, the estimate assumes that 58 percent of all new entries would have received a grant higher than the newly established rates of $2,006 for children over 3 years of age and $898 for children under 3 years of age.

Dual Agency Rate

Grants for AAP and Foster Care (continued)

- The current average FC grant for children over 3 years of age and receiving a grant higher than $2,006 is $3,562.
- The current average FC grant for children under 3 years of age and receiving a grant higher than $898 is $2,556.
- The current average AAP grant for children over 3 years of age and receiving a grant higher than $2,006 is $3,619.
- The current average AAP grant for children under 3 years of age and receiving a grant higher than $898 is $1,607.

METHODOLOGY:

- It is estimated that 526 (casemonths – 526 x 12) children over 3 years of age will receive an increased FC grant of $919 starting July 1, 2007.
- It is estimated that 564 (casemonths – 564 x 12) children under 3 years of age will receive an increased FC grant of $473 starting July 1, 2007.
- It is estimated that over a 12 month period 242 FC children over 3 years of age will become 'dual agency' children, and 102 children (42 percent) will receive a grant of $2,006 instead of $1,087, and 140 children (58 percent) will receive a $2,006 grant instead of $3,619.
- It is estimated that over a 12 month period 152 FC children under 3 years of age will become 'dual agency' children, and 64 children (42 percent) will receive a grant of $898 instead of $425, and 88 children (58 percent) will receive an $898 grant instead of $2,556.
- It is estimated that 1,694 (casemonths – 1694 x 12) children over 3 years of age will receive an increased AAP grant of $919 starting July 1, 2007.
- It is estimated that 284 (casemonths – 284 x 12) children under 3 years of age will receive an increased AAP grant of $473 starting July 1, 2007.
- It is estimated that over a 12 month period 117 Adopted children over 3 years of age will become 'dual agency' children, and 49 children (42 percent) will receive a grant of $2,006 instead of $1,087, and 68 children (58 percent) will receive a $2,006 grant instead of $3,562.
- It is estimated that over a 12 month period 73 Adopted children under 3 years of age will become 'dual agency' children, and 31 children (42 percent) will receive a grant of $898 instead of $425, and 42 children (58 percent) will receive a $898 grant instead of $1,607.

FUNDING:

Item 101

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

Dual Agency Rate

FUNDING (CONTINUED):

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

CHANGE FROM PRIOR SUBVENTION:

The Current Year and Budget Year FC and AAP decrease is a result of a caseload decline.

REASON FOR YEAR-TO-YEAR CHANGE:

The slight decrease in costs is a result of savings associated from new cases entering.

EXPENDITURES:

(In 000's)

Foster Care - 101	2007-08	2008-09
Total	$7,387	$6,019
Federal	2,622	2,137
State	1,906	1,553
County	2,859	2,329
Reimbursements	0	0

AAP- 101	2007-08	2008-09
Total	$19,800	$19,382
Federal	8,613	8,431
State	8,390	8,213
County	2,797	2,738
Reimbursements	0	0

Title IV-E Foster Parent Child Care Program

DESCRIPTION:

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

IMPLEMENTATION DATE:

This premise was implemented on July 1, 2005.

KEY DATA/ASSUMPTIONS:

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

METHODOLOGY:

To estimate the cost, the statewide monthly caseload was multiplied by the percent of childcare cases in the participating counties and multiplied by the counties share of statewide cases. The product was then multiplied by the average monthly CalWORK's Child Care Stage One reimbursement, and then multiplied by 12 months.

- The participating counties currently fund child care in 39.4 percent of their federal Foster Family Home (FFH) cases. The federal FFH eligible caseload in these counties is 7.1 percent of the total statewide monthly caseload.
- The monthly CalWORK's Child Care Stage One reimbursement including the California Necessities Index and administration cost is $742.99 for Fiscal Year (FY) 2007-08 and $761.09 for FY 2008-09.

Title IV-E Foster Parent Child Care Program

FUNDING:

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

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase reflects a slight decrease in caseload offset by an increase in the cost per case.

EXPENDITURES:

(in 000's)	2007-08	2008-09
Total	$ 7,350	$7,384
Federal	3,675	3,692
State	0	0
County	3,675	3,692
Reimbursements	0	0

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

DESCRIPTION:

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

IMPLEMENTATION DATE:

This premise will implement on July 1, 2008.

KEY DATA/ASSUMPTIONS:

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

Foster Care Grants

- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.
- There are 4,572 children in foster care aged 16 ½ through 17 ½ that will require an SSI/SSP screening each Fiscal Year (FY) based on caseload data from December 2007. Upon implementation in FY 2008-09, there will be a back-log of an additional 1,372 children that did not receive a screening in the prior year for a total of 5,944 screenings.
- Of the 5,944 children aged 16 ½ through 17 ½, 4,189 are receiving federal foster care that will require an SSI/SSP screening. It is estimated that 15 percent or 628 cases will receive an application for SSI. Of these, 244 are estimated to be in Foster Family Homes (FFH), 163 are estimated to be in Foster Family Agencies (FFA), and 221 are estimated to be in Group Homes (GH).
- Federal foster care cases receiving an application for SSI for one month will not receive federal participation for the maintenance payment, and will receive state and county funds at the normal sharing ratios
- Due to the additional screenings, it is estimated that 111 state only cases in the Budget Year (BY) will receive an SSI grant instead of a state only foster care grant.
- The FFH BY federal grant amount is estimated at $678.
- The FFA BY federal grant amount is estimated at $1,749.
- The GH BY federal grant amount is estimated at $5,058.

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

SSI/SSP

- The average monthly number of state only FC cases found eligible for SSI/SSP after screening will be 132 cases in FY 2008-09.
- The average monthly number of federal FC cases found eligible for SSI/SSP after screening and that have a FC grant less than the applicable SSI/SSP grant is two cases in FY 2008-09.
- The average monthly SSI grant will be $637 in 2008, increasing to $652 in January 2009.
- The average monthly SSP grant will be $436 per case from June 2008 through May 2009. The SSP grant will increase to $477 effective June 1, 2009.
- The average SSI/SSP administrative cost per case is estimated to increase from $9.95 to $10.14 per case effective October, 1, 2008.

Foster Care Admin.

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

Child Welfare Services (CWS)

- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.
- There are 4,572 children in foster care aged 16 ½ through 17 ½ that will require an SSI/SSP screening each FY based on caseload data from December 2007. Upon implementation in FY 2008-09, there will be a back-log of an additional 1,372 children that did not receive a screening in the prior year for a total of 5,944 screenings.
- Each screening will require 30 minutes of social worker time.
- Fifteen percent of those screened (892) will have an SSI/SSP application submitted which will require eight hours of social worker time. Fifty percent of applications submitted (446) will be initially denied and then appealed, requiring an additional six hours of social worker time.
- The average statewide social worker hourly cost is $72.60.

METHODOLOGY:

Foster Care Grants

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

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

METHODOLOGY (CONTINUED):

SSI/SSP

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

Foster Care Admin.

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

CWS

The caseload is multiplied by the number of social worker hours, multiplied by the hourly cost.

FUNDING:

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

CHANGE FROM PRIOR SUBVENTION:

There is no change for the Current Year. For the Budget Year (BY) the caseload has increased to reflect the back-log of cases once this premise is implemented.

REASON FOR YEAR-TO-YEAR CHANGE:

This premise implements in the BY.

EXPENDITURES:

(in 000's)

ITEM 101 – Foster Care Grant Costs	2007-08 Grant	2008-09 Grant
Total	$0	-$784
Federal	0	-797
State	0	5
County	0	8
Reimbursements	0	0

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

EXPENDITURES (CONTINUED):

(in 000s)

ITEM 111 –	2007-08	2008-09
SSI/SSP Costs	Grant	Grant
Total	$0	$1,768
Federal	0	1,046
State	0	722
County	0	0
Reimbursements	0	0

ITEM 141 –	2007-08	2008-09
Foster Care Admin	County Admin.	County Admin.
Total	$0	$171
Federal	0	60
State	0	111
County	0	0
Reimbursements	0	0

ITEM 151 –	2007-08	2008-09
CWS Admin Costs	County Admin.	County Admin.
Total	$0	$929
Federal	0	339
State	0	590
County	0	0
Reimbursements	0	0

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

DESCRIPTION:

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

IMPLEMENTATION DATE:

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

KEY DATA/ASSUMPTIONS:

- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.
- The estimated number of teen moms who are in placement with their children is 408.
- The estimated number of non-dependent infant cases is 265.
- The Foster Family Agency and Foster Family Homes infant supplement rate will change from $391 to $425.
- SB 500 allows for an additional $200 above the infant supplemental rate for non-dependent infants.
- Under the provisions of SB 500, the average grant for Group Homes is $5,175 with a current infant supplement rate of $848 for non-dependent infant and a rate of $5,175 for dependent infant. Effective January 1, 2008, the rate for a dependent infant to be placed with a dependent mother for reunification purposes will be the infant supplemental rate.
- It is estimated that Group Home providers are currently receiving a full Group Home grant for 22 infants placed with their mothers. The estimate assumes that the infant grant will be reduced to the current infant supplement rate in Group Homes of $848 as of January 1, 2008.

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

KEY DATA/ASSUMPTIONS (CONTINUED):

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

FUNDING:

Item 101

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

Item 151

For the non-Title IV-E Waiver counties, after applying the foster care federal discount rate of 75 percent, costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are shared 70 percent GF and 30 percent county.

CHANGE FROM PRIOR SUBVENTION:

The Current Year (CY) and Budget Year (BY) decrease reflect updated average grants based on actual expenditures.

REASON FOR YEAR-TO-YEAR CHANGE:

Estimate reflects the ongoing savings of SB 720.

EXPENDITURES:

(in 000's)

ITEM 101 – FC Payments	2007-08	2008-09
	Grant	Grant
Total	$439	-$669
Federal	162	-244
State	111	-169
County	166	-256
Reimbursements	0	0

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

EXPENDITURES (CONTINUED):

ITEM 151 – Child Welfare Services	2007-08 County Admin.	2008-09 County Admin.
Total	$22	$22
Federal	8	8
State	10	10
County	4	4
Reimbursements	0	0

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IV-E Funding – For Profit Group Homes (AB 1462)

DESCRIPTION:

This premise reflects the cost associated with the implementation of Assembly Bill (AB) 1462 (Chapter 65, Statutes of 2007). AB 1462 would permit federal financial participation (FFP) for the limited placement of children placed in for-profit facilities when the following criteria have been met and documented in the county welfare department case file: (1) the child has specified extraordinary and unusual special and behavioral and/or medical needs that make the child difficult to place; (2) no other comparable private non-profit facility or public licensed residential care home exists in the state that is willing to accept the placement and is capable of meeting the child's extraordinary needs; and (3) the county placement agency has demonstrated that no other alternative placement option exists for the child. The bill would require that making such payments, the counties would use the residential facility rates established by the State Department of Developmental Services (DDS) to pay for 24-hour out-of-home non-medical care and supervision of children who have dual eligibility as both Aid to Families with Dependent Children – Foster Care (AFDC-FC) recipients and regional centers clients. Additionally, the bill would require that such payments would be made for no more than five AFDC-FC eligible children in a county at any given time. For each placement, FFP would only be paid for 12 months. The bill would also require the county to be responsible for 100 percent of the non-federal share of the payments.

IMPLEMENTATION DATE:

This premise implemented July 1, 2007.

KEY DATA/ASSUMPTIONS:

- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties
- The estimated number of children impacted is 280. The 56 counties multiplied by five cases.
- The estimated average grant for Group Homes is $5,175.

METHODOLOGY:

- This estimate casesmonths of 3,360 (280*5) is multiplied by the average group home grant ($5,175).

FUNDING:

Federal funding is provided by Title IV-E of the Social Security Act, with the amount of FFP is based on the Federal Medical Assistance Percentage for those cases meeting eligibility criteria at the 50 percent rate. Funding for the nonfederal share is 100 percent county funds.

CHANGE FROM PRIOR SUBVENTION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a new premise.

IV-E Funding – For Profit Group Homes (AB 1462)

EXPENDITURES:

(in 000's)

ITEM 101 – FC Payments	2007-08	2008-09
	Grant	Grant
Total	$0	$17,386
Federal	0	8,693
State	0	0
County	0	8,693
Reimbursements	0	0

Ten Percent Reduction to the Basic Care, Specialized Care, and Clothing Allowance Rates for the Foster Care, Kinship Guardian Assistance Payment, Emergency Assistance, Seriously Emotionally Disturbed Children, and Adoption Assistance Programs

DESCRIPTIONS:

This premise reflects the savings from reducing the Basic Care, Specialized Care, and Clothing Allowance Rates for Foster Care, Seriously Emotionally Disturbed (SED) Children, Kinship Guardian Assistance Payment (Kin-GAP), and Adoption Assistance Program (AAP) by ten percent. This premise is necessitated by the budget balancing reductions.

Foster Care rates for Foster Family Home (FFH), Foster Family Agency (FFA), Group Home (GH) and Kin-GAP recipients support the care and supervision needs of children placed in out-of-home care by child welfare and probation agencies.

Kin-GAP recipients are children placed with relatives receiving a rate equal to the basic foster care rate plus specialized care (if eligible), to assist the relative in providing permanency and preventing the children from re-entering or staying in foster care.

AAP provides benefits to adoptive parents to enable them to meet the care and supervision needs of children who are AAP-eligible.

The Specialized Care Rate (SCR) is paid to a provider over and above the family home basic rate provides for the additional care and supervision needs of the child due to the severity of the child's health and/or behavior problems.

Emergency Assistance (EA) funds are available for use by the counties to assist in resolving the emergency of a "needy child" and to provide assistance on behalf of such a child or any other member of the household in which he/she is residing.

The California Department of Social Services (CDSS) currently funds maintenance payments from the General Fund (GF) for SED children. Most SED children are placed by the Department of Education in group home psychiatric peer group settings at rate classification levels 12 through 14. However, some SED children are placed in foster family homes and foster family agencies.

Under current law, FFHs, and Kin-GAP recipients will receive a five percent increase to the basic rate, SCR, and clothing allowance effective January 1, 2008. A five percent increase also will apply to new AAP cases entered into after January 1, 2008. GH maintenance payments also will receive a five percent increase on that date. FFAs will not receive a five percent rate increase on January 1, 2008 under current law.

IMPLEMENTATION DATE:

These reductions assume a July 1, 2008, enactment of Legislation with an October 1, 2008, implementation date.

Ten Percent Reduction to the Basic Care, Specialized Care, and Clothing Allowance Rates for the Foster Care, Kinship Guardian Assistance Payment, Emergency Assistance, Seriously Emotionally Disturbed Children, and Adoption Assistance Programs

KEY DATA/ASSUMPTIONS:

- The program reductions reflect savings based on the estimates for all 58 counties.
- Senate Bill (SB) 84 (Chapter 177, Statutes of 2007, 8/24/07), provides a five percent increase for FFHs, GHs, AAP, EA, Kin-GAP, and Specialized Care Increments (SCIs), commencing January 1, 2008.
- A ten percent reduction is assumed for FFH, GH, Kin-GAP, AAP, and SED, including Clothing Allowance and SCI.
- SB 84 delinks FFAs from the five percent increase authorized for FFHs linked to the AAP. As a result, rates paid to FFA will receive a five percent reduction rather than the ten percent reduction.
- For the Title IV-E Waiver Counties, there will be no reduction in the federal or county foster care assistance shares due to the funding cap established within the waiver agreements.

METHODOLOGY:

The projected savings are the result of the reductions applied to the caseloads and corresponding average grants for the applicable programs.

FUNDING:

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

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

Ten Percent Reduction to the Basic Care, Specialized Care, and Clothing Allowance Rates for the Foster Care, Kinship Guardian Assistance Payment, Seriously Emotionally Disturbed Children, and Adoption Assistance Programs

FUNDING (CONTINUED):

Kin-GAP Program
The Kin-GAP basic rate was paid utilizing the applicable regional per-child California Work Opportunity and Responsibility to Kids (CalWORKS) grant from federal funds received as part of the Temporary Assistance for Needy Families (TANF) block grant. This portion will now be funded with GF. The balance of the Kin-GAP basic and SCI rate is paid with 50 percent GF and 50 percent county. For State-Only Kin-GAP cases, grant and administrative costs are shared 50 percent GF and 50 percent county.

CHANGE FROM THE PRIOR SUBVENTION:
The decrease in savings in the Current Year (CY) is based on the lack of action in the special Legislative session required to implement the premise. The Budget Year (BY) reflects nine months of savings as opposed to the full year previously estimated in the November Estimate.

REASON FOR YEAR-TO-YEAR CHANGE:
The BY reflects nine months of savings as opposed to the full year of savings projected in the November Estimate.

EXPENDITURES:
(In 000's)

Total

	2007-08	2008-09
Total	$0	-$141,601
Federal	0	-38,618
State	0	-58,924
County	0	-44,059
Reimbursements	0	0

Item 101 - Kin-GAP

	2007-08	2008-09
Total	$0	$7,902
Federal	0	0
State	0	-3,951
County	0	- 3,951
Reimbursements	0	0

Ten Percent Reduction to the Basic Care, Specialized Care, and Clothing Allowance Rates for the Foster Care, Kinship Guardian Assistance Payment, Seriously Emotionally Disturbed Children, and Adoption Assistance Programs

EXPENDITURES (CONTINUED):

(In 000's)

Item 101 - Foster Care/EA/SED

	2007-08	2008-09
Total	$0	-$74,138
Federal	0	-17,181
State	0	-24,242
County	0	-32,715
Reimbursements	0	0

Item 101 - AAP

	2007-08	2008-09
Total	$0	-$51,008
Federal	0	-21,437
State	0	-22,178
County	0	- 7,393
Reimbursements	0	0

Item 153 - Title IV-E Waiver
Foster Care 101

	2007-08	2008-09
Total	$0	-$8,553
Federal	0	0
State	0	-8,553
County	0	0
Reimbursements	0	0

Adoption Assistance Program – Basic Costs

DESCRIPTION:

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

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

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

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 16115 through 16123.
- Cases presumed to be eligible for the federal AAP make up 86.5 percent of the total AAP payment caseload, based on data through December 2007 as reported on the CA 800 claim forms.
- Caseload and expenditure data extracted from the CA 800 provide the basis for caseload and average grant projections.
- The federal and nonfederal average grants are $764.79 and $797.34, respectively, for Fiscal Year (FY) 2007-08 and $776.32 and $787.59 for FY 2008-09, based on an 18-month linear trend analysis.
- The amount of federal financial participation (FFP) is based on the Federal Medical Assistance Percentage (FMAP) rate of 50 percent.

METHODOLOGY:

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

Adoption Assistance Program – Basic Costs

FUNDING:

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

CHANGE FROM PRIOR SUBVENTION:

The Current Year and Budget Year (BY) estimate reflects a slightly higher average monthly caseload than was projected for the November Estimate, and updated average grants based on actual expenditures.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY increase reflects a projected caseload increase.

CASELOAD:

	2007-08	2008-09
Average Monthly Caseload	76,815	81,213

EXPENDITURES:

(in 000's)

	2007-08	2008-09
	Grant	Grant
Total	$709,029	$758,056
Federal	296,857	318,587
State	309,129	329,602
County	103,043	109,867
Reimbursements	0	0

Refugee Cash Assistance – Basic Costs

DESCRIPTION:

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

KEY DATA/ASSUMPTIONS:

Section 1522 of Title 8 of the United States Code (U.S.C.) authorizes the federal government to provide grants to the states to assist refugees who resettle in the U.S.

Sections 13275 through 13282 of the Welfare and Institutions Code authorize the Department to administer the funds provided under Title 8 of the U.S.C. It also provides the Department authority to allocate the federal funds to the counties.

The average grant cost for RCA recipients is $304.28, which reflects actual expenditures through December 2007.

The average monthly caseload for Fiscal Years (FYs) 2007-08 and 2008-09 is estimated at 2,024 and 1,540 cases, respectively.

METHODOLOGY:

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

FUNDING:

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

CHANGE FROM PRIOR SUBVENTION:

For FY 2007-08 and FY 2008-09, the program costs have increased due to a higher average monthly caseload than previously projected offset by a lower average grant cost based on actual expenditures.

REASON FOR YEAR-TO-YEAR CHANGE:

The total costs decrease in FY 2008-09 is due to a lower average grant cost based on actual expenditures.

Refugee Cash Assistance – Basic Costs

EXPENDITURES:

(in 000's)

	2007-08 Grant	2008-09 Grant
Total	$7,277	$5,621
Federal	7,277	5,621
State	0	0
County	0	0
Reimbursements	0	0

Emergency Food Assistance Program Fund

DESCRIPTION:

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

IMPLEMENTATION DATE:

This premise implemented on July 1, 2000.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Revenue and Taxation Code Sections 18851 through 18855.
- The Current Year (CY) estimate reflects the actual amount of contributions made to the EFAP fund from June 2006 through May 2007 of $370,627, unexpended funds of $11,295 from prior years, and interest of $25,024.
- The Budget Year (BY) reflects the estimated amount of contributions to be made to the EFAP fund from June 2007 through May 2008 of $430,000 and estimated interest of $25,000.
- The estimated annual administrative costs for FTB and SCO are $6,312 in both the CY and BY.
- These funds are provided to supplement, and not supplant, existing program funds.

METHODOLOGY:

The CY reflects the actual amount available for expenditure in Fiscal Year 2007-08. The BY reflects the estimated amount of contributions to the EFAP fund in the state income tax year, plus accrued interest, less the annual administrative costs for FTB and SCO.

FUNDING:

The costs are 100 percent from the EFAP fund.

CHANGE FROM PRIOR SUBVENTION

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

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

Emergency Food Assistance Program Fund

EXPENDITURES:

(in 000's)

	2007-08 Grant	2008-09 Grant
Total	$401	$449
Federal	0	0
State	401	449
County	0	0
Reimbursements	0	0

Food Bank Funding

DESCRIPTION:

The Governor declared 18 counties as disaster areas due to weather conditions in January 2007 that affected farming-related businesses. The extent of the damage displaced many farm workers who had a loss of income and were expected to need public assistance. The Governor authorized the Department of Finance to transfer $4.7 million in Fiscal Year (FY) 2006-07 and $1.5 million in FY 2007-08 to the Department of Social Services for allocation to local food banks and Foodlink for the storage and transportation of food to these individuals.

IMPLEMENTATION DATE:

This premise implemented January 31, 2007.

KEY DATA/ASSUMPTIONS:

Authorizing statute: Government Code section 8690.6.

METHODOLOGY:

Eighteen counties were declared disaster areas by the Governor. Those counties are El Dorado, Fresno, Imperial, Kern, Kings, Madera, Merced, Monterey, Riverside, San Bernardino, San Diego, San Luis Obispo, Santa Barbara, Santa Clara, Stanislaus, Tulare, Ventura, and Yuba.

Foodlink will require $1.5 million in the Current Year (CY) for storage and transportation.

FUNDING:

The cost is funded with 100 percent General Fund.

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a CY premise only, there is no funding in the Budget Year.

Food Bank Funding

EXPENDITURES:

(in 000's)

	2007-08 County Admin.	2008-09 County Admin.
Total	$1,501	$0
Federal	0	0
State	1,501	0
County	0	0
Reimbursements	0	0

California Food Assistance Program

DESCRIPTION:

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

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

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

IMPLEMENTATION DATE:

This premise originally implemented on September 1, 1997.

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

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 18930.
- For Fiscal Year (FY) 2007-08 and 2008-09, CFAP costs are based on the following key data/assumptions:
- It is assumed that the trend in the total number of CFAP recipients resembles the monthly fluctuations in the California Work Opportunity and Responsibility to Kids (CalWORKs) and Non-Assistance Food Stamp (NAFS) trend forecasts.
- The total number of CFAP recipients is projected by applying the CalWORKs and NAFS trend forecast to actual December 2007 recipients.
- The projected average monthly number of CFAP recipients for FY 2007-08 is 20,593. The average number of CFAP recipients for July 2007 through September 2007 is 19,968 and the projected average number of CFAP recipients for October 2007 through June 2008 is 20,801.
- The projected average monthly number of CFAP recipients for FY 2008-09 is 22,098. The average number of projected CFAP recipients for July 2008 through September 2008 is 21,544 and the projected average number of CFAP recipients for October 2008 through June 2009 is 22,282.
- The projected average monthly number of CFAP households for FY 2007-08 is 8,278 and for FY 2008-09 is 8,883.

California Food Assistance Program

KEY DATA/ASSUMPTIONS (CONTINUED):

- Based on actual data reported from the counties, the average coupon value per person is $86.95 July 2007 through September 2007. Effective October 1, 2007, a Cost of Living Adjustment (COLA) is applied increasing the average coupon to $91.64 per person. Effective October 2008, another COLA is applied increasing the average coupon per person to $95.82.
- The average monthly administrative cost per case is $25.01.
- The processing fee charged by the Food and Nutrition Service for Electronic Benefit Transfer is $314 per $1 million.
- The ratio between public assistance (PA) and nonassistance (NA) is 23.2 percent PA and 76.8 percent NA.
- The PA costs are considered eligible expenditures for the state's maintenance of effort (MOE) requirement. The NA costs are not considered MOE eligible.

METHODOLOGY:

- The coupon costs are calculated by multiplying the average coupon value per person by the projected monthly number of recipients multiplied by 12 months.

  For July 2007 through September 2007:

  $86.95 x 19,968 x 3 = $5.2 million

  For October 2007 through June 2008:

  $91.64 x 20,801 x 9 = $17.2 million

  FY 2007-08 Total:

  $5.2 Million + $17.2 Million = $22.4 Million

  The processing fees are included in the annual coupon costs:

  ($22.4 million ÷ 1.0 million) x $314 = $7,022

  Increased coupon costs due to a Standard Utility Allowance adjustment are also included in the annual coupon costs:

  $22.4 million + $7,049+ $1.03 million = $23.4 million

  Annual coupon costs are reduced by $857,000 for Prospective Budgeting as these costs are reflected on a separate premise:

  $23.4 million - $857,000 = <u>$22.5 million</u>

- Administrative costs are calculated by multiplying the average administrative cost per case by the projected monthly number of cases multiplied by 12 months.

  $25.01 x 8,278 x 12 = $2.48 million

  Administrative costs are increased by $9,000 to reflect costs associated with Simplification Options:

  $2.48 million + $9,000 = <u>$2.49 million</u>

California Food Assistance Program

FUNDING:

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

CHANGE FROM PRIOR SUBVENTION:

The Current Year and Budget Year (BY) decrease in costs is associated with a slower than expected caseload growth.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY reflects an increase in caseload and higher coupon costs associated with the October 2008 COLA.

CASELOAD:

	2007-08	2008-09
Average Monthly Number of Recipients	20,593	22,098

EXPENDITURES:

(in 000's)

	2007-08		2008-09	
	Coupon	County Admin.	Coupon	County Admin.
Total	$22,546	$2,493	$25,333	$2,693
Federal	0	0	0	0
State	22,546	2,493	25,333	2,693
County	0	0	0	0
Reimbursement	0	0	0	0

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Ten Percent CFAP Benefit Reduction

DESCRIPTION:

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

This premise is necessitated by the budget balancing reductions.

IMPLEMENTATION DATE:

This reduction assumes a July 1, 2008 enactment of Legislation with an October 1, 2008 implementation date.

KEY DATA/ASSUMPTIONS:

- This estimate assumes a ten percent reduction to the CFAP benefit amount.
- The ten percent reduction in benefits will require a change in state statute and emergency regulations.
- Based on actual reported figures for October 2007 through December 2007, the average CFAP benefit amount is $91.64 per person. A ten percent reduction to this would result in the benefit amount being reduced by $9.16 per person. The new estimated CFAP benefit amount would be $82.48 per person.
- After taking into account the caseload impact to CFAP from other premises, the projected average monthly number of CFAP recipients for Fiscal Year (FY) 2008-09 is 24,129.
- Manual workaround in the amount of $0.3 million has been budgeted for counties until the automation to make the reduction is available.
- Based on information collected from the consortium, it would take an average of 25 minutes for an eligibility worker (EW) to manually reduce CFAP benefits during the reporting month.
- The food stamp EW cost per hour is $58.27.
- The average admin cost per case is $24.28 during a reporting month.
- It is assumed that 7.20 percent of the new cumulative caseload would be subject to mid-quarter reporting.
- It is assumed that the administrative cost for an EW to process a mid-quarter report is $28.23.
- The ratio between public assistance (PA) and nonassistance (NA) is 23.2 percent PA and 76.8 percent NA.

Ten Percent CFAP Benefit Reduction

KEY DATA/ASSUMPTIONS (CONTINUED):

- The PA costs are considered eligible expenditures for the state's maintenance of effort (MOE) requirement. The NA costs are not considered MOE eligible.

METHODOLOGY:

- Beginning in October 2008, CFAP cases will receive a reduction of $9.58 per recipient. The total savings are calculated by multiplying the average monthly recipient by the benefit reduction and the number of months. This results in total CFAP benefit savings of $2.1 million in FY 2008-09 ($9.58 x 24,129 x 9 = $2.1 million).
- The CFAP admin cost per case is calculated by applying the reporting caseload time the average monthly cost per case. This results in a total administrative cost of $0.3 million in FY 2008-09.

FUNDING:

This program is funded 100 percent General Fund.

CHANGE FROM PRIOR SUBVENTION:

The prior subvention assumed a March 2008 notification with June 2008 start date. The delay in implementation has resulted in no savings in FY 2007-08 and nine months of savings in FY 2008-09 as opposed to one month of savings in FY 2007-08 and 12 months of savings in FY 2008-09. The estimate also now includes administrative funding to allow consortium manual workaround time until the CFAP benefit reduction can be automated.

REASON FOR YEAR-TO-YEAR CHANGE:

This premise implements in the Budget Year.

Ten Percent CFAP Benefit Reduction

EXPENDITURES:

(in 000's)

101 – Grants	2007-08	2008-09
Total	$0	-$2,081
Federal	0	0
State	0	-2,081
County	0	0
Reimbursements	0	0

141 – Admin	2007-08	2008-09
Total	$0	$293
Federal	0	0
State	0	293
County	0	0
Reimbursements	0	0

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SSI/SSP – Basic Costs

DESCRIPTION:

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

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

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

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

KEY DATA/ASSUMPTIONS:

- The SSA will continue to administer the program under Title XVI of the Social Security Act.
- Section 1611 of Title XVI defines the amount of SSI benefits an individual may be eligible to receive.
- Section 12200 of the Welfare and Institutions Code defines the maximum payment standard available under each living arrangement.
- The basic costs per case for SSI and SSP estimates are developed from actual state and federal expenditures reported on the State Data Exchange (SDX) and SSA 8700 reports. The SSI and SSP average grants are based on actual data through December 2007 and are as follows:

	SSI	SSP
Aged	$292.90	$228.61
Blind	365.89	283.40
Disabled	399.55	227.72

METHODOLOGY:

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

SSI/SSP – Basic Costs

FUNDING:

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

CHANGE FROM PRIOR SUBVENTION:

Total costs have increased due to a higher average grant based on updated actual expenditures.

REASON FOR YEAR-TO-YEAR CHANGE:

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

CASELOAD:

	2007-08	2008-09
Average Monthly Persons	1,247,575	1,274,000

EXPENDITURES:

(in 000's)

	2007-08	2008-09
	Grant	Grant
Total	$8,833,490	$9,022,078
Federal	5,449,482	5,560,539
State	3,384,008	3,461,539
County	0	0
Reimbursements	0	0

SSI/SSP – 2008 COLA

DESCRIPTION:

This premise reflects the impact of cost-of-living adjustments (COLAs) given to Supplemental Security Income/State Supplementary Payment (SSI/SSP) program recipients in 2008. The SSI Consumer Price Index (CPI) COLA of 2.3 percent was passed through to recipients on January 1, 2008, resulting in an increase in the SSI portion of the grant payment. The California Necessities Index (CNI) of 3.70 percent for 2008 will be suspended until October 1, 2008.

IMPLEMENTATION DATE:

The CPI COLA was implemented on January 1, 2008.

The CNI COLA will implement on October 1, 2008.

KEY DATA/ASSUMPTIONS:

- Section 1617 of Title XVI of the Social Security Act authorizes the COLA for SSI recipients.
- Section 12201 of the Welfare and Institutions Code authorizes the COLA for SSP recipients.
- The state COLA based on the CNI is 3.70 percent for 2008, and will be suspended until October 1, 2008.
- The CPI COLA was 2.3 percent for 2008, and was granted on January 1, 2008.

METHODOLOGY:

- The SSI average grants change as a result of the COLA. The CPI was applied to the 2007 SSI payment standards and the result was a new SSI payment standards for 2008.
- The SSP average grants increase as a result of the COLA. The CNI is applied to the total 2007 payment standard and then rounded to the nearest dollar for the new total payment standard. The 2008 SSI payment standard is subtracted from the new total payment standard; the result is the new SSP payment standard
- The new payment standards are used in a statistical model to determine a change to the basic SSI/SSP average grant due to the COLAs. The change in average grant is multiplied by the caseload and the result is the change to the SSI/SSP Program for the 2008 COLAs.
- The General Fund (GF) impact to the Cash Assistance Program for Immigrants and California Veterans Cash Benefit Program are included in the total impact of the COLAs.

FUNDING:

The SSI portion of the program is funded with 100 percent federal Title XVI funds, and the SSP portion is funded with 100 percent GF. Each component is computed separately.

SSI/SSP – 2008 COLA

CHANGE FROM PRIOR SUBVENTION:

There is no Current Year cost as the Legislature took action during the Special Session to suspend the state COLA until October 2008. The Budget Year (BY) decrease reflects nine months of costs as opposed to 12 months.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year reflects the nine months impact of the state COLA.

EXPENDITURES:

(In 000's):

	2007-08 Grant	2008-09 Grant
Total	$66,308	$334,079
Federal	66,308	134,779
State	0	199,300

SSI/SSP – 2009 COLA

DESCRIPTION:

This premise reflects the impact of cost-of-living adjustments (COLAs) given to Supplemental Security Income/State Supplementary Payment (SSI/SSP) program recipients in 2009. The estimated SSI Consumer Price Index (CPI) COLA of 2.7 percent will be passed through to recipients resulting in an increase in the SSI portion of the grant payment on January 1, 2009. The California Necessities Index (CNI) of 5.26 percent will be provided on June 1, 2009 consistent with current law.

IMPLEMENTATION DATE:

The CPI COLA will implement on January 1, 2009.

The CNI COLA will implement on June 1, 2009.

KEY DATA/ASSUMPTIONS:

- Section 1617 of Title XVI of the Social Security Act authorizes the COLA for SSI recipients.
- Section 12201 of the Welfare and Institutions Code authorizes the COLA for SSP recipients.
- The estimated State COLA based on the CNI is 5.26 percent for 2009 and will be provided on June 1, 2009 pursuant to current law.
- The CPI is estimated at 2.7 percent for 2009, and will be passed through to recipients on January 1, 2009.

METHODOLOGY:

- The SSI and SSP average grants change as a result of the COLA. The CPI is applied to the 2008 SSI payment standards and the result is the new SSI payment standards for 2009.
- The SSP average grants increase as a result of the COLA. The CNI is applied to the total 2008 payment standard and then rounded to the nearest dollar for the new total payment standard. The 2009 SSI payment standard is subtracted from the new total payment standard; the result is the new SSP payment standard.
- The new payment standards are used in a statistical model to determine a change to the basic SSI/SSP average grant due to the COLAs. The change in average grant is multiplied by the caseload and the result is the change to the SSI/SSP program for the 2009 COLAs.
- The General Fund (GF) impact to the Cash Assistance Program for Immigrants and California Veterans Cash Benefit Program are included in the total impact of the COLAs.

FUNDING:

The SSI portion of the program is funded with 100 percent federal Title XVI funds, and the SSP portion is funded with 100 percent GF. Each component is calculated separately.

SSI/SSP – 2009 COLA

CHANGE FROM PRIOR SUBVENTION:

There is no change in the Current Year. The Budget Year (BY) increase is due to the updated of the CNI from 4.25 to 5.26 percent and the CPI from 1.7 to 2.7 percent

REASON FOR YEAR-TO-YEAR CHANGE:

The COLAs are effective in the BY only.

EXPENDITURES:

(In 000's):

	2007-08 Grant	2008-09 Grant
Total	$0	$120,102
Federal	0	82,039
State	0	38,063
County	0	0
Reimbursements	0	0

SSI/SSP – SSP Administration

DESCRIPTION:

The Social Security Administration (SSA) formerly administered the Supplemental Security Income/ State Supplementary Payment (SSI/SSP) Program benefit payments without charge to the states. The Omnibus Budget Reconciliation Act of 1993 shifted costs for administration of SSP to the State, effective October 1, 1993. It also provided for additional service fees to be charged if SSA provides services beyond the expected level, such as payment standard reductions or increases made on other than the normal January 1 schedule.

IMPLEMENTATION DATE:

This premise was implemented on October 1, 1993.

KEY DATA/ASSUMPTIONS:

- The SSA will continue to administer this program under Title XVI of the Social Security Act.
- The federal Balanced Budget Act of 1997 (Public Law 105-33) amended existing federal statutes pertaining to the administration fees for SSP payments. For each federal fiscal year (FFY) from 1998 through 2002, administration fees increased from an initial $5.00 per payment to $8.50 per payment in FFY 2002. Increases after FFY 2002 are based on the Consumer Price Index (CPI).
- Effective October 1, 2007, the fee increased from $9.69 to $9.95, based on the increase in the CPI from June of the current year compared to June of the previous year. Effective October 1, 2008, the fee is projected to increase to $10.14 per payment.

METHODOLOGY:

The projected number of payments is based on the projected caseload plus the six-month moving average of the difference between the actual caseload and the number of payments. The projected number of payments is then multiplied by the respective cost per payment.

FUNDING:

The administration costs consist of 100 percent General Fund.

CHANGE FROM PRIOR SUBVENTION:

The current year estimate reflects an increase due to the updated payment actuals.

REASON FOR YEAR-TO-YEAR CHANGE:

Expenditures increase due to a higher average monthly caseload and an increase in the fee per payment from $9.95 to $10.14 on October 1, 2008.

SSI/SSP – SSP Administration

CASELOAD:

	2007-08	2008-09
Average Monthly Payments	1,266,293	1,292,469

EXPENDITURES:

(in 000's)

	2007-08	2008-09
	Admin	Admin
Total	$150,215	$156,537
Federal	0	0
State	150,215	156,537
County	0	0
Reimbursements	0	0

California Veterans Cash Benefit Program

DESCRIPTION:

This premise reflects the cost of providing benefits at the same level as State Supplementary Payment (SSP) benefits to certain veterans of World War II who 1) return to the Republic of the Philippines and no longer have a place of residence in the state; and 2) were receiving SSP benefits on December 14, 1999. The California Veterans Cash Benefit (CVCB) payments are authorized under Assembly Bill 1978 (Chapter 143, Statutes of 2000).

IMPLEMENTATION DATE:

This premise implemented on July 19, 2000.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 12400.
- The grant costs associated with the implementation of this bill are the equivalent of SSP benefits the veterans would receive under the SSI/SSP Program.
- An average benefit payment of $240.24 will be paid to eligible recipients, and will increase in the Budget Year (BY) to reflect the increase to the SSI/SSP payment standards due to the COLAs on October 2008 and June 2009.
- The Social Security Administration (SSA) administers the CVCB Program in conjunction with benefits under Title VIII of the federal Social Security Act.
- SSA charges a monthly administrative fee equivalent to the SSP administrative fee per payment of $9.69. The administrative fee increased to $9.95 on October 1, 2007. The ongoing administrative fee will increase to $10.14 on October 1, 2008.
- The average monthly number of participating veterans is 1,679 in Fiscal Year (FY) 2007-08, and 1,549 in FY 2008-09.

METHODOLOGY:

The cost of the program is estimated by multiplying the number of participating veterans by the benefit and administrative costs per case.

FUNDING:

This program is funded 100 percent with General Fund.

CHANGE FROM PRIOR SUBVENTION:

The current year and BY decreases are to a lower average monthly caseload based on actual data.

REASON FOR YEAR-TO-YEAR CHANGE:

The total program costs decrease in FY 2008-09 is due to a lower average monthly caseload than projected in the prior subvention.

California Veterans Cash Benefit Program

EXPENDITURES:

(in 000's)

CVCB Costs	2007-08 Grant/ Administration	2008-09 Grant/ Administration
Total	$4,962	$4,649
Federal	0	0
State	4,962	4,649
County	0	0
Reimbursements	0	0

SUPPLEMENTAL SECURITY INCOME/STATE SUPPLEMENTARY PAYMENT (SSI/SSP) SUSPENSION OF THE OCTOBER 2008 AND JUNE 2009 COLAs

DESCRIPTION:

This premise reflects the savings from the suspension of the October 2008 and June 2009 Cost of Living Adjustments (COLA) for the Supplemental Security Income/State Supplementary Payment (SSI/SSP) program.

IMPLEMENTATION DATE:

This reduction will implement October 1, 2008.

KEY DATA/ASSUMPTIONS:

- Section 16178 of Title XVI of the Social Security Act authorizes the COLA for SSI recipients.
- Section 12201 of the Welfare and Institutions Code authorizes the COLA for SSP recipients.
- The state COLA is based on the California Necessities Index (CNI) of 3.70 percent for 2008, and an increase to grants was to be given starting October 1, 2008.
- The state COLA is based on the CNI of 5.26 percent for 2009, and an increase to grants was to be given starting June 1, 2009.
- A $1 million administration fee is charged by the Social Security Administration for changing payment standards in a month other than June. This fee is netted against total savings.

METHODOLOGY:

- Pass Through of a 2.3 percent Federal Cost of Living Adjustment (COLA) – In January 2008 recipients of SSI/SSP received an increase in total benefits due to passing through the federal COLA. By multiplying the grant by the 2.3 percent Consumer Price Index (CPI) in January 2008, the SSI/SSP monthly payments for aged, blind, and disabled individuals increased from $856 to $870, and monthly payments for aged, blind, and disabled couples increased from $1,502 to $1,524.
- Suspend October 2008 COLA – By suspending the October 2008 state COLA, the SSP portion of the SSI/SSP grant will remain the same as well as the grants for 1,500 California Veterans Cash Benefit (CVCB) recipients.
- Suspend June 2009 COLA – By suspending the June 2009 state COLA, the SSP portion of the SSI/SSP grant will remain the same as well as the grants for 1,500 CVCB recipients.

SUPPLEMENTAL SECURITY INCOME/STATE SUPPLEMENTARY PAYMENT (SSI/SSP) SUSPENSION OF THE OCTOBER 2008 AND JUNE 2009 COLAs

FUNDING:

The SSI portion of the program is funded with 100 percent federal Title XVI funds, and the SSP portion is funded with 100 percent General Fund.

CHANGE FROM PRIOR SUBVENTION:

As a result of the March Special Legislative Session, the June 2008 state COLA suspension was delayed until October 2008. The prior subvention did not reflect this legislative change.

REASON FOR YEAR-TO-YEAR CHANGE:

Reflects a nine months savings from the October 2008 COLA, and one month of savings from the June 2009 COLA.

EXPENDITURES:

(In 000's)

	2007-08 Grant	2008-09 Grant
Total	0	-$235,363
Federal	0	0
State	0	-235,363
County	0	0
Reimbursements	0	0

No Pass-Through of the January 2009 SSI COLA

DESCRIPTION:

This premise reflects the savings associated with the no pass-through of the federal SSI Cost-of-living adjustment (COLA) in January 2009. This means that in January 2009, the SSP portion of the SSI/SSP grant would be reduced by the increase in the federal SSI portion. Not passing through the SSI COLA (and suspending the 2009 SSP COLA) means that the SSI/SSP payment standards in effect in December 2008 would remain in effect throughout 2009. Under this proposal, the total income of most SSI/SSP recipients would remain equivalent to the amount they received in December 2008. Recipients and 1,500 California Veterans Cash Benefit (CVCB) recipients would also be affected because their benefits are linked to the SSI/SSP rates. Their 2009 benefits would also remain at 2008 levels.

IMPLEMENTATION DATE:

This premise will implement on January 1, 2009.

KEY DATA/ASSUMPTIONS:

- Section 1617 of Title XVI of the Social Security Act authorizes the COLA for SSI recipients.
- Section 12201 of the Welfare and Institutions Code authorizes the COLA for SSP recipients.
- The State COLA, based on the CNI, is 3.70 percent for 2008, and will be suspended until October 1, 2008.
- The CPI COLA was 2.7 percent for 2009, and will be a no pass-through on January 1, 2009.

METHODOLOGY:

- The SSI and SSP average grants change as a result of the COLA. The CPI is applied to the 2008 SSI payment standards and the result is the new SSI payment standards for 2009.
- The SSP payment standards decrease as a result of not passing-through the federal COLA. The new 2009 SSI payment standard is subtracted from the total 2008 payment standards; the result is the new reduced SSP payment standard.
- The new payment standards are used in a statistical model to determine a change to the basic SSI/SSP average grant due to the COLAs. The change in average grant is multiplied by the caseload and the result is the change to the SSI/SSP program for the January 2009 COLA.
- The General Fund (GF) impact to California Veterans Cash Benefit program is included in the total impact of the COLAs.
- Statutory changes would be needed to not pass-through the 2009 SSI COLA.

FUNDING:

The SSI portion of the program is funded with 100 percent federal Title XVI funds, and the SSP portion is funded with 100 percent GF. Each component is computed separately.

No Pass-Through of the January 2009 SSI COLA

CHANGE FROM PRIOR SUBVENTION:

New premise

REASON FOR YEAR-TO-YEAR CHANGE:

New premise

EXPENDITURES:

(in 000's)	2007-08	2008-09
Total	$0	-$108,806
Federal	0	0
State	$0	-108,806
County	0	0
Reimbursements	0	0

Cash Assistance Program for Immigrants (CAPI)

DESCRIPTION:

This premise reflects the costs to implement the CAPI program. The CAPI program provides benefits to aged, blind, and disabled legal immigrants who successfully complete an application process. The benefits received are equivalent to those benefits that these immigrants would have received if they were eligible for the Supplemental Security Income and/or State Supplemental Payment (SSI/SSP) Program, less $10 per individual and $20 per couple. This premise includes costs for both the grant and administrative costs necessary for implementation.

CAPI recipients in the base program include the following immigrants: 1) those who entered the United States (U.S.) prior to August 22, 1996, and are not eligible for SSI/SSP benefits solely due to their immigration status; and 2) those who entered the U.S. on or after August 22, 1996, but meet special sponsor restrictions (have a sponsor who is disabled, deceased, or abusive). The extended CAPI caseload includes immigrants who entered the U.S. on or after August 22, 1996, who do not have a sponsor or have a sponsor who does not meet the sponsor restrictions of the base program.

IMPLEMENTATION DATE:

This premise implemented on October 1, 1998.

KEY DATA/ASSUMPTIONS:

- Chapter 10.3 of the Welfare and Institutions Code (W&IC) gives the California Department of Social Services the authority to administer the CAPI program.
- Section 18940 of the W&IC states that the CAPI Program will be governed by the same federal and state regulations which govern the SSI/SSP program.
- Section 18941 of the W&IC authorizes benefits paid under CAPI to be equivalent to benefits provided under the SSI/SSP program, except that the schedule for individuals and couples shall be reduced $10 per individual and $20 per couple per month.
- Although CAPI was originally due to sunset on July 1, 2000, Assembly Bill (AB) 1111 (Chapter 147, Statutes of 1999) extended the base program indefinitely.
- AB 1111 also created time-limited CAPI eligibility from October 1, 1999, through September 30, 2000, for immigrants who entered the country on or after August 22, 1996. This bill established a five-year deeming period for these cases. AB 2876 extended time-limited CAPI for one more year through September 30, 2001. AB 429 (Chapter 111, Statutes of 2001) eliminated the sunset date for the time-limited ("extended") program altogether, and lengthened the deeming period to ten years.
- The average monthly number of total CAPI cases will be 9,413 in Fiscal Year (FY) 2007-08, and 11,093 in FY 2008-09.

Cash Assistance Program for Immigrants (CAPI)

KEY DATA/ASSUMPTIONS (continued):

- The average monthly grant is $631.27 for the Base CAPI cases, based on actual expenditures through December 2007. The average grant will increase due to a 2.3 percent federal cost-of-living adjustment (COLA) effective January 1, 2008, and a 3.7 percent state COLA effective October 1, 2008. The average Base CAPI grant will also increase in 2009 to reflect a 2.7 percent federal COLA and 5.26 percent state COLA. The impact of the COLAs is reflected in the "2008 COLA" and "2009 COLA" premise descriptions.
- The average monthly grant is $787.88 for the Extended CAPI cases, based on actual expenditures through December 2007. The average grant will change as discussed above for the Base CAPI cases.
- The average monthly administrative cost per case for FY 2007-08 of $184.61 is based on actual expenditures through December 2007. For FY 2008-09, the average administrative cost per case will remain unchanged.

METHODOLOGY:

Base CAPI program costs are estimated by multiplying the projected monthly caseload by the Base CAPI average grant and administrative cost per case. Extended CAPI costs are estimated by multiplying the Extended CAPI caseload by the Extended CAPI average grant and administrative cost per case. Base CAPI and extended CAPI costs are then added to determine total CAPI Program costs.

FUNDING:

The program is funded with 100 percent General Fund.

CHANGE FROM PRIOR SUBVENTION:

The estimate for FY 2007-08 has decreased due to a lower average monthly caseload based on actuals.

REASON FOR YEAR-TO-YEAR CHANGE:

CAPI costs increase is due to the increasing average grant due to the COLAs as well as the influx of cases in the Extended CAPI program resulting from the expiration of the ten-year sponsor deeming period.

EXPENDITURES:

(in 000's)	2007-08	2008-09
Total CAPI*		
Total	$106,216	$129,091
Federal	0	0
State	106,216	129,091
County	0	0
Reimbursements	0	0

* Includes funds for the premise "Undocumented Citizens (SB 1569)"

Cash Assistance Program for Immigrants (CAPI)

EXPENDITURES (continued):

(in 000's)	2007-08	2008-09
Base CAPI		
Total	$23,514	$19,308
Federal	0	0
State	23,514	19,308
County	0	0
Reimbursements	0	0

(in 000's)	2007-08	2008-09
Extended CAPI		
Total	$82,613	$109,783
Federal	0	0
State	82,613	109,783
County	0	0
Reimbursements	0	0

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Elimination of the Cash Assistance Program For Immigrants (CAPI)

DESCRIPTION:

This premise reflects the savings associated with the elimination of the CAPI (Cash Assistance Program for Immigrants) program. The CAPI program provides benefits to aged, blind, and disabled legal immigrants who successfully complete an application process. The benefits received are equivalent to those benefits that these immigrants would have received if they were eligible for the Supplemental Security Income and/or State Supplemental Payment (SSI/SSP) program, less $10 per individual and $20 per couple. This premise includes costs for both the grant and administrative costs necessary for implementation.

CAPI recipients in the base program include the following immigrants: 1) those who entered the United States (U.S.) prior to August 22, 1996, and are not eligible for SSI/SSP benefits solely due to their immigration status; and 2) those who entered the U.S. on or after August 22, 1996, but meet special sponsor restrictions (have a sponsor who is disabled, deceased, or abusive). The extended CAPI caseload includes immigrants who entered the U.S. on or after August 22, 1996, who do not have a sponsor or have a sponsor who does not meet the sponsor restrictions of the base program.

IMPLEMENTATION DATE:

This premise will implement on August 1, 2008.

KEY DATA/ASSUMPTIONS:

- Chapter 10.3 of the Welfare and Institutions Code (W&IC) gives the California Department of Social Services the authority to administer the CAPI program.
- Section 18940 of the W&IC states that the CAPI program will be governed by the same federal and state regulations which govern the SSI/SSP Program.
- Section 18941 of the W&IC authorizes benefits paid under CAPI to be equivalent to benefits provided under the SSI/SSP program, except that the schedule for individuals and couples shall be reduced $10 per individual and $20 per couple per month.
- Although CAPI was originally due to sunset on July 1, 2000, Assembly Bill (AB) 1111 (Chapter 147, Statutes of 1999) extended the base program indefinitely.
- AB 1111 also created time-limited CAPI eligibility from October 1, 1999, through September 30, 2000, for immigrants who entered the country on or after August 22, 1996. This bill established a five-year deeming period for these cases. AB 2876 extended time-limited CAPI for one more year through September 30, 2001. AB 429 (Chapter 111, Statutes of 2001) eliminated the sunset date for the time-limited (“extended”) program altogether, and lengthened the deeming period to ten years.
- The average monthly number of total CAPI cases will be 9,413 in Fiscal Year (FY) 2007-08, and 10,319 for July in FY 2008-09.

Elimination of the Cash Assistance Program For Immigrants (CAPI)

KEY DATA/ASSUMPTIONS (continued):

- The average monthly grant is $631.27 for the Base CAPI cases, based on actual expenditures through December 2007. The average grant will increase due to a 2.3 percent federal cost-of-living adjustment (COLA) effective January 1, 2008.
- The average monthly administrative cost per case for FY 2007-08 of $184.61 is based on actual expenditures through December 2007. For FY 2008-09, the average administrative cost per case will remain unchanged.
- Statutory changes would be needed to eliminate the CAPI program.

METHODOLOGY:

Base CAPI program costs are estimated by multiplying the projected monthly caseload by the Base CAPI average grant and administrative cost per case. Extended CAPI costs are estimated by multiplying the Extended CAPI caseload by the Extended CAPI average grant and administrative cost per case. Base CAPI and extended CAPI costs are then added to determine total CAPI program costs.

FUNDING:

The program is funded with 100 percent General Fund.

CHANGE FROM PRIOR SUBVENTION:

New premise

REASON FOR YEAR-TO-YEAR CHANGE:

New premise

EXPENDITURES:

(in 000's)	2007-08	2008-09
Total CAPI		
Total	$0	-$111,191
Federal	0	0
State	$0	-$111,191
County	0	0
Reimbursements	0	0

Additional TANF/MOE Expenditures in CDSS SSP MOE Eligible

DESCRIPTION:

This premise reflects the State Supplementary Payment (SSP) expenditures countable towards the State Temporary Assistance for Needy Families (TANF) Program maintenance of effort (MOE). More specifically, the increase in SSP expenditures for disabled SSP children in California Work Opportunity and Responsibility to Kids (CalWORKs) families since the inception of the TANF Program is countable as MOE.

Public Law (P.L.) 104-193, the federal welfare reform legislation, established the TANF Program and a TANF block grant to replace the Aid to Families with Dependent Children (AFDC) Program. States must meet an 80 percent MOE to receive their full block grant allocation. The MOE is reduced to 75 percent for states that meet the work participation rate requirement. For California, the amount of the MOE is based on state and county expenditures in Federal Fiscal Year (FFY) 1994. The State has consistently met its work participation agreement, therefore the MOE level is lowered from $2.9 billion (80 percent) to $2.7 billion, which constitutes 75 percent of the 1994 level.

The State may count both local and state expenditures made by CDSS or other departments on behalf of TANF/CalWORKs-eligible families toward the MOE. If these expenditures would have been authorized and allowable under the former AFDC, JOBS, Child Care for AFDC recipients, At-Risk Child Care or Transitional Child Care programs in FFY 1995, the entire expenditures may count toward the MOE. However, if such expenditures were not previously authorized and allowable, countable expenditures are limited to the amount by which allowable current year expenditures exceed the total State program expenditures in FFY 1995. State expenditures that are used as a match to draw down other federal funding are generally not countable toward the TANF MOE.

IMPLEMENTATION DATE:

This premise was implemented on January 1, 2003.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: 45 Code of Federal Regulations section 263.2.
- The average number of SSP children living in a CalWORKs household for March through June 2007 was 8,642, or 11.0 percent of total SSP children living with relatives.
- SSP expenditures for SSP children living with relatives were $52.8 million in 1995. SSP expenditures for the same population are estimated at $143.1 million in Fiscal Year (FY) 2007-08.
- Expenditures for SSP children living in a CalWORKs household in 1995 is estimated at $8.5 million.

Additional TANF/MOE Expenditures in CDSS SSP MOE Eligible

METHODOLOGY:

- Expenditures for FYs 2007-08 and 2008-09 are forecasted based on the increase or decrease in the SSP payment standard from year to year. For FY 2007-08, the SSP payment standard increased by 0.9 percent. For FY 2008-09, the SSP payment standard will increase by 11.5 percent.
- The percentage of SSP children living in a CalWORKs household is multiplied by the estimated SSP expenditures for each fiscal year to arrive at expenditures attributable to SSP children living in a CalWORKs household. For FYs 2007-08 and 2008-09, SSP expenditures for this population are estimated at $15.7 and $17.9 million, respectively.
- For FY 2007-08, the amount by which allowable current year expenditures exceed the total State program expenditures in 1995 is $7.2 million ($15.7 - $8.5 million).
- For FY 2008-09, the amount by which allowable SSP expenditures will exceed the total State program expenditures in 1995 is $9.4 million ($17.9 - $8.5 million).

FUNDING:

The SSP expenditures are funded with 100 percent State General Fund.

CHANGE FROM PRIOR SUBVENTION:

Due to a higher percentage of SSP children living with relatives in a CalWORKs household, the estimated level of countable SSP expenditures has increased for both the current year and the budget year.

REASON FOR YEAR-TO-YEAR CHANGE:`

The level of MOE-eligible expenditures increases due to projected caseload growth and an increase in the SSP grant.

EXPENDITURES:

(in 000's)

	2007-08 Grant	2008-09 Grant
Total	$7,241	$9,428
Federal	0	0
State	$7,241	$9,428
County	0	0
Reimbursements	0	0

Personal Care Services Program/Residual IHSS Basic Costs

DESCRIPTION:

This premise reflects the basic costs for the In-Home Supportive Services (IHSS) program. Assembly Bill (AB) 1773 (Chapter 939, Statutes of 1992) required the California Department of Health Care Services (DHCS) to submit a Medicaid state plan amendment to the federal Health Care Financing Administration to include a portion of the IHSS program as a Title XIX eligible service. This portion of the IHSS program is known as the Personal Care Services Program (PCSP). In 2004, DHCS received an Independence Plus 1115 Demonstration Project to allow certain IHSS Residual program recipients to receive services under the IHSS Plus Waiver (IPW) (See Waiver Program/Medical State Plan Amendment for Residual).

The IHSS program enables eligible individuals to remain safely in their own homes as an alternative to out-of-home care. Eligible recipients are aged, blind or disabled individuals who receive public assistance or have low incomes.

AB 925 (Chapter 1088, Statutes of 2002) allows recipients to utilize authorized personal care services in locations outside of the home, including their place of employment, as authorized by the Director. Services and service hours remain limited to those authorized for the recipient in their own home.

The PCSP and IPW programs provide services including the following:

- Domestic services such as meal preparation, laundry, shopping, and errands.
- Non-medical personal care services.
- Assistance while traveling to medical appointments or to other sources of supportive services.
- Teaching and demonstration directed at reducing the need for supportive services.
- Certain paramedical services ordered by a physician.
- Protective supervision tasks.
- Restaurant meal allowance (RMA).
- Advance payment.

The Residual program provides services to recipients who are not eligible for the PCSP or IPW program.

IHSS is provided in any of three service delivery modes. Those service modes are the individual provider (IP) mode, the county contract (CC) mode, and the welfare staff (WS) mode. The WS mode is also referred to as the county homemaker mode. The IP mode consists of an individual, hired by the recipient, who provides services to the recipient. The CC mode provides for IHSS services to be performed by a service provider under contract with the individual counties. The contractor employs the individuals who provide the services to the recipient. The WS mode utilizes county employees to provide services for recipients.

Personal Care Services Program/Residual IHSS Basic Costs

DESCRIPTION (CONTINUED):

The State Compensation Insurance Fund (SCIF), under contract, administers the workers' compensation insurance for the IPs providing services for IHSS recipients.

The Department of General Services (DGS), under contract, acts as agent for the California Department of Social Services (CDSS) in the management and supervision of SCIF. DGS also monitors high cost cases ($50,000 and over in paid costs) on a quarterly basis.

The IHSS Case Management Information and Payrolling System (CMIPS) authorizes payments and provides CDSS and the counties with information regarding wages, taxes, hours per case, cost per hour, PCSP and Residual program caseload and funding ratios, share of cost, RMA, and the number of providers in the IP mode. (See the CMIPS premise for more information.)

IMPLEMENTATION DATE:

This premise implemented on April 1, 1993.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 12300-12314 and 14132.95.
- The projected caseload percentages for the PCSP and Residual program are 92.2 percent and 7.8 percent, respectively, based on the average caseloads to date for Fiscal Year (FY) 2007-08.
- PCSP caseloads were 2,745 (CC) and 95 (WS), and Residual caseloads were 687 (CC) and 29 (WS). The balance of the caseload is IP.
- The PCSP CC mode average monthly hours per case is assumed to be 61.31 hours at a cost per hour of $17.81. The WS average monthly hours per case is assumed to be 9.97 hours at a cost per hour of $18.51.
- The Residual CC mode average monthly hours per case is assumed to be 25.89 hours at a cost per hour of $17.15. The Residual WS average monthly hours per case is assumed to be 8.26 hours at a cost per hour of $18.13.
- The IP wage rate and average monthly hours per case are based on the individual counties data.
- The payroll tax rate associated with the IP wages is assumed at ten percent.
- Based on actuals for FY 2007-08, the average recipient PCSP Program share of cost (SOC) is assumed to be $384 per case in the Current Year (CY) and Budget Year (BY) in the IP mode of service. The average recipient Residual program share of cost is assumed to be $403 and $233 per case in the IP mode and CC/WS modes of service, respectively.

Personal Care Services Program/Residual IHSS Basic Costs

KEY DATA/ASSUMPTIONS (CONTINUED):

- In the PCSP program, the average monthly SOC caseload is assumed to be 7,193 in the CY and 8,167 in the BY.
- In the Residual program, the average monthly SOC caseload is assumed to be 604 in the CY and 632 in the BY in the IP Mode, and 110 in the CC/WS for both CY and BY.
- The RMA cost per case is $62.
- The RMA cost is estimated to be $500,798 for CY and $568,647 in the BY.
- The SCIF contract cost is assumed to be $42 million for both CY and BY.
- The DGS contract cost is set at $120,000 for both CY and BY.
- CY includes costs to reimburse recipients for excess SOC payments. In BY, recipients will apply for reimbursement through the Conlan claim process.
- CY and BY include costs for the Los Angeles County Back-Up Attendant Program.

METHODOLOGY:

- The estimated PCSP basic cost is computed by multiplying the casemonths times the average hours per case, times the cost per hour, plus the associated payroll taxes, minus the share of cost. In addition, the PCSP caseload percentage of the SCIF and DGS contract costs are added.
- The estimated Residual basic cost is computed by multiplying the casemonths times the average hours per case times the cost per hour, plus associated payroll taxes, minus the share of cost. In addition, the Residual program caseload percentage of the SCIF, DGS contract costs and RMA are added.
- The excess SOC is based on costs and cases in FY 2005-06.

FUNDING:

- In the PCSP, the Title XIX Federal Medical Assistance Percentage rate is 50 percent.
- The nonfederal share is split 65 percent state and 35 percent county. The county share of cost is reflected as a reimbursement, consistent with actual cash flow.
- In the Residual program basic costs, the state share is 65 percent of the total, and the county share is 35 percent. The county SOC is reflected as a reimbursement, consistent with actual cash flow.

Personal Care Services Program/Residual IHSS Basic Costs

CHANGE FROM THE PRIOR SUBVENTION:

The increase reflects caseload growth, an increase in hours per case and wage and/or benefit increases for 18 counties.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase reflects wage and/or benefits increases and caseload growth.

CASELOAD:

	2007-08	2008-09
Average Monthly PCSP Caseload	365,561	383,052
Average Monthly Residual Program Caseload	31,051	32,537

EXPENDITURES:

(in 000's)

TOTAL	2007-08 Grant	2008-09 Grant
Total	$4,496,999	$4,757,438
Federal	0	0
State	1,564,410	1,655,038
County	0	0
Reimbursements	2,932,589	3,102,400

Personal Care Services Program/Residual IHSS Basic Costs

EXPENDITURES (CONTINUED):

(in 000's)

PCSP	2007-08 Grant	2008-09 Grant
Total	$4,124,160	$4,360,972
Federal	0	0
State	1,324,277	1,399,764
County	0	0
Reimbursements	2,799,883	2,961,208

Residual Program	2007-08 Grant	2008-09 Grant
Total	$372,839	$396,466
Federal	0	0
State	240,134	255,274
County	0	0
Reimbursements	132,705	141,192

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Case Management Information and Payrolling System (CMIPS) and Associated Costs

DESCRIPTION:

This premise reflects the costs associated with the operation and maintenance of the In-Home Supportive Services (IHSS) Case Management Information and Payrolling System (CMIPS). The CMIPS consists of the following three components:

Case Management

The CMIPS stores the case record of each individual recipient. The case record of each recipient contains information on eligibility, needs assessment, share of cost, if appropriate, and all changes affecting the recipient's case. The CMIPS also generates notices of action, cost-of-living adjustments, and rate changes. The CMIPS further allows for data exchanges with other welfare systems and is used to establish Medi-Cal eligibility. Unique Client Index Numbers (CINs) facilitate the identification of common clients and the exchange of data with other systems. CIN transactions are processed through the Office of Systems Integration server.

Management Information

The CMIPS provides periodic management reports that include fiscal and statistical data on a case-by-case, worker-by-worker, office-by-office, county-by-county, and statewide basis.

Payrolling System

The CMIPS provides for the authorization and issuance of warrants for payments for services provided by the individual-provider mode and prepares all employer tax forms and reports. These reports are used for bookkeeping, accounting, and tax preparation purposes on behalf of recipients, County Welfare Departments, and the California Department of Social Services (CDSS).

The State Controller's Office (SCO), under contract with CDSS, issues payroll checks to the individual providers on behalf of IHSS recipients. The SCO also issues replacement checks and handles checks returned as undeliverable.

The State Treasurer's Office (STO), under contract with CDSS, performs bank reconciliation of IHSS warrants, and redeems all valid warrants issued for IHSS providers.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 12302.2.
- The CMIPS contract is currently held by Electronic Data Systems (EDS).
- The estimated costs for the SCO contract were updated. In Current Year (CY) and Budget Year (BY) direct deposit costs are estimated at $197,042.

Case Management Information and Payrolling System (CMIPS) and Associated Costs

KEY DATA/ASSUMPTIONS (CONTINUED):

- The estimated CIN transaction costs are based on a projection of the number of transactions and a cost of 0.7 cents per transaction.

	2007-08	2008-09
EDS	$10,791,267	$11,640,424
STO	$915,987	$915,987
SCO	$4,731,434	$4,731,434
CIN Transaction	$8,307	$8,307
Total Costs	$16,446,995	$17,296,152

METHODOLOGY:

The estimate is computed by summing the EDS, STO, SCO, and CIN data and transaction fee costs. The total cost is split between the Personal Care Services Program (PCSP) and the Residual program based on percent to total caseload.

FUNDING:

- In the PCSP, the federal Title XIX reimbursement represents 50 percent of the total funding in the CY and BY. The nonfederal share is split 70 percent state and 30 percent county.
- In the Residual program, the state share is 70 percent of the total, and the county share is 30 percent.

CHANGE FROM PRIOR SUBVENTION:

The CY increase is due to increased EDS costs for processing payroll.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY increase is due to increased EDS costs for processing payroll.

Case Management Information and Payrolling System (CMIPS) and Associated Costs

EXPENDITURES:
(in 000's)

TOTAL	2007-08	2008-09
	Grant	Grant
Total	$16,447	$17,296
Federal	0	0
State	6,207	6,528
County	2,660	2,797
Reimbursements	7,580	7,971

PCSP	2007-08	2008-09
	Grant	Grant
Total	$15,160	$15,942
Federal	0	0
State	5,306	5,580
County	2,274	2,391
Reimbursements	7,580	7,971

Residual Program	2007-08	2008-09
	Grant	Grant
Total	$1,287	$1,354
Federal	0	0
State	901	948
County	386	406
Reimbursements	0	0

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Case Management Information and Payrolling System (CMIPS) Enhancements to Support a Federal Waiver and Quality Assurance

DESCRIPTION:

This premise reflects the funding required for several Case Management Information and Payrolling System (CMIPS) enhancements needed to meet the documentation and data collection and reporting requirements of the In-Home Supportive Services (IHSS) Quality Assurance (QA) Initiative and the IHSS Plus Waiver (IPW) program. The enhancements include a new interface with the California Medicaid Management Information System to identify fraudulent activities, as well as provision of statewide registry and enrollment data for eligible IPW recipients, and Medi-Cal Provider Point of Sale capabilities. This premise also includes costs for enhancements to implement Provider Direct Deposit (PDD).

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 12317 [Chapter 229, Statutes of 2004 (Senate Bill 1104)] and section 12304.4 [Chapter 75, Statutes of 2006 (Assembly Bill 1808)].
- CMIPS enhancements for the QA Initiative require 10,400 hours of programming.
- CMIPS enhancements for the IPW program require 4,050 hours of programming.
- CMIPS enhancements for the PDD capability require 1,680 hours of programming.
- The PDD cost assumes 30 percent provider participation. The Current Year (CY) PDD cost is $1.1 million. The Budget Year (BY) cost is $1.6 million.

METHODOLOGY:

The estimate is computed by summing the programming costs for the QA, IPW and PDD enhancements.

FUNDING:

- In the Personal Care Service Program (PCSP), the federal Title XIX reimbursement represents 50 percent of the total funding in the CY and the BY. The nonfederal share is split 35 percent state and 15 percent county.
- In the Residual program, the state share is 70 percent of the total, and the county share is 30 percent. The shift of 50 percent of the funding to federal Title XIX is shown in the waiver for Residual program premise.

CHANGE FROM PRIOR SUBVENTION:

The increase reflects PDD implementation and activities.

Case Management Information and Payrolling System (CMIPS) Enhancements to Support a Federal Waiver and Quality Assurance

REASON FOR YEAR-TO-YEAR CHANGE:

The increase includes costs associated with the implementation of processing the Conlan claims.

EXPENDITURES:

(in 000's)

TOTAL	2007-08	2008-09
Total	$1,355	$1,792
Federal	0	0
State	511	676
County	219	290
Reimbursements	625	826

PCSP	2007-08	2008-09
Total	$1,249	$1,652
Federal	0	0
State	437	578
County	187	248
Reimbursements	625	826

Residual Program	2007-08	2008-09
Total	$106	$140
Federal	0	0
State	74	98
County	32	42
Reimbursements	0	0

Case Management, Information and Payrolling System (CMIPS II) Contract Procurement

DESCRIPTION:

This premise reflects the costs for contracting with the Health and Human Services Agency Office of Systems Integration (OSI) for development, support, and implementation of a new and enhanced In-Home Supportive Services (IHSS) Case Management, Information and Payrolling System (CMIPS). This project proposes to replace the existing CMIPS with new technologies that provide system access for all IHSS county workers and a communication network between state and county IHSS offices.

IMPLEMENTATION DATE:

This premise implemented on April 1, 2000.

KEY DATA/ASSUMPTIONS:

Authorizing statute: Welfare and Institutions Code section 12302.2.

METHODOLOGY:

The estimated costs are detailed in the October 2007 Implementation Advance Planning Document.

FUNDING:

- In the Personal Care Services Program (PCSP), the Title XIX Federal Medical Assistance Percentage rate is a blended rate of 64 percent.
- The nonfederal share is funded 100 percent General Fund (GF).
- In the Residual Program, the funding is 100 percent GF.

CHANGE FROM PRIOR SUBVENTION:

The Fiscal Year (FY) 2007-08 and FY 2008-09 allocation of costs to benefiting programs has been updated, and includes enhanced Federal Financial Participation (FFP)for the implementation phase.

REASON FOR YEAR-TO-YEAR CHANGE:

The net increase for FY 2008-09 reflects costs that have been adjusted for baseline adjustments, and additional resources needed for the prime vendor contract and associated costs. The associated costs include funding for additional state staff, county staff and travel, state support contracts, interfaces, and data center services. The PCSP includes a full year of enhanced FFP.

Case Management, Information and Payrolling System (CMIPS II) Contract Procurement

EXPENDITURES:

(in 000's)

Total	2007-08	2008-09
	County Admin.	County Admin.
Total	$16,855	$114,305
Federal	0	0
State	8,155	46,878
County	0	0
Reimbursements	8,700	67,427

PCSP	2007-08	2008-09
	County Admin.	County Admin.
Total	$15,535	$105,355
Federal	0	0
State	6,835	37,928
County	0	0
Reimbursements	8,700	67,427

Residual Program	2007-08	2008-09
	County Admin.	County Admin.
Total	$1,320	$8,950
Federal	0	0
State	1,320	8,950
County	0	0
Reimbursements	0	0

Case Management, Information and Payrolling System (CMIPS II) Contract Procurement

CDSS/OSI PARTNERSHIP:

(in 000's)	2007-08	2008-09
Total	$16,855	$114,305
CDSS	1,304	4,203
OSI	15,551	110,102

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Public Authority Administration

DESCRIPTION:

This premise reflects the Public Authority (PA) administrative costs. Senate Bill 1780 (Chapter 206, Statutes of 1996) defined the make-up and functions of PAs. A county board of supervisors may elect to establish a PA to provide for the delivery of In-Home Supportive Services (IHSS). PAs are separate entities from the county in which they operate. Employees of the PA shall not be employees of the county for any reason. PAs are the employers of IHSS providers for the purposes of collective bargaining over wages, hours, and other terms of employment. However, IHSS recipients retain the right to hire, fire, and supervise the work of any IHSS worker providing services to them.

A PA shall provide, but is not limited to, the following functions:

- The provision of assistance to recipients in finding IHSS providers through the establishment of a registry.
- The investigation of the qualifications and background of potential providers.
- The establishment of a referral system under which IHSS providers shall be referred to recipients.
- The provision of training for providers and recipients.
- Other functions related to the delivery of IHSS.

The PA rate includes the hourly costs for wages, employer taxes, benefits, and administrative costs. The PA rate cannot exceed 200 percent of the current minimum wage in order to qualify for federal financial participation. The PA must submit a rate approval request to the California Department of Social Services (CDSS). Once CDSS approves the request, it is submitted to the California Department of Health Care Services (CDHCS) for final approval. After CDHCS approves the rate, the PA can claim its costs.

KEY DATA/ASSUMPTIONS:

Authorizing statute: Welfare and Institutions Code section 12301.

METHODOLOGY:

The estimated cost is computed by multiplying the casemonths by the average hours per case by the administrative hourly rates for each PA.

Public Authority Administration

FUNDING:

- In the Personal Care Services Program (PCSP), the Title XIX Federal Medical Assistance Percentage rate is 50 percent. The nonfederal share is split 65 percent state and 35 percent county.
- In the Residual program, the state share is 65 percent of the total, and the county share is 35 percent.

CHANGE FROM PRIOR SUBVENTION:

The increase reflects an increasing caseload, and an increase in county PA rate.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase reflects administrative rate changes and caseload growth.

EXPENDITURES:

(in 000's)

TOTAL	2007-08 Admin	2008-09 Admin
Total	$54,658	$57,919
Federal	0	0
State	19,547	20,724
County	0	0
Reimbursements	35,111	37,195

PCSP	2007-08 Admin	2008-09 Admin
Total	$49,170	$52,104
Federal	0	0
State	15,980	16,944
County	0	0
Reimbursements	33,190	35,160

Public Authority Administration

EXPENDITURES (continued):

(in 000's)

Residual Program	2007-08	2008-09
	Admin	Admin
Total	$5,488	$5,815
Federal	0	0
State	3,567	3,780
County	0	0
Reimbursements	1,921	2,035

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PCSP Three-Month Retroactive Benefits

DESCRIPTION:

This premise reflects the costs in the Personal Care Services Program (PCSP), associated with implementing a Medi-Cal rule that provides reimbursement for eligible In-Home Supportive Services (IHSS) personal care services rendered up to three months prior to application.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2005.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Budget Act of 2004.
- Based on the number of approvals in July 2006 through June 2007, 1.76 percent of cases each month will be new applicants.
- Based on recent Medi-Cal data, it was assumed that 0.02 percent of all applicants would be eligible for at least one month of retroactive benefits for the period prior to the month of application. It was also assumed that on average the applicants would receive 1.16 months of retroactive benefits.
- In addition, it was assumed that 2.58 percent of applicants would be eligible to receive a retroactive benefit for a portion of the month in which they applied. The average period of retroactive benefit was assumed to be two weeks.
- The administrative cost of processing the retroactive payments is assumed to require one additional hour to review incoming claims to determine eligibility and 1.5 additional hours to process eligible claims. It is assumed that ten percent of all applicants will submit a claim. The social worker cost per hour is assumed to be $60.55.

METHODOLOGY:

The number of cases to receive retroactive benefits was derived using the percentage of new cases and the percentage of cases that are eligible to receive retroactive benefits.

Estimated costs for benefits were based on the number of eligible retroactive cases, the average monthly cost per case and the assumption that each case would receive either two weeks or 1.16 months of retroactive benefits.

The administrative costs were based on the number of claims received and eligible retroactive claims, the time to review or process each case and IHSS social worker cost per hour.

PCSP Three-Month Retroactive Benefits

FUNDING:

- The Title XIX Federal Medical Assistance Percentage rate for PCSP is 50 percent.
- The nonfederal share is split 65 percent state and 35 percent county.
- The estimated Title XIX reimbursement percentage for Administration costs is 49.41 percent, based on actual expenditure information as reported on the County Expense Claim for the past four quarters.
- The state and county sharing ratios for Administration costs are 70 percent and 30 percent, respectively, of the nonfederal share.

CHANGE FROM PRIOR SUBVENTION:

The increase in the Current Year (CY) is a result of updated data to reflect new case approvals, and cost per case information.

REASON FOR YEAR-TO-YEAR CHANGE:

The estimate has been updated to reflect the percent of new case approvals and current caseload information.

EXPENDITURES:

(in 000's)

Total PCSP/Residual	2007-08	2008-09
	Grant	Grant
Total	$1,042	$1,102
Federal	0	0
State	367	388
County	0	0
Reimbursements	675	714

PCSP	2007-08	2008-09
	Grant	Grant
Total	$954	$1,010
Federal	0	0
State	310	328
County	0	0
Reimbursements	644	682

PCSP Three-Month Retroactive Benefits

EXPENDITURES (continued):

(in 000's)

Residual Program	2007-08 Grant	2008-09 Grant
Total	$88	$92
Federal	0	0
State	57	60
County	0	0
Reimbursements	31	32

Administration	2007-08 Admin.	2008-09 Admin.
Total	$702	$736
Federal	0	0
State	248	260
County	106	111
Reimbursements	348	365

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IHSS Quality Assurance

DESCRIPTION:

The Quality Assurance (QA) Initiative is mandated by Senate Bill (SB) 1104 (Chapter 229, Statutes of 2004). The intent is to improve the quality of services, enhance program integrity, and detect and prevent program fraud and abuse. SB 1104 mandated ongoing staff training for county In-Home Supportive Services (IHSS) workers and required the California Department of Social Services to collaborate with the California Department of Health Care Services (DHCS) on annual error rate studies and investigations of suspected fraud in the receipt or provision of services. The QA methodology derived savings from improved assessments and reassessment completed after social workers received training and fraud activities.

This premise reflects savings and costs from implementation of a QA program that will reduce the costs of the IHSS program by improving the quality of service need assessments and authorizations.

IMPLEMENTATION DATE:

This premise implemented on December 1, 2004.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 12305.7 and 12305.71.
- County QA staff and additional IHSS workers were hired in Fiscal Year (FY) 2004-05 and FY 2005-06.
- The "Hourly Task Guidelines Implementation Analysis: Fiscal Year 2006-07" produced by the Institute for Social Research (ISR) at the California State University, Sacramento concluded that there is greater consistency in authorized hours for certain ranks and tasks. Also, the hourly task guidelines (HTGs) have been successful in bringing greater uniformity to the assessment process.
- The ISR analysis also concluded that there has been a modest decrease in authorized hours for assessments (two minutes) and reassessments (five minutes).

METHODOLOGY:

COSTS

County Staff

- It is assumed there are 220 County QA staff or additional IHSS workers.
- The annual Social Worker (SW) cost is assumed to be $129,083.
- The estimated Current Year (CY) and Budget Year (BY) county quality assurance staff costs are $28.4 million [$10.1 million General Fund (GF)].
- The estimated CY also includes costs for a contract with the ISR to evaluate the impact of the HTGs.

IHSS Quality Assurance

METHODOLOGY (CONTINUED):

State level training for SWs

- Training costs include: curriculum development; classroom training; post-training evaluation.
- Training will be provided in the CY and the BY on on-going basis.

FUNDING:

- The Title XIX reimbursement rate is 50 percent.
- In administration, the State and county sharing ratios are 70 percent and 30 percent, respectively, of the nonfederal share.

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change in total however there was a shift in the share from federal funding to state and county.

EXPENDITURES:

(in 000's)

TOTAL PCSP/RESIDUAL	2007-08	2008-09
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

PCSP	2007-08	2008-09
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

IHSS Quality Assurance

EXPENDITURES (CONTINUED):
(in 000's)

Residual	2007-08	2008-09
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

Administration	2007-08	2008-09
Total	$32,602	$32,602
Federal	0	0
State	11,608	11,515
County	4,975	4,935
Reimbursements	16,019	16,152

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Reduce State Participation to the Minimum Wage

DESCRIPTION:

This premise reflects the savings from reducing the State's participation in the costs of In-Home Supportive Services (IHSS) wages and benefits to the minimum wage, currently $8.00 per hour.

Under current law, IHSS/Personal Care Services Program (PCSP) providers may organize and collectively bargain for wages and individual health benefits on a county-by-county basis. In the current year, State law provides that the State will share in up to $12.10 per hour for IHSS provider wages and health benefits in the counties that have an IHSS Public Authority (PA) or Non-Profit Consortium (NPC). For the counties that have neither a PA nor an NPC, the law provides for the State to share in the cost of wages only up to the State minimum wage plus 5.31 percent ($8.42/hour) with no State share in health benefits. For the counties that have a Contract Mode, current statute provides for state participation in the costs up to maximum allowable contract rate (MACR). These provisions of current law will be repealed and the State will only share in the costs of wages at the minimum wage. The reduction will be effective October 1, 2008.

IMPLEMENTATION DATE:

This premise will be implemented on October 1, 2008.

KEY DATA/ASSUMPTIONS:

- Statutory changes will be made prior to the reduction in the state share of costs.
- The state minimum wage is currently $8.00 per hour.
- It was assumed that implementation would occur on October 1, 2008.

METHODOLOGY:

- Savings are based on applying the difference between the current Individual Provider wage and benefits in each county and the minimum wage to the hours of service provided.
- The statewide savings reflect the estimated caseload and hours in each county.
- The hours used for the hours of service were adjusted down by the proposal known as “Limit IHSS to Functional Index Levels above 3” which impacts the IHSS caseload projected to be serviced, under this reduced cost participation.

FUNDING:

- The Title XIX federal sharing ratio is based on the Federal Medical Assistance Percentage rate of 50 percent.
- The nonfederal share is split 65 percent state and 35 percent county. The county share of costs is reflected as a reimbursement, consistent with actual cash flow.

Reduce State Participation to the Minimum Wage

CHANGE FROM PRIOR SUBVENTION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

The implementation date is October 1, 2008.

EXPENDITURES:

(in 000's)

Total	2007-08	2008-09
Total	$0	-$186,609
Federal	0	0
State	0	-186,609
County	0	0
Reimbursements	0	0

PCSP	2007-08	2008-09
Total	$0	-$171,998
Federal	0	0
State	0	-171,998
County	0	0
Reimbursements	0	0

Residual	2007-08	2008-09
Total	$0	-$14,611
Federal	0	0
State	0	-14,611
County	0	0
Reimbursements	0	0

Criminal Background Checks (Senate Bill 868)

DESCRIPTION:

Public authorities and non-profit consortia (PA/NPC) provide for the delivery of In-Home Supportive Services (IHSS). One of the functions of the PAs/NPCs is to investigate the qualifications and background of potential IHSS registry providers. Senate Bill (SB) 868 (Chapter 447, Statutes of 2007) specifies that for registry applicants employed on or after January 1, 2008, the investigation may include criminal background checks conducted by the Department of Justice (DOJ). SB 868 also allows PAs/NPCs to request criminal background checks for non-registry IHSS providers on behalf of IHSS recipients. Statute does not allow a fee charged to the IHSS recipient or provider for processing of the criminal background check. SB 868 allows for state participation in the cost of DOJ criminal background checks when at least 50 percent of the PA/NPC registry applicants have completed a DOJ criminal background check.

IMPLEMENTATION DATE:

This premise will implement on January 1, 2008.

KEY DATA/ASSUMPTIONS:

This premise will implement to the extent that an appropriation is made in the annual Budget Act or other statute.

METHODOLOGY:

Funding has not been appropriated for Fiscal Year (FY) 2007-08. Funding for FY 2008-09 is contingent upon an appropriation.

FUNDING:

- The Title XIX reimbursement is 50 percent.
- The nonfederal share is split 65 percent State and 35 percent county. The county share is reflected as a reimbursement.

Criminal Background Checks (Senate Bill 868)

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

PCSP	2007-08	2008-09
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

Conlan II

DESCRIPTION:

This premise reflects the costs associated with implementing a Medi-Cal rule that provides reimbursement for eligible In-Home Supportive Services (IHSS) personal care services rendered up to three months prior to application, during the evaluation period and post approval. In *Conlan v. Bontá*, the San Francisco Superior Court ordered the Department of Health Care Services (DHCS) to ensure that Medi-Cal recipients entitled to reimbursement for covered services 90 days prior to the Medi-Cal application date are promptly reimbursed. The DHCS implementation plan to comply with *Conlan v. Bontá* is the subject of *Conlan v. Shewry*. Beginning December 2006, DHCS sent notices to current and former Medi-Cal beneficiaries regarding the process to file a Beneficiary Reimbursement claim. To process the claims, DHCS contracted with Electronic Data Systems (EDS) to establish the Beneficiary Services Center (BSC). Claims for reimbursement for IHSS are forwarded to the California Department of Social Services (CDSS) Adult Programs Branch (APB) by EDS/BSC.

IMPLEMENTATION DATE:

The court ordered a start date of November 16, 2006.

KEY DATA/ASSUMPTIONS:

- Implemented by All-County Letters No. 07-11 (February 20, 2007) and No. 07-32 (September 13, 2007).
- Based on current data from EDS/BSC, it is assumed that approximately 65 claims will be forwarded to APB per month, of which approximately 62 percent will be approved. The average cost per claim is assumed to be approximately $2,000.
- Fiscal Year (FY) 2008-09 assumes APB will process recipient claims for excess share of cost reimbursement. In FY 2007-08, these costs are included in the Personal Care Services Program (PCSP)/Residual IHSS Basic Costs premise.

METHODOLOGY:

The estimated cost is computed by multiplying the claims, by the approval rate, by the average cost.

FUNDING:

- The Title XIX reimbursement is 50 percent.
- The nonfederal share is split 65 percent state and 35 percent county. The county share is reflected as a reimbursement.

Conlan II

CHANGE FROM PRIOR SUBVENTION:

The estimate has been updated to reflect current, updated data.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase reflects a shift of cost from federal reimbursements to General Fund.

EXPENDITURES:

(in 000's)

PCSP	2007-08	2008-09
Total	$1,006	$1,006
Federal	0	0
State	654	654
County	0	0
Reimbursements	352	352

18 Percent Reduction in IHSS for Domestic and Related Services

DESCRIPTION:

This premise reflects the savings from reducing domestic and related services by 18 percent effective July 1, 2008. Domestic and related services include: meal preparation and clean-up, laundry, food shopping, and shopping errands.

IMPLEMENTATION DATE:

The 18- percent Reduction in Domestic and Related Service hours proposed in the Governor's budget was replaced with other alternative reduction proposals

KEY DATA/ASSUMPTIONS:

- Approximately 14,000,000 service hours per month for domestic and related services.
- Average wages of $11.15per hour.
- This premise is not included in the May Revise Budget.

METHODOLOGY:

Projected savings were based on reducing domestic and related service hours by 18 percent and multiplying the product by $11.15 per hour.

FUNDING:

- The Title XIX federal sharing ratio was based on the Federal Medical Assistance Percentage rate of 50 percent.
- The nonfederal share is split 65 percent General Fund and 35 percent county. The county share of costs is reflected as a reimbursement, consistent with actual cash flow.

CHANGE FROM PRIOR SUBVENTION:

This premise was part of the Governor's Budget Balancing Reduction proposals and is no longer being considered.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

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18 Percent Reduction in IHSS for Domestic and Related Services

EXPENDITURES:

(In 000's)

PCSP/Residual	2007-08 Grant	2008-09 Grant
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

Limiting IHSS to Recipients with Functional Index Ranks of Four and Above

DESCRIPTION:

This premise would establish a baseline (or minimum need) for receiving domestic and related services. This would only allow individuals with a functional ranking of four and above to receive domestic and related services. This baseline would not be extended to any other In-Home Supportive Services (IHSS) services, such as personal care, protective supervision or paramedical services. This proposal utilizes the Uniform Assessment Tool to establish a baseline for need eligibility into the IHSS program. This tool is used by county social workers on all prospective and current IHSS recipients to determine or annually re-determine an individual's need for services based on their functioning across a spectrum of average daily activities.

IMPLEMENTATION DATE:

This premise will implement on October 1, 2008.

KEY DATA/ASSUMPTIONS:

- Individuals who have functional index rankings of two or three are impacted estimated at 83,123.
- The effected individuals have on average 21.6 authorized hours per month of domestic and related services.
- It is assumed that 20 percent of impacted cases will appeal: of that 20 percent, 75 percent will have their cases reviewed by the social workers and will not go to hearing, and will not have their hours restored; the remaining 25 percent will go to full hearing and will have their hours restored.
- The social worker hourly cost is $60.55 per hour; the social workers takes 0.5 hours of time to work (reviews) on appeals, and 1.0 hours of time to work (prepare) on hearings.
- This premise assumes 14.5 Administrative Law Judges (at $1.9 million-full year) and 5.0 Office Technicians (at $0.5 million-full year) for appeals for one year Limited Term Positions.
- Average wages paid for domestic and related services per hour is $11.22.

METHODOLOGY:

- The estimated savings is derived by multiplying the number of Domestic and Related Services cases with a functional index ranking of less than four, by 95 percent of their authorized hours per month for nine months.
- The estimated savings was reduced by the county administrative cost of $0.70 million (75 percent of 20 percent of impacted cases times one half hour of county worker time, and 25 percent of 20 percent of cases times one hour of county worker time at $60.55 per hour).
- The estimated savings was further reduced by the state operations cost of $2.4 million.

Limiting IHSS to Recipients with Functional Index Ranks of Four and Above

FUNDING:

The Title XIX federal sharing ratio is based on the Federal Medical Assistance Percentage rate of 50 percent. The nonfederal share is split 65 percent state and 35 percent county. The county share of costs is reflected as a reimbursement, consistent with actual cash flow.

CHANGE FROM PRIOR SUBVENTION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

An estimated $52.1 million is a net California Department of Social Services General Fund (GF) savings that would be achieved in Fiscal Year 2008-09. The annualized savings would be $73.3 million GF.

EXPENDITURES:

(In 000's)

Total	2007-08	2008-09
Total	$0	-$159,543
Federal	0	0
State	0	-52,049
County	0	0
Reimbursements	0	-107,494

PCSP	2007-08	2008-09
Total	$0	-$147,051
Federal	0	0
State	0	-47,973
County	0	0
Reimbursements	0	-99,078

Limiting IHSS to Recipients with Functional Index Ranks of Four and Above

Residual	2007-08	2008-09
Total	$0	-$12,492
Federal	0	0
State	0	-4,075
County	0	0
Reimbursements	0	-8,417

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Income Eligible Shift
(Share of Cost Buy-Out)

DESCRIPTION:

Assembly Bill 2779 (Chapter 329, Statutes of 1998), allowed the California Department of Social Services to buy down In-Home Supportive Services (IHSS) recipients' share of cost (SOC) from the Supplemental Security Income/State Supplementary Payment (SSI/SSP) SOC level to the Medi-Cal SOC level. Senate Bill 68 (Chapter 78, Statutes of 2005) extended the SOC buyout to IHSS Plus Waiver (IPW) program participants. The buy-out, which is the difference between a recipient's SSI/SSP SOC and Medi-Cal SOC, applies to recipients who receive services under the Personal Care Services Program (PCSP) or the IPW program for whom a Medi-Cal eligibility determination has been completed. To ensure IHSS recipients are eligible for Med-Cal at the beginning of the month, this premise reflects the costs to the General Fund (GF) for the difference between the higher monthly Medi-Cal SOC and the IHSS SOC.

IMPLEMENTATION DATE:

The buy-out implemented on April 1, 1999.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 12305.1 and 14132.95.
- The buy-out applies when a recipient's Medi-Cal SOC is greater than the recipient's SSI/SSP SOC. When a recipient's Medical Family Budget Unit (MFBU) is composed of more than just the recipient, the comparison applies to the entire MFBU SOC under Medi-Cal.

METHODOLOGY:

This premise is replaced by the "Eligibility Income Adjustment" premise.

FUNDING:

This premise is funded with 100 percent GF.

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Income Eligible Shift
(Share of Cost Buy-Out)

EXPENDITURES:
(in 000's)

PCSP	2007-08	2008-09
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

Waiver Personal Care Services

DESCRIPTION:

This premise, formerly called Extended Personal Care Services (Assembly Bill (AB) 668), reflects the costs for Personal Care Services that are provided above a recipient's assessed limit in the In-Home Supportive Services/Personal Care Services Program (IHSS/PCSP).

AB 668 (Chapter 896, Statutes of 1998) provided for additional hours on behalf of eligible PCSP recipients if they needed more than the 283 monthly hours allowed under IHSS and qualified for the Medi-Cal Skilled Nursing Facility Level of Care (SNFLOC) home and community based services waiver program. The SNFLOC waiver program was approved by the Health Care Financing Administration effective July 1, 1999.

The Centers for Medicare and Medicaid Services (CMS) have since renewed the nursing facility waiver, which now includes A and B levels of care (NF A/B). Approval has also been received for a new waiver for adult and pediatric subacute (NF Subacute) levels of care. "Waiver Personal Care Services" has been redefined in these two waivers to include services that differ from those in the State Plan and which allow beneficiaries to remain at home. Although there will no longer be a requirement that waiver consumers receive the maximum of 283 hours of State Plan Personal Care Services (SPPCS) prior to receiving waiver personal care services, waiver consumers must be receiving some SPPCS. Waiver personal care services will be one option on a menu of services that waiver participants may choose from, to the extent that waiver cost neutrality is assured. These services will be provided through the counties' IHSS programs and will be paid via an interagency agreement with the California Department of Social Services, or will be provided by home health agencies.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2000.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 14132.97.
- The NF A/B average monthly caseload is assumed to be 419 in the Current Year (CY) and 682 in the Budget Year (BY). The NF Subacute average monthly caseload is assumed to be 228 in the CY and 251 in the BY.
- The NF A/B average monthly hours of service per case are 160 in the CY and BY. The NF Subacute average monthly hours of service per case are 298 in the CY and BY.
- The cost per hour is assumed at $10.45

METHODOLOGY:

The estimated cost is computed by multiplying the caseload by the average hours per case by the cost per hour by twelve months.

Waiver Personal Care Services

FUNDING:

The Title XIX Federal Medical Assistance Percentage rate is 50 percent. The nonfederal share of the service costs is reimbursed 100 percent by the Department of Health Services.

CHANGE FROM PRIOR SUBVENTION:

The estimate has been updated to reflect current caseload and cost per hour information.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase reflects caseload growth.

EXPENDITURES:

(in 000's)

PCSP	2007-08	2008-09
	Grant	Grant
Total	$15,438	$20,033
Federal	0	0
State	0	0
County	0	0
Reimbursements	15,438	20,033

Tyler v. Anderson Settlement and Implementation

DESCRIPTION:

This premise reflects court settlement and implementation costs associated with the *Tyler v. Anderson* lawsuit. The *Tyler v. Anderson* lawsuit was the result of misinterpreting the range-of-motion services coverage under the In-Home Supportive Services (IHSS) Program. As a result, some counties authorized range-of-motion services, while other counties did not. Range of motion became a covered service with the implementation of the Personal Care Services Program (PCSP) in 1993. The plaintiffs who were denied those services sued for retroactive payment. The lawsuit was settled on January 22, 1999.

IMPLEMENTATION DATE:

This premise implemented on July 1, 1999.

KEY DATA/ASSUMPTIONS:

- The retroactive payments are for Fiscal Years (FY) 1990-91, 1991-92, and 1992-93.
- The range-of-motion services were classified as either rubbing-of-skin services or paramedical services.
- The minimum wage in effect during the period covered by *Tyler v. Anderson* was $4.25 per hour.
- This estimate uses a tax-to-wages ratio of 9.79 percent.
- The administrative costs associated with this premise are included in the “IHSS Court Cases” premise.

METHODOLOGY:

Payments result from claims paid.

FUNDING:

The costs associated with this premise are paid with General Fund.

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Tyler v. Anderson Settlement and Implementation

EXPENDITURES:

(in 000's)

	2007-07	2008-09
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

Waiver Program/Medi-Cal State Plan Amendment for Residual

DESCRIPTION:

This premise reflects the savings associated with implementation of a federal Medicaid (Medi-Cal) Waiver and Personal Care Services Program (PCSP) State Plan amendment that allows In-Home Supportive Services (IHSS) Residual program consumer services to qualify for federal Title XIX funds. The IHSS program enables eligible individuals to remain safely in their own homes as an alternative to out-of-home care. Eligible IHSS recipients are aged, blind, or disabled individuals who receive public assistance or have low incomes and can be cared for by a relative or nonrelative. In July 2004, the California Department of Health Care Services received a five-year Independence Plus, Section 1115 Demonstration Waiver from the federal Centers for Medicare and Medicaid Services (CMS). This waiver permits the state to provide in-home consumer directed services with federal funds to individuals historically served in the non-federal IHSS Residual program. The individuals covered under the waiver include 1) recipients whose services are provided by a spouse or parent (if the recipient is a minor child), 2) recipients receiving advance cash payments, and 3) recipients with restaurant meal allowances. Residual cases not covered under the waiver, such as cases with protective supervision services where the providers are not parents or spouses, and domestic and related services only cases, are covered under the Medi-Cal funded PCSP per a Medi-Cal State Plan amendment.

IMPLEMENTATION DATE:

The IHSS Plus Waiver (IPW) became effective on August 1, 2004.

KEY DATA/ASSUMPTIONS:

Most Residual program cases will be eligible for federal Title XIX funds under the IPW program or the Medi-Cal State Plan amendment.

METHODOLOGY:

The savings are determined by computing a federal Medi-Cal share of cost for projected Residual program expenditures with amended corresponding State and county shares.

Prior to calculating the savings, the estimate for the basic costs was reduced by $85 million [$55 million General Fund (GF)] for the Current Year and $80 million ($52 million GF) for the Budget Year to adjust for an estimate of the number of cases that will be ineligible for services under the waiver.

Waiver Program/Medi-Cal State Plan Amendment for Residual

FUNDING:

- The Title XIX federal sharing ratio is 50 percent.
- The nonfederal share is split 65 percent state and 35 percent county. The county share of cost is reflected as a reimbursement, consistent with actual cash flow.
- The Title XIX funds are shown as a reimbursement.

CHANGE FROM PRIOR SUBVENTION:

The increase is due to a shift of recipients from the residual to the waiver program.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase in savings reflects the total changes to the residual program as well as an increase in federal reimbursements.

EXPENDITURES:

(in 000's)

Residual Program	2007-08	2008-09
Total	$0	$0
Federal	0	0
State	-96,319	-108,191
County	-209	-224
Reimbursements	96,528	108,415

Title XIX Reimbursement – In-Home Supportive Services/CSBG/Child Welfare Services

DESCRIPTION:

This premise reflects the level of reimbursement associated with Title XIX eligible services. Federal Financial Participation (FFP) is authorized under Title XIX of the federal Social Security Act (42 U.S.C., Section 1396, et. seq.). Certain In-Home Supportive Services (IHSS), assessment and eligibility activities, county services block grant (CSBG) activities, and adult protective services (APS), are eligible for Title XIX federal funding. Additionally, certain health-related (HR) activities in child welfare services (CWS) are also eligible for these funds.

The California Department of Social Services has coordinated with the Department of Health Services to establish the necessary claiming processes to identify the applicable FFP.

KEY DATA/ASSUMPTIONS:

IHSS

- Authorizing statute: Welfare and Institutions (W&I) Code sections 12300 through 12317.2.
- The IHSS Personal Care Services Program (PCSP) is eligible for Title XIX funding at the Federal Medical Assistance Percentage (FMAP).
- The IHSS program costs are eligible for the Title XIX funding at the enhanced administrative rate of 75 percent for the Skilled Professional Medical Personnel (SPMP) and the non-enhanced administrative rate of 50 percent for health-related costs.
- The Independence Plus Waiver for the Residual program became effective August 1, 2004, and state plan amendments to the PCSP will permit claiming of the Residual program expenditures retroactively to the date the waiver was submitted.

CWS

- Authorizing statute: W&I Code section 16500.
- The CWS program costs are eligible for the Title XIX funding at the enhanced administrative rate of 75 percent for the SPMP and the non-enhanced administrative rate of 50 percent for health-related costs.

CSBG/APS

Authorizing statute: W&I Code sections 13004 through 13007 (CSBG) and sections 15703 through 15705.40 (APS).

Title XIX Reimbursement – In-Home Supportive Services/CSBG/Child Welfare Services

METHODOLOGY:

IHSS PCSP/Residual Waiver

The Title XIX federal sharing ratio is based on the FMAP rate of 50 percent.

IHSS Administration

- HR activities performed in support of Medi-Cal eligible recipients are eligible for Title XIX reimbursement at 50 percent. These same activities, if performed by SPMP (those staff who have a health care license or certificate) are eligible for Title XIX Reimbursement at an enhanced rate of 75 percent.
- The federal share of actual expenditures for the past two quarters was used in the Current Year and Budget Year estimates.

CWS

For Fiscal Year (FY) 2007-08 and FY 2008-09, the Title XIX reimbursement was calculated using prior year actual expenditures.

CSBG/APS

- HR activities in support of Medi-Cal eligible recipients are eligible for Title XIX reimbursement at 50 percent. Activities performed by SPMP are eligible for Title XIX reimbursement at an enhanced rate of 75 percent.
- Costs are based on actual expenditures.

CHANGE FROM PRIOR SUBVENTION:

The estimate has been updated to reflect current data.

REASON FOR YEAR-TO-YEAR CHANGE:

The change reflects actual program costs and budget balancing reduction proposals.

Title XIX Reimbursement – In-Home Supportive Services/CSBG/Child Welfare Services

EXPENDITURES:

(in 000's)	2007-08 Grant	2008-09 Grant
Title XIX Total	**$2,572,766**	**$2,532,764**
IHSS Services	**$2,272,199**	**$2,233,208**
PCSP	2,122,152	2,064,866
Waiver/State Plan Amendment	150,047	168,342
Total Health Related	**$300,567**	**$299,556**
IHSS Administration	158,211	155,852
CWS	85,988	87,336
CSBG	14,309	14,309
APS/APS Training	42,059	42,059

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In-Home Supportive Services Administration – Basic Costs

DESCRIPTION:

This premise reflects the costs of administering the In-Home Supportive Services (IHSS) program. Assembly Bill 1773 (Chapter 939, Statutes of 1992) required the California Department of Health Care Services to submit a Medicaid state plan amendment to the federal Health Care Financing Administration to include a portion of the IHSS program as a covered service. The IHSS program provides in-home services to the aged, blind, and disabled to help individuals maintain an independent living arrangement and avoid institutionalization. This premise also includes administrative costs for completion of the emergency contact and back-up form, previously in the Waiver Program/Medi-Cal State Plan Amendment for Residual premise.

IMPLEMENTATION DATE:

The Title XIX eligible Personal Care Services Program was implemented in April of 1993.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 12300 through 12314 and 14132.95.
- The social worker (SW) unit cost is held at $60.55 per hour in both the Current Year (CY) and the Budget Year (BY).
- The standard hours per case are 11.58 hours, including five minutes for completing the required emergency contact and emergency back-up plan form.
- The Supported Individual Provider (SIP) expenditures are assumed to increase with caseload growth. The estimated caseload growth is 4.8 percent in the budget year.
- The estimated Title XIX reimbursement percentage for Fiscal Year (FY) 2008-09 is 49.54 percent, based on actual expenditure information as reported on the County Expense Claim for the past four quarters.

METHODOLOGY:

The estimated cost is computed by multiplying the caseload times the standard hours per case times the SW unit cost, plus the estimated SIP costs.

In-Home Supportive Services Administration – Basic Costs

FUNDING:

- The state and county sharing ratios are 70 percent and 30 percent, respectively, of the nonfederal share.
- The Title XIX reimbursements are as follows:
  (a) Costs incurred from activities to help Medi-Cal eligible adults are eligible for Title XIX reimbursements at either 75 percent or 50 percent, depending on the type of service provider.
  (b) Costs incurred from non-health related activities are not eligible for Title XIX reimbursements.

CHANGE FROM PRIOR SUBVENTION:

There is no change in CY; The BY increase reflects an increase to the caseload.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase reflects an increase to the caseload.

CASELOAD:

	2007-08	2008-09
Average Monthly Caseload	396,612	415,589

EXPENDITURES:

(in 000's)

	2007-08	2008-09
	County Admin.	County Admin.
Total	$285,404	$299,861
Federal	0	0
State	101,620	105,909
County	43,551	45,390
Reimbursements	140,233	148,562

County Employer of Record (AB 2235)

DESCRIPTION:

This premise reflects the cost of administrative activities necessary for counties to act as the employer of record for In-Home Supportive Service (IHSS) providers. Counties may choose to act as the employer of record for IHSS individual providers to achieve compliance with Assembly Bill (AB) 1682.

AB 2235 (Chapter 1135, Statutes of 2002) further requires any county, not in compliance with the mandates of AB 1682 within a specified timeframe, to act as the employer of record for collective bargaining purposes. To comply, counties had to provide documentation, no later than January 15, 2003, in support of compliance, or detailed information in support of delayed compliance by March 31, 2003. Counties that did not provide required documentation, or meet the delayed compliance deadline, automatically defaulted to act as the employer of record.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2003.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 12300 through 12314 and 14132.95.
- This estimate assumes that Alpine and Tuolumne counties will act as employer of record for both the Current Year (CY) and the Budget Year (BY).
- The estimated Title XIX reimbursement percentage is 49.54 percent based on actual expenditure information as reported on the county administrative expense claim for the past four quarters.

METHODOLOGY:

The CY and the BY estimated cost is the sum of the projected annual costs for each county.

FUNDING:

The state and county sharing ratios are 70 percent and 30 percent, respectively, of the nonfederal share.

CHANGE FROM PRIOR SUBVENTION:

There is no change.

County Employer of Record (AB 2235)

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2007-08 Grant	2008-09 Grant
Total	$340	$340
Federal	0	0
State	121	120
County	52	51
Reimbursements	167	169

In-Home Supportive Services (IHSS) Program Court Cases

DESCRIPTION:

This premise reflects the cost of court settlements and attorney fees relating to the In-Home Supportive Services (IHSS) program. The costs result from settlement of lawsuits pertaining to local assistance in accordance with Budget Letter 98-22 and instructions from the Department of Finance.

KEY DATA/ASSUMPTIONS:

The estimate for settlement costs and attorney fees relating to court cases is based in part on actual payments for cases in the Current Year (CY), and the Legal Division's projection of costs that will be paid in both CY and Budget Year (BY).

METHODOLOGY:

The CY and BY estimates of costs reflect known and anticipated settlements and attorney fees relating to the IHSS program and $20,000 for other court cases. These are state-only costs.

FUNDING:

IHSS costs for case settlement and attorney fees are funded with 100 percent General Fund.

CHANGE FROM PRIOR SUBVENTION:

The decrease in CY is due to the Tyler Lawsuit being settled in BY.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase in BY is a result of the Tyler lawsuit being closed out.

EXPENDITURES:

(in 000's)

	2007-08	2008-09
	County Admin.	County Admin.
Total	$400	$1,340
Federal	0	0
State	400	1,340
County	0	0
Reimbursements	0	0

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In-Home Supportive Services - Advisory Committees

DESCRIPTION:

This premise reflects the costs of establishing and operating In-Home Supportive Services (IHSS) advisory committees as required by Assembly Bill (AB) 1682 (Chapter 90, Statutes of 1999). AB 1682 mandated that counties act as or establish an employer-of-record for IHSS providers on or before January 1, 2003, and establish advisory committees for IHSS purposes. The advisory committees are to submit recommendations to the Board of Supervisors on the preferred mode of IHSS service to be utilized in the county.

IMPLEMENTATION DATE:

This premise implemented July 1, 2000.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 12300 through 12314.
- The estimate assumes the average annual cost for advisory committees is $52,974 per county.
- The estimate assumes that all counties have established and will operate advisory committees in the Current Year (CY) and Budget Year (BY).
- The estimated Title XIX reimbursement percentage is 47 percent in the CY and BY, based on actual expenditure information as reported on the county administrative expense claims for Fiscal Year 2005-06.

METHODOLOGY:

The estimated cost is computed by multiplying the average annual cost per county times 58 counties.

FUNDING:

The federal Title XIX reimbursement represents 47 percent of the total funding in the CY and BY. The remaining nonfederal share is funded with 100 percent General Fund.

CHANGE FROM A PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

In-Home Supportive Services - Advisory Committees

EXPENDITURES:

(in 000's)

	2007-08 Grant	2008-09 Grant
Total	$3,072	$3,072
Federal	0	0
State	1,628	1,628
County	0	0
Reimbursements	1,444	1,444

Reduce County Administration Costs by Ten Percent

DESCRIPTION:

This premise reflects the savings from reducing county administration costs by ten percent effective July 1, 2008. To achieve these savings, counties will be allowed to delay reassessments for Personal Care Services Program (PCSP) and Residual program recipients up to 18 months. This premise is necessitated by the budget balancing reductions.

IMPLEMENTATION DATE:

This reduction assumes an October 2008 implementation date.

KEY DATA/ASSUMPTIONS:

- Approximately 75 percent of reassessments for PCSP and Residual program recipients will be completed every 18 months rather than every 12 months.
- The average hours per reassessments are five hours.

METHODOLOGY:

Projected savings are based on calculating the difference for completing reassessments every 18 months rather than every 12 months, and multiplying the product by five hours.

FUNDING:

- The Title XIX federal sharing ratio is based on the Federal Medical Assistance Percentage rate of 49.41 percent.
- The nonfederal share is split 70 percent state and 30 percent county.

CHANGE FROM PRIOR SUBVENTION

The loss of savings in the Budget Year is due to a three months delay in implementation.

REASON FOR YEAR-TO-YEAR CHANGE:

This premise implements in Fiscal Year 2008-09.

Reduce County Administration Costs by Ten Percent

EXPENDITURES:

(in 000's)

PCSP/Residual	2007-08 Grant	2008-09 Grant
Total	$0	-$21,940
Federal	0	0
State	0	-7,770
County	0	-3,330
Reimbursements	0	-10,840

Eligibility Income Adjustment

DESCRIPTION:

Assembly Bill 2779 (Chapter 329, Statutes of 1998), allowed the California Department of Social Services (CDSS) to buy down In-Home Supportive Services (IHSS) recipients' share of cost (SOC) from the Supplemental Security Income/State Supplementary Payment (SSI/SSP) SOC level to the Medi-Cal SOC level. Senate Bill 68 (Chapter 78, Statutes of 2005) extended the SOC buy-out to IHSS Plus Waiver (IPW) program participants. The eligibility income adjustment is the difference between a recipient's SSI/SSP SOC and Medi-Cal SOC and applies to recipients who receive services under the Personal Care Services Program (PCSP) or the IPW program for whom a Medi-Cal eligibility determination has been completed. To ensure IHSS recipients are eligible for Med-Cal at the beginning of the month, this premise reflects the costs to the General Fund (GF) for the difference between the higher monthly Medi-Cal SOC and the IHSS SOC.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2007.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 12305.1 and 14132.95.
- The buy-out applies when a recipient's Medi-Cal SOC is greater than the recipient's SSI/SSP SOC. When a recipient's Medical Family Budget Unit (MFBU) is composed of more than just the recipient, the comparison applies to the entire MFBU SOC under Medi-Cal.
- This premise replaces the Income Eligible Shift (SOC Buy-out) premise.
- This premise is impacted by the budget balancing reduction premise called Elimination of SOC.

METHODOLOGY:

The estimate is based on the average cases and average cost-per-case for the buy-out for Fiscal Year (FY) 2007-08 and FY 2008-09.

FUNDING:

This premise is funded with 100 percent GF.

CHANGE FROM PRIOR SUBVENTION:

The Current Year increase reflects higher cost-per-case based on actual FY 2007-08 expenditures.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year change is due to updated actual figures.

Eligibility Income Adjustment

EXPENDITURES:

(in 000's)

PCSP	2007-08	2008-09
Total	$38,550	$44,176
Federal	0	0
State	38,550	44,176
County	0	0
Reimbursements	0	0

Limiting Share of Cost (SOC)

DESCRIPTION:

Assembly Bill 2779 (Chapter 329, Statutes of 1998), allowed the California Department of Social Services (CDSS) to buy down In-Home Supportive Services (IHSS) recipients' share of cost (SOC) from the Supplemental Security Income/State Supplementary Payment (SSI/SSP) SOC level to the Medi-Cal SOC level. Senate Bill 68 (Chapter 78, Statutes of 2005) extended the SOC buy-out to IHSS Plus Waiver (IPW) program participants. The eligibility income adjustment is the difference between a recipient's SSI/SSP SOC and Medi-Cal SOC and applies to recipients who receive services under the Personal Care Services Program (PCSP) or the IPW program for whom a Medi-Cal eligibility determination has been completed. To ensure IHSS recipients are eligible for Med-Cal at the beginning of the month, this premise reflects the costs to the General Fund for the difference between the higher monthly Medi-Cal SOC and the IHSS SOC. This premise is necessitated by the budget balancing reductions. This premise reduces the Eligibility Income Adjustment premise for recipients with a functional index rank of less than four.

IMPLEMENTATION DATE:

This premise will be implemented on October 1, 2008.

KEY DATA/ASSUMPTIONS:

- The implementation will begin on October 1, 2008 for the recipients with an FI rank of four and five.
- The Buy-Out will be limited to recipients with a functional index rank of four or greater.

METHODOLOGY:

The estimate is based on the average cases and average cost-per-case for the buy-out for

FY 2007-08 and FY 2008-09, excluding recipients with a functional index rank of four or greater.

FUNDING:

This premise is funded with 100 percent General Fund

CHANGE FROM PRIOR SUBVENTION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

This premise implements in the budget year.

Limiting Share of Cost (SOC)

EXPENDITURES:

(In 000's)

Totals	2007-08	2008-09
Total	$0	-$27,722
Federal	0	0
State	0	-27,722
County	0	0
Reimbursements	0	0

Foster Care & NAFS Administrative Costs – Basic

DESCRIPTION:

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

The FC administrative costs include the county administration for the Adoption Assistance Program (AAP). County eligibility workers are required to perform administrative functions related to AAP. Specifically, verification of linkage to the Temporary Assistance for Needy Families (TANF) program (formerly Aid to Families with Dependent Children Program) is required for all new AAP cases to establish federal or nonfederal eligibility. Linkage is based on the child's situation at the time of removal from the natural home. The child must meet the general eligibility requirements for TANF and qualify as either a federal or state-only foster care case. Recertification is also required on an annual basis.

IMPLEMENTATION DATE:

This premise is an annual appropriation.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 14154.
- The FC estimate for the non-Title IV-E Waiver counties in FY 2007-08 is being held at the Budget Act of 2007 Appropriation level. Base funding for FC Administrative Costs Basic for FY 2008-09 is $51 million.
- The non-Title IV-E Waiver FC caseload growth projection for FY 2007-08 is -0.6 percent and for FY 2008-09 is -0.8 percent.
- Staff development for FC is $1 million for FY 2008-09, is based on the last four quarters of actual expenditures.
- The AAP cost of $13.1 million for FY 2008-09 is based on the last four quarters of actual expenditures.
- Contract costs for FC are $143,000 in FY 2008-09, based on FY 2005-06 actual expenditures.
- The NAFS Administrative Costs base funding is $524.4 million in FY 2006-07 and $582.2 million in FY 2007-08.
- The NAFS caseload growth projection is 11 percent in FY 2007-08 and 8.8 percent in FY 2008-09.

Foster Care & NAFS Administrative Costs – Basic

KEY DATA/ASSUMPTIONS (CONTINUED):

- The impact of Transitional Benefits, Vehicle Exclusion/Face-to-Face Interviews (Assembly Bill (AB) 231), and Electronic Benefit Transfer are reflected in the NAFS Administrative Basic Costs resulting in net savings of $27.9 million in FY 2007-08 and $30.0 million in FY 2008-09.
- Statewide Automated Welfare System Development and Testing Interface costs for NAFS are $168,287 for FY 2007-08 and $230,113 for FY 2008-09, based on updated expenditures.
- Contract costs for NAFS are $3.3 million for FY 2007-08 and $3.3 million for FY 2008-09.
- Staff development costs for NAFS are $10.0 million for FY 2007-08 and $10.0 million for FY 2008-09, based on FY 2005-06 actual expenditures.
- The NAFS and FC estimates were adjusted due to a shift of administrative costs ($97,206 and $7,776, respectively) related to the Merced Automated Global Information Control (MAGIC) system that were formerly in a separate premise line and are now included in basic.
- In FY 2007-08, it is projected that counties will overmatch their Food Stamp administration budget by $24 million. In FY 2008-09, it is projected that counties will overmatch their Food Stamp Administration by $37.8 million. This overmatch has been included in FY 2007-08 and FY 2008-09 and is countable toward the county maintenance of effort (MOE).

METHODOLOGY:

The NAFS and FC non-Title IV-E Waiver counties basic funding are adjusted to reflect caseload growth and updated premises. Staff development expenditures, the MAGIC system, and contract costs were added to both the NAFS and FC estimates. AAP administrative expenditures were also added to the FC estimate.

FUNDING:

FC and NAFS costs are shared 50 percent federal, 35 percent General Fund, and 15 percent county.

Note: W&IC section 15204.4 requires MOE from the counties based on expenditures during FY 1996-97, which include the administration of food stamps. Please reference the "County MOE Adjustment" premise.

CHANGE FROM PRIOR SUBVENTION:

For FC, there is no change in the Current Year (CY). The BY increase is updated to reflect actual expenditures. Both the CY and BY changes to the NAFS basic are associated with projected caseload growth, an increase in staff development costs, and an increase in the projected county overmatch

REASON FOR YEAR-TO-YEAR CHANGE:

The FC increase is based on actual expenditures. The changes to NAFS are due to projected caseload growth, an increase in staff development costs, and an increase in the projected county overmatch.

Foster Care & NAFS Administrative Costs – Basic

EXPENDITURES:

(in 000's)

Foster Care	2007-08 County Admin.	2008-09 County Admin.
Total	$61,805	$65,683
Federal	32,962	35,599
State	22,237	23,113
County	6,606	6,971
Reimbursements	0	0

NAFS	2007-08 County Admin.	2008-09 County Admin.
Total	$611,972	$688,900
Federal	307,029	345,570
State	212,847	231,485
County	92,096	111,845
Reimbursements	0	0

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Foster Care Reforms

DESCRIPTION:

The California Department of Social Services implemented the annual redetermination of eligibility for foster care grants, resulting in Current Year (CY) savings of $5.7 million and Budget Year (BY) savings of $6.2 million.

IMPLEMENTATION DATE:

This premise implemented July 1, 2004.

KEY DATA/ASSUMPTIONS:

- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.
- The amount of federal financial participation (FFP) is based on the Federal Medical Assistance Percentage (FMAP) rate of 50 percent.

METHODOLOGY:

The estimate assumes a 20 percent reduction in continuing caseload eligibility costs as a result of reducing the redetermination requirement from every 6 months to every 12 months.

FUNDING:

Federal funding is provided by Title IV-E of the Social Security Act for cases meeting eligibility criteria, with the level of FFP based on the FMAP rate. Funding for the nonfederal share of federal program costs and for cases not meeting federal eligibility criteria is 40 percent General Fund and 60 percent county funds.

CHANGE FROM PRIOR SUBVENTION:

The CY is held to the November Estimate. The BY estimate is updated based on actual expenditures.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY increase is based on projected caseload eligibility costs.

ADMINISTRATIVE:

(in 000's)	2007-08	2008-09
Total	-$5,694	-$6,200
Federal	-2,847	-3,409
State	-2,002	-1,963
County	-845	-828
Reimbursements	0	0

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Food Stamp Administrative Reduction

DESCRIPTION:

This premise reflects the reduction in federal reimbursement of California's food stamp administrative costs based on amounts charged to the former Aid to Families with Dependent Children (AFDC) program that could have been allocated to the Food Stamp and Medi-Cal programs for common administrative costs. Section 502 of the Agriculture Research, Extension, and Education Reform Act of 1998 [Public Law (P.L.) 105-185] required states to determine such common administrative costs during the State's Temporary Assistance for Needy Families (TANF) program base year, Federal Fiscal Year (FFY) 1995.

The TANF block grant, which replaced the AFDC program, is based on the historical spending levels of the former program. The federal Office of Management and Budgets (OMB) cost principles applicable to the states (OMB Circular A-87) required that common costs be allocated to all benefiting programs. Consequently, California had to determine the amount of common costs attributable to eligibility determinations charged to AFDC that could have been allocated to the Food Stamp program. In order to assist in this process, the federal Department of Health and Human Services (DHHS) issued a guide entitled, "Implementation of Cost Allocation Determinations under the Agriculture Research, Extension and Education Reform Act." This guide provided direction to the states in determining their AFDC total base year administrative expenditures. California reviewed the base year's cost allocation methodology and the administrative costs charged to the AFDC program. The California Department of Social Services used a primary program cost allocation methodology rather than a benefiting program cost allocation methodology for the county administrative costs during the TANF block grant base year, FFY 1995. As a result, California received federal approval of its proposed reduction amount on January 15, 1999.

The amount attributable to the Food Stamp program is to be deducted from the food stamp administrative claims. The provisions of P.L. 105-185 stipulate that states may not use TANF funds to pay for this reduction, nor does it provide for a decrease in the maintenance of effort expenditures under TANF.

IMPLEMENTATION DATE:

This premise implemented on October 1, 1998.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: P.L. 105-185, section 502.
- Based on a review of quarterly federal financial reports submitted to DHHS during FFY 1995, the total federal share of common administrative expenditures was $280,097,927.
- Non-AFDC program administrative costs and discrete AFDC costs, as defined in the guide, were identified in quarterly federal financial reports. These costs, as well as other allowable adjustments stipulated in the guide, totaled $59,412,705 and were deducted from the total federal share of common administrative expenditures.
- California's AFDC total base year administrative expenditure is $220,685,222.

Food Stamp Administrative Reduction

METHODOLOGY:

- California elected to use the optional formula described in the guide to determine the amount of the food stamp administrative reimbursement reduction. The optional formula is to multiply the AFDC total base year administrative expenditure by 80 percent and divide by three (for the three benefiting programs of AFDC, Food Stamp, and Medi-Cal).
- California's Food Stamp administrative reimbursement reduction is $58,849,393 ($220,685,222 x 0.80 ÷ 3).
- The TANF block grant has been reauthorized at the same level, therefore, California will continue to reflect the reduction to the Food Stamp administrative claims.

FUNDING:

The cost is funded with 100 percent General Fund.

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2007-08	2008-09
	County Admin.	County Admin.
Total	$0	$0
Federal	-58,849	-58,849
State	58,849	58,849
County	0	0
Reimbursements	0	0

Food Stamp Employment and Training Program

DESCRIPTION:

This premise reflects the costs for the Food Stamp Employment and Training (FSET) program, which provides job search assistance, work experience and supportive services to eligible Non-Assistance Food Stamp program recipients. This program was established under the Food Security Act of 1985 (Public Law [P.L.] 99-198). Employment and training opportunities enable recipients to become self-sufficient and reduce their need for food stamps. Some participants are geographically excluded due to reasons such as sparse population, great distances and lack of transportation. Individual county plans are developed that specify the job services, training and supportive services available to participants.

The United States Department of Agriculture Food and Nutrition Service (FNS) provides unmatched federal employment and training funding each year. The Food Stamp Reauthorization Act of 2002 (P.L. 107-171), signed into law on May 13, 2002, and effective October 1, 2002, made significant changes to the FSET program. The changes include freezing the base unmatched federal funds at the Federal Fiscal Year (FFY) 2002 level through FFY 2007, adding certain criteria for a second component of unmatched federal funds each year from FFY 2002 through FFY 2007, eliminating a maintenance of effort requirement retroactive to October 1, 2001, rescinding carry-over of unmatched federal funds from years prior to FFY 2002 (unless states have already obligated the funds prior to the date of enactment), and changing the federal formula for allocating FSET funds to states. In addition, the legislation eliminated a $175 and $30 limit for offered and filled slots, a $25 limit on participant reimbursement for transportation and ancillary costs and an 80/20 spending requirement for Able Bodied Adult Without Dependents in qualifying FSET activities.

IMPLEMENTATION DATE:

This premise implemented on April 1, 1987.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 18901.
- There are 24 counties participating in the FSET program.
- The Fiscal Year (FY) 2007-08 cost for this program is based on local assistance costs identified in the approved FSET program State Plans for FFY 2007.
- The FY 2008-09 costs for this program are based on the local assistance costs identified in the FSET program State Plans approved for FFY 2007 and the proposed FFY 2008 budget.
- It is assumed that costs in excess of the 100 percent Federal Grant would be shared 50 percent federal and 50 percent county.

Food Stamp Employment and Training Program

METHODOLOGY:

- The FY 2007-08 represents 25 percent of the total amount of the approved FFY 2007 FSET program State Plan and 75 percent of the total amount of the approved FFY 2008 FSET program State Plan.
- The FY 2008-09 represents 100 percent of the amount in the FSET program State Plan.

FUNDING:

The costs in excess of the 100 percent federal funds are shared 50 percent federal and 50 percent county.[1]

2007-08: (in 000's)	**Total**	**Federal**	**State**	**County**
100 percent Federal Funds	$6,362	$6,362	$0	$0
Administration Overmatch [1]	$54,578	$27,289	$0	$27,289
Participant Reimbursement	$12,292	$6,146	$0	$6,146
Total	**$73,232**	**$39,797**	**$0**	**$33,435**

2008-09: (in 000's)	**Total**	**Federal**	**State**	**County**
100 percent Federal Funds	$5,965	$5,965	$0	$0
Administration Overmatch [1]	$57,514	$28,757	$0	$28,757
Participant Reimbursement	$13,722	$6,861	$0	$6,861
Total	**$77,201**	**$41,583**	**$0**	**$35,618**

[1] Administration Overmatch funds are used once costs exceed the 100 percent federal funds and participant reimbursement funds.

CHANGE FROM PRIOR SUBVENTION:

For FY 2007-08 and FY 2008-09 the costs were updated to reflect federally approved funding levels.

REASON FOR YEAR-TO-YEAR CHANGE:

The costs were updated to reflect federally approved funding levels. The increase is associated with an anticipated expansion of the FSET program.

Food Stamp Employment and Training Program

EXPENDITURES:

(in 000's)

	2007-08	2008-09
	County Admin.	County Admin.
Total	$73,232	$77,201
Federal	39,797	41,583
State	0	0
County	33,435	35,618
Reimbursements	0	0

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California Nutrition Network

DESCRIPTION:

This premise reflects the amount of federal matching funds that the California Department of Social Services (CDSS) passes through to the Department of Health Care Services (DHCS). The California Nutrition Network is a statewide marketing campaign to promote healthy eating and physical activity among food stamp recipients. The Network is a collaborative effort among DHCS, CDSS, California Department of Education, University of California Cooperative Extension, and private agencies. The California Nutrition Network partners with faith communities, local health departments, parks and recreation departments, and school districts. DHCS is the lead agency administering the project. CDSS serves as the pass-through agency for the matching federal funds.

IMPLEMENTATION DATE:

This premise implemented on October 1, 1996.

KEY DATA/ASSUMPTIONS:

- The budget approved by the Food and Nutrition Service (FNS) for Federal Fiscal Year (FFY) 2008 of $107,150,557 was used to estimate funding for the Current Year (CY).
- The Budget Year (BY) assumes continuation of the CY funding level.

METHODOLOGY:

- The CY estimate is based on the approved funding for FFY 2008.
- The BY estimate is based on the CY funding level.

FUNDING:

The pass-through consists of 100 percent FNS federal funds.

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

California Nutrition Network

EXPENDITURES:

(in 000's)

	2007-08	2008-09
	County Admin.	County Admin.
Total	$107,151	$107,151
Federal	107,151	107,151
State	0	0
County	0	0
Reimbursements	0	0

UC Food Stamp Nutrition Education Plan

DESCRIPTION:

This premise reflects the amount of federal matching funds that the California Department of Social Services (CDSS) passes through to the University of California Cooperative Extension (UCCE). Food Stamp applicants and recipients will be provided nutrition education services in 41 counties by local university county extension offices. California's Food Stamp Nutrition Education Plan is a cooperative effort between CDSS and UCCE. CDSS serves as the pass-through agency for the matching federal funds.

IMPLEMENTATION DATE:

This premise implemented on January 1, 1995.

KEY DATA/ASSUMPTIONS:

- The budget CDSS proposed to the Food and Nutrition Service (FNS) for Federal Fiscal Year (FFY) 2008 of $6,384,597 was used to estimate funding for the Current Year (CY).
- The Budget Year (BY) assumes continuation of the CY funding level.

METHODOLOGY:

- The CY estimate is based on the proposed funding for FFY 2008.
- The BY estimate is based on the CY funding level.

FUNDING:

The pass-through consists of 100 percent FNS federal funds.

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2007-08	2008-09
	County Admin.	County Admin.
Total	$6,385	$6,385
Federal	6,385	6,385
State	0	0
County	0	0
Reimbursements	0	0

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Simplification Options

DESCRIPTION:

This premise reflects the impact to Federal Food Stamp Administration and the California Food Assistance Program (CFAP) associated with the implementation of certain optional provisions allowed by the federal government. These options are designed to simplify the Food Stamp Program (FSP) by easing administrative processes and by aligning certain aspects of the FSP with the California Work Opportunity and Responsibility to Kids (CalWORKs) program. This alignment is achieved by allowing the FSP to adopt certain income exclusions (Job Training Partnership Act [JTPA], Independent Living Program [ILP], Relocation Assistance Benefit, Victims of Crimes Program) and resource exemptions (restricted accounts, Individual Development Accounts [IDA], and Individual Retirement Accounts [IRA]) consistent with the CalWORKs program, thereby increasing benefits for eligible recipients. The state has also chosen to allow for the treatment of child support payments to a non-participating household member to be treated as an income exclusion rather than a deduction for the person paying the child support, and to require the use of the Standard Utility Allowance (SUA) instead of allowing households the option of choosing the standard or actual costs.

IMPLEMENTATION DATE:

This premise implemented November 1, 2006.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: The Farm Security and Rural Investment Act of 2002 (Public Law, 107-171), Food Stamp Reauthorization Act of 2002.
- The Public Assistance Food Stamps (PAFS) caseload is based on the May 2008 CalWORKs projected caseload excluding Safety Net cases. The CalWORKs monthly average caseload is 415,061 for Fiscal Year (FY) 2007-08.
- Based on the CalWORKs Characteristics Survey, 84.80 percent of CalWORKs cases receive Food Stamps.
- The Non-Assistance Food Stamps (NAFS) average monthly caseload is 614,922 for FY 2007-08 and 669,164 for FY 2008-09.
- The CFAP caseload is based on the May 2008 CalWORKs and NAFS projected trend forecasts. The average CFAP monthly caseload is 8,278 for FY 2007-08 and 8,883 for FY 2008-09.
- CFAP cases are 23.2 percent PAFS and 76.8 percent NAFS cases.
- Based on the DFA 296 - Food Stamp Program Monthly Caseload Movement Statistical Report from calendar year 2006, the denied NAFS/CFAP applicants are equivalent to 5.04 percent of the NAFS/CFAP caseload.
- It is assumed that the cost for an Eligibility Worker (EW) to process new NAFS and CFAP cases is $51.00 per case.
- It is assumed that the cost for an EW to process NAFS and CFAP continuing cases on a quarterly basis is $39.33 per case.

Simplification Options

KEY DATA/ASSUMPTIONS (CONTINUED):

- It is assumed that 7.20 percent of the new cumulative caseload would be subject to mid-quarter reporting.
- It is assumed that the administrative cost for an EW to process a mid-quarter report is $28.23.
- Based on actual data reported on the DFA 256, Food Stamp Program Participation and Benefit Issuance Report for October 2007 through December 2007, the average CFAP coupon value per case is $230.65

Income Exclusions

- The exclusion of certain types of income results in an increase of NAFS/CFAP eligible cases.
- It is assumed that 0.3 percent of the NAFS/CFAP caseload receive earnings from participation in the JTPA, ILP, Relocation Assistance Benefit, payments received under the Victims of Crimes Program, Department of Rehabilitation Training Allowances, scholarship awarded to a dependent child, and contributions from persons or organizations.
- Based on county experience, it currently requires 15 minutes of EW time semiannually to process these cases. Therefore, excluding these types of income will result in an annual savings of $29.14 per case.

Child Support Disregard

- The exclusion of the child support disregard as income in benefit determination is no longer allowed per federal regulations. Effective October 1, 2007, there will be no savings associated with this income exclusion.

Resource Exemptions

- The exemption of certain types of resources results in an increase of NAFS/CFAP eligible cases.
- Based on the CalWORKs Report on Reasons for Denials and Other Non-Approvals of Applications (CA 255 CW) from November 2005 through October 2006, three percent of CalWORKs denials are due to excess resources. Absent similar data for Food Stamp cases, the CalWORKs experience will be assumed to apply to Food Stamps.
- Based on a county survey, three percent of NAFS/CFAP cases that are denied due to excess resources have restricted accounts, IDAs, or IRAs.

Child Support Payments

- The treatment of child support payments made to non-household members as an income exclusion results in an increase of NAFS/CFAP eligible cases.
- Based on a county survey, one percent of NAFS/CFAP denied applicants pay child support.

SUA/Limited Utility Allowance (LUA)

- The implementation of a mandatory SUA also requires implementation of a LUA. The LUA includes expenses for items such as water, sewer, trash, and telephone.

Simplification Options

KEY DATA/ASSUMPTIONS (CONTINUED):

- The LUA is for households that do not qualify for the SUA.
- The mandatory SUA would decrease benefits for those claiming actual utility expenses.
- Based on the Federal Fiscal Year 2003 Food Stamps Characteristics Survey, approximately 0.02 percent of Food Stamp/CFAP caseload qualifies for the SUA, but claim actual expenditures. Approximately 1.28 percent of the Food Stamp/CFAP caseload qualifies for the LUA.
- Effective October 2007, the SUA is $274.
- The average monthly actual utility costs claimed for those that qualify for the SUA is $350.
- The mandatory SUA will result in an average decrease in benefits of $34.55 per case for cases claiming actual utilities.
- Effective October 2007, the LUA is $79.
- The average monthly actual utility cost claimed for those that qualify for the LUA is $68.
- The LUA will result in an average increase in benefits of $5.00 per case for cases currently claiming actual utilities.
- It is assumed that utility expenses are determined by the EW at intake and during the annual re-certification.
- In FY 2006-07 intake cases represented six percent of total Food Stamp households.
- Based on county experience, it currently requires ten minutes of EW time quarterly to calculate actual utility expenses which results in a savings of $9.71 per impacted case.

METHODOLOGY:

- The new monthly cases that are eligible due to the exclusion of certain types of income are calculated by multiplying the projected NAFS/CFAP average monthly caseload by the percentage of applicants that are denied (5.04 percent) and the percentage of applicants that are denied due to receiving earnings from participation in certain programs (0.3 percent).
- The new cases that are eligible due to the exemption of certain resources are calculated by multiplying the projected NAFS/CFAP average monthly caseload by the percentage of applicants that are denied (5.04 percent) and the percentage of applicants that are denied due to excess resources (three percent) then by the percentage of cases that are denied due to certain accounts (three percent).

Simplification Options

METHODOLOGY (CONTINUED):

- The new cases that are eligible due to the treatment of child support as an income exclusion are calculated by multiplying the projected NAFS/CFAP average monthly caseload by the percentage of applicants that are denied (5.04 percent) and the percentage of applicants that are denied due to child support payments (one percent).
- The monthly administrative costs associated with processing the new cases due to income exclusions, child support income exclusion and resource exemptions are calculated by multiplying the new monthly cases by $51.00.
- The monthly administrative costs associated with processing the mid-quarter changes for the new cases due to income exclusions, child support income exclusion and resource exemptions are calculated by multiplying the new cumulative cases by 7.20 percent and by $28.23.
- The quarterly administrative costs associated with processing the quarterly reports for the new cases due to income exclusions, child support income exclusion and resource exemptions are calculated by multiplying the new cumulative cases by $39.33 on a quarterly basis.
- The administrative savings associated with the income exclusion is calculated by multiplying the caseload by $29.14 semiannually.
- The CFAP coupon costs associated with the new cases due to income exclusions, child support income exclusion and resource exemptions are calculated by multiplying the related caseload by the average CFAP coupon cost.
- The existing cases that will be impacted due to excluding the child support disregard are calculated by multiplying the CalWORKs average monthly caseload by 84.8 percent and 9.95 percent.
- The administrative savings associated with the elimination of the child support disregard is calculated by multiplying the PAFS caseload by $9.71 quarterly.
- The impacted CFAP caseload due to excluding the child support disregard is calculated by multiplying the PAFS/CFAP caseload by 9.95 percent.
- The cases that will be impacted by requiring the use of a SUA are calculated by multiplying the impacted Food Stamp/CFAP caseload by 0.02 percent.
- The administrative savings associated with requiring the use of a SUA is calculated by multiplying the impacted Food Stamp/CFAP caseload by $9.71.
- The coupon savings associated with requiring the use of a SUA is calculated by multiplying the impacted CFAP caseload by $34.55.
- The cases that will be impacted by implementing a LUA are calculated by multiplying the impacted Food Stamp/CFAP caseload by 1.28 percent.
- The administrative savings associated with implementing a LUA is calculated by multiplying the impacted Food Stamp/CFAP caseload by $9.71.
- The coupon costs associated with requiring the use of a LUA is calculated by multiplying the impacted CFAP caseload by $5.00.

Simplification Options

FUNDING:

The Food Stamp sharing ratio for the administrative cost is 50 percent federal, 35 percent state, and 15 percent county funds. The county costs are countable towards the county Maintenance of Effort (MOE). The CFAP funding is 100 percent General Fund (GF). The PAFS/CFAP costs are eligible to be counted towards the Temporary Assistance for Needy Families (TANF) MOE requirement.

CHANGE FROM PRIOR SUBVENTION:

The Current Year (CY) increase in costs for NAFS is associated with caseload growth. The CY decrease in costs for the CFAP program is associated with a slower than expected caseload growth. The Budget Year (BY) increase for NAFS/CFAP is associated with anticipated caseload growth.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase in BY is associated with anticipated NAFS/CFAP caseload growth.

EXPENDITURES:

(in 000's)

101 - CFAP	2007-08	2008-09
	Grants	Grants
Total	$221	$392
Federal	0	0
State	221	392
County	0	0
Reimbursements	0	0

141-Food Stamp Administration[1]	2007-08	2008-09
	County Admin.	County Admin.
Total	$527	$1,847
Federal	264	924
State	184	646
County	79	277
Reimbursements	0	0

[1] These costs include CFAP administrative costs.

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Face-to-Face Waiver

DESCRIPTION:

This premise will streamline the application process and improve the administrative efficiency of the Food Stamp Program (FSP) by waiving the requirement for a face-to-face interview at application for Non-Assistance Food Stamp (NAFS) households meeting certain criteria as described below. This premise is expected to mitigate the impact of the four percent FSP administrative reduction. It is further expected that this premise will result in an increase in FSP participation.

A waiver request to be submitted to the United States Department of Agriculture (USDA), Food and Nutrition Service (FNS) would set aside the requirement for a face-to-face interview at application for those households where a single head of household is working at least 30 hours per week and for couples that are each working at least 20 hours each per week.

IMPLEMENTATION DATE:

This premise assumes a July 1, 2008 implementation date.

KEY DATA/ASSUMPTIONS:

- Based on Federal Fiscal Year (FFY) 2006 Food Stamp Characteristics Survey Data (Q5), there are currently 53,461 households that are working 20-30 hours per week.

- It is assumed that the households eligible for this waiver are considered part of the working poor population. Based on the USDA *State Food Stamp Participation Rates in 2005* report issued in October 2007, 34 percent of the working poor population participated in the FSP.

- Assuming that 53,461 households represent 34 percent of the eligible population, it is estimated that there are 157,239 total eligible working poor households in California (53,461 / 0.34 = 157,239).

- It is assumed that removing the face-to-face waiver requirement would result in the working poor participating at a rate more consistent like the rest of the food stamp population. Based on the USDA *State Food Stamp Participation Rates in 2005* report issued in October 2007, 50 percent of the total eligible food stamp households in California participated in the FSP.

- It is assumed that by removing the face-to-face interview requirement, the participation of this group will increase to 42 percent.

- The additional cases will be phased in over twelve months. This results in 1,048 new cases being added to the caseload each month for the first twelve months.

- Based on FFY 2006 Food Stamp Characteristics Survey Data (Q5), these NAFS cases are estimated to have an average food stamp benefit amount of $263.35.

Face-to-Face Waiver

KEY DATA/ASSUMPTIONS (CONTINUED):

- It is assumed that the intake cost for an Eligibility Worker (EW) to process new NAFS and the California Food Assistance Program (CFAP) cases is $51.00 per case.
- It is assumed that the cost for an EW to process NAFS and CFAP continuing cases on a quarterly basis is $39.33 per case.
- It is assumed that 7.20 percent of the new cumulative caseload would be subject to mid-quarter reporting.
- It is assumed that the administrative cost for an EW to process a mid-quarter report is $28.23.
- It is assumed that a face-to-face interview is more likely to last longer due to increased back-and-forth conversation that is unrelated to the subject of the interview.
- It is assumed that the interaction between the applicant and office clerical staff will be reduced as the applicant will not be physically present in the county office.
- The applicants will not be required to be finger-imaged in the county office during the initial application process.
- There will no longer be a requirement to screen applicants to determine if they are eligible to be exempted from a face-to-face interview. Further, the county worker will no longer be required to document the reason for the exemption.
- The face-to-face waiver is anticipated to result in CFAP costs equivalent to approximately one percent of the administration costs and one percent of the food stamp benefit costs.
- The impacts of any administrative efficiency resulting from this premise are assumed to mitigate the NAFS four percent reduction premise.

METHODOLOGY:

- The monthly administrative costs associated with processing the new cases are calculated by multiplying the new monthly cases by $51.00. After the phase in period, it is estimated that approximately four percent of the caseload will leave monthly and four percent will enter monthly.
- The monthly administrative costs associated with processing the mid-quarter changes for the new cases are calculated by multiplying the new cumulative cases by 7.20 percent and by $28.23.
- The quarterly administrative costs associated with processing the quarterly reports are calculated by multiplying the new cumulative cases by $39.33 on a quarterly basis.
- The CFAP coupon costs associated with the new cases due to income exclusions, child support income exclusion and resource exemptions are calculated by multiplying the related caseload by the average CFAP coupon cost.

Face-to-Face Waiver

FUNDING:

The Food Stamp sharing ratio for the administrative cost is 50 percent federal and 50 percent General Fund (GF). The CFAP funding is 100 percent GF.

CHANGE FROM PRIOR SUBVENTION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

This premise implements in the Budget Year.

EXPENDITURES:

(in 000's)

101 - CFAP Grants	2007-08	2008-09
Total	$0	$215
Federal	0	0
State	0	215
County	0	0
Reimbursements	0	0

141 - CFAP Administration	2007-08	2008-09
Total	$0	$15
Federal	0	0
State	0	15
County	0	0
Reimbursements	0	0

Face-to-Face Waiver

EXPENDITURES (CONTINUED):
(in 000's)

141 - Food Stamp Administration	2007-08	2008-09
Total	$0	$1,524
Federal	0	762
State	0	762
County	0	0
Reimbursements	0	0

NAFS Administration Reduction

DESCRIPTION:

The Food Stamp Program (FSP) is the Nation's largest nutrition program for low-income households. The program provides benefits to low-income Californians via electronic debit cards, which participants may use to buy food from eligible retailers. County allocations for the administration of the federal FSP are proposed to be reduced by approximately four percent in order to meet a ten percent reduction in the FSP.

This premise is necessitated by the budget balancing reductions.

IMPLEMENTATION DATE:

This reduction assumes a July 1, 2008 implementation date.

KEY DATA/ASSUMPTIONS:

- County allocations for the administration of the federal FSP are proposed to be reduced by approximately four percent in order to meet a ten percent reduction in the FSP.
- The California Department of Social Services is committed to pursing strategies to mitigate this impact on counties by streamlining the application process (e.g. face to face waiver and streamlining the recertification process).

METHODOLOGY:

This premise reflects an approximate four percent reduction in non-assistance food stamps administration allocation.

FUNDING:

The savings are realized in the federal and state general fund budgets.

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

This premise implements in budget year.

NAFS Administration Reduction

EXPENDITURES:

(in 000's)

	2007-08	2008-09
Total	$0	-$34,901
Federal	0	-20,530
State	0	-14,371
County	0	0
Reimbursements	0	0

Refugee Cash Assistance – Administration

DESCRIPTION:

This premise reflects the costs necessary to perform the administrative functions of the Refugee Cash Assistance (RCA) Program. The RCA Program provides cash grants to refugees during their first eight months in the United States (U.S.) if they are not otherwise eligible for the standard categorical welfare programs. The RCA administrative costs include salaries and benefits of eligibility workers and first line supervisors who determine eligibility and provide ongoing case management for the RCA Program. Also included are allocated overhead and direct costs.

IMPLEMENTATION DATE:

This premise implemented on March 17, 1980.

KEY DATA/ASSUMPTIONS:

- Section 1522 of Title 8 of the United States Code (U.S.C.) authorizes the federal government to provide grants to the states to assist refugees who resettle in the U.S.
- Sections 13275 through 13282 of the Welfare and Institutions Code authorize the Department to administer the funds provided under Title 8 of the U.S.C. It also provides the Department authority to allocate the federal funds to the counties.
- Based on data through December 2007, the average administrative monthly cost per RCA case was approximately $91.
- The average monthly caseload is 2,024 for Fiscal Year (FY) 2007-08. The average monthly caseload is projected at 1,540 for FY 2008-09.

METHODOLOGY:

The average cost per case for RCA administration is multiplied by the estimated caseload for each fiscal year to arrive at the total cost.

FUNDING:

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

CHANGE FROM PRIOR SUBVENTION:

Even though the average monthly caseload has increased for FY 2007-08 and FY 2008-09, the total cost has decreased due to a lower average administrative monthly cost per RCA case based on actual expenditures.

REASON FOR YEAR-TO-YEAR CHANGE:

The total costs decreased is due to a lower average administrative monthly cost per RCA case.

Refugee Cash Assistance – Administration

EXPENDITURES:

(in 000's)

	2007-08	2008-09
	County Admin.	County Admin.
Total	$2,018	$1,680
Federal	2,018	1,680
State	0	0
County	0	0
Reimbursements	0	0

TANF Reauthorization

DESCRIPTION:

This premise reflects the automation reprogramming costs associated with program changes made in response to the federal Deficit Reduction Act (DRA) of 2005, which reauthorized the Temporary Assistance for Needy Families (TANF) program. In addition to TANF Reauthorization, the DRA implements a new requirement for documentation of citizenship/national status and identity for Medi-Cal eligibility. Counties must ensure that the Medi-Cal record includes satisfactory evidence of United States (U.S.) citizenship or U.S. national status and identity for all Medi-Cal applicants and beneficiaries who have declared that they are U.S. citizens or nationals.

Prior to the enactment of the DRA, documentary evidence to establish U.S. citizenship or U.S. national status was not required for Medi-Cal eligibility unless an applicant declared a birthplace outside the U.S., or if evidence suggested an applicant falsely claimed to be a U.S. citizen or U.S. national. Automation reprogramming is required to support the enhanced documentation requirements for the Medi-Cal program.

IMPLEMENTATION DATE:

Funding for automation reprogramming is included in Fiscal Year (FY) 2007-08 and FY 2008-09.

KEY DATA/ASSUMPTIONS:

- The federal DRA of 2005 established enhanced citizenship verification requirements for current and new Medi-Cal applicants.
- Based on information received from the Office of Systems Integration (OSI) it is assumed that it will cost $2.3 million in the Current Year (CY) and $0.8 million in the Budget Year (BY) to implement the automation changes associated with the new citizenship documentation requirements for Medi-Cal pursuant to the federal DRA of 2005.
- An additional $2.4 million is included in the BY to reprogram existing systems to implement the proposed California Work Opportunity and Responsibility to Kids (CalWORKs) program changes.

METHODOLOGY:

The costs associated with the reprogramming of existing automated systems to support the proposed CalWORKs program changes and the citizenship documentation changes are estimated to be $5.5 million.

FUNDING:

The automation associated with the federal DRA changes to Medi-Cal eligibility is funded 50 percent General Fund (GF) and 50 percent reimbursement from the federal Department of Health Services. The automation changes associated with the CalWORKs program changes is funded with 100 percent federal TANF funds.

TANF Reauthorization

CHANGE FROM PRIOR SUBVENTION:

Based on information received from OSI, the automation associated with the federal DRA changes to Medi-Cal eligibility was reduced in the CY and the BY and the automation reprogramming costs associated with the proposed CalWORKs program changes was increased in the BY.

REASON FOR YEAR-TO-YEAR CHANGE:

The CY reflects only costs associated with the federal DRA changes to Medi-Cal eligibility, and the BY reflects both these costs as well as the automation reprogramming costs associated with the proposed CalWORKs program changes.

EXPENDITURES:

in 000's)	2007-08	2008-09
Total	$2,301	$3,199
Federal	0	2,427
State	1,151	386
County	0	0
Reimbursements	1,150	386

Be Vu v. Mitchell

DESCRIPTION:

This premise reflects the local assistance costs associated with complying with the terms of the settlement agreement in the *Be Vu v. Mitchell* court case.

As a result of the settlement of this court case, the Food Stamp Program (FSP) forms and joint FSP/California Work Opportunity and Responsibility to Kids (CalWORKs) forms must be translated into eight additional languages. The settlement agreement specifies that in addition to Chinese, Russian, Spanish and Vietnamese; the California Department of Social Services will translate FSP forms and forms jointly used with the CalWORKs program into Arabic, Armenian, Cambodian, Farsi, Hmong, Korean, Lao and Tagalog. In compliance with Be Vu, the following additional eight languages will now require translation: Cushite, Formosan, Japanese, Mien, Punjabi, Portuguese, Syriac, and Ukrainian.

IMPLEMENTATION DATE:

The premise implemented with the settlement agreement effective December 4, 2006.

KEY DATA/ASSUMPTIONS:

- Federal Food Stamp Regulations Title 7, Code of Federal Regulations sections 272.4 (b)(2)(i), (ii), and (iii).
- Based on estimates received from the Office of Systems Integration (OSI), it is assumed that it will cost $4.8 million in the Current Year (CY) and $1.9 million in the Budget Year (BY) to reprogram existing automation systems to issue the FSP and CalWORKs forms in the original eight languages.
- Additional staff time to manually complete the translated forms prior to automation is estimated for the original eight languages in Fiscal Year (FY) 2007-08 resulting in costs of $0.7 million.
- Automation reprogramming is not scheduled for the additional eight languages, therefore, additional staff time is estimated for FY 2008-09 resulting in costs of $0.5 million.

METHODOLOGY:

Total costs associated with the reprogramming of existing automated systems and the manual completion of the translated forms are estimated to be $5.5 million in the CY and $2.4 million in the BY.

FUNDING:

Manual completion costs are shared 50/50 with the CalWORKs and FSP. The CalWORKs share is funded with 100 percent federal/Temporary Assistance for Needy Families (TANF), and the Food Stamp share is funded 50 percent federal Food and Nutrition Services (FNS) funds, 35 percent General Fund (GF), and 15 percent county.

The automation costs are shared 85 percent with the FSP and 15 percent with the CalWORKs program. The CalWORKs share is funded 100 percent federal/TANF, and the Food Stamp share is funded 50 percent FNS funds, 35 percent GF, and 15 percent county.

Be Vu v. Mitchell

CHANGE FROM PRIOR SUBVENTION:

Based on information received from OSI, automation costs will decrease in the CY and increase in the BY.

REASON FOR YEAR-TO YEAR CHANGE:

The decrease in the BY is due to a decrease in automation reprogramming costs and administrative staff time.

EXPENDITURES:

(in 000's)

ITEM 101 – CalWORKs Administration	2007-08	2008-09
	Grant	Grant
Total	$333	$234
Federal	331	232
State	2	2
County	0	0
Reimbursements	0	0

ITEM 141 – Food Stamp Administration	2007-08	2008-09
	Admin.	Admin.
Total	$333	$234
Federal	167	117
State	116	82
County	50	35
Reimbursements	0	0

Be Vu v. Mitchell

EXPENDITURES (CONTINUED):

(in 000's)

ITEM 141-Automation	2007-08	2008-09
	Admin.	Admin.
Total	$4,798	$1,906
Federal	2,760	1,096
State	1,426	566
County	612	244
Reimbursements	0	0

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Work Incentive Nutritional Supplement

DESCRIPTION:

This proposal would promote self-sufficiency through work by providing additional support to working families in the form of a supplemental food stamp benefit. Working families who are receiving food stamps, but not receiving California Work Opportunity and Responsibility to Kids (CalWORKs) assistance, may be eligible for this Work Incentive Nutritional Supplement (WINS) benefit if they are participating sufficient hours in paid employment to meet Temporary Assistance for Needy Families (TANF) work participation requirements. Each food stamp household may be eligible for one $40 WINS benefit per month, which will be applied to recipients' electronic benefit transfer (EBT) cards. The benefit will not count as income in food stamp determination. Recipients must provide documentation to verify work hours (i.e., pay stubs) in order to be eligible for the benefit. This benefit would be funded with General Fund (GF) countable toward Maintenance of Effort (MOE) in the TANF program and families that receive the WINS benefit will be counted in the TANF work participation rate (WPR) calculation.

IMPLEMENTATION DATE:

This premise will implement on July 1, 2009.

KEY DATA/ASSUMPTIONS:

Due to necessary automation changes, the WINS program will not be implemented until July 2009.

METHODOLOGY:

- There are no costs associated with the WINS in the Current Year (CY).
- The Budget Year (BY) reflects automation costs associated with the implementation of WINS.
- Based on a survey of the four consortiums, the projected automation costs are $8,387,329.

FUNDING:

The funding for the automation is 100 percent TANF. Beginning in Fiscal Year 2009-10, the expenditures will be 100 percent GF and are MOE eligible.

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

This premise implements in the BY.

Work Incentive Nutritional Supplement

EXPENDITURES:

(in 000's)

141-Automation	2007-08	2008-09
Total	$0	$8,387
Federal	0	8,387
State	0	0
County	0	0
Reimbursements	0	0

Statewide Automated Welfare System (SAWS) Statewide Project Management (SPM)

DESCRIPTION:

This premise reflects costs for the Statewide Automated Welfare System (SAWS) Statewide Project Management (SPM). This activity is performed by the California Health and Human Services Agency, Office of Systems Integration (OSI) in accordance with Welfare and Institutions Code section 10823(a), which requires the implementation of SAWS. OSI provides statewide project management for the four SAWS consortia and the Welfare Data Tracking Implementation Project.

IMPLEMENTATION DATE:

This premise implemented on July 1, 1995.

KEY DATA/ASSUMPTIONS:

Authorizing statute: Welfare and Institutions Code section 10823.

METHODOLOGY:

Costs are based on the December 2001 (Revised May 2002) SAWS SPM Implementation Advance Planning Document Update and subsequent baseline adjustments.

FUNDING:

SPM funding comes from various sources. Federal funds include the normal share of Food Stamp, Title IV-E and Refugee Resettlement program funding. Costs are also eligible for Title XIX federal funding, which is included in the Department of Health Care Services budget. The Temporary Assistance for Needy Families (TANF) Program Block Grant is the funding source for TANF eligible costs. The balance of the funding is General Fund. Based on the cost allocation plan, the federal share of the California Work Opportunity and Responsibility to Kids Program is 100 percent TANF eligible. SAWS-related TANF funds are identified in total within the “Additional TANF/MOE Expenditures in CDSS” in the TANF section of each Detail Table.

CHANGE FROM PRIOR SUBVENTION:

The allocation of costs to benefiting programs has been updated.

REASON FOR YEAR-TO-YEAR CHANGE:

The Fiscal Year 2008-09 costs increase as a result of baseline adjustments.

Statewide Automated Welfare System (SAWS) Statewide Project Management (SPM)

EXPENDITURES:

(in 000's)

	2007-08 County Admin.	2008-09 County Admin.
Total	$6,366	$6,375
Federal	1,808	1,775
State	2,771	2,796
County	0	0
Reimbursements	1,787	1,804

CDSS/OSI PARTNERSHIP:

(in 000's)

	2007-08	2008-09
Total	$6,366	$6,375
CDSS	150	150
OSI	6,216	6,225

Welfare Data Tracking Implementation Project (WDTIP)

DESCRIPTION:

This premise reflects costs for the Statewide Automated Welfare System (SAWS) Welfare Data Tracking Implementation Project (WDTIP). Project management for WDTIP is provided by the California Health and Human Services Agency, Office of Systems Integration (OSI). WDTIP provides counties with the automated functionality required to conform to statewide tracking of time-on-aid requirements mandated by welfare reform in Assembly Bill 1542 (Chapter 270, Statutes of 1997).

IMPLEMENTATION DATE:

This premise implemented on July 1, 1999.

KEY DATA/ASSUMPTIONS:

Authorizing statute: Welfare and Institutions Code section 11454.5(b) (4).

METHODOLOGY:

Costs are based on the June 2002 (Revised January 2003) SAWS-WDTIP Implementation Advance Planning Document Update and subsequent baseline adjustments.

FUNDING:

SAWS-WDTIP funding is 100 percent California Work Opportunity and Responsibility to Kids (CalWORKs)/Temporary Assistance for Needy Families (TANF). Based on the cost allocation plan, the federal share of the CalWORKs Program is 100 percent TANF eligible. SAWS-related TANF funds are identified in total within the “Additional TANF/MOE Expenditures in CDSS” section in the TANF section of each Detail Table.

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The Fiscal Year 2008-09 costs increase as a result of baseline adjustments.

Welfare Data Tracking Implementation Project (WDTIP)

EXPENDITURES:

(in 000's)

	2007-08 County Admin.	2008-09 County Admin.
Total	$3,783	$3,786
Federal	3,783	3,786
State	0	0
County	0	0
Reimbursements	0	0

CDSS/OSI PARTNERSHIP:

(in 000's)

	2007-08	2008-09
Total	$3,783	$3,786
CDSS	2,823	2,823
OSI	960	963

Interim Statewide Automated Welfare System (ISAWS)

DESCRIPTION:

This premise reflects the costs for the Interim Statewide Automated Welfare System (ISAWS) Consortium, one of four consortia within the Statewide Automated Welfare System (SAWS) Project. State level project management for ISAWS is provided by the California Health and Human Services Agency, Office of Systems Integration (OSI). In addition, OSI provides computing, application maintenance, and operational support services for the ISAWS Consortium. The Consortium is comprised of 35 counties.

IMPLEMENTATION DATE:

This premise implemented on July 1, 1994.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10823.
- The ISAWS estimate reflects ongoing maintenance and operations (M&O) costs.
- A Post-Implementation Evaluation Report was approved in August 2004.

METHODOLOGY:

Costs are based on the May 2005 “As Needed” ISAWS Consortium Implementation Advance Planning Document Update and subsequent baseline adjustments.

FUNDING:

ISAWS funding comes from various sources. Federal funds include the normal shares of Food Stamp, Title IV-E, and Refugee Resettlement Programs funding. Also, the project is eligible for Title XIX federal funding, which is included in the Department of Health Care Services budget. The Temporary Assistance for Needy Families (TANF) Program Block Grant is the funding source for TANF eligible costs. The balance of the funding is General Fund and the county share of Food Stamp and Title IV-E costs. Based on the cost allocation plan for the project, the federal share of the California Work Opportunity and Responsibility to Kids Program is 100 percent TANF eligible. Project-related TANF funds are identified in total within the “Additional TANF/MOE Expenditures in CDSS” section in the TANF section of each Detail Table.

CHANGE FROM PRIOR SUBVENTION:

The allocation of costs to benefiting programs has been updated.

REASON FOR YEAR-TO-YEAR CHANGE:

The Fiscal Year 2008-09 costs increase as a result of baseline adjustments.

Interim Statewide Automated Welfare System (ISAWS)

EXPENDITURES:

(in 000's)

	2007-08 County Admin.	2008-09 County Admin.
Total	$36,797	$36,808
Federal	11,527	11,273
State	14,427	14,706
County	0	0
Reimbursements	10,843	10,829

CDSS/OSI PARTNERSHIP:

(in 000's)

	2007-08	2008-09
Total	$36,797	$36,808
CDSS	2,948	2,948
OSI	33,849	33,860

Interim Statewide Automated Welfare System (ISAWS) Consortium Migration Project

DESCRIPTION:

This premise reflects costs for the Interim Statewide Automated Welfare System (ISAWS) Consortium Migration Project. The ISAWS Consortium is one of four consortia within the Statewide Automated Welfare System (SAWS) Project. The California Health and Human Services Agency, Office of Systems Integration (OSI) provides state level project management for SAWS. The ISAWS Migration project will migrate the 35 ISAWS Consortium counties to Consortium IV.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2006.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10823.
- Planning activities began in July 2006 and development activities began in August 2007.

METHODOLOGY:

Costs are based on the March 2006 SAWS-ISAWS Consortium Migration Project Planning Advance Planning Document Update, and the December 2006 SAWS-ISAWS Consortium Migration Project Implementation Advance Planning Document and subsequent changes to reflect the budget request.

FUNDING:

ISAWS Migration funding comes from various sources. Federal funds include the normal shares of Food Stamp and Refugee Resettlement program funding. Costs are also eligible for Title XIX federal funding, which is budgeted by the Department of Health Care Services. The Temporary Assistance for Needy Families (TANF) Program Block Grant is the funding source for TANF eligible costs. The balance of the funding is General Fund. Based on the cost allocation, the federal share of the California Work Opportunity and Responsibility to Kids Program is 100 percent TANF eligible. SAWS-related TANF funds are identified in total within the “Additional TANF/MOE Expenditures in CDSS” section in the TANF section of each Detail Table.

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The Fiscal Year 2008-09 costs increased to reflect a full year of implementation activities.

Interim Statewide Automated Welfare System (ISAWS) Consortium Migration Project

EXPENDITURES:

(in 000's)

	2007-08 County Admin.	2008-09 County Admin.
Total	$37,244	$97,877
Federal	13,059	31,653
State	16,928	43,965
County	0	0
Reimbursements	7,257	22,259

CDSS/OSI PARTNERSHIP:

(in 000's)

	2007-08	2008-09
Total	$37,244	$97,877
CDSS	36,992	97,877
OSI	252	0

Los Angeles Eligibility, Automated Determination, Evaluation and Reporting (LEADER)

DESCRIPTION:

This premise reflects the costs for the Los Angeles Eligibility, Automated Determination, Evaluation and Reporting (LEADER) Consortium, one of four consortia within the Statewide Automated Welfare System (SAWS) Project. The California Health and Human Services Agency, Office of Systems Integration (OSI) provides state level project management for SAWS. The LEADER Consortium includes only Los Angeles County.

IMPLEMENTATION DATE:

This premise implemented on July 1, 1994.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10823.
- The LEADER estimate reflects ongoing maintenance and operations (M&O) costs.
- The county extended its M&O contract in May 2007 to continue M&O services until the replacement system is implemented.
- A Post-Implementation Evaluation Report was approved in November 2006.

METHODOLOGY:

Costs are based on the June 2005 SAWS LEADER Implementation Advance Planning Document Update and subsequent adjustments to reflect the extension of the M&O contract.

FUNDING:

LEADER funding comes from various sources. Federal funds include the normal shares of Food Stamp and Refugee Resettlement program funding. Costs are also eligible for Title XIX federal funding, which is included in the Department of Health Care Services budget. The Temporary Assistance for Needy Families (TANF) Program Block Grant is the funding source for TANF-eligible costs. The balance of the funding is State General Fund and the county share of Food Stamp and General Relief costs. Based on the cost allocation plan, the federal share of the California Work Opportunity and Responsibility to Kids Program is 100 percent TANF eligible. SAWS-related TANF funds are identified in total within the “Additional TANF/MOE Expenditures in CDSS” section in the TANF section of each Detail Table.

CHANGE FROM PRIOR SUBVENTION:

The allocation of costs to benefiting programs has been updated.

REASON FOR YEAR-TO-YEAR CHANGE:

The allocation of costs to benefiting programs has been updated.

Los Angeles Eligibility, Automated Determination, Evaluation and Reporting (LEADER)

EXPENDITURES:

(in 000's)

	2007-08 County Admin.	2008-09 County Admin.
Total	$12,349	$12,071
Federal	7,580	7,375
State	2,851	2,819
County	1,918	1,877
Reimbursements	0	0

CDSS/OSI PARTNERSHIP:

(in 000's)

	2007-08	2008-09
Total	$12,349	$12,071
CDSS	12,349	12,071
OSI	0	0

Los Angeles Eligibility, Automated Determination, Evaluation and Reporting (LEADER) Replacement System

DESCRIPTION:

This premise reflects the costs for the Los Angeles Eligibility, Automated Determination, Evaluation and Reporting (LEADER) Consortium Replacement System project. The LEADER Consortium is one of four consortia within the Statewide Automated Welfare System (SAWS) Project and is comprised of only Los Angeles County. The California Health and Human Services Agency, Office of Systems Integration (OSI) provides state level project management for SAWS. The LEADER Replacement System project currently includes planning and procurement activities for a system to replace LEADER.

IMPLEMENTATION DATE:

This premise was implemented as a separate LEADER premise on July 1, 2007. The Planning activities began in Fiscal Year (FY) 2005-06.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10823.
- Planning activities for the Replacement System project began in July 2005.
- The contract award for the replacement system is scheduled for July 2009.

METHODOLOGY:

Costs are based on the June 2007 SAWS LEADER Replacement System Planning Advance Planning Document Update.

FUNDING:

LEADER funding comes from various sources. Federal funds include the normal shares of Food Stamp and Refugee Resettlement program funding. Costs are also is eligible for Title XIX federal funding, which is included in the Department of Health Care Services budget. The Temporary Assistance for Needy Families (TANF) Program Block Grant is the funding source for TANF-eligible costs. The balance of the funding is State General Fund and the county share of Food Stamp, Foster Care and General Relief costs. Based on the cost allocation plan, the federal share of the California Work Opportunity and Responsibility to Kids Program is 100 percent TANF eligible. SAWS-related TANF funds are identified in total within the “Additional TANF/MOE Expenditures in CDSS” section in the TANF section of each Detail Table.

CHANGE FROM PRIOR SUBVENTION:

The allocation of costs to benefiting programs has been updated.

REASON FOR YEAR-TO-YEAR CHANGE:

The FY 2008-09 costs decrease due to reduced consultant costs.

Los Angeles Eligibility, Automated Determination, Evaluation and Reporting (LEADER) Replacement System

EXPENDITURES:

(in 000's)

	2007-08 County Admin.	2008-09 County Admin.
Total	$2,019	$1,433
Federal	492	340
State	800	573
County	129	89
Reimbursements	598	431

CDSS/OSI PARTNERSHIP:

(in 000's)

	2007-08	2008-09
Total	$2,019	$1,433
CDSS	2,019	1,433
OSI	0	0

Welfare Client Data System (WCDS)-CalWORKs Information Network (CalWIN)

DESCRIPTION:

This premise reflects costs for the Welfare Client Data System (WCDS) Consortium, one of four consortia within the Statewide Automated Welfare System (SAWS) Project. The California Health and Human Services Agency, Office of Systems Integration (OSI) provides state level project management for SAWS. The WCDS Consortium CalWORKs Information Network (CalWIN) system is managed by 18 counties.

IMPLEMENTATION DATE:

This premise implemented on July 1, 1997.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10823.
- The WCDS Consortium estimate reflects ongoing maintenance and operations costs.

METHODOLOGY:

Costs are based on the December 2006 (Revised May 2007) SAWS-WCDS Consortium Implementation Advance Planning Document Update and subsequent changes to reflect the budget request.

FUNDING:

WCDS funding comes from various sources. Federal funds include the normal shares of Food Stamp and Refugee Resettlement program funding. Costs are also eligible for Title XIX federal funding, which is included in the Department of Health Care Services budget. The Temporary Assistance for Needy Families (TANF) Program Block Grant is the funding source for TANF-eligible costs. The balance of the funding is State General Fund and the county share of Food Stamp, Foster Care and General Assistance/General Relief costs. Based on the cost allocation plan, the federal share of the California Work Opportunity and Responsibility to Kids Program is 100 percent TANF-eligible. SAWS-related TANF funds are identified in total within the “Additional TANF/MOE Expenditures in CDSS” section in the TANF section of each Detail Table.

CHANGE FROM PRIOR SUBVENTION:

The allocation of costs to benefiting programs has been updated.

REASON FOR YEAR-TO-YEAR CHANGE:

The Fiscal Year 2008-09 net decrease reflects the elimination of long-term travel reimbursement and the completion of development and implementation payments, offset by an increase for additional consortium staff.

Welfare Client Data System (WCDS)-CalWORKs Information Network (CalWIN)

EXPENDITURES:

(in 000's)

	2007-08	2008-09
	County Admin.	County Admin.
Total	$75,804	$69,410
Federal	22,688	19,265
State	29,281	27,176
County	4,027	3,868
Reimbursements	19,808	19,101

CDSS/OSI PARTNERSHIP:

(in 000's)

	2007-08	2008-09
Total	$75,804	$69,410
CDSS	75,804	69,410
OSI	0	0

Consortium IV (C-IV)

DESCRIPTION:

This premise reflects the costs for Consortium IV (C-IV), one of four consortia within the Statewide Automated Welfare System (SAWS) Project. The California Health and Human Services Agency, Office of Systems Integration (OSI) provides state level project management for SAWS. The C-IV system serves four counties.

IMPLEMENTATION DATE:

This premise implemented on July 1, 1997.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10823.
- The C-IV estimate reflects ongoing maintenance and operations (M&O) costs.

METHODOLOGY:

Costs are based on the June 2006 (Revised November 2006) SAWS-C-IV Implementation Advance Planning Document Update and subsequent changes to reflect the budget request.

FUNDING:

C-IV funding comes from various sources. Federal funds include the normal shares of Food Stamp and Refugee Resettlement program funding. Costs are also eligible for Title XIX federal funding, which is included in the Department of Health Care Services budget. The Temporary Assistance for Needy Families (TANF) Program Block Grant is the funding source for TANF eligible costs. The balance of the funding is General Fund (GF) and the county share of Food Stamp and Foster Care costs. Based on the cost allocation plan, the federal share of the California Work Opportunity and Responsibility to Kids Program is 100 percent TANF eligible. SAWS-related TANF funds are identified in total within the “Additional TANF/MOE Expenditures in CDSS” section in the TANF section of each Detail Table.

CHANGE FROM PRIOR SUBVENTION:

The allocation of costs to benefiting programs has been updated.

REASON FOR YEAR-TO-YEAR CHANGE:

The net increase in Fiscal Year 2008-09 is due to increased costs for legal support, county office changes, network disaster recovery, printing, and resources for an M&O services procurement, offset by a decrease in hardware payments.

Consortium IV (C-IV)

EXPENDITURES:

(in 000's)

	2007-08 County Admin.	2008-09 County Admin.
Total	$48,683	$49,656
Federal	16,420	16,292
State	18,050	18,581
County	2,157	2,316
Reimbursements	12,056	12,467

CDSS/OSI PARTNERSHIP:

(in 000's)

	2007-08	2008-09
Total	$48,683	$49,656
CDSS	48,683	49,656
OSI	0	0

Statewide Automated Welfare Systems (SAWS) and California Child Support Automated System (CCSAS) Interface

DESCRIPTION:

This premise reflects costs for testing activities associated with an interface between the SAWS consortium systems and California Child Support Automated System (CCSAS). The testing activities are necessary to ensure the successful exchange of data between the SAWS systems and CCSAS when CCSAS is implemented statewide. The implementation schedule for CCSAS requires that testing occur during Fiscal Year (FY) 2006-07, FY 2007-08, and FY 2008-09.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2006.

KEY DATA/ASSUMPTIONS:

Authorizing statute: Welfare and Institutions Code section 10823.

METHODOLOGY:

Costs are based on workload estimates for the SAWS consortia testing activities.

FUNDING:

Costs are eligible for Title XIX federal funding, which is included in the Department of Health Care Services budget. The Temporary Assistance for Needy Families (TANF) Program Block Grant is the funding source for TANF eligible costs. The balance of the funding is General Fund (GF) and county funds. Based on the cost allocation plan, the federal share of the California Work Opportunity and Responsibility to Kids Program is 100 percent TANF eligible. SAWS-related TANF funds are identified in total within the “Additional TANF/MOE Expenditures in CDSS” in the TANF section of each Detail Table.

CHANGE FROM PRIOR SUBVENTION:

The FY 2007-08 decrease is due to a shift of costs to FY 2008-09 to accommodate changes in the CCSAS interface testing schedule.

REASON FOR YEAR-TO-YEAR CHANGE:

The FY 2008-09 costs decrease is due to scheduled completion of testing activities.

Statewide Automated Welfare Systems (SAWS) and California Child Support Automated System (CCSAS) Interface

EXPENDITURES:

(in 000's)

	2007-08 County Admin.	2008-09 County Admin.
Total	$1,063	$641
Federal	229	146
State	421	250
County	4	2
Reimbursements	409	243

CDSS/OSI PARTNERSHIP:

(in 000's)

	2007-08	2008-09
Total	$1,063	$641
CDSS	741	112
OSI	322	529

Elimination of the Interim Statewide Automated Welfare System Consortium Migration Project (ISAWS Migration)

DESCRIPTION:

This premise reflects the savings associated with the elimination of the ISAWS Consortium Migration Project. The ISAWS Consortium is one of four consortia within the Statewide Automated Welfare System (SAWS) Project. The ISAWS Migration project proposed to migrate the 35 ISAWS Consortium counties to Consortium IV.

This premise is necessitated by the budget balancing reductions.

IMPLEMENTATION DATE:

This premise implemented January 1, 2008.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10823.
- This reduction assumes project termination effective July 1, 2008.

METHODOLOGY:

Estimated savings are based on the December 2006 SAWS-ISAWS Consortium Migration Project Implementation Advance Planning Document and subsequent changes to reflect the budget request.

FUNDING:

ISAWS Migration funding comes from various sources. Federal funds include the normal shares of Food Stamp and Refugee Resettlement program funding. Costs are also eligible for Title XIX federal funding, which is budgeted by the Department of Health Care Services. The Temporary Assistance for Needy Families (TANF) Program Block Grant is the funding source for TANF eligible costs. The balance of the funding is General Fund. Based on the cost allocation, the federal share of the California Work Opportunity and Responsibility to Kids Program is 100 percent TANF eligible. SAWS-related TANF funds are identified in total within the “Additional TANF/MOE Expenditures in CDSS” section in the TANF section of each Detail Table.

CHANGE FROM PRIOR SUBVENTION:

The Fiscal Year (FY) 2007-08 reduction increases to reflect the Legislature’s budget action taken during Special Session.

REASON FOR YEAR-TO-YEAR CHANGE:

The FY 2008-09 costs are eliminated to reflect termination of the project.

Elimination of the Interim Statewide Automated Welfare System Consortium Migration Project (ISAWS Migration)

EXPENDITURES:

(in 000's)

	2007-08	2008-09
	County Admin.	County Admin.
Total	-$7,845	-$97,877
Federal	-2,415	-31,653
State	-3,500	-43,965
County	0	0
Reimbursements	-1,930	-22,259

Statewide Fingerprint Imaging System (SFIS) Project

DESCRIPTION:

This premise reflects the cost for the Statewide Fingerprint Imaging System (SFIS) project. Senate Bill 1780 (Chapter 206, Statutes of 1996) required applicants for, and recipients of California Work Opportunity and Responsibility to Kids (CalWORKs), Non-Assistance Food Stamp (NAFS), and California Food Assistance Program benefits to be fingerprint imaged as a condition of eligibility.

The following persons must provide fingerprint images and a photo image: (1) each parent and/or caretaker relative of an aided or applicant child when living in the home of the child; (2) each parent and/or caretaker relative receiving or applying for aid on the basis of an unaided excluded child; (3) each aided or applicant adult; and, (4) the aided or applicant pregnant woman in an assistance unit (AU) consisting of the woman only. Failure to provide the required images will result in ineligibility for the entire AU.

IMPLEMENTATION DATE:

The first phase of counties began implementation on March 14, 2000. The statewide implementation of the SFIS was completed on December 7, 2001.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10830.
- The California Health and Human Services Agency, Office of Systems Integration cost estimates reflected in this premise are based on the negotiated contract with the SFIS development contractor. Cost estimates are based on the following:
    - Maintenance and Operations (M&O) vendor – The M&O vendor contract estimate is based on a structured monthly lease and maintenance cost for state and county-operated workstations and a “per transaction” cost. The “per transaction” cost includes: vendor project staff; help desk when the system is operational; fingerprint examiners; system operators; lease/maintenance costs for host computer(s) (i.e., central site); and software development and maintenance.
    - Quality Assurance vendor – Quality Assurance staff will be utilized to assure the state that the M&O vendor is providing the promised product at the lowest cost, and to reduce any risk factors during the M&O phase of the project.
    - Change control – Change control is necessary since there are always items not addressed in the Request for Proposal, which require changes in the program(s). These can be legislative, interface, capacity or workload changes that affect the new system.

METHODOLOGY:

The current cost estimates are based on the negotiated contract with the current SFIS vendor and the September 1999 contract start date as reported in the June 2003 Post Implementation Evaluation Report.

Statewide Fingerprint Imaging System (SFIS) Project

FUNDING:

The M&O automation project costs are funded with General Fund for the CalWORKs and Food Stamps programs and county share of General Assistance/General Relief costs. Project-related Temporary Assistance for Needy Families (TANF) funds are identified in total within the "Additional TANF/MOE Expenditures in CDSS" section in the TANF section of each Detail Table.

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The Fiscal Year 2008-09 costs increase as a result of baseline adjustments.

EXPENDITURES:

(in 000's)

	2007-08	2008-09
	County Admin.	County Admin.
Total	$8,270	$8,272
Federal	0	0
State	8,017	8,023
County	253	249
Reimbursements	0	0

CDSS/OSI PARTNERSHIP:

(in 000's)

	2007-08	2008-09
Total	$8,270	$8,272
CDSS	4,093	4,093
OSI	4,177	4,179

Electronic Benefit Transfer (EBT) Project Maintenance & Operations (M&O)

DESCRIPTION:

This premise reflects the costs associated with ongoing Maintenance and Operations (M&O) for the Electronic Benefit Transfer (EBT) Project. The EBT system is the automated delivery, redemption, and reconciliation of the Food Stamp Program (FSP) and cash programs benefits. It provides program recipients electronic access to food stamp and cash benefits through the use of EBT cards at point-of-sale devices and automated teller machines. The EBT system replaced the paper-based food coupon and, when selected by the counties, cash benefit issuance methods employed in the state for the distribution of the California Department of Social Services (CDSS) program benefits.

IMPLEMENTATION DATE:

This premise implemented in Fiscal Year (FY) 1997-98.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 10069.
- The Post Implementation Evaluation Report was approved by the Department of Finance on January 2, 2007.

METHODOLOGY:

Costs are based on the November 2004 Implementation Advance Planning Document Update.

FUNDING:

EBT funding comes from the FSP and Temporary Assistance for Needy Families (TANF) Program. Federal funds and General Fund are provided for the FSP. The TANF Program Block Grant is the funding source for TANF-eligible costs. Based on the cost allocation plan for the project, the federal share of the California Work Opportunity and Responsibility to Kids Program is 100 percent TANF-eligible. Project-related TANF funds are identified in total within the “Additional TANF/MOE Expenditures in CDSS” section in the TANF section of each Detail Table.

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The FY 2008-09 costs increase as a result of baseline adjustments.

Electronic Benefit Transfer (EBT) Project Maintenance & Operations (M&O)

EXPENDITURES:

(in 000's)

	2007-08	2008-09
	County Admin.	County Admin.
Total	$37,116	$37,123
Federal	23,353	23,356
State	8,947	8,951
County	4,816	4,816
Reimbursements	0	0

CDSS/OSI PARTNERSHIP:

(in 000's)

	2007-08	2008-09
Total	$37,116	$37,123
CDSS	0	0
OSI	37,116	37,123

Electronic Benefit Transfer (EBT) Project Reprocurement

DESCRIPTION:

The Electronic Benefit Transfer (EBT) system is the automated delivery, redemption, and reconciliation of the Food Stamp Program (FSP) and cash programs benefits. It provides program recipients electronic access to food stamp and cash benefits through the use of EBT cards at point-of-sale devices and automated teller machines. The EBT system replaced the paper-based food coupons and, when selected by the counties, cash benefit issuance methods employed in the state for the distribution of the California Department of Social Services (CDSS) program benefits.

With the existing contract for EBT services scheduled to expire in August 2010, the EBT Project competitively procured new EBT services for the State of California. ACS State and Local Solutions, Inc. (ACS) was the successful bidder. The contract between the state and ACS has been executed and the project is on schedule to begin its implementation phase on May 1, 2008. Implementation activities are planned over an 18-month period, with statewide cutover to the ACS system scheduled for October 2009.

IMPLEMENTATION DATE:

This premise implemented in Fiscal Year (FY) 2005-06.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 10069.
- Reprocurement activities will take at least three years to complete.

METHODOLOGY:

Costs are based on the November 2007 Implementation Advance Planning Document.

FUNDING:

EBT funding comes from the FSP and Temporary Assistance for Needy Families (TANF) Program. Federal funds and General Fund are provided for the FSP. The TANF Program Block Grant is the funding source for TANF-eligible costs. Based on the cost allocation plan for the project, the federal share of the California Work Opportunity and Responsibility to Kids Program is 100 percent TANF-eligible. Project-related TANF funds are identified in total within the “Additional TANF/MOE Expenditures in CDSS” section in the TANF section of each Detail Table.

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The FY 2008-09 costs have increased due to annualization of funding to continue implementation activities that will begin in May 2008.

Electronic Benefit Transfer (EBT) Project Reprocurement

EXPENDITURES:

(in 000's)

	2007-08 County Admin.	2008-09 County Admin.
Total	$2,325	$7,042
Federal	1,455	4,392
State	870	2,650
County	0	0
Reimbursements	0	0

CDSS/OSI PARTNERSHIP:

(in 000's)

	2007-08	2008-09
Total	$2,325	$7,042
CDSS	730	3,437
OSI	1,595	3,605

Child Welfare Services – Basic Costs

DESCRIPTION:

This premise reflects the costs incurred by County Welfare Departments (CWDs) in the administration of each component of the Child Welfare Services (CWS) Program as established through the Welfare and Institutions Code (W&IC) section 16500. W&IC section 11461(e)(4)(B) provides additional funding to counties as incentives and assistance specifically for the Aid to Families with Dependent Children/Foster Care Specialized Care Program. These funds will be used to cover the purchase of nonrecurring items on an as needed basis, the purchase of services not available through other fund sources, and the development of a respite care program or purchase of respite care services.

In recognition of the funding and staffing need identified by the workload study authorized by Senate Bill (SB) 2030 (Chapter 785, Statutes of 1998), the estimate reflects funding to allow counties to maintain the level of social workers funded in the prior year.

Emergency Response (ER) Component

ER services consist of a response system providing in-person response, when required, to reports of child abuse, neglect, or exploitation for the purpose of investigation and to determine the necessity for providing initial intake services and crisis intervention to maintain the child safely in his or her own home or to protect the safety of the child.

Emergency Response Assessment (ERA) Component

ERA is the initial intake service provided in response to reported allegations of child abuse, neglect or exploitation that is determined, based upon an evaluation of risk, to be inappropriate for an in-person investigation.

Family Maintenance (FM) Component

FM is designed to provide time-limited protective services to prevent or remedy neglect, abuse or exploitation for the purpose of preventing separation of children from their families. CWDs are responsible for determining the specific service needs of the child and family aimed at sustaining the child in the home.

Family Reunification (FR) Component

FR is designed to provide time-limited services while the child is in temporary foster care to prevent or remedy neglect, abuse or exploitation when the child cannot safely remain at home. CWDs are responsible for determining the specific service needs of the child and/or family aimed at reunifying the child with the family.

Permanent Placement (PP) Component

PP is designed to provide an alternative permanent family structure for children who because of abuse, neglect or exploitation cannot safely remain at home and who are unlikely to ever return home. The CWDs are responsible for determining the appropriate permanent goal for the child and facilitating the implementation of that goal. These goals are defined as guardianship, adoption or long-term placement.

Child Welfare Services – Basic Costs

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC sections 16500 and 11461(e)(4)(B).
- The Title IV-E portion of this estimate reflects costs for only the 56 non-Title IV-E Waiver counties, excluding training.
- The workload standard was adopted by the California Department of Social Services in conjunction with the County Welfare Directors' Association in 1984. These standards are 15.8 for ER, 35.0 for FM, 27.0 for FR, 54.0 for PP and 320.0 for ER assessments.
- The statewide annual cost of a social worker (SW) ($129,074) was based on the estimated cost of providing services, to include total staff costs, support costs, and electronic data processing costs, provided in the Fiscal Year (FY) 2001-02 proposed county administrative budgets.
- All counties are reporting caseload data on the CWS/Case Management System (CMS). Caseload projections were developed for each individual county using data through October 2007.
- Additional funds are provided in recognition of the funding and staffing need identified by the workload study authorized by SB 2030. Costs are calculated in order to continue each county's SW full-time equivalent (FTE) level funded in the prior year.

METHODOLOGY:

FY 2007-08

- The Current Year (CY) ER, ERA, FM, FR and PP estimate for the non-Title IV-E Waiver counties is being held to the November 2007 Estimate.
- The CY amount of unspent Title XX grant funds from the federal Department of Health and Human Services to assist with meeting the life-sustaining needs for families relocated to California as a result of Hurricanes Katrina, Rita and Wilma has been reduced from $2,048,000 to $2,039,000 based on actual expenditures.

FY 2008-09

- The estimate is derived by applying the workload standards to the individual county caseload projections and expanding for a 7:1 supervisory ratio. Additional FTEs are included in order to continue each county's prior year FTE level.
- The annual cost of a SW in each county is applied to the total number of FTEs in each county to derive staff costs for each line.
- Direct costs are projected from FY 2006-07 actual expenditures and statewide average caseload growth from FY 2006-07 to FY 2008-09. Total direct costs, excluding county-operated emergency shelter care (ESC), are $85.4 million for the 56 counties. The projected county-operated ESC costs are $49.1 million for those counties with county-operated emergency shelters based on actual expenditures from FY 2006-07.

Child Welfare Services – Basic Costs

METHODOLOGY (continued):

- Once the total CWS basic costs are derived, costs for the Emergency Assistance (EA) Program are subtracted and are displayed separately under the "EA Program" premise. The EA Program costs are determined based on the FY 2007-08 funding level and any caseload growth.
- In order to reflect an appropriate level of federal spending authority, additional Titles IV-E and XIX funds are added to the estimate.
- An additional $1.6 million State General Fund (GF) is shifted to this premise from the CWS/CMS System Support Staff to comply with federal Statewide Automated Child Welfare Information System (SACWIS) requirements and is matched with federal Title IV-E funds.

FUNDING:

FY 2008-09

The federal share of costs is a combination of Titles IV-B, IV-E, XIX and XX funds. The Title IV-B funds are limited by the capped federal allocation.

The estimated Title IV-B funds available in local assistance are $32.9 million. These funds have a 75 percent federal match rate.

The Title IV-E amount reflects the actual experience from FY 2006-07 that 38.6 percent of the expenditures will be eligible for Title IV-E funding. In order to reflect an appropriate level of federal spending authority based on actual expenditures, additional Title IV-E funds are budgeted in the amount of $57.6 million.

The Title XIX amount for FY 2008-09 is calculated using individual county usage rates based on FY 2006-07 expenditure data which reflect that 6.3 percent of the expenditures will be eligible for Title XIX funding. These costs are reflected as a reimbursement. In order to reflect an appropriate level of federal spending authority based on actual expenditures, additional Title XIX funds are budgeted in the amount of $31.7 million.

Nonfederal costs are shared at 70 percent GF and 30 percent county.

After the GF amount is calculated, federal Title XX funds transferred from the TANF block grant are used in lieu of GF. The amount of Title XX-eligible costs is calculated based on the nonmatching GF portion of FR and PP expenditures. For FY 2008-09, the Title XX-eligible amount is $26.8 million.

CHANGE FROM PRIOR SUBVENTION:

For FY 2007-08, the Title XX grant funds for Hurricane relief have slightly decreased. For FY 2008-09, the caseload has slightly decreased, the direct costs have increased and the additional federal spending authority has increased. In addition, for FY 2008-09 the Title XX-eligible costs have decreased, shifting costs to GF.

Child Welfare Services – Basic Costs

REASON FOR YEAR-TO-YEAR CHANGE:

The increase is due to increased direct costs and county operated emergency shelter care costs based on an increase in actual expenditures as well as an increase in additional federal spending authority.

CASELOAD:

(Average Monthly)

	2007-08	2008-09
Emergency Response	29,505	28,320
Emergency Response Assessment	12,619	12,513
Family Maintenance	15,686	17,185
Family Reunification	16,274	16,731
Permanent Placement	33,563	31,022

EXPENDITURES:

(in 000's)

	2007-08	2008-09
Total Basic	County Admin.	County Admin.
Total	$775,685	$789,386
Federal	342,967	336,240
State	256,811	268,339
County	94,211	102,198
Reimbursements	81,696	82,609

Child Welfare Services – Basic Costs

Reconciliation of Federal Funds:

	2007-08	2008-09
Title IV-B	$30,476	$32,880
Title IV-E	283,902	276,604
Title XIX	81,696	82,609
Title XX	28,589	26,756
Total Federal Funding	$424,663	$418,849

Specialized Care:

	2007-08	2008-09
Total	$4,636	$4,288
Federal	0	0
State	4,636	4,288
County	0	0

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Federal Budget Bill – Loss of Federal Financial Participation (FFP)

DESCRIPTION:

This premise reflects the cost to backfill the loss of federal Title IV-E funds for children placed in hospitals or mental health institutions for longer than 30 days. The Federal Reconciliation Bill (FRB), signed February 8, 2006 (but effective October 1, 2005), limits the claiming of Title IV-E administrative costs when a child is placed in an ineligible facility to the 30 days prior to the child being moved to a Title IV-E eligible facility or home. Prior to the FRB, there was no limit on administrative claiming if the county was providing pre-placement preventive services or preparing for the child to enter foster care.

IMPLEMENTATION DATE:

The FRB effective date is October 1, 2005.

KEY DATA/ASSUMPTIONS:

- FRB S. 1932, signed February 8, 2006.
- This estimate reflects costs for only the non-Title IV-E Waiver counties.
- There are approximately 164 cases placed in non-foster care facilities over 30 days.
- The children placed in ineligible foster care facilities represent 0.12 percent of the total foster care caseload.

METHODOLOGY:

The Title IV-E funded Child Welfare Services (CWS) Basic budgeted expenditures were multiplied by the percent of cases that are placed in ineligible facilities.

FUNDING:

These costs are ineligible for Title IV-E and will be funded with state GF and county funds at the 70 percent state, 30 percent county shares.

CHANGE FROM PRIOR SUBVENTION:

For Fiscal Year 2008-09, the CWS Basic budgeted expenditures have increased.

Federal Budget Bill – Loss of Federal Financial Participation (FFP)

REASON FOR YEAR-TO-YEAR CHANGE:

The Title IV-E funded CWS Basic budgeted expenditures have increased.

EXPENDITURES:

(in 000's)

	2007-08 County Admin.	2008-09 County Admin.
Total	$0	$0
Federal	-247	-262
State	173	183
County	74	79
Reimbursements	0	0

Augmentation to Child Welfare Services

DESCRIPTION:

This premise reflects the cost to provide an augmentation to the Child Welfare Services (CWS) program. These funds shall be expressly targeted for services provided through the Emergency Response, Family Maintenance, Family Reunification (FR) and Permanent Placement (PP) components of CWS, and shall not be used to supplant existing CWS funds. Funds will be available to counties contingent upon individual counties: 1) matching their CWS Basic General Fund (GF) allocation; and, 2) fully utilizing the CWS/Case Management System. There is no county match required for these funds.

IMPLEMENTATION DATE:

This premise, formerly known as "Emergency Workload Relief," was implemented on July 1, 1998.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Assembly Bill (AB) 1656 (Chapter 324, Statutes of 1998) and AB 1740 (Chapter 52, Statutes of 2000).
- AB 1656 authorized $40.0 million in GF with no county match required.
- AB 1740 authorized an additional $34.3 million in GF with no county match required.
- The GF Appropriation has been reduced by $17,150,000 due to lower revenues and other demands on the available GF.
- The 56 non-Title IV-E Waiver counties' portion of the total augmentation is $31,591,034 GF.

METHODOLOGY:

AB 1656 and AB 1740 designated the GF amount; however, due to lower revenues and other demands on the available GF, the GF Appropriation has been reduced by $17,150,000.

FUNDING:

- After applying the foster care federal discount rate of 75 percent for FY 2007-08 and 73 percent for FY 2008-09, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 100 percent GF.
- After the GF amount is calculated, federal Title XX funds transferred from the Temporary Assistance for Needy Families block grant are used in lieu of GF. The amount of Title XX-eligible costs is calculated based on the nonmatching GF portion of FR and PP expenditures. For FY 2007-08, the Title XX-eligible amount is $5,083,844. For FY 2008-09, the Title XX-eligible amount is $4,892,237.

Augmentation to Child Welfare Services

CHANGE FROM PRIOR SUBVENTION:

For FY 2008-09, the amount of Title XX-eligible costs has decreased.

REASON FOR YEAR-TO-YEAR CHANGE:

The foster care federal discount rate has decreased and the amount of Title XX-eligible costs has decreased.

EXPENDITURES:

(in 000's)

Augmentation Funds:

	2007-08	2008-09
	County Admin.	County Admin.
Total	$63,340	$57,836
Federal	31,698	26,002
State	31,642	31,834
County	0	0
Reimbursements	0	0

Child Welfare Services/Case Management System – System Support Staff

DESCRIPTION:

This premise reflects the cost for county administrative staff needed to support the Child Welfare Services/Case Management System which was implemented as a result of Senate Bill 370 (Chapter 1294, Statutes of 1989). These staff are needed for the ongoing operations of the system.

IMPLEMENTATION DATE:

There was a staggered implementation based on individual county start dates beginning in Fiscal Year (FY) 1996-97.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 16501.5.
- The base estimate is $25,119,682, based on the FY 2005-06 Appropriation.
- Of the base amount, funds budgeted for this premise are based on actual expenditures. The remaining funds are budgeted as part of CWS Basic.

METHODOLOGY:

The estimate is based on actual expenditures.

FUNDING:

Costs are shared according to California's federally approved Cost Allocation Plan (CAP) which allocates costs to all benefiting CWS programs based on statewide county worker time study hours.

CHANGE FROM PRIOR SUBVENTION:

For FY 2008-09, the actual expenditures have increased.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase is due to an increase in actual expenditures.

Child Welfare Services/Case Management System – System Support Staff

EXPENDITURES:

(in 000's)

	2007-08 County Admin.	2008-09 County Admin.
Total	$14,500	$19,638
Federal	7,404	10,117
State	4,462	5,959
County	2,158	2,931
Reimbursements	476	631

Child Welfare Services – Emergency Assistance Program (TANF & Title IV-E)

DESCRIPTION:

This premise reflects the costs associated with the Child Welfare Services (CWS) Emergency Assistance (EA) Program funded through federal Temporary Assistance for Needy Families (TANF) and Title IV-E funds.

In 1993, the California Department of Social Services (CDSS) implemented a statewide EA Program under Title IV-A of the Social Security Act for County Welfare Departments which provides funding for emergency shelter care to children determined to be at risk due to abuse, neglect, abandonment, or exploitation.

In 1994, CDSS implemented crisis resolution and emergency response (ER) as the child welfare services components of emergency assistance. Crisis resolution provides services to families aimed at resolving family crises without removing the child from the home or by allowing the child to be returned to the family with the provision of supporting services to ensure child safety. Under EA/ER, funds will be available for emergency response activities such as receiving and assessing referrals, investigating emergency allegations, and gathering and evaluating relevant information.

EA case management is defined as an array of activities directed to a specific child. These activities include, but are not limited to, developing a case or service plan for a child, working with foster or adoptive parents to prepare them to receive a child, case and administrative reviews, case conferences, and permanency planning meetings.

Public Law (P.L.) 104-193 eliminated Title IV-A funding for the EA Program but permitted use of TANF dollars for EA funding. Although P.L. 104-193 allowed TANF funding, the Budget Act of 1997 replaced the TANF funding with General Fund (GF). Based on interpretation of the final TANF regulations, effective October 1, 1999, EA GF expenditures are not countable towards the TANF maintenance of effort requirement. Therefore, the GF was replaced with TANF funding. EA case management activities are now funded with Title IV-E funds in order to free-up TANF dollars.

IMPLEMENTATION DATE:

Emergency Shelter Care - This component implemented on September 1, 1993.

Crisis Resolution - This component implemented on August 1, 1994.

Emergency Response - This component implemented on August 1, 1994.

Case Management - This component implemented on October 1, 1995.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 15204.25.
- Caseload growth of 0.01 percent is projected for Fiscal Year (FY) 2008-09.
- The EA TANF estimate reflects costs for all 58 counties. The EA Title IV-E estimate reflects costs for only the non-Title IV-E Waiver counties.

Child Welfare Services – Emergency Assistance Program (TANF & Title IV-E)

METHODOLOGY:

The FY 2007-08 TANF and EA Title IV-E estimates are being held at the Budget Act of 2007 Appropriation level. The FY 2008-09 EA TANF estimate is based on the FY 2007-08 estimate and increased by any individual county caseload growth. The FY 2008-09 EA Title IV-E estimate for the non-Title IV-E Waiver counties is based on the FY 2007-08 estimate and increased by any individual county caseload growth.

FUNDING:

EA funding, although eliminated by P.L. 104-193, was used in the TANF block grant calculation and is, therefore, part of the TANF funding schedule.

The sharing ratio for EA eligible shelter care cases under 30 days, emergency response, and crisis resolution is 85 percent TANF and 15 percent county. For shelter care EA eligible cases over 30 days, the ratio is 50 percent TANF and 50 percent county. These funds are reflected in the "Emergency Assistance TANF" line.

For the non-Title IV-E Wavier counties, federally eligible EA case management activities are funded 50 percent Title IV-E after the federal foster care discount rate of 75 percent is applied. Nonfederal costs are shared 85 percent GF and 15 percent county. After the GF amount is calculated, federal Title XX funds transferred from the TANF block grant are used in lieu of GF. The amount of Title XX-eligible costs is calculated based on the nonmatching GF portion of Family Reunification and Permanent Placement expenditures. For FY 2007-08 the Title XX-eligible amount is $0.9 million. For FY 2008-09, the Title XX-eligible amount is $0.8 million. These funds are reflected in the "Emergency Assistance Title IV-E" line.

CHANGE FROM PRIOR SUBVENTION:

For FY 2008-09, the caseload growth has decreased and the Title XIX-eligible expenditures have decreased.

REASON FOR YEAR-TO-YEAR CHANGE:

There is an increase due to caseload growth and a decrease in Title XX-eligible expenditures. There is also a technical adjustment to the EA Title IV-E federal and county funds that were underestimated in the current year.

Child Welfare Services – Emergency Assistance Program (TANF & Title IV-E)

EXPENDITURES:

(in 000's)

	2007-08	2008-09	2007-08	2008-09
	EA TANF		**EA Title IV-E**	
Total	$209,528	$209,563	$25,923	$30,523
Federal	173,470	173,500	10,599	11,440
State	0	0	13,621	14,505
County	36,058	36,063	1,703	4,578
Reimbursements	0	0	0	0

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Tribal-State Title IV-E Agreements

DESCRIPTION:

This premise reflects the costs to provide start-up funding for three years to provide funding when a tribe seeks to provide its own child welfare services program. The Federal Social Security Act, Indian Child Welfare Act (ICWA) and the California Welfare and Institutions Code (W&IC) sections 10553.1, 10553.2 and 10553.3 allow states to enter into agreements to pass through federal Title IV-E funds for foster care, maintenance and administration to tribes as tribes cannot receive direct Title IV-E funding. Therefore, a Tribal-State Agreement is essential to allow the pass through of Title IV-E funds to the tribes to provide foster care services to tribal children.

IMPLEMENTATION DATE:

This premise implemented in Fiscal Year (FY) 2007-08.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Federal Social Security Act, ICWA, W&IC sections 10553.1 and 10553.2.
- The Karuk Tribe of California has signed an Agreement with the State for the provision of child welfare services. Assistance payments are budgeted beginning with the last quarter of FY 2007-08 and Administrative costs are budgeted beginning July 1, 2008.
- Eligible costs will draw down federal Title IV-E funding.
- The average monthly statewide Foster Family Home (FFH) federal grant of $678 is based on actual costs for calendar year 2007.
- Based on information from the Karuk Tribe, the average monthly FFH caseload is projected at 44 cases.
- Based on information from the Karuk Tribe, the annual cost of a social worker is estimated at $80,028.
- The administration of Foster Care eligibility will require one social worker annually.
- Based on cost and caseload information from the Karuk Tribe, the administration of Child Welfare Services (CWS) will require $122,000 State General Fund annually.

METHODOLOGY:

The estimate is based on cost and caseload information from the Karuk Tribe. The basic assistance estimate is the product of case months and average grant.

FUNDING:

The Foster Care (FC) Program, FC Administration and CWS Administration costs are shared at the same ratios as in their respective programs.

Tribal-State Title IV-E Agreements

CHANGE FROM PRIOR SUBVENTION:

Full implementation has not occurred in Current Year and is expected to be completed in Budget Year (BY).

REASON FOR YEAR-TO-YEAR CHANGE:

The BY decrease reflects a decrease in the federal grant.

EXPENDITURES:

(in 000's)

ITEM 101 – Foster Care Grants	2007-08 Grant	2008-09 Grant
Total	$90	$358
Federal	45	179
State	18	72
County	27	107
Reimbursements	0	0

ITEM 141 – Foster Care Admin.	2007-08 County Admin.	2008-09 County Admin.
Total	$0	$80
Federal	0	40
State	0	28
County	0	12
Reimbursements	0	0

ITEM 151 – CWS Admin.	2007-08 County Admin.	2008-09 County Admin.
Total	$0	$301
Federal	0	138
State	0	122
County	0	41
Reimbursements	0	0

Gomez v. Saenz

DESCRIPTION:

This premise reflects the costs for county activities related to the Gomez, et al. v. Saenz court settlement. Specifically, costs are for counties to enact a grievance process to provide due process to any persons desiring to challenge their listing on the Child Abuse Central Index (CACI), both prospectively and retroactively.

IMPLEMENTATION DATE:

The premise implemented in Fiscal Year (FY) 2007-08.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: The Budget Act of 2007.
- This estimate reflects costs for only the non-Title IV-E Waiver counties.
- There are approximately 800,000 names currently listed on CACI, of which approximately 544,320 are from the non-Title IV-E Waiver counties. One percent of those currently listed on CACI will request a grievance hearing. Each grievance hearing requires 19.5 hours of social worker time at an overtime rate. These grievance hearings commence in July 2008.
- There are 37,620 new referrals to CACI per year, of which approximately 25,597 are from the non-Title IV-E Waiver counties. Twenty percent of the new referrals to CACI will request a grievance hearing. Each grievance hearing requires 15.5 hours of social worker time. These grievance hearings commence in May 2008.
- A customized notice to all new referrals to CACI requires an additional five minutes of social worker time to add information to the current notice. Customized notices are to be sent out in May 2008.
- Mass media notification in five major and two Spanish-language newspapers to current CACI listees of the right to a grievance hearing is estimated to cost $39,000.
- The hourly cost of a social worker is $72.60.
- Social worker overtime costs for salaries only are $40.50 per hour.

METHODOLOGY:

The caseload is multiplied by the number of hours, multiplied by the hourly cost. Costs are then added for the newspaper notification.

FUNDING:

After the foster care federal discount rate of 75 percent for FY 2007-08 and 73 percent for FY 2008-09 is applied, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Except for the newspaper notification, nonfederal costs are 70 percent General Fund (GF) and 30 percent county. Nonfederal costs for the newspaper notification are 100 percent GF.

Gomez v. Saenz

CHANGE FROM PRIOR SUBVENTION:

Implementation has been delayed by two months.

REASON FOR YEAR-TO-YEAR CHANGE:

The budget year reflects a full-year of costs.

EXPENDITURES:

(in 000's)

	2007-08 County Admin.	2008-09 County Admin.
Total	$1,041	$9,773
Federal	380	3,567
State	463	4,344
County	198	1,862
Reimbursements	0	0

State Family Preservation

DESCRIPTION:

This premise reflects the authorization for the permanent transfer of funds from an incentive/penalty provision program to a program with a sharing ratio of 70 percent General Fund (GF) and 30 percent county. In accordance with Assembly Bill 2365 (Chapter 71, Statutes of 1992), the counties that have operated a family preservation program for at least three years can participate in the program. Historically, funding was provided through an annual allocation derived from a shift in funds from the GF (and federal share, to the extent permitted under federal law) of the Aid to Families with Dependent Children-Foster Care appropriation. Fifteen counties opted to participate in the program which included an incentive/penalty provision based on increases/decreases in foster care placements. However, the foster care caseloads began to stabilize which resulted in little savings. Therefore, counties were given the option to permanently transfer funding to a 70 percent GF and 30 percent county share limited to not exceed 70 percent of the highest annual amount spent for family preservation.

IMPLEMENTATION DATE:

This premise implemented in Fiscal Year (FY) 1993-94.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 16500.5 through 16500.7.
- The state share of funds reflects up to 70 percent of the highest annual amount expended for family preservation services by 15 counties (Alameda, Contra Costa, Humboldt, Los Angeles, Mendocino, Napa, Placer, Riverside, Sacramento, San Diego, San Luis Obispo, Santa Clara, Santa Cruz, Solano, and Stanislaus).
- This estimate reflects costs for only the 14 non-Title IV-E Waiver counties.
- Los Angeles County is not a Waiver county under this premise.

METHODOLOGY:

For FY 2007-08 and FY 2008-09, the non-Title IV-E Waiver counties are held at the Budget Act of 2007 Appropriation level. The Title IV-E Waiver counties base is now reflected in Item 153 Title IV-E Waiver.

FUNDING:

The federal Title IV-B, nonfederal, and federal Title XIX reimbursement funding levels are based on FY 2001-02 expenditure data.

State Family Preservation

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2007-08	2008-09
	County Admin.	County Admin.
Total	$35,288	$35,288
Federal	3,540	3,540
State	22,136	22,136
County	8,916	8,916
Reimbursements	696	696

Promoting Safe and Stable Families (PSSF)

DESCRIPTION:

This premise reflects the amount of the federal Promoting Safe and Stable Families (PSSF) grant to provide community-based, family-centered services to focus on supporting and preserving families, protecting children, and preventing child abuse and neglect. The Omnibus Budget Reconciliation Act of 1993 established this capped grant program under Title IV-B.

IMPLEMENTATION DATE:

This premise implemented on October 1, 1993.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 16600 through 16604.5.
- The federal Title IV-B funds cannot be used to supplant existing state or local spending.
- Effective Fiscal Year (FY) 2001-02, based on federal requirements, a minimum of 20 percent of PSSF funds must be spent on each of the four components of the program (Family Preservation Services, Family Support Services, Adoption Promotion and Support, and Time-Limited Family Reunification).
- A 25 percent match from state or county funds is required. This match is made available through existing State Family Preservation program funds.

METHODOLOGY:

The estimate is based on the Federal Fiscal Year (FFY) federal grant amount less state operations costs.

For FY 2007-08 California received an additional PSSF grant to be used only to support monthly caseworker visits.

FUNDING:

This premise reflects federal Title IV-B grant funds to be used over a two-year period. The additional grant for caseworker visits reflects federal Title IV-B grant funds to be used over a four-year period.

CHANGE FROM PRIOR SUBVENTION:

There is no change for FY 2007-08. The decrease in FY 2008-09 reflects the reduction in the FFY 2008 federal grant.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease reflects the reduction in the FFY 2008 federal grant minus state operations cost.

Promoting Safe and Stable Families (PSSF)

EXPENDITURES:

(in 000's)

	2007-08	2008-09
	County Admin.	County Admin.
Total	$36,197	$33,788
Federal	36,197	33,788
State	0	0
County	0	0
Reimbursements	0	0

PSSF	2007-08	2008-09
Caseworker Visit	County Admin.	County Admin.
Total	$4,306	$4,306
Federal	4,306	4,306
State	0	0
County	0	0
Reimbursements	0	0

Independent Living Program

DESCRIPTION:

This premise reflects the amount of the federal grant for the Independent Living Program (ILP). The Omnibus Budget Reconciliation Act of 1993 permanently authorized this program, which offers training to foster care adolescents and emancipated youth enabling them to be independent when their foster care terminates. County Welfare Departments provide or arrange for the provision of services that facilitate the transition of foster children to emancipated lifestyles.

Federal statute, H.R.3443, the Chafee Foster Care Independence Program (CFCIP) Act of 1999 (Public Law 106-169), amended Section 477 of the Social Security Act providing more flexibility in funding of ILP services. The CFCIP authorized the expansion of this program to serve foster care youth ages 16 to 21. In addition, counties were given the discretion to provide ILP services to youth ages 14 and 15 when it was determined that these youth would most likely remain in foster care until emancipation. Counties are authorized to use up to 30 percent of their grant to provide housing assistance for emancipated foster youth and aftercare services to former foster youth ages 18 to 21.

IMPLEMENTATION DATE:

This premise implemented on January 1, 1988.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10609.3.
- Funding is based on the federal grant awards for ILP.
- The final grant amount for Federal Fiscal Year (FFY) 2007 was reduced to $20,953,530 plus $385,576 was shifted to cover ILP expenses in Fiscal Year (FY) 2006-07.
- The grant amount for FFY 2008 is $20,510,930.

METHODOLOGY:

Beginning in FY 2007-08, funds will be based on the FFY federal grant amount less state operations costs.

FUNDING:

This premise is funded 100 percent with a federal grant award. The matching funds are provided through the “Extended ILP” premise.

Independent Living Program

CHANGE FROM PRIOR SUBVENTION:

There is no change for FY 2007-08. The decrease in FY 2008-09 reflects the reduction in the FFY 2008 federal grant.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease reflects the reduction in the FFY 2008 federal grant minus state operations cost.

EXPENDITURES:

(in 000's)

	2007-08 County Admin.	2008-09 County Admin.
Total	$19,548	$19,491
Federal	19,548	19,491
State	0	0
County	0	0
Reimbursements	0	0

Extended Independent Living Program

DESCRIPTION:

This premise reflects the General Fund (GF) portion of the Independent Living Program (ILP), which provides training for eligible foster care adolescents aged 16 to 21 years old, enabling them to be independent when their foster care terminates. Senate Bill (SB) 933 (Chapter 311, Statutes of 1998) implemented the GF portion to extend ILP services to 100 percent of the eligible foster care adolescent population, up to the age of 21 years. County Welfare Departments (CWD) provide or arrange for the provision of services that facilitate the transition of foster children to emancipated lifestyles.

In addition, counties are given the discretion to provide ILP services to youth ages 14 and 15, when it is determined that these youth would most likely remain in foster care until emancipated. Counties are authorized to use up to 30 percent of their allocation to provide housing assistance for emancipated foster youth and aftercare service to former foster youth ages 18 to 21.

Effective January 1, 2006, SB 436 (Chapter 629, Statutes of 2005) requires the CWD in a county that provides transitional housing placement services to include in its annual ILP report a description of currently available transitional housing resources in relation to the number of emancipating pregnant or parenting foster youth in the county, and a plan for meeting any unmet transitional housing needs of the emancipating pregnant or parenting foster youth.

IMPLEMENTATION DATE:

This premise implemented in September 1998.

SB 436 (Chapter 629, Statutes of 2005) implemented on January 1, 2006.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10609.3 and SB 436 (Chapter 629, Statutes of 2005).
- Effective January 2006, additional GF was allocated to support SB 436 activities.
  - At least one (1) hour per case to collect and to report available transitional housing resources and to develop a plan for meeting any unmet transitional housing needs of the emancipating pregnant or parenting foster youth.
  - The social worker cost per hour is $72.60.
  - For Fiscal Year (FY) 2005-06, the number of female emancipated youths was 2,549.
  - In calendar year 2004, the teen parent birth rate for 19 year olds is 74.8 per 1,000 women.
  - SB 436 is a new State mandate; there is no county cost.

Extended Independent Living Program

METHODOLOGY:

FY 2007-08 and FY 2008-09, the funding is held to the Budget Act 2007 Appropriation. The caseload for female emancipated youths and birth rate were updated but estimated costs remain the same as for prior year.

FUNDING:

This premise is funded 100 percent GF.

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2007-08	2008-09
	County Admin.	County Admin.
Total	$15,166	$15,166
Federal	0	0
State	15,166	15,166
County	0	0
Reimbursements	0	0

Chafee Post Secondary Education & Training Vouchers

DESCRIPTION:

This premise reflects the amount of the federal grant for Chafee Post Secondary Education and Training Vouchers. This funding is provided under the Educational and Training Vouchers (ETV) Program which is part of the Chafee Foster Care Independence Program (CFCIP).

The Foster Care Independence Act of 1999, Public Law 107-133, amended Section 477 of the Social Security Act to provide states with flexible funding to design and conduct education and training voucher programs for youth who age out of foster care. This can assist youth with the development of skills necessary to lead independent and productive lives. The purpose of this program is to make available vouchers of up to $5,000 per year per youth for education and training, including post secondary training and education, to eligible youth who have aged out of foster care.

Individuals eligible to receive vouchers under this program are: (1) youth otherwise eligible for services under the State CFCIP program; (2) youth adopted from foster care after attaining age 16; and (3) youth participating in the voucher program on their 21st birthday, until they turn 23 years old, as long as they are enrolled in a post secondary education or training program and are making satisfactory progress toward completion of that program.

IMPLEMENTATION DATE:

This premise implemented on October 1, 2003.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: The Foster Care Independence Act of 1999, Public Law 107-133, Section 477 of the Social Security Act, as amended.
- Funding is based on the federal grant awards for ETV.
- The final grant for Federal Fiscal Year (FFY) 2007 that California received is $7,185,062.
- The grant for FFY 2008 that California will receive is $6,909,043.
- A 20 percent match of the total cost is required. The match may be cash or in-kind contributions.
- Future funding will be appropriated on an annual basis pending congressional authorization.
- Assembly Bill (AB) 1808 (Section 5.1) added $5.7 million General Fund (GF) to assist students who are current and former foster youth, for career and technical training or traditional college courses.

METHODOLOGY:

This premise reflects federal grant funds to be used for Fiscal Year (FY) 2007-08 through September 30, 2008, and for FY 2008-09 through September 30, 2009 plus additional federal funds to begin spending of the two-year grant during the first year. An additional $5.7 million GF is included to support AB 1808 activities.

Chafee Post Secondary Education & Training Vouchers

FUNDING:

This premise is funded 100 percent with a federal grant award. AB 1808 activities are funded with 100 percent GF. The matching funds are provided through the "Emancipated Youth Stipend" premise.

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2007-08 County Admin.	2008-09 County Admin.
Total	$16,000	$16,000
Federal	10,300	10,300
State	5,700	5,700
County	0	0
Reimbursements	0	0

Transitional Housing for Foster Youth

DESCRIPTION:

The Transitional Housing Placement Program (THPP) and Transitional Housing Program Plus (THP-Plus) offers foster youth emancipating from the foster care system and youth who have emancipated from foster care the experience of learning basic life skills while living on their own under general supervision. The programs provide a safety net of services to assure attainment of educational and employment goals. Assembly Bill (AB) 427 expanded the THPP age range for participation from 17 to 18 years of age to 16 to 18 years of age for THPP and ages 18 to 21 for the new THP-Plus Program. It also enabled additional counties to participate in the THPP and THP-Plus by providing a new rate-setting methodology. Effective January 1, 2006, AB 824 (Chapter 636, Statutes of 2005) raises the age limit for receipt of THP-Plus services by an emancipated foster youth to 24 years of age.

IMPLEMENTATION DATE:

AB 427 implemented on January 1, 2002.

AB 1119 implemented on January 1, 2003.

AB 824 (Chapter 636, Statutes of 2005) implemented on January 1, 2006.

AB 1808 (Chapter 75, Statutes of 2006) implemented on July 12, 2006.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Health and Safety Code 1559.110 and Welfare and Institutions Code sections 11400, 11403.2, 11403.3, 16522 and 16522.1.
- The nonfederal sharing ratio is 40 percent state and 60 percent county.
- The THP-Plus rate is 70 percent of the county's group home average grant.

METHODOLOGY:

Funding is based on counties' approved rates multiplied by the number of approved beds.

FUNDING:

Federal funding is provided by Title IV-E of the Social Security Act, with the amount of federal financial participation based on the Federal Medical Assistance Percentage rate, for those cases meeting federal eligibility criteria. The federal Title IV-E funding is available for youth ages 16 to 18. Youth ages 18 to 24 are ineligible for federal funds.

Funding is shared 40 percent General Fund (GF) and 60 percent county for THPP and 100 percent GF for THP-Plus.

Transitional Housing for Foster Youth

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase reflects a full year of costs for counties with approved plans in FY 2007-08.

EXPENDITURES:

(in 000's)

Total	2007-08	2008-09
Total	$49,519	$54,713
Federal	5,188	5,188
State	39,143	44,337
County	5,188	5,188
Reimbursements	0	0

THPP	2007-08	2008-09
Total	$13,835	$13,835
Federal	5,188	5,188
State	3,459	3,459
County	5,188	5,188
Reimbursements	0	0

THP-Plus	2007-08	2008-09
Total	$35,684	$40,878
Federal	0	0
State	35,684	40,878
County	0	0
Reimbursements	0	0

Emancipated Foster Youth Stipends

DESCRIPTION:

This premise reflects the costs to provide special needs stipends for emancipating foster youth. The program can assist emancipating foster youth with finding affordable housing, text books for college or vocational training, employment searches, emergency personal needs, and bus vouchers. County Welfare Departments will provide for the provision of these services. A portion of this amount is being used as match for the Chafee Post Secondary Education and Training Vouchers.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2000.

KEY DATA/ASSUMPTIONS:

Authorizing statute: The Budget Act of 2000.

METHODOLOGY:

The Budget Bill designates General Fund (GF) support levels.

FUNDING:

This program is funded 100 percent GF.

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2007-08 County Services	2008-09 County Services
Total	$3,602	$3,602
Federal	0	0
State	3,602	3,602
County	0	0
Reimbursements	0	0

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Recruitment and Retention of Social Workers

DESCRIPTION:

This premise reflects the cost to fund a contract with Cooperative Personnel Services/Merit System Services to help recruit and retain social workers in 30 small counties. Due to the continued difficulties of hiring and retaining social workers, Merit System Services will work with counties to implement and provide on-going recruitment efforts and career development plans to increase and retain the number of social workers in the smaller counties.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2001.

KEY DATA/ASSUMPTIONS:

The recruitment and career development plans were designed during Fiscal Year (FY) 2000-01.

METHODOLOGY:

The funding for this premise reflects the amount of the contract with Merit System Services.

FUNDING:

This premise is eligible for federal Title IV-E funding. After the foster care federal discount rate of 75 percent for FY 2007-08 and for FY 2008-09 is applied, costs are shared 50 percent federal and 50 percent General Fund (GF). Nonfederally-eligible costs are funded with 100 percent GF.

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)	2007-08	2008-09
	County Admin.	County Admin.
Total	$269	$269
Federal	101	101
State	168	168
County	0	0
Reimbursements	0	0

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Total Child Welfare Training Program

DESCRIPTION:

This premise reflects the costs for providing a statewide coordinated training program designed specifically to meet the needs of county child protective services social workers assigned to emergency response, family maintenance, family reunification, permanent placement, and adoptions responsibilities. The training program was established by Senate Bill (SB) 834 (Chapter 1310, Statutes of 1987), and extended permanently by SB 1125 (Chapter 1203, Statutes of 1991).

The Total Child Welfare Training Program includes training for other agencies under contract with County Welfare Departments to provide child welfare case management services. The program also includes crisis intervention, investigative techniques, rules of evidence, indicators of abuse and neglect, assessment criteria, intervention strategies, family-based services, legal requirements of child protection, case management, and the use of community resources.

IMPLEMENTATION DATE:

This premise implemented on July 1, 1988.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 16200 through 16215.
- The implementation of regional training academies started in 1996.
- Funding is based on contract amounts entered into by the California Department of Social Services.

METHODOLOGY:

The estimates for Fiscal Year (FY) 2007-08 and FY 2008-09 are based on contract costs.

FUNDING:

After the foster care federal discount rate of 75 percent is applied for FY 2007-08 and 79 percent for FY 2008-09, federally-eligible costs are shared at 75 percent federal and 25 percent state, with the exception of various contracts which use federal Title IV-E funds with an in-kind match. Nonfederally eligible costs are funded with 100 percent General Fund (GF).

CHANGE FROM PRIOR SUBVENTION:

For FY 2007-08 and FY 2008-09, the contracted costs have been updated.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase is due to anticipated contracted costs in FY 2008-09.

Total Child Welfare Training Program

EXPENDITURES:

(in 000's)

	2007-08 County Admin.	2008-09 County Admin.
Total	$19,119	$20,512
Federal	11,763	12,410
State	7,356	8,102
County	0	0
Reimbursements	0	0

Substance Abuse/HIV Infant Program

DESCRIPTION:

This premise reflects the costs for the recruitment, special training, and respite care for specially recruited and trained foster family providers caring for children with medical problems related to drug or alcohol exposure or to Acquired Immune Deficiency Syndrome (AIDS). Originally established as a demonstration project by Senate Bill (SB) 1173 (Chapter 1385, Statutes of 1989) and Assembly Bill (AB) 2268 (Chapter 1437, Statutes of 1989), the program was extended by SB 1050 (Chapter 296, Statutes of 1993) and made into a permanent program in 1997 by AB 67 (Chapter 606, Statutes of 1997). AB 2037 (Chapter 799, Statues of 2000) revised the age for children participating in this program from age three to age five for those counties that have participated in the program for at least three years.

IMPLEMENTATION DATE:

This premise implemented on July 1, 1989.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 16525.10 through 16525.30.
- The savings to the Foster Care Program resulting from diverting children from expensive out-of-home placements are reflected in the caseload and expenditure trends for Foster Care.
- This program is available to any county requesting participation pursuant to established procedures and to the extent funds are available. Currently, there are ten counties that are participating in this program (Alameda, Butte, Contra Costa, Glenn, Monterey, San Diego, San Francisco, San Luis Obispo, Santa Cruz, and Shasta).
- This estimate reflects costs for only nine non-Title IV-E Waiver counties.

METHODOLOGY:

The foster care federal discount rate was applied to the training and recruitment components. The Title IV-E Waiver county's base is reflected in Item 153 Title IV-E Waiver.

FUNDING:

Respite care is funded 70 percent General Fund (GF) and 30 percent county funds. The training and recruitment components are funded with 75 percent and 50 percent federal funds, respectively, after the foster care federal discount rate is applied. The nonfederal portion is funded 70 percent GF and 30 percent county funds.

Substance Abuse/HIV Infant Program

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The total remains the same; however, the federal discount rate for FY 2008-09 was adjusted.

EXPENDITURES:

(in 000's)

	2007-08	2008-09
	County Admin.	County Admin.
Total	$5,022	$5,022
Federal	1,622	1,598
State	2,380	2,397
County	1,020	1,027
Reimbursements	0	0

Child Welfare Services – Pass-Through Title IV-E Costs

DESCRIPTION:

This premise reflects the pass-through of federal Title IV-E funds for probation and other public agency administrative costs, foster parent training, and social work training as described below.

IMPLEMENTATION DATE:

Probation Costs	June 1991
Social Work Training	1992-1993
Other Public Agencies	2003-2004
Social Worker/County Counsel Training	2005-2006
Foster and Kinship Care Education Program* (Community College Chancellor's Office)	2005-2006

*Incorporates the Foster Parent Training Fund (1990-1991) and the Foster Parent Training (1998-1999)

KEY DATA/ASSUMPTIONS:

For Fiscal Year (FY) 2007-08 and FY 2008-09, the Probation Costs estimate reflects costs for only the 56 non-Title IV-E Waiver counties.

METHODOLOGY:

This premise includes the combined estimated expenditures for the following five Title IV-E pass-through costs:

- **Probation Costs** - The state received federal approval to pass through Title IV-E administration funds for county probation staff activities that are similar to the Title IV-E eligible tasks of county social services workers. This federal funding source will be passed through to the county probation departments for their federally-eligible activities related to probation supervised cases in foster care and the Title IV-E eligible training of probation staff who complete case management activities on behalf of these children.
- **Other Public Agencies** – The federal government allows Title IV-E reimbursement for administrative activities associated with pre-placement prevention. Under current California Department of Social Services (CDSS) regulations and specified conditions, counties may pass on Title IV-E funds to other county public agencies, such as Education or Mental Health, who perform eligible administrative activities for children at risk of, or currently placed in foster care. This pass-on provision does not apply to similar activities performed by private non-profit organizations.

Child Welfare Services – Pass-Through Title IV-E Costs

- **Foster and Kinship Care Education Program (Community College Chancellor's Office)** – Effective in FY 2005-06, the Foster Parent Training Fund was incorporated into the Community College Proposition 98 fund. Title IV-E funds will be accessed by using the Community College Proposition 98 funds as match for the purpose of reimbursing the California Community Colleges Chancellor's Office for providing education and training to foster parents and kinship care providers. This program is conducted through community colleges in consultation with CDSS and key state foster and caregiver associations. Statutes that relate to the type of education and training this program delivers include: Senate Bill 2003 (Chapter 1597, Statutes of 1984); Assembly Bill (AB) 3062 (Chapter 1016, Statutes of 1996); AB 2307 (Chapter 745, Statutes of 2000); and AB 458 (Chapter 331, Statutes of 2003).
- **Social Worker Training** – An agreement between CDSS, the University of California and the California State University (CSU) was implemented for a statewide training program to increase the number of social workers employed in California county welfare departments. This effort was initiated due to the shortage of professionals in public child welfare services, especially those holding a master's degree in social work.

  Currently, there are 18 schools of social work participating. CSU Dominguez Hills is new for FY 2008-09. Funding is provided with Title IV-E federal funds, with an in kind match provided by the state universities.
- **Social Worker/County Counsel Training** – The training will be coordinated and overseen by the Administrative Office of the Courts (AOC) through a contract with statewide and local training providers to provide short-term training to enhance social worker and county counsel's understanding of the judicial determination process and necessary court findings on behalf of children in foster care.

FUNDING:

Costs represent 100 percent federal Title IV-E funds and no state share of costs.

CHANGE FROM PRIOR SUBVENTION:

There is no change for FY 2007-08. For FY 2008-09 the change is an increase in federal authority for Probation based on actual data. The increase is also for a stipend contract with CSU Dominguez Hills.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to an increase in federal authority for Probation based on actual data and for a stipend contract with CSU Dominguez Hills.

Child Welfare Services – Pass-Through Title IV-E Costs

EXPENDITURES:

(in 000's)

COMBINED TOTAL:	2007-08 County Admin.	2008-09 County Admin.
Total	$179,047	$187,708
Federal	179,047	$187,708
State	0	0
County	0	0
Reimbursements	0	0

DETAILED TOTALS:

Probation:	2007-08 County Admin.	2008-09 County Admin.
Total	$142,022	$147,683
Federal	142,022	$147,683
State	0	0
County	0	0
Reimbursements	0	0

Other Public Agencies:	2007-08 County Admin.	2008-09 County Admin.
Total	$2,915	$2,915
Federal	2,915	2,915
State	0	0
County	0	0
Reimbursements	0	0

Foster and Kinship Care Education Program	2007-08 County Admin.	2008-09 County Admin.
Total	$6,112	$6,112
Federal	6,112	6,112
State	0	0
County	0	0
Reimbursements	0	0

Social Worker Training	2007-08 County Admin.	2008-09 County Admin.
Total	$27,612	$30,612
Federal	27,612	$30,612
State	0	0
County	0	0
Reimbursements	0	0

Child Welfare Services – Pass-Through Title IV-E Costs

EXPENDITURES:

(in 000's)

DETAILED TOTALS (CONTINUED):

AOC Social Worker/County Counsel Training:	2007-08 County Admin.	2008-09 County Admin.
Total	$386	$386
Federal	386	386
State	0	0
County	0	0
Reimbursements	0	0

Foster Parent Training and Recruitment

DESCRIPTION:

This premise reflects the costs for the enhanced statewide Foster Parent Training and Recruitment Program. As part of the Foster Care Initiative, Assembly Bill (AB) 2129 (Chapter 1089, Statutes of 1993), required the California Department of Social Services to develop and implement an expanded Foster Parent Training and Recruitment Program. The expanded program provides specialized training for foster parents of children with special care needs, and specific recruitment activities for minority and sibling placements.

IMPLEMENTATION DATE:

This premise implemented on January 1, 1994.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 903.8.
- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.

METHODOLOGY:

For Fiscal Year (FY) 2007-08 and FY 2008-09, the non-Title IV-E Waiver counties are held at the Budget Act of 2007 Appropriation level. The Title IV-E Waiver counties base is now reflected in Item 153 Title IV-E Waiver.

FUNDING:

This program is eligible for Title IV-E federal funding. For FY 2007-08, after the foster care federal discount rate of 75 percent is applied, costs are shared 75 percent federal and 25 percent nonfederal for the training costs, and 50 percent federal and 50 percent nonfederal for the recruitment costs. The nonfederal shares are funded 100 percent General Fund. The funds are evenly distributed to each component of the program. For FY 2008-09 the foster care federal discount rate of 73 percent is applied.

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease is due to an adjustment for the foster care federal discount rate to 73 percent.

Foster Parent Training and Recruitment

EXPENDITURES:

(in 000's)

	2007-08 County Admin.	2008-09 County Admin.
Total	$2,686	$2,426
Federal	1,387	1,127
State	1,299	1,299
County	0	0
Reimbursements	0	0

Minor Parent Services and Investigations

DESCRIPTION:

This premise reflects the costs for a program designed to discourage teen pregnancy and encourage appropriate parenting of teen parents and their children. As established by Assembly Bill 908 (Chapter 304, Statutes of 1995), the guidelines require pregnant and parenting teens to live with their parents or legal guardians as a condition for receiving welfare benefits unless specific conditions exist. Teen parents not living at home will live in an appropriate, supervised setting. Minor Parent Services (MPS) will be provided if deemed necessary.

IMPLEMENTATION DATE:

The investigative part of this premise implemented on May 1, 1997.

The MPS part of this premise implemented on June 1, 1997.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code (W&IC) sections 11254, 16504(b), and 16506.
- It is assumed that any situations of abuse or neglect under W&IC section 300 requiring a foster care living arrangement resulting from this investigation are already reflected in Child Welfare Services (CWS) and Foster Care caseload trends.
- It is assumed that a social worker will spend four hours investigating each case. The four hours include one and one-half hours each for two client contacts (teen parent and the teen parent's parent(s) or legal guardian), including interviews and documentation. An additional hour is allocated for travel and time to prepare a report of the social worker's findings.
- Based on historical family maintenance data, it is assumed that minor parents (mostly those at 17 years of age) will be allowed to form their own assistance units (AUs) and receive MPS. The estimated number of minor parents approved for their own AUs at age 17 is based on application survey data. An average of six months of services is estimated for each case.

METHODOLOGY:

The total funding for both Fiscal Years (FYs) 2007-08 and 2008-09 is being held at the Budget Act of 2007 Appropriation level.

FUNDING:

The costs of performing the investigations and providing MPS are eligible for 50 percent funding under the Temporary Assistance for Needy Families block grant. All nonfederal costs are shared 70 percent state and 30 percent county.

Minor Parent Services and Investigations

CHANGE FROM PRIOR SUBVENTION:

There is no change for FY 2007-08. For FY 2008-09 there is no change in the combined total; however, based on actual expenditures, the investigations and minor parent services costs are updated.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change in the combined total; however, based on actual expenditures, the investigations and minor parent services costs are updated.

EXPENDITURES:

(in 000's)

COMBINED TOTAL:	2007-08	2008-09
	County Admin.	County Admin.
Total	$7,097	$7,097
Federal	3,549	3,549
State	2,484	2,484
County	1,064	1,064
Reimbursements	0	0

Investigations:	2007-08	2008-09
	County Admin.	County Admin.
Total	$2,252	$3,516
Federal	1,126	1,758
State	788	1,231
County	338	527
Reimbursements	0	0

Minor Parent Services:	2007-08	2008-09
	County Admin.	County Admin.
Total	$4,845	$3,581
Federal	2,423	1,791
State	1,696	1,253
County	726	537
Reimbursements	0	0

Kinship Support Services

DESCRIPTION:

This premise reflects the costs for the grants-in-aid program that provides start-up and expansion funds for local kinship support service programs. As designated by Assembly Bill (AB) 1193 (Chapter 794, Statutes of 1997), the Kinship Support Services Program (KSSP) is to be conducted by the California Department of Social Services (CDSS) with the initial grants being awarded in July 1998 to eight counties. Currently, there are 11 counties participating in the program. These programs are to provide community-based family support services to kinship (relative) caregivers and the children who are placed in their homes by the juvenile court or who are at risk of dependency or delinquency.

Effective Fiscal Year (FY) 2006-07, the KSSP was augmented by $2.5 million and all counties were allowed to apply for the KSSP funds. The application process will require each interested county to submit a comprehensive proposal outlining how many relative caretakers reside in their county, what services will be provided to relative caretakers and the children in their care, how the county will develop the necessary community supports, how many relative caretakers and children will be served, and what the county outcome improvement goals are for the program. The proposals must also include a description of how each county will measure the success and cost-effectiveness of their program, and how the county will report these measures to CDSS.

IMPLEMENTATION DATE:

This premise implemented on January 1, 1998.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 16605.
- The participating counties for FY 2007-08 and FY 2008-09 are: Alameda, Contra Costa, Los Angeles, Monterey, Riverside, San Bernardino, San Diego, San Francisco, San Mateo, Santa Clara, and Stanislaus.
- Beginning FY 2007-08, it is anticipated that additional counties will participate in KSSP.

METHODOLOGY:

The estimate reflects the amount contained in AB 1193 and the 2006 Budget Act.

FUNDING:

This premise is funded 100 percent with General Fund.

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Kinship Support Services

EXPENDITURES:

(in 000's)

	2007-08	2008-09
	County Admin.	County Admin.
Total	$4,000	$4,000
Federal	0	0
State	4,000	4,000
County	0	0
Reimbursements	0	0

Kinship/Foster Care Emergency Funds

DESCRIPTION:

This premise reflects the cost to provide emergency funds to relative caregivers and foster parents. The program primarily offers one-time assistance for necessary housing needs, such as extra beds and clothing. Short-term support services, such as crisis counseling, are also provided to prevent children from entering or re-entering the child welfare system.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2000.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: The Budget Act of 2000.
- The California Department of Social Services received policy clarification from the federal Department of Health and Human Services that administrative costs for beds, cribs, and smoke detectors that are needed in order to license or approve a foster family home are allowable under Title IV-E.
- This estimate reflects costs for only the 56 non Title IV-E Waiver counties.

METHODOLOGY:

For FY 2007-08 and FY 2008-09, the non-Title IV-E Waiver counties are held at the Budget Act of 2007 Appropriation level. The Title IV-E Waiver counties base is now reflected in Item 153 Title IV-E Waiver.

FUNDING:

For FY 2007-08, after the foster care federal discount rate of 75 percent is applied, costs are shared 50 percent federal and 50 percent nonfederal. The nonfederal shares are funded 100 percent General Fund. For FY 2008-09 the foster care federal discount rate of 73 percent is applied.

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease is due to an adjustment for the foster care federal discount rate to 73 percent.

Kinship/Foster Care Emergency Funds

EXPENDITURES:

(in 000's)

	2007-08 County Admin.	2008-09 County Admin.
Total	$1,446	$1,422
Federal	543	519
State	903	903
County	0	0
Reimbursements	0	0

Child Welfare Services/Case Management System Staff Development

DESCRIPTION:

This premise reflects the cost to fund staff development for the Child Welfare Services/Case Management System (CWS/CMS) which was implemented as a result of Senate Bill 370 (Chapter 1294, Statutes of 1989). The estimate includes costs for five training components plus costs to maintain three training tools in order to continue to provide a statewide CWS/CMS training curriculum and classes. This statewide training promotes user continuity and consistency to meet Statewide Automated Child Welfare Information System requirements.

IMPLEMENTATION DATE:

This premise was implemented on July 1, 1997.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 16501.5.
- The estimate includes training costs for all new users as a result of user growth and staff turnover.
- The cost per hour of training is $48.07 for each fiscal year.
- The estimate assumes an 11.5 percent staff turnover rate.
- There are 15,819 budgeted users for each fiscal year.
- The estimate includes costs for five training components:
  - **New User Training** – provides 44 hours of basic training for newly hired staff as a result of staff turnover;
  - **Intermediate/Advanced Training** – provides 16 hours of training to service providers on the more difficult tasks not covered in the new user training;
  - **Management/Supervisory Training** – provides 16 hours of training to management on the supervisory process of approvals and program management reports;
  - **System Support Training** – provides 24 hours of training to newly hired system support staff as a result of caseload growth and staff turnover in order to assist other users as needed; and,
  - **Database Training** – provides 24 hours of training to staff responsible for extracting and interpreting caseload data.
- Costs are also included for statewide contracted training needs.

Child Welfare Services/Case Management System Staff Development

METHODOLOGY:

Costs are calculated for each training component by multiplying the number of users being trained by the number of hours of training at the hourly cost for training. Costs are then added for the statewide contracted training needs.

Fiscal Year (FY) 2007-08 and FY 2008-09: (1,819 New Users x 44 hours x $48.07) + (1,559 Intermediate/Advanced Users x 16 hours x $48.07) + (195 Management/Supervisory Users x 16 hours x $48.07) + (55 System Support Users x 24 hours x $48.07) + (29 Database Users x 24 hours x $48.07). For the statewide contract costs, $3,000,000 is added in each FY in order to meet the total contract commitment.

FUNDING:

Costs are shared according to California's federally approved Cost Allocation Plan (CAP) which allocates costs to all benefiting CWS programs based on statewide county worker time study hours.

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year costs are shared based on an updated CAP.

EXPENDITURES:

(in 000's)

	2007-08	2008-09
	County Admin.	County Admin.
Total	$8,294	$8,294
Federal	4,655	4,685
State	2,659	2,631
County	708	711
Reimbursements	272	267

Child Welfare Services/ Case Management System (CWS/CMS) Maintenance and Operation (M&O) Project

DESCRIPTION:

This premise reflects the costs related to the ongoing and administrative support of the Child Welfare System/Case Management System (CWS/CMS). As mandated by Senate Bill 370 (Chapter 1294, Statutes of 1989), the CWS/CMS provides a comprehensive database, case management tool, and reporting system for the CWS Program. It contains both current and historical information for all children statewide in emergency response, family maintenance, family reunification, and permanent placement. CWS/CMS also includes information regarding adoptions to produce the semiannual adoption and foster care analysis reporting system reports.

CWS/CMS provides: (1) immediate statewide data on referrals for children at risk of abuse, neglect or exploitation; (2) immediate case status and case tracking for children and families receiving child welfare services; (3) necessary information and forms required to determine eligibility for the Aid to Families with Dependent Children - Foster Care Program; (4) tracking for all placement activities for children in foster care; and (5) issuance of the appropriate notice of action messages, court reports, and service plans. The system also produces all required state and federal reports. State level project management for CWS/CMS is provided by the California Health and Human Services Agency, Office of Systems Integration (OSI). OSI administers the projects under an interagency agreement with the California Department of Social Services (CDSS).

IMPLEMENTATION DATE:

This premise became effective Fiscal Year (FY) 1995-96.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 16501.5.
- Costs represent ongoing M&O costs associated with support and oversight of the CWS/CMS.
- Costs include the wide-area network maintained by Department of Technology Services, OSI administrative support, and vendor costs related to operation, support, and maintenance of the application and technical architecture.

METHODOLOGY:

Costs are based on the FY 2008-09 M&O Plan.

FUNDING:

The cost allocation included in this document is based on the CDSS Operational Cost Allocation Plan approved by the Division of Cost Allocation/Department of Health and Human Services.

CHANGE FROM PRIOR SUBVENTION:

The FY 2007-08 costs have decreased due to the passing of Assembly Bill NO.3 within the Special Session Committee.

Child Welfare Services/ Case Management System (CWS/CMS) Maintenance and Operation (M&O) Project

REASON FOR YEAR-TO-YEAR CHANGE:

The net increase in FY 2008-09 reflects an increase in Data Center Services offset by decreases to prime vendor services, technical maintenance changes, reduced CDSS consultant services, and a redirection to CWS/CMS New System.

EXPENDITURES:

(in 000's)

	2007-08	2008-09
	County Admin.	County Admin.
Total	$85,467	$91,822
Federal	43,813	47,121
State	38,906	41,748
County	0	0
Reimbursements	2,748	2,953

CDSS/OSI PARTNERSHIP:

(in 000's)

	2007-08	2008-09
Total	$85,467	$91,822
CDSS	36,870	38,500
OSI	48,597	53,322

Child Welfare Services/ Case Management System (CWS/CMS) New System Project (NSP)

DESCRIPTION:

This premise reflects the costs related to the implementation of the Child Welfare Services/Case Management System (CWS/CMS) New System Project (NSP). The NSP will be developed using a web services-based technical architecture and include the redevelopment of current functionality and development of the four unfulfilled Statewide Automated Child Welfare Information Systems requirements on the new architecture. Where appropriate, improvements will be made during the redevelopment of the current functionality to address business and user needs. The NSP will include improvements that take advantage of the capabilities of the new architecture, while not changing the way the state and counties conduct business. The current CWS/CMS will be maintained during the development and decommissioned upon statewide implementation of the NSP.

IMPLEMENTATION DATE:

This premise became effective Fiscal Year (FY) 2006-07.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 16501.5.
- Costs represent NSP costs associated with support and oversight of the CWS/CMS.
- Costs include staffing, operating expenses and equipment, consultant services, Department of General Services fees, and administrative overhead in support of the NSP development.

METHODOLOGY:

Costs are based on the December 2007 Special Project Report.

FUNDING:

The cost allocation included in this document is based on the California Department of Social Services (CDSS) Operational Cost Allocation Plan approved by the Division of Cost Allocation/Department of Health and Human Services.

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase in FY2008-09 reflects increases in staff, Operating Expenses and Equipment, hardware/software, overhead, consultant services and Employee Compensation and Retirement.

Child Welfare Services/ Case Management System (CWS/CMS) New System Project (NSP)

EXPENDITURES:

(in 000's)

	2007-08 County Admin.	2008-09 County Admin.
Total	$3,107	$5,604
Federal	1,603	2,892
State	1,404	2,532
County	0	0
Reimbursements	100	180

CDSS/OSI PARTNERSHIP:

(in 000's)

	2007-08	2008-09
Total	$3,107	$5,604
CDSS	16	1,254
OSI	3,091	4,350

Child Health and Safety Fund

DESCRIPTION:

This premise reflects the distribution of funding to counties from the Child Health and Safety Fund (CHSF) for child abuse prevention in the community. Assembly Bill 3087 (Chapter 1316, Statutes of 1992) established the CHSF for specified purposes. Monies for this activity are generated through the Department of Motor Vehicles' (DMV) "Have a Heart, Be a Star, Help our Kids" license plate program pursuant to Vehicle Code Section 5072.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code (W&IC) section 18285.
- Of the license plate monies, up to 25 percent may be used for child abuse prevention, and of that 25 percent, 90 percent (i.e., 22.5 percent of the total plate revenue) is to be provided to counties (county children's trust funds) for support of child abuse prevention services in the community [W&IC section 18285(e)(1)].
- The total actual CHSF license plate revenue for Fiscal Year (FY) 2005-06 was $3,459,000 and for FY 2006-07 was $3,746,000.

METHODOLOGY:

- Using FY 2005-06 actual revenue multiplied by 1.25 as the estimate for FY 2007-08 plates' revenue (and appropriating a portion of the fund balance which accrued in the early years of the fund), 22.5 percent will be transferred to the counties for child abuse prevention activities ($3,459,000 x 1.25 x 22.5 percent = $1,245,000) for FY 2007-08.
- Using FY 2006-07 actual revenue multiplied by 1.6 as the estimate for FY 2008-09 plates' revenue (and appropriating a portion of the fund balance), 22.5 percent will be transferred to the counties for child abuse prevention activities ($3,746,000 x 1.5 x 22.5 percent = $1,264,000) for FY 2008-09.

FUNDING:

All funds are provided by the CHSF.

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase is due to anticipated revenue growth.

Child Health and Safety Fund

EXPENDITURES:

(in 000's)

	2007-08	2008-09
	County Admin.	County Admin.
Total	$1,245	$1,264
Federal	0	0
State	1,245	1,264
County	0	0
Reimbursements	0	0

Supportive and Therapeutic Options Program (STOP)

DESCRIPTION:

This premise reflects costs for providing expanded therapeutic day services as an alternative to placement in foster care and as a means of reunifying children with their families from these placements. These services are provided to families with children and youth returning from out-of-home placement or at-risk of such placements that cannot access services through current mental health services or other funding mechanisms. Services target a broader number of children than the current child welfare services population such as children and youth at-risk of placement and those exiting foster care. Funds provide supportive and therapeutic services in order to prevent placement in out-of-home care and/or provide aftercare services to facilitate a successful transition to home or community from out-of-home care placements.

IMPLEMENTATION DATE:

This premise implemented in August 1998.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 16500, 16508.2, and 16508.3.
- The Department of Mental Health's annual cost for mental health services per child in Fiscal Year (FY) 2007-08 is assumed to be $5,608.
- For FY 2008-09, the cost for mental health services per child is assumed to be $5,869.

METHODOLOGY:

The funding for FY 2007-08 and FY 2008-09 is being held to the Budget Act of 2007 Appropriation level. Initially, cost for this program was calculated by multiplying the estimated number of children to be served by the cost per case for mental health services.

FUNDING:

This premise is shared 70 percent state and 30 percent county.

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Supportive and Therapeutic Options Program (STOP)

EXPENDITURES:

(in 000's)

	2007-08 County Admin.	2008-09 County Admin.
Total	$14,220	$14,220
Federal	0	0
State	9,954	9,954
County	4,266	4,266
Reimbursements	0	0

Group Home Monthly Visits

DESCRIPTION:

This premise reflects the costs of providing monthly visits to all foster care children placed in group homes (GHs), both in-state and out-of-state. This premise was authorized by Senate Bill 933 (Chapter 311, Statutes of 1998).

IMPLEMENTATION DATE:

This premise was implemented on July 1, 1998.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 16516.5.
- This estimate reflects costs for only the non-Title IV-E Waiver counties.
- The in-state GH caseload is projected to be 7,502 for Fiscal Year (FY) 2007-08 and 6,829 for FY 2008-09 based on data as reported on the Child Welfare Services/Case Management System. The out-of-state GH caseload is estimated at 137 for FY 2007-08 and 134 for FY 2008-09.
- The hourly cost of a social worker is $72.60 for each fiscal year.
- For the out-of-state placements, it is assumed that an average of two cases can be visited per trip.
- All GH placements will receive ten additional visits per year.
- In-state visits will take an average of two hours per visit and out-of-state visits will take an average of 12 hours to visit two cases.
- Based on caseload data for in-state GH placements, 3,722 cases are placed out-of-county for FY 2007-08, and 3,508 cases for FY 2008-09. For each FY, these cases have been budgeted to include an additional two hours of travel time.
- For both fiscal years, out-of-state per diem costs are estimated at $124 and out-of-state travel costs are estimated at $500.

METHODOLOGY:

- For each fiscal year, the in-state costs for ten visits are calculated using the in-state GH caseload for two hours per visit multiplied by the hourly cost of a social worker.
- An additional two hours are calculated for the in-state, out-of-county placements at the hourly cost of a social worker.
- The out-of-state costs for ten visits are calculated using the out-of-state GH caseload divided by two (two cases per visit) for 12 hours per visit multiplied by the hourly cost of a social worker.
- Per diem and travel costs are added for each out-of-state visit.

Group Home Monthly Visits

FUNDING:

After the foster care federal discount rate of 75 percent for FY 2007-08 and 73 percent for FY 2008-09 is applied, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 100 percent General Fund.

CHANGE FROM PRIOR SUBVENTION:

For FY 2008-09, the caseload has decreased.

REASON FOR YEAR-TO-YEAR CHANGE:

There is a decrease in caseload.

EXPENDITURES:

(in 000's)

	2007-08	2008-09
	County Admin.	County Admin.
Total	$12,255	$11,424
Federal	4,596	4,170
State	7,659	7,254
County	0	0
Reimbursements	0	0

Caregiver Court Filing (SB 1667)

DESCRIPTION:

This premise reflects the cost for county social workers to instruct caregivers on how to file a Caregiver Information Form with the court at each status review hearing as a result of Senate Bill (SB) 1667 (Chapter 389, Statutes of 2006). This bill requires a social worker to provide the child's caregiver a copy of the Caregiver Information Form in the caregiver's primary language when available and information regarding filing the form with the court.

IMPLEMENTATION DATE:

The premise was implemented on January 1, 2007.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: SB 1667 (Chapter 389, Statutes of 2006).
- This estimate reflects costs for only the non-Title IV-E Waiver counties.
- Status review hearings are held every six months.
- The foster family home, small family home, relative home, and guardian home caseload is estimated at 36,792 for Fiscal Year (FY) 2007-08 and 29,038 for FY 2008-09.
- Ten percent of the caseload will submit the Caregiver Information Form, requiring 15 minutes of social worker instruction time.
- The average hourly cost of a social worker is $72.60.

METHODOLOGY:

The caseload is multiplied by 0.25 of the hourly cost of a social worker which is then multiplied by two hearings per year.

FUNDING:

After the foster care federal discount rate of 75 percent for FY 2007-08 and 73 percent for FY 2008-09 is applied, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 100 percent General Fund.

CHANGE FROM PRIOR SUBVENTION:

For FY 2008-09, the caseload has decreased.

Caregiver Court Filing (SB 1667)

REASON FOR YEAR-TO-YEAR CHANGE:

There is a decrease in caseload.

EXPENDITURES:

(in 000's)

	2007-08 County Admin.	2008-09 County Admin.
Total	$134	$106
Federal	50	39
State	84	67
County	0	0
Reimbursements	0	0

Criminal Records Check for FR (AB 1774)

DESCRIPTION:

This premise reflects the cost to conduct background checks on parents wishing to reunify with their child as a result of Assembly Bill (AB) 1774 (Chapter 726, Statutes of 2006). AB 1774 expands the purposes for which criminal offender record information can be obtained to include assessing a parent's suitability to reunify with their child, provided that the parent's consent to fingerprint submission has been obtained. Courts would be allowed to consider the criminal history of a parent at review and permanency hearings.

IMPLEMENTATION DATE:

The premise was implemented on January 1, 2007.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: AB 1774 (Chapter 726, Statutes of 2006).
- This estimate reflects costs for only the non-Title IV-E Waiver counties.
- Family Reunification (FR) cases can be subject to up to three review and permanency hearings before termination of parental rights is considered, however, it is assumed that criminal records checks will only be performed once.
- The FR average monthly caseload is projected at 16,274 for Fiscal Year (FY) 2007-08 and 16,732 for FY 2008-09.
- Costs for a Department of Justice background check through the Live Scan System are $32 along with a $16 application fee per check.
- The Federal Bureau of Investigations background check is $24.

METHODOLOGY:

The FR caseload for each FY is multiplied by $72.

FUNDING:

After the foster care federal discount rate of 75 percent for FY 2007-08 and 73 percent for FY 2008-09 is applied, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 100 percent General Fund.

CHANGE FROM PRIOR SUBVENTION:

For FY 2008-09, the caseload has decreased.

Criminal Records Check for FR (AB 1774)

REASON FOR YEAR-TO-YEAR CHANGE:

There is an increase in caseload.

EXPENDITURES:

(in 000's)

	2007-08 County Admin.	2008-09 County Admin.
Total	$1,173	$1,205
Federal	440	440
State	733	765
County	0	0
Reimbursements	0	0

Background Checks

DESCRIPTION:

This premise reflects the cost associated with conducting background checks prior to placing children in the home of a relative, or the home of any other person who is not a licensed foster parent. Pursuant to Assembly Bill 1695 (Chapter 653, Statutes of 2001), all unlicensed foster parents must meet the same standards set forth in regulations for the licensing of foster family homes. Therefore, all unlicensed foster parents will be subject to a background check to be conducted through the Child Abuse Index, the Department of Justice and the Federal Bureau of Investigations.

IMPLEMENTATION DATE:

This premise was implemented on January 1, 1999.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 361.4.
- The caseload for Fiscal Year (FY) 2007-08 is 25,376, based on new placement data for Calendar Year 2006. The caseload for FY 2008-09 is 24,233, based on new placement data for Calendar Year 2007.
- Based on information from the California Welfare Directors Association, it is assumed that an average of 1.56 children is placed per home.
- It is assumed that an average of two persons in the home will require background checks.
- The cost for the Child Abuse Index check is estimated at $15 per check.
- Costs for a Department of Justice background check through the Live Scan System are $32 along with a $16 application fee per check.
- The Federal Bureau of Investigations background check is $24.

METHODOLOGY:

The costs are calculated by dividing the caseload by number of placements per home, multiplied by two persons in the home requiring background checks, multiplied by the cost for background checks.

FUNDING:

After the foster care federal discount rate of 75 percent is applied, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 100 percent General Fund.

Background Checks

CHANGE FROM PRIOR SUBVENTION:

For FY 2008-09, the caseload has decreased.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease in cost is due to a decline in caseload.

EXPENDITURES:

(in 000's)

	2007-08 County Admin.	2008-09 County Admin.
Total	$2,831	$2,703
Federal	1,061	1,013
State	1,770	1,690
County	0	0
Reimbursements	0	0

Relative Home Approvals

DESCRIPTION:

This premise reflects the cost associated with conducting an in-home approval prior to placing children in the home of a relative or the home of a nonrelative extended family member (Initial Approvals). This premise also reflects the cost of conducting an annual visit for continued approval of a relative home (Annual Approvals). Assembly Bill (AB) 1695 (Chapter 653, Statutes of 2001) requires the county welfare department to conduct an in-home inspection to assess the safety of the home and the ability of the relative to care for the child's needs. The bill stipulates that the standards used to evaluate and grant or deny approval of the home of the relative shall be the same standards set forth in regulations for the licensing of foster family homes. However, all homes will require an annual reassessment as opposed to targeted visits for continued licensure of foster family homes.

IMPLEMENTATION DATE:

This premise was implemented January 1, 2002.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 309(d).
- The caseload for Fiscal Year (FY) 2007-08 is 25,376, based on new placement data for calendar year 2006. The caseload for FY 2008-09 is 24,233, based on new placement data for calendar year 2007.
- The existing caseload for FY 2007-08 is 30,469 based on placement data for January 2007. The existing caseload for FY 2008-09 is 30,576 based on placement data for December 2007.
- Based on information from the California Welfare Directors' Association (CWDA), it is assumed that an average of 1.56 children are placed per home.
- Based on information from the CWDA, it is assumed that it will take an average of nine hours to complete the additional activities associated with conducting an initial approval equivalent to the licensure of a foster family home.
- An additional 30 minutes is required to check the Licensing Administrative Action Records System (LAARS) as part of the background check process.
- It is assumed that it will take an average of three hours to conduct an annual visit for reapproval of the home.
- The hourly cost of a social worker is $72.60 for each FY.

METHODOLOGY:

Costs for the initial assessments are calculated by dividing the new caseload by the number of children per home, multiplied by the number of hours for approval, multiplied by the hourly cost of a social worker. Costs for annual reapprovals are then calculated for the existing caseload.

Relative Home Approvals

FUNDING:

After the foster care federal discount rate of 75 percent is applied, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 70 percent General Fund and 30 percent county.

CHANGE FROM PRIOR SUBVENTION:

For FY 2008-09, the caseload has decreased.

REASON FOR YEAR-TO-YEAR CHANGE:

The net decrease is due to a decrease in new caseload and an increase in existing caseload.

EXPENDITURES:

(in 000's)

Initial Approvals:	2007-08	2008-09
	County Admin.	County Admin.
Total	$11,266	$10,758
Federal	4,225	4,034
State	4,929	4,707
County	2,112	2,017
Reimbursements	0	0

Annual Approvals:	2007-08	2008-09
	County Admin.	County Admin.
Total	$4,254	$4,269
Federal	1,595	1,601
State	1,861	1,868
County	798	800
Reimbursements	0	0

COMBINED TOTAL:	2007-08	2008-09
	County Admin.	County Admin.
Total	$15,520	$15,027
Federal	5,820	5,635
State	6,790	6,575
County	2,910	2,817
Reimbursements	0	0

Multiple Relative Home Approvals

DESCRIPTION:

This premise reflects the cost associated with conducting additional approvals when more than one relative or non-related extended family member is seeking to have related foster children placed with them. These additional approvals of all willing relatives or non-related extended family members are necessary in order to fairly establish viable placement options and to better enable the State to meet the federal Adoption and Safe Families Act requirement that approval of relative homes be in compliance with foster family home licensing/approval standards.

IMPLEMENTATION DATE:

This premise was implemented on December 1, 2002.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 309(d).
- The caseload for Fiscal Year (FY) 2007-08 is 25,376, based on new placement data for Calendar Year 2006. The caseload for FY 2008-09 is 24,233, based on new placement data for Calendar Year 2007.
- Based on information from the California Welfare Directors Association (CWDA), it is assumed that an average of 1.56 children is placed per home.
- It is assumed that 30 percent of the placements have more than one party interested in receiving the placement.
- It is assumed that there are two to three (2.5 average) interested parties per placement. Therefore, since the “Relative Home Approvals” premise already provides for one assessment, there is an average of 1.5 additional homes that require approvals.
- Based on information from CWDA, it is assumed that it will take an average of 15 hours to assess each home for approval.
- An additional 30 minutes is required to check the Licensing Administrative Action Records System (LAARS) as part of the background check process.
- The hourly cost of a social worker is $72.60 for both fiscal years.

METHODOLOGY:

The number of approvals to be conducted is calculated by dividing the caseload by the average placements per home, then multiplying by the percentage of placements with multiple interest, multiplied by the additional homes requiring approval. Annual costs are calculated by multiplying the number of approvals by the number of hours per approval multiplied by the hourly cost of a social worker.

Multiple Relative Home Approvals

FUNDING:

After the foster care federal discount rate of 75 percent is applied, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are shared 70 percent State General Fund and 30 percent county.

CHANGE FROM PRIOR SUBVENTION:

For FY 2008-09, the caseload has decreased.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease in cost is due to a decline in caseload.

EXPENDITURES:

(in 000's)

	2007-08	2008-09
	County Admin.	County Admin.
Total	$8,259	$7,886
Federal	3,097	2,957
State	3,613	3,451
County	1,549	1,478
Reimbursements	0	0

Grievance Review for Relatives

DESCRIPTION:

This premise reflects the cost associated with providing a review process upon request for relatives seeking to have related foster children placed with them but who are determined not to meet approval standards established by law and regulation. Making a grievance review available to relatives disapproved prior to placement is necessary to afford due process through an objective review of the basis for the disapproval and to better enable the state to meet the federal Adoption and Safe Families Act requirement that approval of relative homes be in compliance with foster family home licensing/approval standards.

IMPLEMENTATION DATE:

This premise was implemented on January 1, 2003.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 309(d).
- The caseload for Fiscal Year (FY) 2007-08 is 25,376, based on new placement data for Calendar Year 2006. The caseload for FY 2008-09 is 24,233, based on new placement data for Calendar Year 2007.
- Based on information from the California Welfare Directors Association, it is assumed that an average of 1.56 children is placed per home.
- It is assumed that 30 percent of the placements have more than one party interested in receiving the placement.
- It is assumed that there are two to three (2.5 average) interested parties per placement.
- It is assumed that 45 percent of homes will be disapproved.
- It is assumed that 20 percent of those whose homes are disapproved will request a review.
- It is assumed that it will take an average of eight hours to review each case.
- The hourly cost of a social worker is $72.60 for both fiscal years.

METHODOLOGY:

The number of reviews to be conducted is calculated by dividing the caseload by the average placements per home, then multiplying by the percentage of placements with multiple interest, multiplied by the average interested parties per placement, then multiplying by the percent of homes that are disapproved and the percent of those requesting a review. Annual costs are calculated by multiplying the number of reviews by the number of hours per review multiplied by the hourly cost of a social worker.

Grievance Review for Relatives

FUNDING:

After the foster care federal discount rate of 75 percent is applied, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are shared 70 percent General Fund and 30 percent county.

CHANGE FROM PRIOR SUBVENTION:

For FY 2008-09, the caseload has decreased.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease in cost is due to a decline in caseload.

EXPENDITURES:

(in 000's)

	2007-08	2008-09
	County Admin.	County Admin.
Total	$638	$609
Federal	239	228
State	279	267
County	120	114
Reimbursements	0	0

Live Scan Technology

DESCRIPTION:

This premise reflects the cost to maintain Live Scan machines in the 58 county child welfare services agencies for the Foster Care program. Before a child can be placed in a foster home or an unlicensed relative or guardian home, caregivers must clear a criminal record check. Live Scan technology provides the capability to do instantaneous criminal record checks from fingerprints. Providing and maintaining Live Scan machines to the child welfare agencies allow for immediate onsite fingerprint processing.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2000.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Assembly Bill 1740 (Chapter 52, Statutes of 2000).
- The 58 counties were provided funds to purchase 100 Live Scan machines in Fiscal Year 2000-01.
- Costs are negotiated and contracted with a Live Scan vendor by each of the counties.
- Contract costs for on-going maintenance are based on an existing Live Scan contract for Community Care Licensing activities.

METHODOLOGY:

The estimate is based on an existing Live Scan contract to provide on-going maintenance.

FUNDING:

After the foster care federal discount rate of 75 percent is applied, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 100 percent State General Fund.

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Live Scan Technology

EXPENDITURES:

(in 000's)

	2007-08	2008-09
	County Admin.	County Admin.
Total	$1,200	$1,200
Federal	450	450
State	750	750
County	0	0
Reimbursements	0	0

Health Services for Children in Foster Care

DESCRIPTION:

This premise reflects the cost to fund positions for public health care nurses (PHNs) in the county welfare departments. These nurses will provide enhanced health services to children entering foster care. As authorized by Assembly Bill 1111 (Chapter 147, Statutes of 1999), this program will improve the physical, mental, dental, and developmental well being of children in the child welfare system. The PHNs funded through this program shall work closely with the child's caseworker or probation officer to coordinate health care services and serve as a liaison with health care professionals and other providers of health related services.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2000.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 16501.3.
- For Fiscal Year (FY) 2007-08, the number of new cases added to foster care is being held at the FY 2006-07 level of 44,853 cases. FY 2008-09, the number new cases added to foster care is 43,721 based on actual data from the previous 11 months.
- The foster care caseload per PHN is based on a 1:200 ratio.
- The cost for a PHN for FY 2007-08 and FY 2008-09 is being held to the FY 2004-05 level of $104,039.
- The matching General Fund (25 percent) is reflected in the California Department of Social Services' (CDSS) budget and, through an interagency agreement, passed over to the budget of the Department of Health Care Services (DHCS).

METHODOLOGY:

FY 2007-08

The FY 2007-08 estimate is being held at the Budget Act of 2007 Appropriation level.

FY 2008-09

The projected new foster care caseload is divided by the number of annual cases per PHN, then multiplied by the unit cost of a PHN to determine the total cost of the program (43,721 ÷ 200 x $104,039). The total funds are multiplied by 25 percent to calculate the amount reflected in the CDSS budget and the remaining 75 percent of the funds are reflected in the DHCS budget.

Health Services for Children in Foster Care

FUNDING:

This program is eligible for enhanced federal Title XIX funding of 75 percent with a match of 25 percent GF.

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease is due to a lower caseload.

EXPENDITURES:

(in 000's)

	2007-08	2008-09
	County Admin.	County Admin.
Total	$5,833	$5,686
Federal	0	0
State	5,833	5,686
County	0	0
Reimbursements	0	0

County Self-Assessment and System Improvement Planning (SIP) Development

DESCRIPTION:

This premise reflects the cost to provide funding to counties to support the additional administrative responsibility related to the planning and coordination of the periodic county Child Welfare Services (CWS) performance self-assessments and annual SIPs as required by Assembly Bill (AB) 636 (Chapter 678, Statutes of 2002). Self-assessments and SIPs are critical and mandated components of the new CWS outcomes and accountability systems that require full and continuous participation by the public, service recipients, providers, courts, and agencies participating in CWS and are necessary to ensure a comprehensive, efficient, and non-duplicative approach to CWS assessment, design and operations.

Additional staff resources are necessary for the new function of identifying, selecting, updating membership, providing information, and coordinating the activities of the wide range of participants that include: advocates, the general public, law enforcement, courts, health and mental health agencies, local education, foster parents, foster youth, service recipient parents, and tribal organizations.

IMPLEMENTATION DATE:

This premise was implemented January 1, 2004.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: The Budget Act of 2007.
- This estimate reflects costs for only the non-Title IV-E Waiver counties.
- Seventy-eight staff, at the social worker level, are budgeted to perform these duties for each Fiscal Year (FY).
- The statewide average cost of a social worker is $129,074 for each FY.

METHODOLOGY:

The estimate is calculated by multiplying the number of social workers by the statewide average cost of a social worker.

FUNDING:

After the foster care federal discount rate of 75 percent for FY 2007-08 and 73 percent for FY 2008-09 is applied, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are shared 70 percent General Fund and 30 percent county.

County Self-Assessment and System Improvement Planning (SIP) Development

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The foster care federal discount rate has decreased.

EXPENDITURES:

(in 000's)

	2007-08	2008-09
	County Admin.	County Admin.
Total	$10,080	$10,080
Federal	3,780	3,679
State	4,410	4,481
County	1,890	1,920
Reimbursements	0	0

Federal Child & Family Services Review

DESCRIPTION:

This premise reflects funding for activities related to the preparation and completion of the federal Child and Family Services Review scheduled for Federal Fiscal Year 2008. The funds will be used to hire a contractor to complete research and prepare the Statewide Self Assessment. In addition, funding is needed to support preparation and completion of the onsite review in three counties and development of a Program Improvement Plan (PIP). Implementation of the PIP will begin in Fiscal Year (FY) 2008-09.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2007.

KEY DATA/ASSUMPTIONS:

- Contractor costs for the Statewide Self Assessment are $200,000.
- Costs for the three county reviews are estimated at $50,000 each.
- Contractor costs for assistance with PIP implementation are $300,000.
- The foster care federal discount rate is 75 percent.

METHODOLOGY:

Costs for the three county reviews and contractor costs for the Statewide Self Assessment are incurred in FY 2007-08. Contractor costs for assistance with meeting PIP requirements are incurred in FY 2008-09.

FUNDING:

After the foster care federal discount rate of 75 percent is applied, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 70 percent General Fund and 30 percent county.

CHANGE FROM PRIOR SUBVENTION:

There is no change in the Current Year. Costs have been added in FY 2008-09 for contracted assistance for implementation of the PIP.

REASON FOR YEAR-TO-YEAR CHANGE:

The reviews and Statewide Self Assessment will be conducted in FY 2007-08 while implementation of the PIP will occur in FY 2008-09.

Federal Child & Family Services Review

EXPENDITURES:

(in 000's)

	2007-08 County Admin.	2008-09 County Admin.
Total	$350	$300
Federal	131	112
State	153	188
County	66	0
Reimbursements	0	0

Program Improvement Plan Penalty

DESCRIPTION:

This premise reflects the cost of the federal penalty, plus interest, imposed on the state for failure to meet one of the outcome measures identified in the Child and Family Services Review Program Improvement Plan. California has appealed this penalty and is awaiting a decision, however, payment will be issued in order to stop the accrual of interest.

IMPLEMENTATION DATE:

This premise implements in Fiscal Year (FY) 2008-09.

KEY DATA/ASSUMPTIONS:

- The amount of the federal penalty is $8,973,041.
- The amount of accrued interest is $400,000.

METHODOLOGY:

The estimate equals the sum of the federal penalty and interest payments.

FUNDING:

This program is funded 100 percent General Fund.

CHANGE FROM PRIOR SUBVENTION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a new premise.

Program Improvement Plan Penalty

EXPENDITURES:

(in 000's)

	2007-08	2008-09
Total	$0	$9,373
Federal	0	0
State	0	9,373
County	0	0
Reimbursements	0	0

Data Requirements for New Activities

DESCRIPTION:

This premise reflects the cost related to the additional data requirements associated with the many new mandated activities counties must accomplish to implement the Program Improvement Plan (PIP) and the California Child & Family Services Review process authorized by Assembly Bill 636 (Chapter 678, Statutes of 2002). Counties must review and update data already contained in the Child Welfare Services/Case Management System to ensure the new required data elements are entered into the case files. Counties must also spend additional time entering these additional data requirements in all new cases as they are created. This effort must be accomplished so that it is possible to measure program improvement progress as required in the PIP in order to avoid federal penalties.

IMPLEMENTATION DATE:

This premise was implemented January 1, 2004.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: The Budget Act of 2005.
- This estimate reflects costs for only the non-Title IV-E Waiver counties.
- The Fiscal Year (FY) 2007-08 and FY 2008-09 estimates are for new cases only.
- The new caseload is 39,518 for FY 2007-08 based on actual data for FY 2005-06 and 31,600 for FY 2008-09 based on actual data for calendar year 2007.
- It is assumed that it will take an average of 15 minutes per case to enter data for all new cases.
- The hourly cost of a social worker is $72.60 for each FY.

METHODOLOGY:

The estimate is calculated by multiplying the caseload by the number of hours per case and then by the hourly cost of a social worker.

FUNDING:

For the non-Title IV-E Waiver counties, after the foster care federal discount rate of 75 percent for FY 2007-08 and 73 percent for FY 2008-09 is applied, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are shared 70 percent General Fund and 30 percent county.

Data Requirements for New Activities

CHANGE FROM PRIOR SUBVENTION:

For FY 2008-09, there is a slight increase in caseload.

REASON FOR YEAR-TO-YEAR CHANGE:

There is a decrease in caseload.

EXPENDITURES:

(in 000's)

	2007-08	2008-09
	County Admin.	County Admin.
Total	$718	$574
Federal	269	210
State	314	255
County	135	109
Reimbursements	0	0

Peer Quality Case Reviews

DESCRIPTION:

This premise reflects the cost associated with backfilling and travel and per diem costs for social workers and probation officers participating in Peer Quality Case Reviews (PQCR) as required by Assembly Bill 636 (Chapter 678, Statutes of 2001). The purpose of the PQCR is to learn, through intensive examination of county child welfare practice, how to improve child welfare services and practices in California, both in the participating county and in other jurisdictions as well. Without relying on the PQCR as a vehicle for validating the quantitative data contained within each county's County Data Report and Self Assessment, the PQCR should provide another layer of information. Specifically, the PQCR will be another mechanism for understanding the key to the child welfare system and social worker practice. While the quantitative data provides integral, population-based information, the PQCR will provide a rich and deep understanding of actual practice in the field. In addition, the PQCR goes beyond the County Self-Assessment by incorporating outside expertise, including county peers, to help identify the strengths and weaknesses of county child welfare services delivery systems, and social worker and probation officer practices.

IMPLEMENTATION DATE:

This premise was implemented July 1, 2004.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10601.2.
- This estimate reflects costs for only the non-Title IV-E Waiver counties.
- There will be 15 counties completing County Welfare Department (CWD) and County Probation Department (CPD) reviews in Fiscal Year (FY) 2007-08 and 20 counties completing CWD and CPD reviews in FY 2008-09.
- Each CWD review will take approximately five days to complete and will involve an average of 16 staff; eight staff from the county being reviewed and eight staff from other counties. Each CPD review will take approximately three days to complete and will involve an average of 16 staff; eight staff from the county being reviewed and eight staff from other counties.
- Based on information from the County Welfare Directors Association, it will require a total of 712 hours of social worker time for each CWD review, which also includes time for preparation, coordination and training for the reviews and completion and review of reports. Each CPD review will take approximately three-fifths the time of a CWD review, or 427 hours of probation worker time.
- The hourly cost of a worker is $72.60.
- Eight social workers from other counties will participate in each county review and will require travel and per diem costs of $124.00 per day.
- $20,000 of state support is included in the premise.

Peer Quality Case Reviews

METHODOLOGY:

The total number of worker hours per review is multiplied by the number of reviews and then by the worker cost per hour. Costs are then added for travel and per diem for eight visiting workers for each of the reviews at $124.00 per day.

FUNDING:

After the foster care federal discount rate of 75 percent for FY 2007-08 and 73 percent for FY 2008-09 is applied, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are shared 70 percent General Fund and 30 percent county.

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There number of county reviews has increased.

EXPENDITURES:

(in 000's)

	2007-08	2008-09
	County Admin.	County Admin.
Total	$1,400	$1,853
Federal	525	677
State	613	831
County	262	345
Reimbursements	0	0

Child Fatality and Near Fatality Peer Quality Case Reviews (PQCRs)

DESCRIPTION:

This premise reflects the costs associated with compiling and publishing reports on all child deaths and near deaths that are caused by suspected child abuse or neglect as required by the federal Child Abuse Prevention and Treatment Act (CAPTA). A team will be established to review cases on a monthly basis and compile data for a final report. In addition, the on-site review of high profile cases will be contracted out.

IMPLEMENTATION DATE:

This premise was implemented on July 1, 2007.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: CAPTA
- Eight county staff will meet monthly in Sacramento for two days.
- The average hourly cost for a social worker is $72.60.
- Airfare is estimated at $100 and per diem costs are estimated at $124 per day.
- On-site contracting costs are $100,000.

METHODOLOGY:

The number of staff is multiplied by the annual number of hours and then multiplied by the average cost per hour. Costs are added for travel and per diem and for on-site contracting.

FUNDING:

After the foster care federal discount rate of 75 percent is applied, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 70 percent General Fund and 30 percent county.

CHANGE FROM PRIOR SUBVENTION:

There is no change.

Child Fatality and Near Fatality Peer Quality Case Reviews (PQCRs)

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2007-08 County Admin.	2008-09 County Admin.
Total	$245	$245
Federal	92	92
State	107	107
County	46	46
Reimbursements	0	0

Statewide Standardized Training

DESCRIPTION:

This premise reflects the additional costs associated with the need for counties to backfill behind county social workers and supervisors who must attend additional days of training, as required under the statewide standardized common core curriculum for all current and new child welfare, and probation workers, and their supervisors. The additional training days resulted from California's negotiation of the federal Children and Family Services Review (CFSR) Program Improvement Plan (PIP) which was aimed at improving outcomes for children in foster care. The PIP required that the California Department of Social Services (CDSS) develop regulations which would mandate the standardized training curricula which will result in four additional days of training. The standardized curricula and additional days of training were also added to the Training Plan section of the Title IV-B State Plan. The standardized curricula was developed in collaboration with the Statewide Training and Education Committee, which includes representation from all of the Regional Training Academies (RTA) and the Inter-University Consortium (IUC), California Social Work Education Center (CalSWEC), county staff, the tribal community, and other important stakeholders.

IMPLEMENTATION DATE:

This premise was implemented in Fiscal Year (FY) 2006-07.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 16200 through 16215.
- The additional days of training were required as part of the CSFR PIP and Title IV-B Training Plan.
- Funding is based on the number of county Full Time Equivalent (FTE's) who will be attending the additional days of training. For FY 2007-08 there are 874 new social workers, 125 new social work supervisors, 7,190 existing social workers, 1,027 existing social work supervisors, and 175 existing probation workers. For FY 2008-09 there are 826 new social workers, 118 new social work supervisors, 7,186 existing social workers, 1,027 existing social work supervisors, and 175 existing probation workers.
- New social workers will attend four additional days of initial training and new social work supervisors will attend one additional day of initial training.
- For FY 2007-08, existing social workers will attend four additional days of continued training and existing social work supervisors will attend two additional days of continued training. For FY 2008-09 existing social workers and supervisors will attend 20 hours of continued training annually.
- Existing probation workers will attend three additional days of continued training.

METHODOLOGY:

The estimate is based on the total number of FTEs in each county who will be attending the additional days of training multiplied by the number of hours of training. The total hours are then multiplied by the hourly cost of a social worker.

Statewide Standardized Training

FUNDING:

After the foster care federal discount rate of 75 percent is applied, federally-eligible costs are shared at 75 percent federal, 17.5 percent State, and 7.5 percent county. Nonfederally eligible costs are funded with 70 percent State, 30 percent county.

CHANGE FROM PRIOR SUBVENTION:

For FY 2008-09 there is a slight decrease in the number of workers to be trained and the total number of hours of continued training for existing social workers and supervisors has decreased.

REASON FOR YEAR-TO-YEAR CHANGE:

The number of workers to be trained and hours of continued training for existing social workers and supervisors has decreased.

EXPENDITURES:

(in 000's)

	2007-08	2008-09
	County Admin.	County Admin.
Total	$20,304	$14,219
Federal	11,421	7,998
State	6,218	4,355
County	2,665	1,866
Reimbursements	0	0

CWS Program Improvement Fund

DESCRIPTION:

This premise reflects donated grants, gifts, or bequests made to the state from private sources to be deposited into the Child Welfare Services (CWS) Program Improvement Fund as established by Assembly Bill 2496 (Chapter 168, Statutes of 2004). These funds are intended to enhance the state's ability to provide a comprehensive system of supports that promote positive outcomes for children and families.

IMPLEMENTATION DATE:

This premise was implemented July 1, 2005.

KEY DATA/ASSUMPTIONS:

- Donated funds will be eligible for federal Title IV-E enhanced training matching funds.
- The foster care federal discount rate is 75 percent for Fiscal Year (FY) 2007-08 and FY 2008-09.

METHODOLOGY:

The expected donations total $3,000,000 in FY 2007-08 and $4,000,000 in FY 2008-09.

FUNDING:

After applying the foster care federal discount rate, federally-eligible costs are shared 75 percent enhanced federal Title IV-E training funds and 50 percent nonfederal. Nonfederal costs are 100 percent General Fund, payable from the CWS Program Improvement Fund.

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The expected donations have increased.

EXPENDITURES:

(in 000's)	2007-08	2008-09
	County Admin.	County Admin.
Total	$6,858	$9,143
Federal	3,858	5,143
State	3,000	4,000
County	0	0
Reimbursements	0	0

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CWS Differential Response (DR), Safety Assessment (SA) and Permanency & Youth Services (PYS)

DESCRIPTION:

This premise reflects funding for activities related to DR, SA, and PYS that were previously identified as separate premises. Beginning at the Child Welfare Services (CWS) Hotline, the new DR intake system provides a more customized response to families through case planning and development, and provides enhanced services to support the specific needs of children and families. The Standardized Safety Assessment System establishes the standards, tools, and practice applications to improve California's safety outcomes. PYS is aimed at increasing permanence and stability for children in the CWS system as well as supporting foster youth as they transition to adulthood.

IMPLEMENTATION DATE:

This premise was implemented July 1, 2005.

KEY DATA/ASSUMPTIONS:

- This premise provides funding for continued implementation in the ten counties (Contra Costa, Glenn, Humboldt, Placer, Sacramento, San Luis Obispo, San Mateo, Stanislaus, Tehama, and Trinity) that received funding in Fiscal Year (FY) 2004-05 through other existing fund sources.
- Additional funding is provided for state level contracts for training and technical assistance in support of the DR, SA, and PYS activities.
- The foster care federal discount rate is 75 percent for FY 2007-08 and 73 percent for FY 2008-09.
- It is assumed that a portion of activities for DR are ineligible for federal Title IV-E funding and are funded with 100 percent General Fund (GF).

METHODOLOGY:

The GF amount for the ten counties is $6,475,000. An additional $325,000 GF is provided for state contracts.

FUNDING:

After applying the foster care federal discount rate, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal for the non-enhanced expenditures and 75 percent enhanced federal Title IV-E training funds and 25 percent nonfederal.

CWS Differential Response (DR), Safety Assessment (SA) and Permanency & Youth Services (PYS)

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The foster care federal discount rate has decreased.

EXPENDITURES:

(in 000's)

	2007-08	2008-09
	County Admin.	County Admin.
Total	$11,146	$11,070
Federal	4,346	4,270
State	6,800	6,800
County	0	0
Reimbursements	0	0

CWS Outcome Improvement Project

DESCRIPTION:

This premise reflects funding for county child welfare and probation agencies to enhance/modify their existing service delivery systems to improve outcomes for children and families consistent with the strategies contained in the county System Improvement Plans (SIPs) approved by each county's Board of Supervisors. These plans are required under the new California Child and Family Services Review, pursuant to Assembly Bill (AB) 636 (Chapter 678, Statutes of 2001). Improvements in the area of safety are a priority. In addition, the eleven Child Welfare Services (CWS) Program Improvement pilot counties can access these funds to support ongoing development of their Standardized Safety Assessment System, Differential Response, and Youth Permanency programs. The California Department of Social Services anticipates that there will be both one-time and ongoing costs for improvements that could include specialized training, equipment, consultant services, enhanced staffing, and expanded service capacity. In addition, AB 1808 (Chapter 75, Statutes of 2006) provided a $98.6 million augmentation for all counties to be spent flexibly on local priorities identified in the county SIPs.

IMPLEMENTATION DATE:

This premise was implemented July 1, 2005.

KEY DATA/ASSUMPTIONS:

- Authorizing Statute: AB 1808 (Chapter 75, Statutes of 2006).
- This estimate reflects costs for only the non-Title IV-E Waiver counties.
- The General Fund (GF) for county welfare department Child Welfare Services Outcome Improvement Project (CWSOIP) activities is $10,618.
- The GF for county probation department CWSOIP activities is $1,203,000.
- AB 1808 provides an augmentation of $39,367,000 GF.
- The foster care federal discount rate is 75 percent for Fiscal Year (FY) 2007-08 and 73 percent for FY 2008-09.
- For county welfare department CWSOIP activities, 55 percent of the activities are ineligible for federal Title IV-E funding.
- For county probation department CWSOIP activities, 100 percent of the activities are eligible for federal Title IV-E funding.

METHODOLOGY:

The CWSOIP funding is added with the CWSOIP Augmentation funding.

CWS Outcome Improvement Project

FUNDING:

For the CWSOIP, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal, after applying the foster care federal discount rate. Nonfederal costs are 100 percent GF. The CWSOIP Augmentation funding is determined by AB 1808.

CHANGE FROM PRIOR SUBVENTION:

Funds that were erroneously moved to Item 153 for the Title IV-E Waiver counties have been shifted back to this premise.

REASON FOR YEAR-TO-YEAR CHANGE:

The foster care federal discount rate has decreased.

EXPENDITURES:

(in 000's)

CWSOIP:	2007-08	2008-09
	County Admin.	County Admin.
Total	$14,697	$14,577
Federal	2,876	2,756
State	11,821	11,821
County	0	0
Reimbursements	0	0

CWSOIP Augmentation:	2007-08	2008-09
	County Admin.	County Admin.
Total	$63,389	$61,995
Federal	24,022	22,628
State	39,367	39,367
County	0	0
Reimbursements	0	0

COMBINED TOTAL:	2007-08	2008-09
	County Admin.	County Admin.
Total	$78,086	$76,572
Federal	26,898	25,384
State	51,188	51,188
County	0	0
Reimbursements	0	0

Safe & Timely Interstate Placement of FC Act of 2006

DESCRIPTION:

This premise reflects the costs associated with Child Welfare Services (CWS) and Adoptions social workers meeting the new 60-day home study time frame requirement of the Safe and Timely Interstate Placement of the Foster Care Act of 2006 (H.R. 5403). Within the 60 days, county social workers must complete a study of a home environment in order to assess the safety and suitability of placing a child in a foster or adoptive home and to develop a report of their findings. The bill also grants authority for incentive payments of $1,500 for each home study completed within 30 days.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2007.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: H.R. 5403
- The CWS caseload for the non-Title IV-E Waiver counties from out-of-state is estimated at 478 for Fiscal Year (FY) 2007-08 and 441 for FY 2008-09.
- The Adoptions caseload from out-of state is estimated at 200 for FY 2007-08 and 196 for FY 2008-09.
- Each CWS home study will take an average of 15.5 hours and each Adoptions home study will take an average of 24 hours.
- The average hourly cost of a social worker is $72.60.
- California will not qualify for the incentive payments.

METHODOLOGY:

The caseload is multiplied by the hours and then multiplied by the hourly cost.

FUNDING:

For CWS, after the foster care federal discount rate of 75 percent for FY 2007-08 and 73 percent for FY 2008-09 is applied, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 70 percent General Fund and 30 percent county. For Adoptions, costs are shared 43.14 percent federal and 56.86 percent nonfederal for FY 2007-08 and 42.80 percent federal and 57.20 percent nonfederal for FY 2008-09.

CHANGE FROM PRIOR SUBVENTION:

For FY 2008-09, the CWS caseload has increased and the Adoptions caseload has decreased.

Safe & Timely Interstate Placement of FC Act of 2006

REASON FOR YEAR-TO-YEAR CHANGE:

The CWS and Adoptions caseloads have decreased.

EXPENDITURES:

(in 000's)

CWS	2007-08 County Admin.	2008-09 County Admin.
Total	$538	$497
Federal	202	181
State	235	221
County	101	95
Reimbursements	0	0

Adoptions	2007-08 County Admin.	2008-09 County Admin.
Total	$347	$343
Federal	150	147
State	197	196
County	0	0
Reimbursements	0	0

Adam Walsh Child Protection and Safety Act of 2006

DESCRIPTION:

This premise reflects the costs associated with the new federal law (Public Law 109-248, known as the Adam Walsh Child Protection and Safety Act of 2006) which requires that states check child abuse and neglect registries in each state in which prospective foster or adoptive parents, relative caregivers or nonrelative extended family members (NREFM) (as well as other adults in the home) have resided in the preceding five years prior to approval for placement of a child. This premise also reflects the costs associated with responding to other states' requests for underlying information about child abuse and neglect reports in California. Senate Bill (SB) 703 (Chapter 583, Statutes of 2007) brings California into conformity with this Act.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2008.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Public Law 109-248 and SB 703.
- Ten percent of those seeking home approval have resided in another state within the past five years and will require a child abuse and neglect registry check.
- Ten percent of those who have resided in another state within the past five years will have a history of child abuse and neglect.
- Both social workers and licensing workers will spend one hour per registry check. When information from other states indicates a history of child abuse and neglect, an additional seven hours will be required to investigate and review the facts of the case.

Child Welfare Services (CWS)

- The annual relative and NREFM caseload for Fiscal Year (FY) 2007-08 is 24,847, based on new placement data for FY 2006-07. The annual relative and NREFM caseload for FY 2008-09 is 24,233, based on new placement data for Calendar Year 2007.
- Based on information from the California Welfare Directors Association, it is assumed that an average of 1.56 children is placed per home.
- It is assumed that an average of two persons in the home will require a child abuse and neglect registry check in another state.
- The fee charged by other states to check their registries is $15 per check.
- The number of outgoing registry checks that indicate a history of child abuse and neglect is assumed to be the same as the number of incoming requests for underlying case information.
- Social workers will spend four hours responding to incoming requests for underlying case information.
- The hourly cost of a social worker is $72.60.

Adam Walsh Child Protection and Safety Act of 2006

KEY DATA/ASSUMPTIONS (CONTINUED):

Community Care Licensing (CCL)

- The foster family home caseload for each full FY is 1,753, based on new licensing activity for FY 2006-07.
- It is assumed that an average of 2.5 persons in the home will require a child abuse and neglect registry check in another state.
- The hourly cost of a licensing worker is $70.68.

METHODOLOGY:

CWS

The caseload is multiplied by the percentage of those living in another state, multiplied by the number of hours required to cause a registry check, multiplied by the hourly cost of a social worker. The number of registry checks is multiplied by the percentage of those with a history of child abuse and neglect, multiplied by the additional hours of investigative activity, multiplied by the hourly cost of a social worker. The number of registry checks is multiplied by the cost per check. The number of incoming requests for underlying case information is multiplied by the number of hours to respond to the request, multiplied by the hourly cost of a social worker.

CCL

The caseload is multiplied by the percentage of those living in another state, multiplied by the number of hours required to cause a registry check, multiplied by the hourly cost of a licensing worker. The number of registry checks is multiplied by the percentage of those with a history of child abuse and neglect, multiplied by the additional hours of investigative activity, multiplied by the hourly cost of a licensing worker.

FUNDING:

For CWS, after the foster care federal discount rate of 75 percent is applied, federally eligible costs are shared 50 percent federal Title IV-E and 50 percent General Fund (GF). Nonfederal costs are shared 70 percent GF and 30 percent county.

For CCL, based on actual expenditure data from FY 2007-08, the sharing ratio is 40.3 percent federal Title IV-E and 59.7 percent GF.

CHANGE FROM PRIOR SUBVENTION:

For FY 2008-09, the caseloads for both CWS and CCL have decreased.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase is due to a full year of implementation.

Adam Walsh Child Protection and Safety Act of 2006

EXPENDITURES:

(in 000's)

CWS	2007-08	2008-09
	County Admin.	County Admin.
Total	$252	$493
Federal	94	185
State	111	217
County	47	91
Reimbursements	0	0

(in 000's)

CCL	2007-08	2008-09
	County Admin.	County Admin.
Total	$27	$52
Federal	11	21
State	16	31
County	0	0
Reimbursements	0	0

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AB 408 Child Relationships (Amended by AB 1412)

DESCRIPTION:

This premise reflects the costs for social workers to perform additional activities on every initial and six month case plan and court report on children 10 years of age and older who are placed in group homes for more than six months to establish a special relationship with an important person in the child's life as stipulated by Assembly Bill (AB) 408 (Chapter 813, Statutes of 2003). Social workers will conduct investigations to identify these individuals, evaluate and assess relationships between foster children and other important people in their lives, excluding siblings, and take necessary actions to maintain these relationships. These identified persons will be included in the child's Transitional Independent Living Plan (TILP).

Effective January 1, 2006, the provisions of AB 408 were amended as stipulated by AB 1412 (Chapter 640, Statutes of 2005) to include all children who are developmentally appropriate and who are in out-of-home placements. In addition, the social workers will insure that developmentally appropriate children are involved in the development of their case plan, help plan for permanent placement, and that children 12 years of age or older review their case plan, sign it, and receive a copy.

The implementation and operation of the amendments are to be budgeted by phases.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2004 and was amended on January 1, 2006.

KEY DATA/ASSUMPTIONS:

Authorizing statute: AB 408 (Chapter 813, Statutes of 2003) and AB 1412 (Chapter 640, Statutes of 2005).

AB 408

- There are approximately 700 new out-of-home placements 10 years of age and older in group homes six months or more with a Family Reunification service component.
- There are approximately 6,500 foster children 16 and older in group homes to complete a TILP.
- One out of every four relationships initially assessed will not be deemed in the child's best interest. In such cases, another relationship will be assessed, which will require four additional hours of social worker time.
- The social worker cost per hour is $72.60.
- Background checks will be performed on each initial and additional assessment case at a cost of $87.00 per case.

AB 1412

- Implementation of AB 1412 was delayed until July 1, 2006.
- There are approximately 800 new children 10 years of age and older and placed with a nonrelative for six months or longer.

AB 408 Child Relationships (Amended by AB 1412)

KEY DATA/ASSUMPTIONS (CONTINUED):

- There are approximately 10,000 children 10 years of age and older and placed with a permanent placement (PP) relative for six months or longer.
- There are approximately 1,300 new children 10 years of age and older and who have been in out-of-home placement for six months or longer.
- There are approximately 13,000 children 8 to 11 years old who are developmentally appropriate to participate in their case plan development.
- There are approximately 34,000 children 12 years and older who will review and sign their case plan.
- One out of every four relationships initially assessed will not be deemed in the child's best interest. In such cases, another relationship will be assessed, which will require four additional hours of social worker time.
- For Phase I (Fiscal Year (FY) 2006-07), a social worker will spend at least four hours per case for the initial assessment of new cases for children 10 years and older placed with a non-relative for six months or longer and one-half hour for one-half of the new cases for a six month case plan/court report.
- For Phase II (FY 2007-08), a social worker will spend at least 15 minutes for Phase I children for the six months court report and at least four hours per case for the children 10 years and older placed in PP relative care for six months or longer and one-half hour for the PP cases for the six month case plan/court report.
- For Phase III (FY 2008-09), a social worker will spend at least 15 minutes for Phase I and Phase II children for the six months court report, at least four hours per case for the children 10 years and older placed in out-of-home placement for more than six months and one-half hour for the out-of-home placement cases for the six month case plan/court report.
- The social worker cost per hour is $72.60.
- Background checks will be performed on each initial and additional assessment case at a cost of $87.00 per case.

METHODOLOGY:

For FY 2007-08 and FY 2008-09, the non-Title IV-E Waiver counties are held at the Budget Act of 2007 Appropriation level. The Title IV-E Waiver counties base is now reflected in Item 153 Title IV-E Waiver.

The estimate is calculated by multiplying the amount of time by the frequency of activity per year by social worker rate and by the number of cases. In addition, the background check cost is added to the total.

AB 408 Child Relationships (Amended by AB 1412)

FUNDING:

For FY 2007-08, after the foster care federal discount rate of 75 percent is applied, costs are shared 50 percent federal and the nonfederal portion is funded 70 percent with General Fund and 30 percent county funds. For FY 2008-09 the foster care federal discount rate of 73 percent is applied.

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease is due to transitioning from Phase II to Phase III and an adjustment for the foster care federal discount rate to 73 percent.

EXPENDITURES:

(in 000's)

Total	2007-08 County Admin.	2008-09 County Admin.
Total	$8,925	$6,310
Federal	3,342	2,303
State	3,908	2,805
County	1,675	1,202
Reimbursements	0	0

AB 408	2007-08 County Admin.	2008-09 County Admin.
Total	$1,832	$1,833
Federal	687	669
State	802	815
County	343	349
Reimbursements	0	0

AB 408 Child Relationships
(Amended by AB 1412)

EXPENDITURES (CONTINUED):

(in 000's)

AB 1412	2007-08	2008-09
	County Admin.	County Admin.
Total	$7,093	$4,477
Federal	2,655	1,634
State	3,107	1,990
County	1,331	853
Reimbursements	0	0

Resource Family Approval Pilot (AB 340)

DESCRIPTION:

Assembly Bill 340 (Chapter 464, Statutes of 2007) requires the California Department of Social Services (CDSS), in consultation with stakeholders and interested parties, to implement a three-year pilot program in up to five counties, to establish a single comprehensive resource family pilot approval process for foster care and adoption. This single process would replace the existing separate processes for licensing foster family homes, approving relatives and non-related extended family members, and approving adoptive families.

IMPLEMENTATION DATE:

This premise implements on October 1, 2008.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 16519 and 16519.5.
- For this estimate, all three approval functions (adoption, relative, licensing) are performed by the five selected counties. For the selected counties, the adoptions caseload is 186, the relative home caseload is 1,743 and the licensing caseload is 343.
- The number of hours to perform approvals is increased up to the level of an adoption approval.
- Duplicative processes for approvals and background checks are eliminated, thus creating savings.
- Placements are more stable, eliminating secondary placements for Foster Family Home (FFH) cases, thus creating savings.
- State administrative hearing reviews for licensing cases will be replaced by less-costly county grievance reviews.
- The estimate includes additional one-time social worker training and county start-up costs of $361,000. On-going training beginning in Fiscal Year (FY) 2009-10 for new staff as a result of turnover is estimated at $4,000 annually.
- FFH cases will require annual reassessments which will commence in FY 2009-10.

<u>Child Welfare Services (CWS)</u>

- The annual cost of a social worker is $129,074. The hourly cost of a social worker is $72.60.
- The number of hours to perform relative/NREFM home approvals is 15 hours.
- Sixty percent of cases placed in FFHs experience at least one placement change within the first 12 months of placement. Social workers typically spend 18 hours on activities associated with finding an alternate placement for these cases.
- Of the 343 FFH cases, approximately 19 will be denied. Approximately 20 percent of those will be appealed, requiring eight hours of social worker review.

Resource Family Approval Pilot (AB 340)

KEY DATA/ASSUMPTIONS (CONTINUED):

Adoptions

- The hourly cost of a social worker is $72.60.
- The number of hours to perform an adoptive home approval is 24 hours.
- The cost to conduct background checks is $87 per check.
- There are two persons per home that require a background check.

Community Care Licensing (CCL)

- The hourly cost of a licensing worker is $70.68.
- The number of hours to perform a FFH home approval is 15.47 hours.

METHODOLOGY:

CWS

The approval costs for CWS cases are calculated by taking the difference between the number of hours required for a relative/NREFM approval and an adoptive home approval, multiplied by the hourly cost of a social worker (1,743 cases X 9 hours X $72.60). Costs to perform the FFH approvals are calculated by multiplying the FFH caseload by the number of hours for each approval, multiplied by the hourly cost of a social worker (343 cases X 24 hours X $72.60). Savings for the elimination of secondary placements are calculated by multiplying 60 percent of the FFH placements by the number of hours of social worker activity, multiplied by the hourly cost of a social worker (343 cases X 60 percent X 18 hours X $72.60). Grievance review costs for the FFH cases are calculated by taking 20 percent of the denied cases, multiplied by the number of hours per review, multiplied by the hourly cost of a social worker (19 cases X 20 percent X 8 hours X $72.60). Training and start-up costs are then added in the amount of $361,000.

Adoptions

Savings are calculated for the elimination of approval and background check processes for 186 cases [(186 cases X 24 hours X $72.60 per hour) + (186 cases X 2 per home X $87 per background check)].

CCL

Savings are calculated for the elimination of approval processes for 343 cases (343 cases X 15.47 hours X $70.68).

Based on an October 1, 2008, implementation date, all costs and savings for FY 2008-09, excluding training and start-up costs, are multiplied by seventy-five percent.

Resource Family Approval Pilot (AB 340)

Funding:

CWS

After the foster care federal discount rate of 75 percent is applied, federally eligible costs are shared 50 percent federal Title IV-E and 50 percent General Fund (GF). Nonfederal costs are shared 70 percent GF and 30 percent county.

Adoptions

Savings are shared 47.15 percent federal and 63.58 percent GF based on actual sharing ratios for the five selected counties from FY 2006-07.

CCL

Based on actual expenditure data from calendar year 2007, the sharing ratio for FY 2008-09 is 39.04 percent federal Title IV-E and 60.96 percent GF.

CHANGE FROM PRIOR SUBVENTION:

The implementation date has been delayed from July 1, 2008, to October 1, 2008. Costs have been moved from CCL to CWS as CWS social workers, as opposed to licensing workers, will be performing the activities. Caseloads and sharing ratios have also been updated.

REASON FOR YEAR-TO-YEAR CHANGE:

This premise implements in FY 2008-09 and reflects three-fourths of the annual costs and savings, excluding training and start-up costs.

EXPENDITURES:

(in 000's)

	2007-08	2008-09
CWS		
Total	$0	$1,467
Federal	0	550
State	0	642
County	0	275
Reimbursements	0	0

Resource Family Approval Pilot (AB 340)

EXPENDITURES (CONTINUED):

(in 000's)

	2007-08	2008-09
Adoptions		
Total	$0	-$267
Federal	0	-126
State	0	-141
County	0	0
Reimbursements	0	0

	2007-08	2008-09
CCL		
Total	$0	-$281
Federal	0	-110
State	0	-171
County	0	0
Reimbursements	0	0

AB 1512 Health Benefit Determination

DESCRIPTION:

Assembly Bill 1512 (Chapter 467, Statutes of 2007) requires the county child welfare agency or probation department responsible for the child's placement needs to determine in consultation with the foster parent, whether a foster child who is currently enrolled in a county organized health system (COHS) and placed in an out-of-county placement should remain in the COHS. This bill requires that the determination be made one working day after the out-of-county placement begins. If the decision is to disenroll the child from the COHS, the placing county would also be required to request the disenrollment within two working days after the out-of-county placement begins. This bill requires that if the foster child is to be disenrolled from a COHS because of an out-of-county placement, the placing county would request the disenrollment.

IMPLEMENTATION DATE:

This premise will implement on January 1, 2009.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 14093.09.
- There are currently eight counties who have adopted the COHS. They are: Monterey, Napa, Orange, San Mateo, Santa Barbara, Santa Cruz, Solano, and Yolo.
- There are seven counties interested in adopting the COHS model. They are: Lake, Marin, Mendocino, San Benito, San Luis Obispo, Sonoma, and Ventura.
- The hourly social worker cost is $72.60.

METHODOLOGY:

The cost is derived by multiplying the two hours it will take the social worker to make the determination by the social worker hourly cost.

FUNDING:

After the foster care federal discount rate of 75 percent is applied, federally eligible costs are shared 50 percent federal Title IV-E and 50 percent General Fund.

CHANGE FROM PRIOR SUBVENTION:

There is no change for Fiscal Year (FY) 2007-08. The change for FY 2008-09 is due to a decreased caseload.

REASON FOR YEAR-TO-YEAR CHANGE:

Implementation will begin FY 2008-09. The Budget Year costs represent a partial year cost.

AB 1512 Health Benefit Determination

Expenditures:

(in 000's)

	2007-08	2008-09
	County Admin.	County Admin.
Total	$0	$171
Federal	0	64
State	0	107
County	0	0
Reimbursements	0	0

AB 2985 – Foster Youth Identity Theft

DESCRIPTION:

Assembly Bill 2985 (Chapter 387, Statutes of 2006) requires a County Welfare Department (CWD) to request a credit check from a credit reporting agency for every foster child upon his/her 16th birthday. When a credit report contains negative information or evidence of identity theft, the CWD must refer the child to an approved credit counseling organization from a list developed by the California Department of Social Services, in consultation with the County Welfare Directors Association and other stakeholders.

This premise reflects costs associated with requesting and evaluating a credit check and referring a child to an approved credit counseling organization.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2008.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10618.6.
- A credit check from a credit reporting agency is $15.00.
- The hourly cost for one social worker hour is $72.60. The standard time to process each credit check is one hour. To process each referral to a credit counseling organization is one additional hour.
- Approximately, 11,000 foster children are 16 years of age or older. One percent will not receive a free credit check. Ten percent will be referred to a credit counseling organization.
- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.

METHODOLOGY:

The estimated cost of obtaining credit reports is derived by multiplying the number of children not eligible to receive a free credit report by $15.00.

The estimated social worker cost is derived by multiplying the number of credit reports requested and evaluated, and the number of referrals, by the social worker hourly cost.

The Title IV-E Waiver counties base is now reflected in Item 153 Title IV-E Waiver.

FUNDING:

After the foster care federal discount rate of 75 percent is applied, federally eligible costs are shared 50 percent federal title IV-E and 50 percent General Fund. For Fiscal Year (FY) 2008-09 the foster care federal discount rate of 73 percent is applied.

AB 2985 – Foster Youth Identity Theft

CHANGE FROM PRIOR SUBVENTION:

There is no change for FY 2007-08. For FY 2008-09 the reduction is due to decreased caseload.

REASON FOR YEAR-TO-YEAR CHANGE:

Implementation will begin FY 2008-09.

EXPENDITURES:

(in 000's)

	2007-08	2008-09
	County Admin.	County Admin.
Total	$0	$1,153
Federal	0	421
State	0	732
County	0	0
Reimbursements	0	0

Reduction in Child Welfare Services Allocation

DESCRIPTION:

Child Welfare Services (CWS) provides emergency response and in-home services for abused and neglected children and their families. The program also provides for training and technical assistance for administrators and staff. This proposal is an 11.4 percent reduction to the total General Fund allocation for CWS, with the exception of the CWS/Case Management System (CWS/CMS). CWS/CMS is not included, as the reduction for this project is accounted for in the automation project reduction proposal. This premise is necessitated by the budget balancing reductions.

IMPLEMENTATION DATE:

This reduction assumes a July 1, 2008 implementation date.

KEY DATA/ASSUMPTIONS:

The amount of the General Fund (GF) reduction is $83,708,000.

METHODOLOGY:

The amount of the GF reduction is $83,708,000.

FUNDING:

This program is funded 35.43 percent federal and 64.57 percent GF.

CHANGE FROM PRIOR SUBVENTION:

The federal share has been updated.

REASON FOR YEAR-TO-YEAR CHANGE:

This premise implements in Fiscal Year 2008-09.

Reduction in Child Welfare Services Allocation

EXPENDITURES:

(in 000's)

	2007-08	2008-09
Total	$0	-$129,633
Federal	0	-45,925
State	0	-83,708
County	0	0
Reimbursements	0	0

Adoptions Program – Basic Costs

DESCRIPTION:

This premise reflects costs associated with agency (relinquishment) and independent adoptions for 30 counties. Although only 28 counties provide adoptive services, these costs include funding for independent adoptions and services in two adjacent counties. Relinquishment and agency adoption include:

1. Agency (Relinquishment) Adoptions - Placements through a licensed adoption agency in which a child to be adopted has been relinquished by his or her legal parents or in which, due to abuse or neglect, parental rights have been terminated by court action.
2. Independent Adoptions - Placements in which the parents place a child directly with an adopting family or persons of their choice.

The 1996 Adoptions Initiative (Assembly Bill 1524, Chapter 1083, Statutes of 1996) was introduced to maximize adoption opportunities for children in public foster care and reduce the foster care population. Counties were funded based on performance agreements that increased the number of adoption social workers in an effort to double the number of statewide adoptive placements. As a result of the Adoptions Initiative, the annual number of foster children who were placed in an adoptive home increased from 3,000 to over 7,200.

Previously, this premise was separated from the Adoptions Initiative premise in order to illustrate the fiscal impact of the Initiative. However, since achieving the goal of doubling the number of statewide adoptions, this premise now combines the Adoptions Initiative with the Adoption Program basic costs to fund the program with 560.55 full-time equivalents (FTEs).

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 16100 through 16106.
- The counties are funded with 560.55 FTEs in each Fiscal Year (FY).
- The statewide average annual unit cost of an adoption worker was held at $128,564 for each FY.
- Additional federal spending authority in the amount of $1,569,889 for FY 2007-08 and $7,045,459 for FY 2008-09 is included based on actual historical expenditure data.

METHODOLOGY:

- Estimates are individually calculated for each county that performs its own adoptive services by multiplying the number of FTEs by the county's annual adoption worker unit cost.
- Additional federal funds are included to bring the federal spending authority up to a level based on actual historical expenditure data.

Adoptions Program – Basic Costs

FUNDING:

The sharing ratio for FY 2007-08 is 43.14 percent federal and 56.86 percent nonfederal based on actual expenditure data from FY 2005-06. The sharing ratio for FY 2008-09 is 42.80 percent federal and 57.20 percent nonfederal based on actual expenditure data from FY 2006-07. The nonfederal share is 100 percent General Fund (GF). Additional federal funding is included in the amount of $1,569,889 for FY 2007-08 and $7,045,459 for FY 2008-09 to provide sufficient federal spending authority to a level based on actual historical expenditure data.

CHANGE FROM PRIOR SUBVENTION:

For FY 2008-09, the nonfederal sharing ratio has decreased and the amount of additional federal funding has decreased.

REASON FOR YEAR-TO-YEAR CHANGE:

The nonfederal sharing ratio has increased and the amount of additional federal funding has increased.

EXPENDITURES:

(in 000's)

	2007-08	2008-09
	County Admin.	County Admin.
Total	$73,637	$79,113
Federal	32,672	37,786
State	40,965	41,327
County	0	0
Reimbursements	0	0

Improving Adoptions Outcomes

DESCRIPTION:

This premise reflects the costs and savings associated with augmenting county adoption funding to improve permanency outcomes for children via adoption resulting in increased foster care exits. The funding is provided to hire additional adoptions caseworkers to increase the number of finalized adoptions.

IMPLEMENTATION DATE:

This premise implemented July 1, 2006.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: The Budget Act of 2007.
- In each Fiscal Year (FY), funding is provided to maintain additional adoptions caseworkers to produce 1,000 adoptions finalizations.
- Adoption Assistance Payment (AAP) program costs are based on the average Foster Family Homes (FFH) grant of $688.33.
- Foster Care (FC) grant savings are based on cases moving from FFH and Foster Family Agencies (FFA). For the non-Title IV-E Waiver counties, the weighted average grant amount is $808.21.
- For the non-Title IV-E Waiver counties, Child Welfare Services (CWS) administrative savings of $28.46 in FY 2007-08 and $349 in FY 2008-09 per permanent placement case each month will be realized as a result of cases exiting the child welfare system. For FY 2007-08 there are 7,865 casemonths of savings not already in trend, and for FY 2008-09 there are 9,123 casemonths of savings not already in trend.
- FC and AAP administrative savings are the average cost per case based on actual data.

METHODOLOGY:

- A 1,000 case increase in adoptions represents a 15.55 percent increase over actual adoptions finalized during FY 2003-04. Therefore, the additional cost to the Adoptions program is calculated based on a 15.55 percent increase in funding over the Adoptions Basic estimate before the additional federal spending authority is added.
- The AAP estimates are calculated by multiplying the average federal and nonfederal FFH grant by the projected 1,750 casemonths in FY 2007-08 and 12,500 casemonths in FY 2008-09.
- The FC grant savings are calculated by multiplying the average federal and nonfederal FFH grant by the projected 1,153 casemonths in FY 2007-08 and 8,238 casemonths in FY 2008-09.
- CWS administrative savings are calculated by applying the permanent placement cost per case to total casemonths avoided due to cases exiting from the child welfare system.
- Net FC and AAP administrative savings are calculated by multiplying the average cost per case by the projected casemonths.

Improving Adoptions Outcomes

FUNDING:

The Adoptions program, AAP program, FC program, FC administration and CWS administrative costs/savings are shared at the same ratios as in their respective programs.

CHANGE FROM PRIOR SUBVENTION:

Caseload and cost per case have been updated. In addition, for the CWS administrative savings, the cost per case has been corrected to reflect an average monthly cost.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year reflects full-year cumulative costs for the AAP program. The cost per case for the CWS administrative savings has been corrected to reflect an average monthly cost.

EXPENDITURES:

(in 000's)

ITEM 101 – AAP Grant Costs	2007-08 Grant	2008-09 Grant
Total	$1,205	$8,605
Federal	602	4,302
State	452	3,227
County	151	1,076
Reimbursements	0	0

ITEM 101 – Foster Care Savings	2007-08 Grant	2008-09 Grant
Total	-$932	-$6,658
Federal	-466	-3,329
State	-186	-1,332
County	-280	-1,997
Reimbursements	0	0

Improving Adoptions Outcomes

EXPENDITURES (continued):
(in 000's)

ITEM 141 –	2007-08	2008-09
Foster Care Admin Savings	County Admin.	County Admin.
Total	-$360	-$532
Federal	-180	-266
State	-126	-186
County	-54	-80
Reimbursements	0	0

ITEM 151 – CWS Admin Savings	2007-08 County Admin.	2008-09 County Admin.
Total	-$224	-$3,183
Federal	-84	-1,162
State	-98	-1,415
County	-42	-606
Reimbursements	0	0

ITEM 151 – Adoptions Cost	2007-08 County Admin.	2008-09 County Admin.
Total	$11,207	$11,207
Federal	4,837	4,780
State	6,370	6,427
County	0	0
Reimbursements	0	0

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Older Foster Youth Adoption Project

DESCRIPTION:

This premise reflects the costs to establish a three year project in four counties to provide preadoption and postadoption services as required by Assembly Bill (AB) 1808 (Chapter 75, Statutes of 2006). These services are aimed at ensuring the successful adoption of children and youth who have been in foster care 18 months or more, are at least nine years of age, and are placed in an unrelated foster home or in a group home.

IMPLEMENTATION DATE:

This premise was implemented on July 1, 2006.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: AB 1808 (Chapter 75, Statutes of 2006).
- AB 1808 specifies San Francisco and Los Angeles Counties as two of the participating counties. The two additional counties selected are Alameda and Kern Counties based on criteria developed by the California Department of Social Services and the County Welfare Directors Association.

METHODOLOGY:

As specified in AB 1808, $750,000 General Fund (GF) is made available for San Francisco County and $1,250,000 GF is made available for Los Angeles County. Also, $2,000,000 is made available for the other two counties, less costs to implement the pilot in one State District Office ($300,000 GF). Due to a delay in program implementation, $1,088,148 GF will be shifted from Fiscal Year (FY) 2006-07 to FY 2007-08.

FUNDING:

For FY 2007-08, the federal share of cost is 43.14 percent and the GF share is 56.86 percent based on FY 2005-06 actual expenditures for the Adoptions Basic program. For FY 2008-09, the federal share of cost is 42.80 percent and the GF share is 57.20 percent based on FY 2006-07 actual expenditures for the Adoptions Basic Program.

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

A portion of the costs have shifted from FY 2006-07 to FY 2007-08 due to a delay in program implementation and are no longer reflected in FY 2008-09.

Older Foster Youth Adoption Project

EXPENDITURES:

(in 000's)

	2007-08 County Admin.	2008-09 County Admin.
Total	$8,421	$6,468
Federal	3,633	2,768
State	4,788	3,700
County	0	0
Reimbursements	0	0

Private Agency Adoption Reimbursement Payments

DESCRIPTION:

This premise reflects the costs of providing private agency adoption reimbursement payments (PAARPs) to private adoption agencies for expenditures associated with adoptive placements of special needs children. Assembly Bill (AB) 1524 (Chapter 1083, Statutes of 1996) established a $3,500 compensatory limit per placement of special needs children. AB 1225 (Chapter 905, Statutes of 1999) increased the compensatory limit per placement to $5,000 per adoptive placement of a special needs child. Effective February 1, 2008, Senate Bill (SB) 84 (Chapter 177, Statutes of 2007) increased the compensatory limit per placement to $10,000 per placement of a special need child for which the adoptive home study approval occurred on or after July 1, 2007.

Once the child is placed, a claim is submitted to the California Department of Social Services (CDSS) for an individual child by the private adoption agency. CDSS program staff review the claim, verify federal eligibility, and forward the claim(s) to the Office of the State Controller for direct issuance of a reimbursement payment to the private adoption agency. Fiscal control is maintained by CDSS program staff.

IMPLEMENTATION DATE:

This premise was originally implemented on July 1, 1992.

The AB 1225 reimbursement payment increase went into effect on July 1, 1999.

The SB 84 reimbursement payment increase went into effect on February 1, 2008, for all qualifying placements.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 16120 through 16122.
- For Fiscal Year (FY) 2007-08, the caseload is projected at 2,089 based on actual caseload data, at a cost of $5,000 per adoptive placement. The Legislature augmented the program by $2 million General Fund to cover any adoptive placements qualifying for the $10,000 reimbursement payment.
- For FY 2008-09, the caseload is projected at 2,749 based on actual caseload data. The reimbursement increase to $10,000 will result in additional adoptive placements that will be phased-in beginning in October 2008 and will result in additional costs in the Adoption Assistance Payment (AAP) program and savings in the Foster Care (FC) grants, FC administration and Child Welfare Services (CWS) administration. For FY 2008-09 an additional 1,031 adoptive placements will occur for a total of 3,780, each receiving a $10,000 reimbursement payment.
- AAP program costs are based on the average Foster Family Homes (FFH) grant of $688.33.
- FC grant savings for Non-Title IV-E Waiver counties are based on cases moving from FFH and Foster Family Agencies (FFA). The weighted average grant amount is $808.21.
- For the Non-Title IV-E waiver counties, CWS administrative savings of $349 in FY 2008-09 per permanent placement case each month will be realized as a result of the additional cases exiting the child welfare system. For FY 2008-09 there are 3,397 casemonths of savings.
- FC and AAP administrative savings are the average cost per case based on actual data.

Private Agency Adoption Reimbursement Payments

METHODOLOGY:

- To determine the PAARP basic cost, the projected number of private agency adoptive placements was multiplied by the reimbursement cost per placement.
- The AAP estimate was calculated by multiplying the average federal and nonfederal FFH grant by the projected 5,154 casemonths in FY 2008-09.
- The estimated savings in foster care for the Non-Title IV-E Waiver counties was calculated by multiplying the average federal and nonfederal FFH and FFA weighted average by the projected 3,397 casemonths in FY 2008-09.
- CWS administrative savings are calculated by applying the permanent placement cost per case to total casemonths avoided due to cases exiting from the child welfare system.
- Net FC and AAP administrative savings are calculated by multiplying the average cost per case by the projected casemonths

FUNDING:

The Adoptions program, AAP program, FC program, FC administration and CWS administrative costs/savings are shared at the same ratios as in their respective programs.

CHANGE FROM PRIOR SUBVENTION:

For FY 2008-09, the projected caseload has increased. In addition, for the CWS administrative savings, the cost per case has been corrected to reflect an average monthly cost.

REASON FOR YEAR-TO-YEAR CHANGE:

Caseload has increased and a full-year of the $10,000 reimbursement payment is reflected. Costs and savings associated with the increased placements will begin in the budget year and the cost per case for the CWS administrative savings has been corrected to reflect an average monthly cost.

EXPENDITURES:

(in 000's)

ITEM 101 – Foster Care Savings	2007-08 Grant	2008-09 Grant
Total	$0	-$2,746
Federal	0	-1,373
State	0	-549
County	0	-824
Reimbursements	0	0

Private Agency Adoption Reimbursement Payments

EXPENDITURES (continued):

(in 000's)

ITEM 101 –	2007-08	2008-09
AAP – Grant Costs	Grant	Grant
Total	$0	$3,547
Federal	0	1,774
State	0	1,330
County	0	443
Reimbursements	0	0

ITEM 141 –	2007-08	2008-09
Foster Care Admin Savings	County Admin.	County Admin.
Total	$0	-$218
Federal	0	-109
State	0	-76
County	0	-33
Reimbursements	0	0

ITEM 151 – CWS Admin Savings	2007-08 County Admin.	2008-09 County Admin.
Total	$0	-$1,186
Federal	0	-433
State	0	-527
County	0	-226
Reimbursements	0	0

Private Agency Adoption Reimbursement Payments

EXPENDITURES (continued):

(in 000's)

ITEM 151 – Adoptions Cost	2007-08	2008-09
	County Admin.	County Admin.
Total	$14,188	$37,804
Federal	6,617	17,641
State	7,571	20,163
County	0	0
Reimbursement	0	0

Foster and Adoptive Home Recruitment

DESCRIPTION:

This premise reflects the costs associated with utilizing the services of local community organizations to increase the pool of minority adoptive families in order to place more minority children. The program is administered via contracts between the California Department of Social Services and private providers; counties are not directly involved.

IMPLEMENTATION DATE:

This premise was implemented on July 1, 1982.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Federal Multiethnic Placement Act.
- The Foster and Adoptive Home Recruitment program will fund three contracts with private providers in the Current Year and the Budget Year.

METHODOLOGY:

- The estimate for Fiscal Years (FYs) 2007-08 and 2008-09 is developed based on anticipated and actual executed contracts.
- The foster care federal discount rate is 75 percent for both FYs.

FUNDING:

After the foster care federal discount rate is applied, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 100 percent General Fund.

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase is due to an increase in contracts.

EXPENDITURES:

(in 000's)

	2007-08	2008-09
	County Admin.	County Admin.
Total	$417	$447
Federal	156	167
State	261	280
County	0	0
Reimbursements	0	0

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County Counsel Costs

DESCRIPTION:

This premise reflects the costs of parental rights termination proceedings for those counties that do not provide their own adoption services. For these counties, Senate Bill 243 (Chapter 1485, Statutes of 1987) transferred the function of terminating parental rights for court dependents from the State Attorney General's Office to the county counsels, effective January 1, 1990.

Cost elements of the parental rights termination function are primarily attorney and paralegal costs; however, they also include minor costs such as publication of notices, process server fees, court reporter fees, sheriff fees, and expert witness fees.

IMPLEMENTATION DATE:

This premise was implemented on January 1, 1990.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institution Code sections 16100 through 16106.
- For Fiscal Year (FY) 2007-08, the average cost per case is $3,087 based on actual data from FY 2005-06. For FY 2008-09, the average cost per case is $4,144 based on actual data from FY 2006-07.
- For those counties that report expenditures, the projected number of children freed for adoption by county counsels is 447 for FY 2007-08 and 409 for FY 2008-09.
- The foster care federal discount rate is 75 percent for each FY.

METHODOLOGY:

The average cost per case was derived by dividing the expenditures by the number of children freed during that same period. The average cost per case was then multiplied by the projected number of children to be legally freed for adoption.

FUNDING:

After the foster care federal discount rate is applied, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 100 percent General Fund (GF).

CHANGE FROM PRIOR SUBVENTION:

For FY 2008-09, the estimate has been updated to reflect the correct GF share.

County Counsel Costs

REASON FOR YEAR-TO-YEAR CHANGE:

The average cost per case has increased and the caseload has decreased.

EXPENDITURES:

(in 000's)

	2007-08	2008-09
	County Admin.	County Admin.
Total	$1,379	$1,693
Federal	517	635
State	862	1,058
County	0	0
Reimbursements	0	0

Nonrecurring Adoption Expenses

DESCRIPTION:

This premise reflects the costs for the reimbursement to families for nonrecurring adoption expenses associated with adopting special needs children. These costs may include, but are not limited to, legal fees, court filing fees, special medical examinations, and psychological evaluations. Only families adopting special needs children are eligible for reimbursement of these one-time costs.

The California maximum reimbursement amount is $400 with a 50 percent federal sharing ratio. Assembly Bill 2129 (Chapter 1089, Statutes of 1993) made this cap permanent.

IMPLEMENTATION DATE:

This premise was implemented on January 1, 1990.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 16120.1.
- The maximum reimbursement that can be applied to each case is $400.
- Approximately 68 percent of all adopted children can be classified as special needs children.
- Based on actual caseload and expenditure data, an average of 40.61 percent of eligible cases will submit claims in Fiscal Year (FY) 2007-08 and 40.45 percent will submit claims in FY 2008-09.

METHODOLOGY:

The estimate was developed by multiplying the projected number of adoptions by the percentage that would qualify as special needs cases (6,166 adoptions x 68 percent). This number was then multiplied by the average percentage of submitted claims, and then by the maximum reimbursement amount.

FUNDING:

The funding for these reimbursements is shared between federal and state at 50 percent each. There is no county share.

CHANGE FROM PRIOR SUBVENTION:

For FY 2008-09, the percentage of submitted claims has slightly decreased.

Nonrecurring Adoption Expenses

REASON FOR YEAR-TO-YEAR CHANGE:

The percentage of submitted claims has slightly decreased.

EXPENDITURES:

(in 000's)

	2007-08	2008-09
	County Admin.	County Admin.
Total	$682	$680
Federal	341	340
State	341	340
County	0	0
Reimbursements	0	0

Specialized Training for Adoptive Parents (STAP)

DESCRIPTION:

This premise reflects the costs associated with implementing Assembly Bill (AB) 2198 (Chapter 1014, Statutes of 1998) which provides special training and services to facilitate the adoption of children who are HIV positive or who have a condition of symptoms resulting from substance abuse by the mother. Specifically, this funding will provide recruitment, special training and respite care to families adopting court dependent children who are either HIV positive or assessed as being prenatally exposed to alcohol or a controlled substance. This program is similar to the Child Welfare Services Substance Abuse/HIV Infant Program (Options for Recovery) authorized by AB 67 (Chapter 606, Statutes of 1997).

IMPLEMENTATION DATE:

This premise implemented on July 1, 1998.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 16135 through 16135.30.
- This program is available to any county requesting participation pursuant to established procedures and to the extent funds are available. There are currently ten counties (El Dorado, Mendocino, Monterey, Riverside, San Francisco, San Luis Obispo, Santa Clara, Santa Cruz, Shasta, and Stanislaus) that are participating in this program.
- The foster care federal discount rate is 75 percent for each Fiscal Year (FY).

METHODOLOGY:

The estimate for this program was developed by calculating the costs for each of the three separate components (respite care, training, and recruitment). The total program funding is $1,871,000, based on the $1,000,000 General Fund (GF) appropriation in AB 2198 for the implementation of this program.

FUNDING:

After the foster care federal discount rate is applied, federally-eligible recruitment activities are funded with 50 percent federal funds and 50 percent nonfederal funds. The nonfederal funds are shared 70 percent GF and 30 percent county.

After the foster care federal discount rate is applied, federally-eligible training costs are funded with 75 percent federal funds and 25 percent nonfederal funds. The nonfederal funds are shared 70 percent GF and 30 percent county.

Respite care is funded with 70 percent GF and 30 percent county funds.

Specialized Training for Adoptive Parents (STAP)

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2007-08	2008-09
	County Admin.	County Admin.
Total	$1,871	$1,871
Federal	442	442
State	1,000	1,000
County	429	429
Reimbursements	0	0

Nonresident Petitions for Adoption (AB 746)

DESCRIPTION:

This premise reflects the costs associated with conducting home studies for non-California residents who file a petition for either an agency or independent adoption in the county where the child resides. Assembly Bill (AB) 746 (Chapter 1112, Statutes of 2002) requires a review to be conducted and an endorsed home study report to be completed by either the California Department of Social Services or a California licensed adoption agency. This home study report would need approval in the nonresident petitioner's state.

IMPLEMENTATION DATE:

This premise was implemented on January 1, 2003.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Family Code sections 8714 through 8715, 8802, and 8807.
- AB 746 would result in an increase of 33 more out-of-state adoptions.
- Each new case would require, on average, 2.5 visits per year.
- It would take 16 hours, including travel, to conduct each visit.
- Travel costs are estimated to be $624 (including per diem) per visit.
- The average hourly cost for a social worker is $72.60.

METHODOLOGY:

The estimate was developed by first multiplying the number of new cases by the average number of visits required (33 new cases x 2.5 visits per case = 82.5 total visits). The average cost of the social worker ($72.60 per hour x 16 hours per visit = $1,162) was added to the travel costs ($1,162 cost of social worker + $624 travel costs = $1,786). This total cost was then multiplied by the number of total visits (82.5 total visits x $1,786 cost per visit = $147,345).

FUNDING:

For Fiscal Year (FY) 2007-08, the federal share of costs is 43.14 percent and the General Fund (GF) share is 56.86 percent based on FY 2005-06 actual expenditures for the Adoptions Basic program. For FY 2008-09, the federal share of costs is 42.79 percent and the GF share is 57.21 percent based on FY 2006-07 actual expenditures for the Adoptions Basic program.

CHANGE FROM PRIOR SUBVENTION:

There is no change.

Nonresident Petitions for Adoption (AB 746)

REASON FOR YEAR-TO-YEAR CHANGE:

The sharing ratios have been updated based on actual expenditures for the Adoptions Basic program.

EXPENDITURES:

(in 000's)

	2007-08 County Admin.	2008-09 County Admin.
Total	$148	$148
Federal	64	63
State	84	85
County	0	0
Reimbursements	0	0

Electronic Record System

DESCRIPTION:

This premise reflects funding needed to conduct a Feasibility Study Report (FSR) in order to analyze the feasibility of converting adoption case files maintained by the California Department of Social Services (CDSS) Adoptions Services Bureau to an electronic format in order to protect irreplaceable case records in the event of a disaster. These case files are currently in paper format and stored at the State Record Center.

IMPLEMENTATION DATE:

This premise was implemented on July 1, 2007.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: The Budget Act of 2007.
- A contractor has conducted a pre-assessment of the scope of this project and has provided a report to CDSS with recommendations and cost estimates.

METHODOLOGY:

Contract costs of $159,000 have been provided to conduct the FSR.

FUNDING:

The federal share of costs is 43.14 percent and the General Fund share is 56.86 percent based on Fiscal Year (FY) 2005-06 actual expenditures for the Adoptions Basic program.

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The FSR will be conducted and completed in FY 2007-08.

EXPENDITURES:

(in 000's)

	2007-08 County Admin.	2008-09 County Admin.
Total	$159	$0
Federal	69	0
State	90	0
County	0	0
Reimbursements	0	0

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Disclosure of Sibling Contact Information (AB 2488)

DESCRIPTION:

This premise reflects the costs associated with locating and obtaining consent to disclosure of contact information from adoptees and their siblings pursuant to Assembly Bill (AB) 2488 (Chapter 386, Statutes of 2006). AB 2488 lowers the age of consent to disclosure of contact information between adoptees and their siblings from 21 years of age to 18. For those children under 18, consent to disclosure of their information is allowed provided that their adoptive parent, legal parent or guardian consents. Additionally, AB 2488 authorizes a court to appoint the adoption agency as a confidential intermediary to make all reasonable efforts to obtain the consent of an adoptee or their sibling who has not already consented to disclosure.

IMPLEMENTATION DATE:

This premise was implemented on January 1, 2007.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: AB 2488 (Chapter 386, Statutes of 2006).
- The projected number of requests for intermediary services is estimated at 265 per month.
- Each request will require an average of eight hours to locate adoptees and siblings and obtain consent.
- The average hourly cost of an adoptions worker is $72.31.
- Program implementation has been delayed until July 1, 2008.

METHODOLOGY:

The number of requests is multiplied by the hours and then multiplied by the hourly cost.

FUNDING:

The federal share of costs is 42.80 percent and the General Fund share is 57.20 percent based on Fiscal Year (FY) 2006-07 actual expenditures for the Adoptions Basic program.

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

Implementation will begin FY 2008-09.

Disclosure of Sibling Contact Information (AB 2488)

EXPENDITURES:

(in 000's)

	2007-08 County Admin.	2008-09 County Admin.
Total	$0	$1,840
Federal	0	787
State	0	1,053
County	0	0
Reimbursements	0	0

Adoption Opportunity Grant

DESCRIPTION:

This premise reflects an annual $350,000 in federal grant funds that the California Department of Social Services will receive for five years, on behalf of Sacramento County, to help promote adoptive placements and to provide services to children in foster care. Services include building a culture of permanence in partner agencies through the enhancement of existing protocols, training and collaborations; implementing changes in current services by engaging project youth in recruitment plans and activities to increase permanency; developing and implementing marketing strategies to increase recruitment of adoptive families; and addressing system barriers by identifying focus issues and enhancing partnerships between advocates, policy makers, and legislators. Sacramento County will contract with Sierra Adoptions Services to provide these services. Sierra Adoptions Services will provide the 11.93 percent nonfederal match required for the grant.

IMPLEMENTATION DATE:

This premise was implemented during Fiscal Year 2003-04.

KEY DATA/ASSUMPTIONS:

Authorizing statute: Senate Bill 1104 (Chapter 229, Statutes of 2004).

METHODOLOGY:

The amount of funding reflects the federal grant award on a state Fiscal Year basis.

FUNDING:

Funding is 88.07 percent federal share with an 11.93 percent county match.

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The federal grant expires on September 30, 2008.

Adoption Opportunity Grant

EXPENDITURES:

(in 000's)

	2007-08 County Admin.	2008-09 County Admin.
Total	$398	$100
Federal	350	88
State	0	0
County	48	12
Reimbursements	0	0

Privatization of Independent Adoptions

DESCRIPTION:

The Independent Adoptions Program (IAP) ensures that adoptions are investigated on behalf of the court by the California Department of Social Services (CDSS) seven district offices in 55 counties and by three county adoption agencies (Alameda, Los Angeles, and San Diego). An independent adoption means an adoption in which the birth parent selects the family for the child and places the child directly with the selected family. The investigations are required by law to assess the adoptive home and determine whether the child is a proper subject for adoption. The investigation must be completed within 180 days of the filing of the adoption petition and report the findings to the courts with a recommendation for or against the adoption petition. The fee for the investigation is $2,950 which helps offset the cost of the IAP. This proposal will privatize the IAP by transferring direct services provision from the counties of Alameda, Los Angeles, and San Diego to licensed private adoption agencies effective October 1, 2008. This premise is necessitated by the budget balancing reductions.

IMPLEMENTATION DATE:

This reduction assumes a July 1, 2008 enactment of Legislation with an October 1, 2008 implementation date.

KEY DATA/ASSUMPTIONS:

- The Fiscal Year (FY) 2007-08 budget includes funding for 13 full-time equivalents in order to operate the IAP in the three counties.
- Counties will accept petitions through September 30, 2008.
- Concurrently, these counties will investigate petitions received through September 30, 2008, phasing-out operation no later than July 1, 2009.

METHODOLOGY:

Seventy-five percent of funding will continue in FY 2008-09 in order for counties to process petitions received through September 30, 2008.

FUNDING:

This program is funded 100 percent General Fund.

CHANGE FROM PRIOR SUBVENTION:

The implementation date has changed from July 1, 2008 to October 1, 2008, resulting in less savings.

REASON FOR YEAR-TO-YEAR CHANGE:

This premise will implement in FY 2008-09.

Privatization of Independent Adoptions

EXPENDITURES:

(in 000's)

	2007-08 County Admin.	2008-09 County Admin.
Total	$0	-$629
Federal	0	0
State	0	-629
County	0	0
Reimbursements	0	0

Repeal of Assembly Bill 2488

DESCRIPTION:

Assembly Bill (AB) 2488 (Chapter 386, Statutes of 2006) permits an adopted person greater opportunities to initiate contact with siblings. It lowers the age from 21 to 18 years of age at which siblings separated by adoption may submit a Waiver of Rights to Confidentiality for Siblings (AD 904A) form; permits siblings under 18 years of age who were separated by adoption to submit a Waiver of Rights to Confidentiality for Siblings – Under the Age of 18 (AD 904B) form with the consent of their adoptive parent, legal parent, guardian, or the dependency court under specified circumstances, permits an adopted person or his or her sibling to petition the superior court under Family Code Section 9205 to have CDSS or the licensed adoption agency that provided adoption services, be appointed as the confidential intermediary if a waiver form has not been filed by each party. This program was included in the Governor's 2007-08 Budget Veto Message which delayed enactment to Fiscal Year (FY) 2008-09. This proposal would eliminate the county requirement of searching for adoptees and siblings separated by adoption in order to solicit a waiver form as proposed by AB 2488, and eliminates funding for counties to hire additional staff to provide the services. This premise is necessitated by the budget balancing reductions.

IMPLEMENTATION DATE:

This reduction assumes a July 1, 2008 implementation date.

KEY DATA/ASSUMPTIONS:

All funding for this bill has been repealed.

METHODOLOGY:

All funding for this bill has been repealed.

FUNDING:

This program is funded 42.80 percent federal and the 57.20 percent General Fund.

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

This premise will implement in FY 2008-09.

Repeal of Assembly Bill 2488

EXPENDITURES:

(in 000's)

	2007-08 County Admin.	2008-09 County Admin.
Total	$0	-$1,840
Federal	0	-787
State	0	-1,053
County	0	0
Reimbursements	0	0

County Third Party Contracts

DESCRIPTION:

This premise reflects the costs associated with the Child Abuse Prevention, Intervention, and Treatment (CAPIT) Program. Assembly Bill 1733 (Chapter 1398, Statutes of 1982) established CAPIT to fund prevention and intervention services for children at risk of abuse and/or neglect. Contracts with community-based public and private agencies utilize CAPIT funds to provide services to high-risk children and their families, as well as training and technical assistance to funded agencies. The program includes a local assistance contract component of approximately $1.0 million which funds innovative, child-centered approaches for the prevention of child abuse and neglect.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 18960 through 18965.
- These funds are used to fulfill federal Community-Based Child Abuse Prevention (CBCAP) grant matching and leveraging requirements.

METHODOLOGY:

Total funding is divided among county allocations, innovative services, and training and technical assistance/state support as follows:

- County Allocations: Counties are allocated a total of $12,356,000. Small counties receive a preset minimum funding level, and the remaining distribution uses a formula that considers a county's child population (under age 18), children receiving public assistance, and child abuse reports.
- Innovative Services Contracts: There is $1,039,000 appropriated for innovative services contracts. A competitive bid process determines the grantees of innovative services contracts.
- Training and Technical Assistance (T&TA)/State Support: The funding is $306,200 to ensure that the programs effectively serve high-risk children and their families, provide for regional training on various child abuse issues and periodic statewide training institutes, and provide state support for the program. Of the $306,200, $200,000 is appropriated for a statewide nonprofit consortium. The T&TA/State Support amount is not included in the local assistance budget.

FUNDING:

The CAPIT funding is 100 percent General Fund.

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

County Third Party Contracts

EXPENDITURES:

(in 000's)	2007-08	2008-09
	Grant	Grant
Total	$13,395	$13,395
Federal	0	0
State	13,395	13,395
County	0	0
Reimbursements	0	0

Federal Grants

DESCRIPTION:

This premise reflects the federal grants associated with assisting local and private agencies in the development and strengthening of child abuse and neglect prevention and treatment programs. These federal grants include those under the Child Abuse Prevention and Treatment Act (CAPTA). The CAPTA grants consist of Title I (consisting of the former Parts A and B) and Title II, otherwise known as the Community-Based Child Abuse Prevention (CBCAP) grant. Approximately 50 percent of each annual CBCAP grant award is allocated to the counties. The CBCAP grant was formerly known as the Community-Based Family Resource and Support (CBFRS) grant.

In Fiscal Year (FY) 2006-07 the California Department of Social Services (CDSS) received the Linkages Grant. CDSS in collaboration with Child and Family Policy Institute of California will enhance, expand, and measure the impacts of Linkages. Linkages is a strategic effort involving nearly 30 counties in California to improve coordination between California Work Opportunity and Responsibility to Kids (CalWORKs) and Child Welfare Services (CWS). The mission of Linkages is to deepen and broaden collaboration and coordination of CalWORKs and CWS at the county level to better serve families and improve outcomes. Through training and support, Linkages will also work towards increasing the number of counties co-locating services, support counties in developing strategies to serve at least one identified underserved population, and strengthen data collection practices and counties' use of data for continuous improvement of service delivery and systems integration.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 18958.
- Project funding is contingent upon continued receipt of federal grant awards.
- CBCAP grant awards are contingent upon using Child Abuse Prevention, Intervention, and Treatment (CAPIT) funds to fulfill nonfederal matching and leveraging requirements.

METHODOLOGY:

The CAPTA federal grants average approximately $3 million annually and have a lifetime limit of five years to fully expend the annual grant. This allows states flexibility in the use and support of multi-year projects. The Linkages Grant is $400,000 annually and has a lifetime limit of five years to fully expend the annual grant.

Federal Grants

METHODOLOGY (CONTINUED):

The total reflects the following federal grants:

	2007-08	2008-09
• CAPTA Title I Grants	$5,000,000	$4,740,000
• CAPTA Title II – CBCAP Grants	$2,775,472	$3,630,920
	$7,775,472	$8,370,920
• Linkages Grant	$400,000	$400,000

FUNDING:

Funding for these projects is 100 percent federal grant funds. The Linkages Grant is 90 percent federal grant funds with a 10 percent match using CAPIT funds.

CHANGE FROM PRIOR SUBVENTION:

The decrease in Fiscal Year (FY) 2007-08 reflects the reduction in the federal grant. The increase in FY 2008-09 is due to a slightly higher federal grant than projected in November.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase is due to a higher federal grant.

EXPENDITURES:

(in 000's)	2007-08 Grant	2008-09 Grant
Total	$8,175	$8,771
Federal	8,175	8,771
State	0	0
County	0	0
Reimbursements	0	0

State Children's Trust Fund Program

DESCRIPTION:

This premise reflects the revenue available for the State Children's Trust Fund (SCTF) in California. The SCTF provides funding for innovative child abuse and neglect prevention and intervention projects utilizing deposits generated from birth certificate surcharges, state income tax designations, and private donations. Project funding is awarded through proposals submitted to the Office of Child Abuse Prevention (OCAP) of the California Department of Social Services (CDSS).

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 18969.
- The Office of the State Controller accounts for deposits to the SCTF and advises CDSS as to the availability of funds.

METHODOLOGY:

This premise reflects the current funding available for the SCTF, as provided by OCAP.

FUNDING:

The SCTF is used for research, evaluation, dissemination of information to the public, the establishment of public-private partnerships with foundations and corporations; to increase public awareness about child abuse and neglect via media campaigns, and to seek continued contributions to the fund.

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)	2007-08	2008-09
	Grant	Grant
Total	$3,755	$3,755
Federal	0	0
State	3,755	3,755
County	0	0
Reimbursements	0	0

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County Services Block Grant – Basic Costs

DESCRIPTION:

This premise reflects the County Services Block Grant (CSBG) funding provided to the counties. The CSBG provides funds for Adult Protective Services (APS) and APS administrative costs. The CSBG may also be used to fund related optional services and activities to the extent funds are available.

Non-Medical Out-of-Home Care (NMOHC) administrative costs relating to the Supplemental Security Income/State Supplementary Payment (SSI/SSP) program are also included in this premise since Fiscal Year (FY) 2000-01. These NMOHC costs were previously reflected in the "Small Programs (non-CalWORKs) Block Grant" premise.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 13004 through 13007.
- The General Fund (GF) is block granted at $10.5 million.
- The county match ($10.9 million) reflects the Fiscal Year (FY) 1996-97 CSBG county expenditure level. Senate Bill 2199 (Chapter 946, Statutes of 1998) required the counties to maintain their FY 1996-97 APS expenditure level for CSBG purposes.
- The Title XIX reimbursement rate is assumed to be 31.89 percent, based on the actual federal reimbursement percentage claimed on the county administrative expense claim for the past four quarters.

METHODOLOGY:

- In the Current Year (CY), estimated costs are computed by adding the GF block grant, the county match , the Title XIX reimbursements and NMOHC costs ($10,500,000 + $10,936,000 + $14,308,673 + $455,045 = $36,199,718).
- In the Budget Year (BY), the estimated costs are computed by adding the GF block grant, the county match, the Title XIX reimbursements and the NMOHC costs ($10,500,000 + $10,936,000 + $14,308,673 + $440,327 = $36,185,000).

FUNDING:

- GF for CSBG is block granted at $10.5 million with county participation at the maintenance of effort level.
- NMOHC is funded with 100 percent GF.
- The Title XIX reimbursements are as follows:
  - Activities performed by skilled professional medical personnel are eligible for Title XIX reimbursement at 75 percent.
  - Health-related activities provided to Medi-Cal eligible recipients are eligible for Title XIX reimbursement at 50 percent.

County Services Block Grant – Basic Costs

CHANGE FROM PRIOR SUBVENTION

The change reflects a change in reimbursements.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase in saving is due to a change in reimbursements.

EXPENDITURES:

(in 000's)	2007-08	2008-09
	County Admin.	County Admin.
Total	$36,200	$36,185
Federal	0	0
State	10,955	10,940
County	10,936	10,936
Reimbursements	14,309	14,309

Adult Protective Services

DESCRIPTION:

This premise reflects the funds available over and above the funds provided in the County Services Block Grant (CSBG) for the provision of Adult Protective Services (APS). Senate Bill (SB) 2199 (Chapter 946, Statutes of 1998) established a statewide mandated APS program and provided these additional funds for expanded APS activities. The county share of APS expenditures was held at the Fiscal Year (FY) 1996-97 county match level for the CSBG. The APS program has been funded in whole or in part under CSBG since the 1984 Budget Act. The APS program, administered by the county welfare departments, provides assistance to elderly and dependent adults who are functionally impaired, unable to meet their own needs, and who are victims of abuse, neglect, or exploitation.

The APS program, as defined in SB 2199, requires the counties to respond to reports of elder and dependent adult abuse on a 24-hour emergency response basis. Among the services required by SB 2199 are investigations, needs assessments, and case management services. SB 2199 also provides for necessary tangible resources such as food, emergency shelter care, in-home protection, transportation, and the use of multidisciplinary teams.

IMPLEMENTATION DATE:

- This premise implemented on July 1, 1997.
- The enhanced APS program became effective May 1, 1999.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Elder Abuse and Dependent Adult Civil Protection Act, commencing Welfare and Institutions Code section 15600.
- This program received a $20 million General Fund (GF) augmentation in the 1998 Budget Act to provide counties with additional resources needed to implement the statewide mandated APS program. An additional $25.3 million GF augmentation was provided in the 1999 Budget Act.
- The counties are assumed to have no additional share of the APS costs effective FY 1998-99. SB 2199 held county costs to the FY 1996-97 CSBG expenditure level.

METHODOLOGY:

The GF estimated expenditures are held at the FY 2002-03 levels and the Federal Title XIX reimbursement is based on actual expenditures for FY 2005-06.

FUNDING:

- The program is funded with GF and Title XIX reimbursements.
- The Title XIX reimbursements are as follows:
  - Activities performed by skilled professional medical personnel are eligible for Title XIX reimbursement at 75 percent.

Adult Protective Services

FUNDING (CONTINUED):

- Health-related activities provided to Medi-Cal eligible recipients are eligible for Title XIX reimbursement at 50 percent.

CHANGE FROM PRIOR SUBVENTION:

The CY and BY change reflect increased caseload.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2007-08	2008-09
	County Admin.	County Admin.
Total	$92,216	$92,216
Federal	0	0
State	50,179	50,179
County	0	0
Reimbursements	42,037	42,037

APS Contract for Training Curriculum

DESCRIPTION:

This premise reflects the cost of a multi-year contract with a qualified institution, agency or consultant to:

- Develop a comprehensive statewide training curriculum for county Adult Protective Services (APS) workers that will be owned by the State and shared with county APS agencies;
- Present the training curriculum to all APS workers, including scheduling and arranging training in all the regions of the State and producing all required training materials; and,
- Periodically update the curriculum and its content to reflect changing APS laws, policies and practices and provide updated training to APS workers.

The purpose of the training will be to educate county APS workers on the new APS program standards, requirements, and mandates established by passage of Senate Bill 2199 (Chapter 946, Statutes of 1998), and subsequent legislation. The training is intended to promote statewide uniformity and consistency in the administration and delivery of services under the APS program.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2001.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Elder Abuse and Dependent Adult Civil Protection Act, commencing Welfare and Institutions Code section 15600.
- The cost for ongoing training activities is estimated to be $176,000 annually.

METHODOLOGY:

The funding for this premise reflects the amount of the contract.

FUNDING:

The federal Title XIX reimbursement represents 12.5 percent of the total funding. The nonfederal share is funded with 100 percent General Fund.

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

APS Contract for Training Curriculum

EXPENDITURES:

(in 000's)

	2007-08 Contracts	2008-09 Contracts
Total	$176	$176
Federal	0	0
State	154	154
County	0	0
Reimbursements	22	22

Reduce Adult Protective Services Program by Ten Percent

DESCRIPTION:

This premise reflects the savings from reducing the funds available for the provision of Adult Protective Services (APS) by ten percent effective July 1, 2008. This premise is necessitated by the budget balancing reductions.

IMPLEMENTATION DATE:

This reduction assumes a March 1, 2008 enactment of Legislation with a July 1, 2008 implementation date.

KEY DATA/ASSUMPTIONS:

- This premise reflects reductions in APS and County Services Block Grant (CSBG) Basic funding.
- The county match ($10.9 million) required by Senate Bill (SB) 2199 (Chapter 946, Statutes of 1998) is not impacted.

METHODOLOGY:

The savings reflect ten percent of the projected Fiscal Year (FY) 2008-09 APS and CSBG expenditures.

FUNDING:

- The program is funded with General Fund (GF) and Title XIX reimbursements.
- The Title XIX reimbursements are as follows:
  - Activities performed by skilled professional medical personnel (SPMP) are eligible for Title XIX reimbursement at 75 percent.
  - Health-related activities provided to Medi-Cal eligible recipients are eligible for Title XIX reimbursement at 50 percent.

CHANGE FROM PRIOR SUBVENTION:

There is no change.

Reduce Adult Protective Services Program by Ten Percent

REASON FOR YEAR-TO-YEAR CHANGE:

This is a Budget Balancing reduction for the budget year.

EXPENDITURES:

(in 000's)

	2007-08 County Admin.	2008-09 County Admin.
Total	$0	-$11,432
Federal	0	0
State	0	-6,127
County	0	0
Reimbursements	0	-5,305

Community Care Licensing - Foster Family Homes

DESCRIPTION:

This premise reflects the costs of providing basic funding for Foster Family Home (FFH) licensing and recruitment services. The California Community Care Facilities Act authorizes counties to provide FFH licensing services. There are currently 41 counties providing FFH licensing and recruitment services. FFHs in the remaining 17 counties are licensed by the California Department of Social Services' (CDSS) Community Care Licensing Program. For these counties, funds are provided for the purpose of recruiting FFH providers.

In Fiscal Year (FY) 2003-04, CDSS implemented a Targeted Visits protocol to streamline the annual review process of licensed care facilities to focus on facilities in which health and safety may be at greatest risk, or those facilities that require an annual visit as a condition of federal funding. A random sample (30 percent for FY 2007-08) of the remainder of the facilities is subject to annual unannounced visits. Current law requires that all facilities be visited at least once every five years and if the number of citations increases by ten percent over the prior year, the number of unannounced visits must also increase by ten percent.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Health and Safety Code sections 1500 through 1519.
- The workload standards used to determine Full Time Equivalents (FTE) for targeted visits in FY 2007-08 and FY 2008-09 is 120 cases per worker.
- The worker to supervisor ratio used to determine the total number of FTEs is 6.35:1.
- The average statewide unit cost is held at the FY 2002-03 unit cost of $125,663.

METHODOLOGY:

FY 2007-08

The estimate was developed by determining the number of FTEs based on an updated FY 2007-08 average caseload of 7,436. This caseload was divided by the workload standards of cases per worker to derive the number of nonsupervisory FTEs (7,436 cases ÷ 120 cases per worker = 61.97 FTEs). The FTEs were expanded to include supervisors at a ratio of 6.35:1 to determine the total number of FTEs ([61.97 FTEs ÷ 6.35 supervisor ratio] + 61.97 FTEs = 71.73 FTEs). The federal and General Fund (GF) sharing ratio was applied.

The total estimate was derived by adding the recruitment-only allocation to the FFH Program estimate ($9,013,203 + $877,764). Then an additional $3,632,926 in federal spending authority, based on a 3-year average of actual expenditures, was included. The recruitment-only amount is held at the FY 2005-06 funding level.

Community Care Licensing - Foster Family Homes

METHODOLOGY (CONTINUED):

FY 2008-09

The estimate was developed by determining the number of FTEs based on an updated FY 2008-09 average caseload of 7,300. This caseload was divided by the workload standards of cases per worker to derive the number of nonsupervisory FTEs (7,300 cases ÷ 120 cases per worker = 60.83 FTEs). The FTEs were expanded to include supervisors at a ratio of 6.35:1 to determine the total number of FTEs ([60.83 FTEs ÷ 6.35 supervisor ratio] + 60.83 FTEs = 70.41 FTEs). The federal and GF sharing ratio was applied.

The total estimate was derived by adding the recruitment-only allocation to the FFH Program estimate ($8,848,359 + $877,764). Then, an additional $3,632,926 in federal spending authority, based on a 3-year average of actual expenditures, was included. The recruitment-only amount is held at the FY 2005-06 funding level. For FY 2008-09 the FFH portion of the *Gresher v. Anderson* premise ($27,000 total funds) is included in this premise.

FUNDING:

Based on actual expenditure data from FY 2006-07, the sharing ratio for FY 2007-08 is 41.3 percent federal Title IV-E and 58.7 GF. For FY 2008-09, the sharing ratio is 40.3 percent federal Title IV-E and 59.7 percent GF. Additional federal spending authority is included based on actual expenditures.

CHANGE FROM PRIOR SUBVENTION:

There is no change for FY 2007-08. The change in FY 2008-09 is due to increased caseload.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease is due to a lower caseload.

EXPENDITURES:

(in 000's)

	2007-08	2008-09
	County Admin.	County Admin.
Total	$13,523	$13,386
Federal	7,727	7,579
State	5,796	5,807
County	0	0
Reimbursements	0	0

Family Child Care Homes – Basic Costs

DESCRIPTION:

This premise reflects the costs of providing basic funding to four counties for Family Child Care Home (FCCH) licensing services and processing serious incident reports. FCCH programs in the remaining 54 counties are licensed by the California Department of Social Services (CDSS) Community Care Licensing (CCL) District Offices. The California Community Care Facilities Act authorizes participating counties to provide FCCH licensing services. Also, FCCH licensees are required to report any injury to a child requiring medical treatment, the death of any child, or any unusual incident or child absence that threatens the physical or emotional health or safety of any child while the child is in the care of the licensee.

In Fiscal Year (FY) 2003-04, CDSS implemented a Targeted Visits protocol to streamline the annual review process of licensed care facilities to focus on facilities in which health and safety may be at greatest risk, or those facilities that require an annual visit as a condition of federal funding. A random sample (30 percent for FY 2007-08) of the remainder of the facilities is subject to annual unannounced visits. Current law requires that all facilities be visited at least once every five years and if the number of citations increases by ten percent over the prior year, the number of unannounced visits must also increase by ten percent.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Health and Safety Code sections 1500 through 1519.
- The workload standard used to determine Full Time Equivalents (FTE) for targeted monitoring visits for FY 2007-08 and FY 2008-09 is 257 cases per worker.
- The worker to supervisor ratio used to determine FTEs is 6.35:1.
- The average statewide unit cost is held at the FY 2002-03 level of $117,885.
- Tehama County gave their licensing service back to CDSS CCL District Offices effective July 1, 2008.

METHODOLOGY:

FY 2007-08

The estimate was developed by determining the number of FTEs based on the FY 2007-08 projected caseload of 3,802. This caseload was divided by the workload standard of 257 cases per worker to determine the number of nonsupervisory FTEs (3,802 caseload ÷ 257). The FTEs were then expanded to include supervisors at a ratio of 6.35:1 to derive the total number of FTEs ([14.79 FTEs ÷ 6.35 supervisor ratio] + 14.79 FTEs = 17.12 FTEs). The average statewide unit cost was then multiplied by total FTEs.

The total estimate was derived by adding $80,000 General Fund (GF) for the Serious Incident Reporting.

Family Child Care Homes – Basic Costs

METHODOLOGY (CONTINUED):

FY 2008-09

The estimate was developed by determining the number of FTEs based on the FY 2008-09 projected caseload of 3,821. This caseload was divided by the workload standard of 257 cases per worker to determine the number of nonsupervisory FTEs (3,821 caseload ÷ 257). The FTEs were then expanded to include supervisors at a ratio of 6.35:1 to derive the total number of FTEs ([14.87 FTEs ÷ 6.35 supervisor ratio] + 14.87 FTEs = 17.21 FTEs). The average statewide unit cost was then multiplied by total FTEs.

The total estimate was derived by adding $80,000 GF for the Serious Incident Reporting.

FUNDING:

The funding includes reimbursements from the California Department of Education (from the federal Child Care Development Block Grant fund) to cover a portion of the costs of conducting comprehensive site visits. The remaining costs are funded 100 percent GF.

CHANGE FROM PRIOR SUBVENTION:

There is no change for FY 2007-08. The change in FY 2008-09 is due to Tehama County giving their licensing service back to CDSS and a decreased caseload.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase is due to a higher caseload amount.

EXPENDITURES:

(in 000's)

	2007-08	2008-09
	County Admin.	County Admin.
Total	$2,099	$2,119
Federal	0	0
State	1,781	1,801
County	0	0
Reimbursements	318	318

Gresher v. Anderson

DESCRIPTION:

This premise reflects the costs associated with implementation of the court ruling of *Gresher v. Anderson*. On February 25, 2005, the appellate court overturned an earlier trial court decision and ruled against the California Department of Social Services (CDSS). This case challenged background check procedures used by CDSS and counties for dealing with applicants with criminal records seeking employment or Trustline registration, and who need an exemption as part of their criminal background clearance in order to be employed as a caregiver. In particular, the Gresher decision will require the background check exemption process to include notification of the applicant of the following details:

- The conviction information that the county received and relied upon when determining the need for an exemption; and
- A summary of the reasons for denial of an exemption tailored to each specific case.

There are currently 41 counties providing Foster Family Home (FFH) licensing services and four counties providing Family Child Care Home (FCCH) licensing services.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2005.

KEY DATA/ASSUMPTIONS:

This estimate reflects the local assistance cost for the additional time necessary for the issuance of exemption needed notices and exemption denied notices to individuals with criminal convictions requiring exemptions.

METHODOLOGY:

The annual cost is determined by multiplying the total hours, based on the number of exemption needed notices and exemption denied notices, divided by the full-time equivalent which equates to 0.21 for FFH and 0.09 for FCCH times the unit costs. The unit cost for the FFHs and for the FCCHs is being held at the Fiscal Year (FY) 2002-03 level of $125,663 and $117,885, respectively.

Foster Family Homes

- In FY 2007-08 and FY 2008-09 the number of county exemption needed notices is estimated at 1,172 times 0.25 additional hours to review the rap sheet, identify specific convictions, and include the conviction details in the exemption needed notice. This equates to 293 total hours.
- In FY 2007-08 and FY 2008-09 the number of county exemption denied notices is estimated at 1,172 times 8 percent (statewide average of denied exemption notices) equals 94 times 0.25 additional hours to develop the language explaining the specific reasons for the denial and to incorporate them into the exemption denied notice. This equates to 24 total hours.

Gresher v. Anderson

METHODOLOGY (CONTINUED):

Family Child Care Homes

- In FY 2007-08 and FY 2008-09 the number of county exemption needed notices is estimated at 550 times 0.25 additional hours to review the rap sheet, identify specific convictions, and include the conviction details in the exemption needed notice. This equates to 138 total hours.
- In FY 2007-08 and FY 2008-09 the number of county exemption denied notices is estimated at 550 times 8 percent (statewide average denied exemption notices) equals 44 times 0.25 additional hours to develop the language explaining the specific reasons for the denial and to incorporate them into the exemption denied notice. This equates to 11 total hours.

FUNDING:

Foster Family Homes

After the federal discount rate of 75 percent is applied, the costs are shared 50 percent federal and 50 percent State General Fund (GF).

Family Child Care Homes

The funding is 100 percent GF. The FCCHs are ineligible for federal financial participation because the clientele are not foster youth.

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

For FY 2008-09 the funds have been added to the FFH and FCCH basic lines.

EXPENDITURES:

(in 000's)

	2007-08	2008-09
	County Admin.	County Admin.
Total	$37	$0
Federal	10	0
State	27	0
County	0	0
Reimbursements	0	0

Court Cases

DESCRIPTION:

This premise reflects the costs for attorney fees and settlements resulting from lawsuits pertaining to the California Department of Social Services (CDSS), Budget Item 151 – Social Service Programs, specifically, Child Welfare Services, Special Programs, and Community Care Licensing.

IMPLEMENTATION DATE:

The attorney fees and settlement costs for these court cases are anticipated to be paid in Fiscal Year (FY) 2007-08 and FY 2008-09.

KEY DATA/ASSUMPTIONS:

The estimate for settlement costs and attorney fees is based in part on actual payments for specific cases in the Current Year (CY), and a projection of costs that are anticipated to be paid in CY and the Budget Year (BY).

FUNDING:

The legal fees and settlement amounts are funded 100 percent General Fund.

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2007-08	2008-09
	County Admin.	County Admin.
Total	$500	$500
Federal	0	0
State	500	500
County	0	0
Reimbursements	0	0

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Fee-Exempt Live Scan

DESCRIPTION:

This premise reflects the costs for fingerprinting and search requirements associated with certain fee-exempt providers pursuant to Senate Bill (SB) 933 (Chapter 311, Statutes of 1998). SB 933 also mandated that a second set of fingerprints be submitted in order to search the records of the Federal Bureau of Investigation (FBI). Assembly Bill (AB) 1659 (Chapter 881, Statutes of 1999) added certain categories of licensed fee-exempt providers for FBI background checks.

This premise also includes the reimbursement cost for processing applications referred by the California Department of Education (CDE) and licensed fee-exempt providers.

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

IMPLEMENTATION DATE:

This premise implemented on January 1, 1999.

KEY DATA ASSUMPTIONS:

Authorizing statute: Welfare and Institutions Code section 11324.

METHODOLOGY:

The funding is suspended for Fiscal Years 2007-08 and 2008-09.

FUNDING:

This premise is funded with 100 percent General Fund.

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Fee-Exempt Live Scan

EXPENDITURES:

(in 000's)	2007-08 Contracts	2008-09 Contracts
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

Reduction of Random Licensing Inspections

DESCRIPTION:

The Community Care Licensing Division (CCLD) directly licenses and monitors approximately 75,000 community care facilities and provides oversight, direction, and training to counties that license approximately 11,000 additional facilities. These facilities include child day care, children's residential, and elderly residential and day support facilities and serve approximately 1.4 million clients statewide.

One way that CCLD provides oversight of these approximately 86,000 community care facilities is by completing facility inspections. Annual inspections are made to facilities that require close monitoring due to their compliance history or because they care for developmentally disabled clients. These inspections equate to approximately ten percent of all licensed facilities. For the remaining ninety percent of community care facilities, a thirty percent random sample is inspected annually.

This proposal would reduce the current thirty percent random inspection protocol to a fourteen percent random inspection protocol to achieve a ten percent reduction in licensing costs.

Under this proposal, all facilities would continue to receive inspections at a reduced frequency (approximately once every seven years), and CCLD will continue to respond to complaints, follow-up on administrative actions and violations, conduct criminal background checks, license new facilities, and otherwise administer the complement of inspections/protections and provider/staff supports required for effective program delivery.

To mitigate health and safety impacts, no reduction will be made to follow-up inspection schedules for facilities that have previously been found to be out of compliance with licensing standards. Even with this reduction, the frequency of visits will surpass the level occurring when the Administration took office.

This premise is necessitated by the budget balancing reductions.

IMPLEMENTATION DATE:

This reduction assumes a July 1, 2008, implementation date.

KEY DATA/ASSUMPTIONS:

- The workload standards used to determine Full Time Equivalents (FTE) for targeted visits for Foster Family Homes (FFH) is 130 cases per worker, and for Family Child Care Homes (FCCH) it is 298 cases per worker.
- For FFH and FCCH the worker to supervisor ratio used to determine the total number of FTEs is 6.35:1.
- The average statewide unit cost is held at the Fiscal Year (FY) 2002-03 unit cost of $125,663 for FFH and $117,885 for FCCH.

Reduction of Random Licensing Inspections

METHODOLOGY:

The FFH estimate was developed by determining the number of FTEs based on an updated FY 2008-09 average caseload of 7,300. This caseload was divided by the workload standards of cases per worker to derive the number of nonsupervisory FTEs (7,300 cases ÷ 130 cases per worker = 56.15 FTEs). The FTEs were expanded to include supervisors at a ratio of 6.35:1 to determine the total number of FTEs [(56.15 FTEs ÷ 6.35 supervisor ratio) + 56.15 FTEs = 65.00 FTEs]. The federal and General Fund (GF) sharing ratio was applied.

The FCCH estimate was developed by determining the number of FTEs based on the FY 2008-09 projected caseload of 3,821. This caseload was divided by the workload standard of 298 cases per worker to determine the number of nonsupervisory FTEs (3,821 caseload ÷ 298). The FTEs were then expanded to include supervisors at a ratio of 6.35:1 to derive the total number of FTEs ([13.82 FTEs ÷ 6.35 supervisor ratio] + 12.82 FTEs = 14.84 FTEs). The average statewide unit cost was then multiplied by total FTEs.

The savings was then determined by subtracting the proposed 14 percent FFH and FCCH costs from the current FFH and FCCH costs.

FUNDING:

The FFH funding is based on actual expenditure data from FY 2006-07, and the sharing ratio for FY 2008-09 is 40.3 percent federal Title IV-E and 59.7 percent GF.

The FCCH funding is 100 percent GF.

CHANGE FROM PRIOR SUBVENTION:

There is no change for FY 2007-08. For FY 2008-09 decrease in cost is due to a slight increase in GF savings as a result of the increased caseload in FFH and FCCH. This saving is offset by removal of the savings associated with the reimbursement from the California Department of Education.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a new premise.

EXPENDITURES:

(in 000's)

	2007-08	2008-09
Total	$0	$-480
Federal	0	-137
State	0	-343
County	0	0
Reimbursements	0	0

Special Programs – Other Specialized Services

DESCRIPTION:

This premise reflects the costs for the Foster Care Burial and Repatriated Americans Programs. Foster Care burial costs are reimbursements by the state that are provided to foster parents for the costs of a burial plot and funeral expenses, up to $5,000 per burial, for a child receiving foster care at the time of death.

The Repatriated Americans Program provides temporary help to needy United States citizens returning from foreign countries because of destitution, physical or mental illness, or war.

KEY DATA/ASSUMPTIONS:

Foster Care Burial

Authorizing statute: Welfare and Institutions Code (W&IC) section 11212.

Repatriated Americans

Authorizing statute: W&IC sections 10553 and 10554.

METHODOLOGY:

Foster Care Burial

The estimated costs for the Current Year (CY) and the Budget Year (BY) are held at the Fiscal Year (FY) 1999-00 General Fund (GF) expenditure level of $186,000.

Repatriated Americans

The estimated costs for the CY and the BY were held at the Budget Act of 2000 Appropriation level of $75,000.

FUNDING:

The Foster Care Burial program is funded with 100 percent GF. The Repatriated Americans Program is funded with 100 percent federal funds through a special Department of Health and Human Services, U.S. Repatriate Program Direct Loan, which are provided to individuals on a repayable basis.

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Special Programs – Other Specialized Services

EXPENDITURES:

(in 000's)

	2007-08	2008-09
	Grant	Grant
Total	$261	$261
Federal	75	75
State	186	186
County	0	0
Reimbursements	0	0

Eligibility/Extension of Dog Food Allowance

DESCRIPTION:

This premise reflects the costs associated with providing a monthly dog food allowance to recipients of federal Social Security Disability Insurance, Supplemental Security Income/State Supplementary Payments (SSI/SSP) and In-Home Supportive Services (IHSS) only program participants who have incomes at or below the federal poverty level. Existing law provides that eligible individuals with guide, signal, or service dogs are eligible for a dog food allowance of $50 per month.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2000.

KEY DATA/ASSUMPTIONS:

- Authorizing statutes: Welfare and Institutions Code sections 12553 and 12554.
- Recipients will receive a monthly dog food allowance of $50.

METHODOLOGY:

The Current Year (CY) and the Budget Year (BY) estimates are based on year-to-date actual costs and projected caseload growth.

FUNDING:

This program is funded with 100 percent General Fund.

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2007-08	2008-09
	Grant	Grant
Total	$518	$518
Federal	0	0
State	518	518
County	0	0
Reimbursements	0	0

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Access Assistance/Deaf Program: Basic Costs

DESCRIPTION:

This premise reflects the costs associated with the Office of Deaf Access, Access Assistance/Deaf Program. Assembly Bill 2980 (Chapter 1193, Statutes of 1980) established the Access Assistance/Deaf Program in 1980. The Deaf Access Program serves approximately 2.9 million deaf and hearing-impaired Californians through regional contractors. Assistance under this program enables deaf and hearing-impaired persons to access needed social and community services, e.g. employment services, counseling, interpreting services, education on deafness and advocacy. Currently, eight regional contractors provide services to the hearing-impaired in all 58 counties.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10621.
- The program funding of $3,304,000 was augmented by $2,500,000 in Fiscal Year (FY) 1998-99 for program expansion.
- In FY 2007-08, the program is funded with $2,996,000 in Title XX funds.

METHODOLOGY:

The estimated costs for both current and budget years are held at the FY 1998-99 appropriation level.

FUNDING:

This program is funded with General Fund (GF). The Title XX block grant allocated to the program reduces the amount of GF in the program.

CHANGE FROM PRIOR SUBVENTION:

The BY increase in GF was offset by the title XX as a result of a reduction of California's Allocation.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY increase in GF was offset by the title XX as a result of a reduction of California's Allocation.

EXPENDITURES:

(In 000's)

	2007-08 Grant	2008-09 Grant
Total	$5,804	$5,804
Federal	2,996	2,777
State	2,808	3,027
County	0	0
Reimbursements	0	0

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Access Assistance/Deaf Program Reduction

DESCRIPTION:

This premise reflects savings from reducing Office of Deaf Access, Access Assistance/Deaf Program costs by ten percent effective July 1, 2008.

IMPLEMENTATION DATE:

This reduction assumes a March 1, 2008 enactment of Legislation with a July 1, 2008 implementation date.

KEY DATA/ASSUMPTIONS:

This premise reflects savings from reducing the Fiscal Year (FY) 2008-09 expenditures.

METHODOLOGY:

The estimated cost is ten percent of the projected FY 2008-09 expenditures.

FUNDING:

This program is funded with General Fund (GF). The Title XX block grant allocated to the program reduces the amount of GF in the program.

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

This premise implements in budget year.

EXPENDITURES:

(in 000's)

	2007-08 Grant	2008-09 Grant
Total	$0	-$581
Federal	0	-300
State	0	-281
County	0	0
Reimbursements	0	0

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Refugee Social Services

DESCRIPTION:

Refugee social services (RSS) are provided to refugees through county welfare departments and contracting agencies. The services are funded through an annual block grant allocation by the federal Office of Refugee Resettlement (ORR). The funds are used to provide employment-related services, such as employability assessment, on-the-job training, English language training, and vocational training.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 13275-13282.
- The federal grant includes $8.5 million in standard funds.
- A contract in the amount of $1.1 million in Fiscal Years (FY) 2007-08 and $1.5 million in FY 2008-09 to serve unaccompanied refugee minors is included in the total funding.

METHODOLOGY:

The funding is based on a federal award.

FUNDING:

This program is 100 percent federally funded.

CHANGE FROM PRIOR SUBVENTION:

There is no change in FY 2007-08; however, in FY 2008-09 the change reflects an increase in the Unaccompanied Refugee Minor's contract..

REASON FOR YEAR-TO-YEAR CHANGE:

The change in Budget Year reflects an increase in the Unaccompanied Refugee Minor's contract.

EXPENDITURES:

(in 000's)

	2007-08 Grant	2008-09 Grant
Total	$9,634	$10,055
Federal	9,634	10,055
State	0	0
County	0	0
Reimbursements	0	0

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Refugee Programs – Targeted Assistance

DESCRIPTION:

This program provides services to refugees to enable them to be placed in employment or to receive employment training. The goal of this program is to assist refugees in attaining self-sufficiency. Targeted Assistance (TA) grants are made available to high refugee-impacted counties. Program components include employment services, work experience, vocational training, vocational English-as-a-second-language, on-the-job training, economic development, skills upgrading, and extreme and unusual needs. In addition to regular TA funds, the federal government can award TA discretionary funds to the state for specific local projects. Local agencies develop project proposals in response to a federal announcement. The federal government selects the projects to be funded.

IMPLEMENTATION DATE:

This premise was implemented on October 1, 1983.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 13275-13282.
- The Fiscal Years (FYs) 2007-08 and 2008-09 allocations include $263,125 in discretionary funding to serve elderly refugees.

METHODOLOGY:

The funding is based on a federal award.

FUNDING:

This program is 100 percent federally funded.

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2007-08 Grant	2008-09 Grant
Total	$4,344	$4,344
Federal	4,344	4,344
State	0	0
County	0	0
Reimbursements	0	0

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Refugee School Impact Grant

DESCRIPTION:

This premise reflects the federal funding granted to the California Department of Social Services (CDSS) by the Office of Refugee Resettlement (ORR) to provide services to school-age refugee children and their families. The funding for this grant will be a pass-through from the CDSS to the California Department of Education (CDE). Services provided through local educational agencies will include intensive and innovative educational interventions to assist refugee children to improve English fluency and to progress toward grade-level proficiency.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Title 45 of the Code of Federal Regulations Part 92.
- A federal grant in the amount of $1,700,000 was awarded in August 2006 to serve school-age refugee children and their families. This is the second year of a five-year project period.
- A Memorandum of Understanding between CDE and CDSS outlines the working relationship between the two departments and assigns responsibilities to each pursuant to the implementation of the grant.
- The services funded under this grant will serve the following counties: Alameda, Fresno, Los Angeles, Orange, Sacramento, San Diego, San Francisco, and Santa Clara.

METHODOLOGY:

The funding is based on a federal award.

FUNDING:

This program is 100 percent federally funded.

CHANGE FROM PRIOR SUBVENTION:

For Fiscal Year (FY) 2007-08, unspent FY 2006-07 funds are being carried forward to FY 2007-08.

REASON FOR YEAR-TO-YEAR CHANGE:

The amount to be carried forward from FY 2007-08 to FY 2008-09 is unknown at this time.

EXPENDITURES:

(in 000's)

	2007-08 Grant	2008-09 Grant
Total	$1,783	$1,700
Federal	1,783	1,700
State	0	0
County	0	0
Reimbursements	0	0

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Title IV-E Child Welfare Waiver Demonstration Capped Allocation Project

DESCRIPTION:

On March 31, 2006, the federal Department of Health and Human Services (DHHS) approved the Title IV-E Child Welfare Waiver Demonstration Capped Allocation Project (CAP). The approved waiver allows Title IV-E funds, which are restricted to board and care costs and child welfare services administration, to be used for services and supports to avoid over reliance on out-of-home care and reunify families more expeditiously. The intent of the CAP is to test a "capped allocation" strategy which would block grant a portion of the federal Title IV-E and General Fund (GF) administrative and assistance costs. The California Department of Social Services (CDSS) has been working with the County Welfare Directors Association (CWDA) and interested counties to refine a practice and fiscal model that can be implemented under the waiver. The CAP allows up to 20 counties to participate in the five year demonstration project.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2007.

KEY DATA/ASSUMPTIONS:

- Two counties, Los Angeles and Alameda, are participating in the project.
- An annual capped allocation for federal Title IV-E and GF has been established.
- Participating counties are required to provide funding equal to their Fiscal Year (FY) 2005-06 actual expenditures.

METHODOLOGY:

- The federal base allocations are based on the county's average Title IV-E actual expenditure claims for administration and assistance submitted for Federal Fiscal Years (FFY) 2003, 2004, and 2005. An annual two percent growth on the federal funds for administration and assistance is provided beginning in FFY 2006.
- The GF base allocation for Foster Care (FC) Assistance is capped based on actual expenditures for FY 2005-06.
- The GF base allocations for Child Welfare Services (CWS) and FC Administration are based on specified FY 2006-07 allocations. An annual two percent growth above the base allocations is provided beginning in FY 2007-08.
- After the GF base allocations for FC Assistance and CWS Administration are calculated, federal Title XX funds transferred from the Temporary Assistance for Needy Families block grant are used in lieu of eligible GF.
- All base allocations for FC Assistance, FC Administration, and CWS Administration are reflected separately in Budget Item 153 with total growth above the base amounts reflected in the IV-E Waiver Adjustment line.

Title IV-E Child Welfare Waiver Demonstration Capped Allocation Project

METHODOLOGY (CONTINUED):

- Additional GF is provided above the base for either new premises or premises not included in the base calculations that do not impact caseload and is reflected separately in the Non-Base Premises lines for FC Assistance, FC Administration, and CWS Administration.
- For FC Assistance, the Non-Base Premises 101 line for FY 2007-08 and FY 2008-09 reflects costs for Dual Agency and the Five Percent Foster Care Rate Increase.
- For FC Administration, the Non-Base Premises 141 line for FY 2008-09 reflects costs for FC Supplemental Security Income/State Supplementary Payment (SSI/SSP) Application.
- For CWS Administration, the Non-Base Premises line for FY 2007-08 reflects costs for *Gomez v. Saenz*; Criminal Record Check for Family Reunification (FR); Caregiver Court Filing; CWS Differential Response(DR), Safety Assessment (SA), and Permanency and Youth Services (PYS); CWS Outcome Improvement Project (CWSOIP); and the Safe and Timely Interstate Placement Act of 2006. The Non-Base Premises line for FY 2008-09 reflects costs for *Gomez v. Saenz*; Criminal Record Check for FR; Caregiver Court Filing; CWS DR, SA, and PYS; CWSOIP; Safe and Timely Interstate Placement Act of 2006; Peer Quality Case Reviews; FC SSI/SSP Application; and Foster Youth Identity Theft.

FUNDING:

Funding consists of the federal Title IV-E and GF capped allocations along with the required county funding. The FC Assistance base allocation consists of $16.8 million in Title XX funds that are used in lieu of GF. The CWS base allocation consists of $24.2 million in Title XX funds that are used in lieu of GF.

CHANGE FROM PRIOR SUBVENTION:

The county share of costs for the Non-Base Premises has been removed as the county match requirement is capped at their FY 2005-06 actual expenditure level.

REASON FOR YEAR-TO-YEAR CHANGE:

The IV-E Waiver Adjustment reflects two years of the two percent growth and the Non-Base Premises lines have been increased for new premises.

Title IV-E Child Welfare Waiver Demonstration Capped Allocation Project

EXPENDITURES:

(in 000's):

Item 153 Title IV-E Waiver Total	2007-08 Services/Admin And Grants	2008-09 Services/Admin And Grants
Total	$1,156,575	$ 1,144,803
Federal	464,316	472,782
State	315,607	295,369
County	376,652	376,652
Reimbursements	0	0

Item 153 IV-E Waiver Adjustment	2007-08 Services/Admin And Grants	2008-09 Services/Admin And Grants
Total	$ 26,157	$ 38,402
Federal	22,451	30,917
State	3,706	7,485
County	0	0
Reimbursements	0	0

Title IV-E Child Welfare Waiver Demonstration Capped Allocation Project

EXPENDITURES (CONTINUED):

(in 000's):

	2007-08	2008-09
Item 153	Grants	Grants
Foster Care 101 - Base		
Total	$ 505,933	$ 505,933
Federal	177,536	177,536
State	121,805	121,805
County	206,592	206,592
Reimbursements	0	0

	2007-08	2008-09
Item 153	Admin.	Admin.
Foster Care 141 - Base		
Total	$ 38,061	$ 38,061
Federal	19,845	19,845
State	12,432	12,432
County	5,784	5,784
Reimbursements	0	0

	2007-08	2008-09
Item 153	Services/Admin.	Services/Admin.
CWS 151 - Base		
Total	$ 557,438	$ 557,438
Federal	244,484	244,484
State	148,678	148,678
County	164,276	164,276
Reimbursements	0	0

Title IV-E Child Welfare Waiver Demonstration Capped Allocation Project

EXPENDITURES (CONTINUED):

(in 000's):

	2007-08	2008-09
Item 153	Grants	Grants
Foster Care 101 – Non-Base Premises		
Total	$ 3,755	$ 6,189
Federal	0	0
State	3,755	6,189
County	0	0
Reimbursements	0	0

	2007-08	2008-09
Item 153	Admin.	Admin.
Foster Care 141 – Non-Base Premises		
Total	$ 0	$ 72
Federal	0	0
State	0	72
County	0	0
Reimbursements	0	0

Title IV-E Child Welfare Waiver Demonstration Capped Allocation Project

EXPENDITURES (CONTINUED):

(in 000's):

	2007-08	2008-09
Item 153	Admin.	Admin.
CWS 151 – Non-Base Premises		
Total	$ 25,231	$ 28,234
Federal	0	0
State	25,231	28,234
County	0	0
Reimbursements	0	0

	2007-08	2008-09
Item 153	Grants	Grants
Foster Care 101 – Reduce Rates by 10 Percent		
Total	$ 0	-$ 8,553
Federal	0	0
State	0	-8,553
County	0	0
Reimbursements	0	0

Title IV-E Child Welfare Waiver Demonstration Capped Allocation Project

EXPENDITURES (CONTINUED):

(in 000's):

	2007-08	2008-09
Item 153	Services/Admin.	Services/Admin.
CWS 151 - Reduce CWS Allocations		
Total	$ 0	-$ 20,973
Federal	0	0
State	0	-20,973
County	0	0
Reimbursements	0	0

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Other Departments' TANF MOE Eligible Expenditures
Community Colleges – Expansion of Services to TANF Eligibles

DESCRIPTION:

This premise reflects the State maintenance of effort (MOE) expenditures made by the California Community Colleges (CCC) for the purpose of assisting students who are California Work Opportunity and Responsibility to Kids (CalWORKs) program recipients, including those transitioning from CalWORKs, to achieve long-term self-sufficiency through coordinated student services offered at community colleges.

Public Law (P.L.) 104-193, the federal welfare reform legislation, established the Temporary Assistance for Needy Families (TANF) program and a TANF block grant to replace the Aid to Families with Dependent Children (AFDC) program. For Fiscal Year (FY) 2007-08, an adjustment has been made to reflect that California met the federal work participation rate (WPR) for the CalWORKs program in Federal Fiscal Year (FFY) 2006. California is not expected to meet the federal WPR in FFY 2007. When the state meets this rate, the MOE level falls from 80 percent to 75 percent. In addition, adjustments are made to the MOE as a result of Tribal TANF. Therefore, with the WPR and Tribal TANF MOE adjustments, the final MOE level is $2.7 billion in FY 2007-08 and $2.9 billion in FY 2008-09.

The state may count either local and state expenditures made by California Department of Social Services (CDSS) or other departments on behalf of TANF/CalWORKs eligible families toward the MOE. If these expenditures would have been authorized and allowable under the former AFDC, Job Opportunities and Basic Skills (JOBS), Emergency Assistance, Child Care for AFDC recipients, At-Risk Child Care, or Transitional Child Care programs in FFY 1995, all otherwise countable expenditures may count toward the MOE. However, if such expenditures were not previously authorized and allowable, countable expenditures are limited to the amount by which allowable current year expenditures exceed the total state program expenditures in FFY 1995. State expenditures that are used as a match to draw down other federal funding are generally not countable toward the TANF MOE.

Services provided by CCC include work-study, other educational-related work experience, job placement services, child care services, and coordination with county welfare offices to determine eligibility and availability of services. Current CalWORKs recipients may utilize these services until their educational objectives are met, but for no longer than two years. Based on these expenditure requirements, these funds would meet the federal requirements for counting toward TANF MOE.

IMPLEMENTATION DATE:

This premise implemented July 1, 1997.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Title 45, Code of Federal Regulations, sections 263.2 and 263.4.
- It is assumed the eligible MOE expenditures will be $43.6 million in FY 2007-08 and $38.8 million in FY 2008-09.

Other Departments' TANF MOE Eligible Expenditures Community Colleges – Expansion of Services to TANF Eligibles

KEY DATA/ASSUMPTIONS (CONTINUED):

- These funds are required to be expended for educational-related services for CalWORKs program eligible recipients only.

METHODOLOGY:

For FYs 2007-08 and 2008-09, the estimate reflects the anticipated MOE-eligible expenditures.

FUNDING:

This program is funded with 100 percent General Fund.

CHANGE FROM PRIOR SUBVENTION:

There is no change in the Current Year. In the Budget Year, the change reflects a decrease in anticipated MOE-eligible expenditures due to the impact of the Budget Balancing Reductions for the Community Colleges.

REASON FOR YEAR-TO-YEAR CHANGE:

The change reflects a decrease in the anticipate amount of MOE-eligible expenditures due to the impact of the Budget Balancing Reductions for the Community Colleges.

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EXPENDITURES:

(in 000's)

	2007-08 Grant	2008-09 Grant
Total	$43,580	$38,832
Federal	0	0
State	43,580	38,832
County	0	0
Reimbursements	0	0

Other Departments' TANF MOE Eligible Expenditures CDE Child Care Programs

DESCRIPTION:

This premise reflects the state maintenance of effort (MOE) expenditures made by the California Department of Education (CDE) for child care programs that provide services for the California Work Opportunity and Responsibility to Kids (CalWORKs)/Temporary Assistance for Needy Families (TANF) program. This premise also reflects expenditures for those who are income eligible but not participating in CalWORKs/TANF.

Public Law (P.L.) 104-193, the federal welfare reform legislation, established the TANF program and a TANF block grant to replace the Aid to Families with Dependent Children (AFDC) program. For Fiscal Year (FY) 2007-08, an adjustment has been made to reflect that California met the federal work participation rate (WPR) for the CalWORKs program in Federal Fiscal Year (FFY) 2006. California is not expected to meet the federal WPR in FFY 2007. When the state meets this rate, the MOE level falls from 80 percent to 75 percent. In addition, adjustments are made to the MOE as a result of Tribal TANF. Therefore, with the WPR and Tribal TANF MOE Adjustments, the final MOE level is $2.7 billion in FY 2007-08 and $2.9 billion in FY 2008-09.

The state may count both local and state expenditures made by the California Department of Social Services (CDSS) or other departments on behalf of TANF/CalWORKs-eligible families toward the MOE. If these expenditures would have been authorized and allowable under the former AFDC, JOBS, Emergency Assistance, Child Care for AFDC recipients, At-Risk Child Care, or Transitional Child Care programs in FFY 1995, all otherwise countable expenditures may count toward the MOE. However, if such expenditures were not previously authorized and allowable, countable expenditures are limited to the amount by which allowable current year expenditures exceed the total state program expenditures in FFY 1995. State expenditures that are used as a match to draw down other federal funding are generally not countable toward the TANF MOE.

Before the implementation of federal welfare reform, California received federal funding for child care through Title IV-A of the Social Security Act and the Child Care and Development Block Grant (CCDBG). Title IV-A funds were used to provide child care for families on welfare, transitioning off welfare, and those at risk of going on welfare. CCDBG funds were used to provide child care for the working poor. As a part of federal welfare reform under P.L. 104-193, these two federal child care funding streams were merged into the new Child Care and Development Fund (CCDF). In order for states to receive a portion of the CCDF, they are required to spend a level of funding equal to their FFY 1994 nonfederal share of child care expenditures under the old Title IV-A program ($85.6 million in California). Federal regulations allow state expenditures for child care to satisfy both the CCDF MOE and TANF program MOE, provided that these expenditures meet the MOE requirements for both grants. In addition, if a state has additional child care expenditures that have not been used toward meeting the CCDF MOE requirement or to receive federal matching funds, these expenditures may count toward the state's TANF MOE, provided that the benefiting families meet the state's definition for TANF eligibility. All other TANF MOE requirements and limitations, as set forth in federal regulations, must also be met.

Other Departments' TANF MOE Eligible Expenditures CDE Child Care Programs

IMPLEMENTATION DATE:

This premise implemented July 1, 1997.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Title 45, Code of Federal Regulations, sections 263.2 and 263.3.
- Based on estimated General Fund (GF) expenditures for CalWORKs recipients and CalWORKs eligible families in CDE child care programs, it is assumed the eligible MOE expenditures will be $627 million in FY 2007-08 and $598.6 million in FY 2008-09.
- Federal regulations allow state expenditures for child care to satisfy both the CCDF MOE and the TANF MOE, provided that these expenditures meet the MOE requirements for both grants.
- All TANF/CalWORKs-eligible families meet CCDF eligibility requirements and would, therefore, meet both the CCDF and TANF MOE expenditure requirements.
- The total "double-countable" expenditures cannot exceed the MOE level for the CCDF ($85.6 million).

METHODOLOGY:

For FYs 2007-08 and 2008-09, the estimate reflects the anticipated MOE-eligible expenditures.

FUNDING:

This program is funded with 100 percent GF.

CHANGE FROM PRIOR SUBVENTION:

The decrease in the Current Year and Budget Year (BY) reflect the updated GF amount in CDE's budget.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease in BY reflects the impact of the Budget Balancing Reductions in CDE child care programs.

Other Departments' TANF MOE Eligible Expenditures
CDE Child Care Programs

EXPENDITURES:

(in 000's)

	2007-08 Grant	2008-09 Grant
Total	$627,067	$598,598
Federal	0	0
State	627,067	598,598
County	0	0
Reimbursements	0	0

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Other Departments' TANF MOE Eligible Expenditures State Disregard Payment to Families

DESCRIPTION:

This premise reflects the State maintenance of effort (MOE) expenditures made by the Department of Child Support Services (DCSS) for the $50 State Disregard Payment to Families for current recipients of benefits under the California Work Opportunity and Responsibility to Kids (CalWORKs) program.

Public Law (P.L.) 104-193, the federal welfare reform legislation, established the Temporary Assistance for Needy Families (TANF) program and a TANF block grant to replace the Aid to Families with Dependent Children (AFDC) program. For Fiscal Year (FY) 2007-08, an adjustment has been made to reflect that California met the federal work participation rate (WPR) for the CalWORKs program in Federal Fiscal Year (FFY) 2006. California is not expected to meet the federal WPR in FFY 2007. When the state meets this rate, the MOE level falls from 80 percent to 75 percent. In addition, adjustments are made to the MOE as a result of Tribal TANF. Therefore, with the WPR and Tribal TANF MOE Adjustments, the final MOE level is $2.7 billion in FY 2007-08 and $2.9 billion in FY 2008-09.

The state may count both local and state expenditures made by the California Department of Social Services (CDSS) or other departments on behalf of TANF/CalWORKs-eligible families toward the MOE. If these expenditures would have been authorized and allowable under the former AFDC, JOBS, Emergency Assistance, Child Care for AFDC recipients, At-Risk Child Care or Transitional Child Care programs in FFY 1995, then the expenditures may count toward the MOE. However, if such expenditures were not previously authorized and allowable, then allowable current year expenditures exceed the total state program expenditures in FFY 1995. State expenditures that are used as a match to draw down other federal funding are generally not countable toward the TANF MOE.

In addition to the CalWORKs grant, custodial parents also receive the first $50 of the current month's child support payment collected from the noncustodial parent. Forwarding the disregard portion of the collection to the family instead of retaining it to reduce the state's cost of the CalWORKs grant results in cost increases (lost collection revenues).

In 1996, the federal government discontinued federal financial participation (FFP) in the disregard payment to the family (P.L. 104-193). With the passage of the federal Deficit Reduction Act (DRA) (P. L. 109-171), FFP will be reinstated as of October 1, 2008. In California, the FFP ratio is 50 percent federal, 50 percent state. In addition, the DRA changed the amount that states may disregard and pass through to families. Effective October 1, 2008, states may disregard up to $100 per month for one child, and up to $200 for families with two or more children, in child support payments collected on behalf of a TANF or foster care family.

This premise reflects the cost for the state to fund 100 percent of the $50 disregard payment to the custodial parent through September 2008 (before the FFP is reinstated), and 50 percent of all future disregard payments. The Governor's Budget also assumes that, beginning January 1, 2009, the disregard payment will increase from $50 to $100 per month, regardless of family size.

Other Departments' TANF MOE Eligible Expenditures State Disregard Payment to Families

IMPLEMENTATION DATE:

This program was originally implemented in FY 1984-85.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 11475.3 and Family Code section 17504.
- It is assumed the eligible MOE expenditures claimed by DCSS will be $26.5 million in FY 2007-08 and $21.2 million in FY 2008-09. The estimate is based on projected expenditures from DCSS.
- The child support payment data are based on the counties' monthly CS 35 Reports and the Child Support Services Supplement to the CS 34 Monthly Report of Collections and Distributions.
- Through September 2008, the State will pay the full $50 disregard without any FFP.
- Between October and December 2008, the $50 disregard share of cost will be split 50/50 between the State and the federal government.
- Beginning January 2009, the State will increase the disregard payment to families to $100. The $100 share of cost will be split 50/50 between the State and the federal government.

METHODOLOGY:

The cost of the disregard is reported monthly on the CS 35 Report. The disregard is paid when the child support collection is distributed.

FUNDING:

For the purpose of counting program expenditures toward the MOE, this program is funded with 100 percent General Fund.

CHANGE FROM PRIOR SUBVENTION:

In the Current Year and Budget Year (BY) the anticipated expenditures decreased due to updated information from DCSS.

REASON FOR YEAR-TO-YEAR CHANGE:

The anticipated expenditures for BY decreased due to updated information from DCSS and the change due to the DRA.

Other Departments' TANF MOE Eligible Expenditures State Disregard Payment to Families

EXPENDITURES:

(in 000's)

	2007-08 Grant	2008-09 Grant
Total	$26,541	$21,173
Federal	0	0
State	26,547	21,173
County	0	0
Reimbursements	0	0

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Other Departments' TANF MOE Eligible Expenditures Cal Grants

DESCRIPTION:

This premise reflects the state maintenance of effort (MOE) expenditures associated with Cal Grants, awarded through the California Student Aid Commission (CSAC), to assist students with paying college expenses. The Cal Grants awards are paid with state funded grants for students attending public or private colleges and universities. It is assumed that state expenditures for Cal Grants are countable toward the Temporary Assistance for Needy Families (TANF) MOE requirement under Purpose Three of TANF for Fiscal Year (FY) 2007-08. For FY 2008-09, due to the passage of the TANF final rule, the state is no longer able to count Cal Grants expenditures toward the TANF MOE. The TANF final rule, effective October 1, 2008, only allows expenditures spent toward meeting TANF Goals Three and Four (preventing and reducing out-of-wedlock pregnancy, and promoting and maintaining two-parent families) as counting toward the MOE requirement if the expenditures are spent on TANF-eligible families, or as defined in the healthy marriage promotion and responsible fatherhood section of the Deficit Reduction Act of 2004.

CSAC is the principal state agency responsible for administering financial aid programs for students attending public and private universities, colleges, and vocational schools in California. The Cal Grants awards have been used to help middle- and low-income students finance their unmet financial needs for college.

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

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

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

Public Law (P.L.) 104-193, the federal welfare reform legislation, established the TANF program and a TANF block grant to replace the Aid to Families with Dependent Children (AFDC) program. For FY 2007-08, an adjustment has been made to reflect that California met the federal work participation rate (WPR) for the California Work Opportunity and Responsibility to Kids (CalWORKs) program in Federal Fiscal Year (FFY) 2006. California is not expected to meet the federal WPR in FFY 2007. When the state meets this rate, the MOE level falls from 80 percent to 75 percent. In addition, adjustments are made to the MOE as a result of Tribal TANF. Therefore, with the WPR and Tribal TANF MOE Adjustments, the final MOE level is $2.7 billion in FY 2007-08 and $2.9 billion in FY 2008-09.

The state may count local and state expenditures made by California Department of Social Services (CDSS) or other departments on behalf of TANF/CalWORKs eligible families toward the MOE. If these expenditures would have been authorized and allowable under the former AFDC, Job Opportunities and Basic Skills (JOBS), Emergency Assistance, Child Care for AFDC recipients, At-Risk Child Care, or Transitional Child Care programs in FFY 1995, then the expenditures may count toward the MOE. However, if such expenditures were not previously authorized and allowable, countable expenditures are limited to the amount by which allowable current year expenditures exceed the total state program expenditures in FFY 1995. State expenditures that are used as a match to draw down other federal funding are generally not countable toward the TANF MOE.

Other Departments' TANF MOE Eligible Expenditures Cal Grants

IMPLEMENTATION DATE:

This premise implemented July 1, 2006.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Title 45, Code of Federal Regulations, sections 263.2 and 263.4.
- All Cal Grants expenditures for Cal Grants A and B used for tuition and fees for unmarried students are countable in the same year they are expended. The expenditures for the excess allowance for Cal Grants B recipients are removed from the countable expenditures.

METHODOLOGY:

For FY 2007-08 and FY 2008-09, the estimate reflects the anticipated MOE-eligible expenditures.

FUNDING:

This program is funded with 100 percent General Fund (GF).

CHANGE FROM PRIOR SUBVENTION:

The Current Year (CY) change reflects a shift of Cal Grants Excess MOE to base MOE due to no longer being able to count California Department of Education After School funds. In the Budget Year (BY), the change reflects that as of October 1, 2008, the state will no longer be able to count Cal Grants toward its MOE requirement. .

REASON FOR YEAR-TO-YEAR CHANGE:

The change in the BY reflects that as of October 1, 2008, the state will no longer be able to count Cal Grants toward its MOE requirement.

EXPENDITURES:

(in 000's)

	2007-08	2008-09
	Grant	Grant
Total	$223,000	$0
Federal	0	0
State	223,000	0
County	0	0
Reimbursements	0	0

Other Departments' TANF MOE Eligible Expenditures After School

DESCRIPTION:

This premise reflects the state maintenance of effort (MOE) associated with expenditures made by the California Department of Education (CDE) for students attending After School programs as made available by the CDE. It is assumed that state expenditures for After School programs are countable toward the Temporary Assistance for Needy Families (TANF) MOE requirement under Purpose Three of TANF.

The After School Education and Safety (ASES) program is the result of the 2002 voter approved initiative, Proposition 49. The ASES program funds the establishment of local after school education and enrichment programs. These programs are created through partnerships between schools and local community resources to provide literacy, academic enrichment, and safe, constructive alternatives for students in kindergarten through ninth grade. Funding is designed to: 1) maintain existing before- and after-school program funding, and 2) provide eligibility to all elementary and middle schools throughout California that submit quality applications.

Public Law (P.L.) 104-193, the federal welfare reform legislation, established the TANF program and a TANF block grant to replace the Aid to Families with Dependent Children (AFDC) program. For Fiscal Year (FY) 2007-08, an adjustment has been made to reflect that California met the federal work participation rate (WPR) for the California Work Opportunity and Responsibility to Kids (CalWORKs) program in Federal Fiscal Year (FFY) 2006. California is not expected to meet the federal WPR in FFY 2007. When the state meets this rate, the MOE level falls from 80 percent to 75 percent. In addition, adjustments are made to the MOE as a result of Tribal TANF. Therefore, with the WPR and Tribal TANF MOE Adjustments, the final MOE level is $2.7 billion in FY 2007-08 and $2.9 billion in FY 2008-09.

The state may count either local and state expenditures made by California Department of Social Services (CDSS) or other departments on behalf of TANF/ CalWORKs eligible families toward the MOE. If these expenditures would have been authorized and allowable under the former AFDC, Job Opportunities and Basic Skills (JOBS), Emergency Assistance, Child Care for AFDC recipients, At-Risk Child Care, or Transitional Child Care programs in FFY 1995, then the expenditures may count toward the MOE. However, if such expenditures were not previously authorized and allowable, countable expenditures are limited to the amount by which allowable Current Year (CY) expenditures exceed the total state program expenditures in FFY 1995. State expenditures that are used as a match to draw down other federal funding are generally not countable toward the TANF MOE.

IMPLEMENTATION DATE:

This premise implemented July 1, 2006.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Title 45, Code of Federal Regulations, sections 263.2 and 263.4.
- All General Fund (GF) expenditures spent on After School programs will be counted towards the MOE requirement in the year it is spent.
- It is assumed the eligible MOE expenditures will be $0 million in FY 2007-08 and $32.6 million in FY 2008-09.

Other Departments' TANF MOE Eligible Expenditures After School

METHODOLOGY:

The estimate reflects the anticipated MOE-eligible expenditures for FY 2007-08 and FY 2008-09.

FUNDING:

This program is funded with 100 percent GF.

CHANGE FROM PRIOR SUBVENTION:

The change in the CY reflects the issue of After School expenditures being counted toward the No Child Left Behind (NCLB) program. The change in the Budget Year (BY) reflects the anticipated amount of $32.6 million, not counted toward the NCLB program, that can count toward the base MOE.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase in the BY reflects the anticipated amount of $32.6 million to count toward the base MOE.

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EXPENDITURES:

(in 000's)

	2007-08	2008-09
	Grant	Grant
Total	$0	$32,667
Federal	0	0
State	0	32,667
County	0	0
Reimbursements	0	0

Other Departments' TANF MOE Eligible Expenditures Community College Fee Waivers

DESCRIPTION:

This premise reflects the state maintenance of effort (MOE) countable expenditures associated with the California Community College Chancellor's Office (CCCCO) Board of Governor's (BOG) fee waivers program which provides tuition costs to financially needy students attending any of the state's Community Colleges. It is assumed that state expenditures for BOG fee waivers are countable toward the Temporary Assistance Needy Families (TANF) MOE requirement under Purpose Three of TANF for Fiscal Year (FY) 2007-08. It is assumed the countable expenditures benefit unmarried students. For FY 2008-09, due to the passage of the TANF final rule, the state is no longer able to count fee waiver expenditures toward the TANF MOE. The TANF final rule, effective October 1, 2008, only allows expenditures spent toward meeting TANF Goals Three and Four (preventing and reducing out-of-wedlock pregnancy, and promoting and maintaining two-parent families) as counting toward the MOE requirement if the expenditures are spent on TANF-eligible families, or as defined in the healthy marriage promotion and responsible fatherhood section of the Deficit Reduction Act of 2005.

Public Law (P.L.) 104-193, the federal welfare reform legislation, established the TANF program and a TANF block grant to replace the Aid to Families with Dependent Children (AFDC) program. For FY 2007-08, an adjustment has been made to reflect that California met the federal work participation rate (WPR) for the California Work Opportunity and Responsibility to Kids (CalWORKs) program in Federal Fiscal Year (FFY) 2006. California is not expected to meet the federal WPR in FFY 2007. When the state meets this rate, the MOE level falls from 80 percent to 75 percent. In addition, adjustments are made to the MOE as a result of Tribal TANF. Therefore, with the WPR and Tribal TANF MOE Adjustments, the final MOE level is $2.7 billion in FY 2007-08 and $2.9 billion in FY 2008-09.

The state may count either local and state expenditures made by California Department of Social Services (CDSS) or other departments on behalf of TANF/CalWORKs eligible families toward the MOE. If these expenditures would have been authorized and allowable under the former AFDC, Job Opportunities and Basic Skills (JOBS), Emergency Assistance, Child Care for AFDC recipients, At-Risk Child Care, or Transitional Child Care programs in FFY 1995, then the expenditures may count toward the MOE. However, if such expenditures were not previously authorized and allowable, countable expenditures are limited to the amount by which allowable current year expenditures exceed the total state program expenditures in FFY 1995. State expenditures that are used as a match to draw down other federal funding are generally not countable toward the TANF MOE.

IMPLEMENTATION DATE:

This premise implemented July 1, 2007.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Title 45, Code of Federal Regulations, sections 263.2 and 263.4.
- Any eligible General Fund (GF) expenditures identified will be counted towards the MOE requirement in the same year they are spent.
- It is assumed the eligible MOE expenditures will be $85.6 million in FY 2007-08.

Other Departments' TANF MOE Eligible Expenditure Community College Fee Waivers

METHODOLOGY:

For FY 2007-08 the estimate reflects the anticipated MOE-eligible expenditures.

FUNDING:

This program is funded with 100 percent GF.

CHANGE FROM PRIOR SUBVENTION:

The change in the Current Year (CY) reflects Fee Waiver expenditures being counted toward the base MOE requirement instead of Excess MOE as in the Governor's Budget. The change in the Budget Year (BY) reflects that as of October 1, 2008, the state will no longer be able to count Fee Waivers toward its MOE requirement.

REASON FOR YEAR-TO-YEAR CHANGE:

The change reflects that as of October 1, 2008, the state will no longer be able to count Fee Waivers toward its MOE requirement.

EXPENDITURES:

(in 000's)

	2007-08 Grant	2008-09 Grant
Total	$85,560	$0
Federal	0	0
State	85,560	0
County	0	0
Reimbursements	0	0

Excess Maintenance of Effort (MOE)

DESCRIPTION:

This premise reflects the California Department of Social Services (CDSS) strategy to earn additional Caseload Reduction Credit (CRC) by counting excess Maintenance of Effort (MOE) dollars spent on allowable activities above the MOE requirement. Current federal regulations allow states that are investing state MOE funds in eligible families, in excess of the required MOE level, to receive a pro rata CRC. CDSS has identified additional countable MOE from the California Alliance of Boys and Girls Clubs (CABGC) and the California Department of Education's Child Care and After School programs.

The excess MOE spent in Fiscal Year (FY) 2007-08 and FY 2008-09 will result in a CRC in Federal Fiscal Year (FFY) 2008 and FFY 2009.The resulting CRC the state would receive from excess MOE will enable the state to move closer toward meeting the federal work participation rate and will subsequently assist the state in avoiding or reducing any federal penalties.

IMPLEMENTATION DATE:

This premise implemented July 1, 2006.

KEY DATA/ASSUMPTIONS:

- Authorizing Statute: Title 45, Code of Federal Regulations, section 261.43.

METHODOLOGY:

- In FY 2007-08, CDSS will claim a range of expenditures between $312 million and $412 million in excess MOE. In FY 2008-09, CDSS will claim a range of expenditures between $280 million and $380 million in excess MOE.

FUNDING:

This program represents MOE expenditures about the base level.

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General Fund Maintenance of Effort Work Participation Rate Adjustment

DESCRIPTION:

This premise reflects adjustments made on the California Department of Social Services' (CDSS) federal reports for prior Federal Fiscal Years (FFYs) that reduce the state's maintenance of effort (MOE) requirement from 80 percent of the base year expenditures to 75 percent. These adjustments are the result of meeting the federal work participation rates (WPR) for the California Work Opportunity and Responsibility to Kids (CalWORKs) program.

CDSS assumes an 80 percent MOE requirement until notified by the federal government that the state has met the federal work participation rates. This typically occurs after the end of the FFY. After notification by the federal government, CDSS files an amended federal report for that past FFY to reflect the lower MOE expenditure level of 75 percent. Therefore, Fiscal Year (FY) 2007-08 reflects the adjustment for FFY 2006. California is not expected to meet the WPR for FFY 2007; therefore, the state will have to meet the 80 percent MOE requirement in FY 2008-09.

IMPLEMENTATION DATE:

The WPR adjustment is not made until after the federal government has notified the state that it has met the rate for the FFY. This does not occur until after the end of the FFY for which the adjustment is being made.

METHODOLOGY:

The FFY 2006 adjustment was determined by adjusting the MOE levels for those years to 75 percent. This results in reductions of $179.5 million, which is displayed in FY 2007-08. Because of the overlapping quarter between the FFY and the FY, CDSS is able to reflect the impact of the MOE reduction in a later FY. Accordingly, the General Fund (GF) expenditure reductions are not reflected in the state Budget until FY 2007-08. These adjustments do not, however, bring the MOE expenditure level below the federal requirement for any FFY. Because California is not expected to meet the WPR in FFY 2007, the state will have to meet the 80 percent MOE requirement in FY 2008-09.

FUNDING:

The funding is 100 percent GF.

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to California not likely meeting the WPR in FFY 2007; therefore, the state will not be able to reduce its MOE requirement from 80 percent to 75 percent in FY 2008-09.

General Fund Maintenance of Effort Work Participation Rate Adjustment

EXPENDITURES:

(in 000's)

	2007-08 Grant	2008-09 Grant
Total	-$179,546	$0
Federal	0	0
State	-179,546	0
County	0	0
Reimbursements	0	0

TANF Transfer to CDE

DESCRIPTION:

This premise reflects the amount for Fiscal Year (FY) 2007-08 from the Child Care Stage Two holdback that was transferred to the California Department of Education (CDE) for Stage Two Child Care provided to California Work Opportunity and Responsibility to Kids (CalWORKs) program families who are working or participating in work activities while on aid, and eligible teen parents participating in the Cal Learn program. Child care services are available to CalWORKs families with children under 13 years of age.

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

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

IMPLEMENTATION DATE:

This premise is effective in FY 2007-08.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Education Code sections 8350, 8351, 8352 and Welfare and Institutions Code section 11331.7.
- FY 2007-08 represents the amount in the Current Year (CY) from the Stage Two Child Care holdback that was provided to CDE.
- In FY 2008-09, the amount is $0 as CDSS is no longer funding Stage Two.

METHODOLOGY:

- The $25.5 million that was budgeted for the FY 2007-08 holdback has been transferred to CDE.

FUNDING:

The funding is 100 percent Temporary Assistance for Needy Families.

CHANGE FROM PRIOR SUBVENTION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

The FY 2007-08 holdback was transferred in the CY. CDSS is no longer funding State Two in the Budget Year.

TANF Transfer to CDE

EXPENDITURES:

(in 000's)	2007-08 TANF	2008-09 TANF
Total	$25,500	$0
Federal	25,500	0
State	0	0
County	0	0
Reimbursements	0	0

Total TANF Reserve

DESCRIPTION:

This premise reflects the Temporary Assistance for Needy Families (TANF) funds that are held in reserve to meet unanticipated pressures in the California Work Opportunity and Responsibility to Kids (CalWORKs) program. Expenditures as determined by the California Department of Social Services (CDSS) are subject to Legislative notification and approval by the California Health and Human Services Agency and the Department of Finance.

IMPLEMENTATION DATE:

This premise implemented July 1, 2000.

KEY DATA/ASSUMPTIONS:

- The reserve was originally established by the Budget Act of 2000.
- The Total TANF Reserve funds are used to meet unforeseen program needs in the CalWORKs program.

METHODOLOGY:

The reserve has been eliminated to zero due to existing budget pressures.

FUNDING:

This premise is funded with 100 percent federal TANF funds.

CHANGE FROM PRIOR SUBVENTION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

RESERVE:

(in 000's)	2007-08	2008-09
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

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Restore TANF Reserve

DESCRIPTION:

This premise reflects the restoration of Temporary Assistance for Needy Families (TANF) funds that are held in reserve to meet unanticipated pressures in the California Work Opportunity and Responsibility to Kids (CalWORKs) program. Expenditures as determined by the California Department of Social Services (CDSS) are subject to Legislative notification and approval by the California Health and Human Services Agency and the Department of Finance.

IMPLEMENTATION DATE:

The TANF Reserve will be restored in FY 2008-09.

KEY DATA/ASSUMPTIONS:

- The reserve was originally established by the Budget Act of 2000.
- The Total TANF Reserve funds are used to meet unforeseen program needs in the CalWORKs program.

METHODOLOGY:

The restoration of the TANF reserve has been eliminated due to existing budget pressures.

FUNDING:

This premise is funded with 100 percent federal TANF funds.

CHANGE FROM PRIOR SUBVENTION:

There is no change in the Current Year. In the Budget Year, the funds have been eliminated as a result of the overall budget balancing reductions.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

RESERVE:

(in 000's)	2007-08	2008-09
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

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Cost-of-Doing-Business

DESCRIPTION:

This premise reflects the provision contained in Assembly Bill 1808 (Chapter 75, Statutes of 2006) which requires the California Department of Social Services (CDSS) to estimate the costs for county administration using county-specific cost factors in the programs' budgeting methodology and requires county certification of "reasonable" costs for the California Work Opportunity and Responsibility to Kids (CalWORKs) Administration, Food Stamp, Foster Care, In-Home Supportive Services (IHSS), and Child Welfare Services (CWS).

The statute requires CDSS to develop, in consultation with the County Welfare Directors Association, a survey process to collect reasonable county specific cost data. The Department shall identify in its budget documents the estimates developed and the difference between these estimates and proposed funding levels.

IMPLEMENTATION DATE:

This premise will implement on July 1, 2007.

KEY DATA/ASSUMPTIONS:

Authorizing statute: Welfare and Institutions Code section 10507.

METHODOLOGY:

This premise reflects the FY 2008-09 estimated difference between the raw data as reported on the counties' cost-of-doing-business survey and the proposed funding levels.

CalWORKs Administration, CalWORKs Employment Services, Food Stamp Administration, IHSS Administration, and CWS Basic programs were adjusted by the impact of the proposed budget reductions.

FUNDING:

Funding will vary depending on program area.

CHANGE FROM PRIOR SUBVENTION:

Cost-of-doing-business data is only displayed in the May Revision process. The FY 2008-09 estimated difference between the data as reported by the counties' cost-doing-business survey and the proposed funding levels is inclusive of each program's associated premises and the impact of the budget reduction proposals. In addition, the cost-of-doing-business was calculated by the state for the Adoptions program.

REASON FOR YEAR-TO-YEAR CHANGE:

The FY 2008-09 estimates is based on the data as reported in the cost-of-doing-business survey submitted by the counties in March 2008. Year-to-year changes are primarily due to the impact of the budget reduction proposals, in addition to the inclusion of the Adoptions program and the impact of associated program premises. In FY 2007-08, only the basic portion of each program was included.

Cost-of-Doing-Business

Cost-of-Doing-Business
County Request vs. May 2008 Budget
(Dollars in thousands)

FY 2008-09	TOTAL	FEDERAL	STATE/TANF	COUNTY	REIMB (Title XIX)
CalWORKS-Admin	$284,564	$0	$284,564	$0	$0
CalWORKS-EmpSvcs	($33,924)	$0	($33,924)	$0	$0
Food Stamp Admin	$93,835	$49,919	$33,941	$9,975	$0
Foster Care Admin	$13,285	$4,290	$8,171	$824	$0
IHSS Admin	$92,145	$0	$32,558	$13,960	$45,627
CWS	$649,320	$279,194	$290,638	$33,361	$46,128
Adoptions	$22,061	$5,287	$16,774	$0	$0
NET UNFUNDED	**$1,121,286**	**$338,690**	**$632,722**	**$58,120**	**$91,755**

Note: Costs reflect the statewide difference between the data as reported in the county surveys and the proposed funding levels. The amounts above reflect the impact of the proposed budget reduction proposals that may be contained within each program, but does not reflect $71 million General Fund augments included in the proposed CWS budget.