

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814



July 15, 1998

COUNTY FISCAL LETTER (CFL) NO. 98/99-09

TO: ALL COUNTY WELFARE FISCAL OFFICERS
ALL COUNTY WELFARE DIRECTORS

SUBJECT: FISCAL YEAR (FY) 1998/99 PLANNING ALLOCATION FOR THE
CALIFORNIA WORK OPPORTUNITY AND RESPONSIBILITY TO KIDS
(CALWORKS) PROGRAM SINGLE ALLOCATION

The purpose of this letter is to provide County Welfare Departments with a planning allocation for the CalWORKs program for FY 1998/99. This single allocation consists of Temporary Assistance for Needy Families (TANF) and State General Funds for the following programs within CalWORKs: CalWORKs eligibility, Welfare to Work-employment services, and Cal Learn, consistent with proposed budget language (Senate Bill 1391). We are holding back ten percent of the funds for the purpose of augmenting local allocations based upon actual expenditures. This planning allocation does not include items still in discussion at the Legislature. They include:

- ▶ Child Care - Based on the most current Conference Committee action the amount is \$222,670,000. This amount includes the ten percent holdback as described above.
- ▶ County Performance Incentives - provides fiscal incentive payments to counties for case exits due to employment, grant reductions due to earnings and the diversion of applicants. Based on the most current Conference Committee action the amount is \$204,387,000. This amount is subject to change with the passage of the 1998 Budget Act.
- ▶ Welfare to Work - Federal Welfare-to-Work grant funds being made available to serve CalWORKs clients.
- ▶ Reappropriation of unexpended FY 97/98 funds - the amount of unspent single allocation funds in FY 1997/98 will not be determined until the June 1998 County Expense Claims have been received and processed. Those identified unspent funds will then be reallocated on a county specific basis later in the year.

- ▶ Welfare-to-Work Match - will be allocated separately utilizing the Employment Development Department's allocation methodology. These funds are provided to create additional job opportunities for the hardest to employ recipients of TANF benefits. These job creation activities include wage subsidies, on-the-job training, job placement, and post-employment services.

Counties may utilize this allocation information to plan for services and should note that these amounts are subject to change when the FY 1998/99 budget is final and signed into law. Final allocations will be provided in a subsequent transmittal.

Pursuant to Legislative direction contained in Assembly Bill 1542, Chapter 270 Statutes of 1997, the California Department of Social Services (CDSS) is distributing the funds proposed in the FY 1998/99 Governor's Budget for the above noted programs in a single allocation to counties for the administrative activities associated with providing benefit payments, required work activities and supportive services (Attachment 1). Funding for services for substance abuse treatment and mental health treatment to recipients of aid in the CalWORKs program is being distributed in a separate allocation. This single allocation provides counties the flexibility to use these funds interchangeably for any CalWORKs eligible recipients and allows for the operation of their programs with the knowledge that unspent funds will be carried forward to next year. Therefore, there will be no reallocation of unspent funds between counties.

Attachment 1 also displays the most current county Maintenance of Effort (MOE) levels. The final MOE will be calculated when the FY 1996/97 close-out process for all of the programs is completed. Final MOE figures will include shifts made with State Use Only codes when counties overmatched their final allocation. As noted in last year's letter, food stamp expenditures are also included in this MOE figure.

The following is a summary of the allocation methodology utilized for each component of the allocation:

California Work Opportunity and Responsibility To Kids Program (CalWORKs):

CalWORKs Eligibility - Administration:

The CalWORKs Eligibility allocation is the result of a county-by-county budgeting process based on the Proposed County Administrative Budget (PCAB) submitted by your county in March 1998. The allocation includes funding for line staff and supervisors, administrators and clerical staff, overhead, early fraud eligibility workers, medical exams, and child support disregards. Fraud amounts include funding for regular welfare fraud investigators (WFIs), early fraud WFIs, District Attorney contracts for investigation and prosecution. As in prior years, the FY 1998/99 CalWORKs administrative allocations for each of the 18 Performance Sample Counties (excluding Los Angeles County) include funding for

positions to provide for the continuation of data acquisition activities necessary to comply with Federal data reporting mandates. Staff development costs and the Public Assistance Food Stamp to Non-Assistance Food Stamp Shift adjustment is also included in this allocation.

The proposed budget contains numerous other premise items that affect the administration of CalWORKs eligibility. Both the costs and savings associated with approved premises will be provided in the final single allocation letter. Attachment II contains a listing of potential premise items.

Welfare To Work - Employment Services:

All welfare-to-work activities and supportive services, excluding child care and substance abuse and mental health treatment, are funded in this component of the allocation. Consistent with the request provided by the County Welfare Directors Association, the additional funds for welfare-to-work activities above the FY 1997/98 allocation have been distributed based on each county's share of the aided adult caseload (January 1997-December 1997).

Cal Learn:

The FY 1998/99 Cal Learn budget has decreased from the FY 1997/98 budget due to a 23 percent statewide decrease in the projected CalWORKs eligibility basic caseload and a 0.4 percent decrease in the Cal Learn eligible caseload.

Case Management Caseload is calculated from data in the Monthly Status Report (STAT 45) for the four quarters of June 1997 through March 1998 using the total number of teen parents with Cal Learn status, less deferral for case management services unavailable. The allocation was adjusted on a percent to total basis to the funds included in the proposed 1998/99 budget. The Transportation and Ancillary portion of the allocation distributes available dollars on a percent to total ratio of the Case Management Caseload.

Administrative Caseload is calculated from data in the Monthly Status Report (STAT 45) for the four quarters of June 1997 through March 1998 using the total number of teen parents with Cal Learn status, plus the total number of teen parents who hold an exemption, less the number of teen parents who became exempt. Eligibility and Administrative Activities are based on each county's budgeted FY 1998/99 eligibility worker unit cost times ½ hour. The allocation was adjusted on a percent to total basis to the funds included in the proposed 1998/99 budget.

If you have any questions concerning this allocation, please contact your Contracts and Financial Analysis Bureau analyst at (916) 657-3806.

***Original Signed By
Jarvio A. Grevious On July 14, 1998***

JARVIO A. GREVIOUS
Deputy Director
Administration

Attachments

c: CWDA

CalWORKs PLANNING SINGLE ALLOCATION
SFY 1998/99

COUNTIES	CALWORKS ELIGIBILITY ADMINISTRATION (FED/STATE)	WELFARE TO WORK EMPLOYMENT SERVICES (FED/STATE)	CAL LEARN CASE MGMT, ADMIN TRANS & ANCILLARY (FED/STATE)	TOTAL SINGLE ALLOCATION (FED/STATE)	COUNTY MAINTENANCE OF EFFORT (MOE)
ALAMEDA	\$13,158,941	20,483,391	\$1,018,049	\$34,660,381	\$4,055,585
ALPINE	\$40,143	104,680	\$279	\$145,102	\$27,720
AMADOR	\$328,419	326,288	\$5,712	\$660,419	\$130,014
BUTTE	\$3,287,544	4,944,568	\$266,793	\$8,498,905	\$1,185,782
CALAVERAS	\$374,418	567,447	\$20,522	\$962,387	\$155,305
COLUSA	\$260,679	404,262	\$25,229	\$690,170	\$115,804
CONTRA COSTA	\$7,556,317	9,051,815	\$495,554	\$17,103,686	\$4,153,627
DEL NORTE	\$340,997	756,992	\$49,041	\$1,147,030	\$175,475
EL DORADO	\$1,780,135	1,250,343	\$43,105	\$3,073,583	\$563,424
FRESNO	\$12,698,003	19,572,908	\$1,539,199	\$33,810,110	\$4,193,833
GLENN	\$389,738	436,786	\$27,877	\$854,401	\$137,618
HUMBOLDT	\$1,817,255	2,428,057	\$96,808	\$4,342,120	\$608,264
IMPERIAL	\$2,439,480	4,690,118	\$75,462	\$7,205,060	\$913,453
INYO	\$332,918	306,842	\$15,491	\$655,251	\$150,859
KERN	\$10,466,386	13,786,261	\$1,048,575	\$25,301,222	\$3,454,571
KINGS	\$1,687,471	2,232,923	\$203,802	\$4,124,196	\$677,425
LAKE	\$997,127	1,626,362	\$81,063	\$2,704,552	\$96,293
LASSEN	\$225,609	583,212	\$26,525	\$835,346	\$133,645
LOS ANGELES	\$118,189,529	159,942,787	\$8,471,839	\$286,604,155	\$37,482,663
MADERA	\$1,350,345	2,218,840	\$193,581	\$3,762,766	\$571,606
MARIN	\$1,273,805	868,729	\$18,622	\$2,161,156	\$601,152
MARIPOSA	\$272,236	377,182	\$8,658	\$658,076	\$122,118
MENDOCINO	\$1,619,979	1,691,636	\$90,458	\$3,402,073	\$651,266
MERCED	\$3,663,215	6,985,784	\$383,495	\$11,032,494	\$1,211,462
MODOC	\$147,925	516,215	\$9,777	\$673,917	\$95,501
MONO	\$136,850	223,941	\$827	\$361,618	\$67,293
MONTEREY	\$6,218,610	4,497,493	\$293,895	\$11,009,998	\$1,836,189
NAPA	\$1,112,297	988,430	\$35,212	\$2,135,939	\$396,838
NEVADA	\$762,967	830,027	\$22,626	\$1,615,620	\$363,901
ORANGE	\$19,460,509	22,542,831	\$832,468	\$42,835,808	\$4,123,200
PLACER	\$2,914,293	2,173,305	\$96,439	\$5,184,037	\$909,243
PLUMAS	\$333,839	377,756	\$6,596	\$718,191	\$115,384
RIVERSIDE	\$20,753,417	19,372,897	\$1,317,405	\$41,443,719	\$5,186,549
SACRAMENTO	\$23,137,156	29,544,665	\$1,599,481	\$54,281,302	\$8,899,840
SAN BENITO	\$242,580	597,591	\$51,413	\$891,584	\$166,891
SAN BERNARDINO	\$32,375,187	36,034,136	\$1,842,511	\$70,251,834	\$10,104,399
SAN DIEGO	\$27,310,195	35,769,028	\$1,417,289	\$64,496,512	\$10,378,174
SAN FRANCISCO	\$6,750,724	7,078,840	\$259,453	\$14,089,017	\$3,995,276
SAN JOAQUIN	\$7,925,360	12,776,375	\$629,151	\$21,330,886	\$2,664,774
SAN LUIS OBISPO	\$3,250,412	1,941,554	\$74,013	\$5,265,979	\$980,998
SAN MATEO	\$4,851,707	3,281,278	\$94,130	\$8,227,115	\$1,803,150
SANTA BARBARA	\$4,669,788	3,770,099	\$246,452	\$8,686,339	\$1,835,576
SANTA CLARA	\$20,485,814	15,921,521	\$689,448	\$37,096,783	\$8,715,326
SANTA CRUZ	\$3,037,483	2,174,672	\$134,560	\$5,346,715	\$1,070,006
SHASTA	\$2,858,442	3,994,203	\$224,543	\$7,077,188	\$1,024,153
SIERRA	\$93,191	163,534	\$0	\$256,725	\$55,275
SISKIYOU	\$403,225	1,073,648	\$31,514	\$1,508,387	\$275,856
SONOMA	\$5,770,577	5,144,184	\$285,794	\$11,200,555	\$1,864,249
SONOMA	\$4,287,232	4,232,074	\$148,397	\$8,667,703	\$1,555,161
STANISLAUS	\$7,528,293	9,217,859	\$465,623	\$17,211,775	\$2,208,855
SUTTER	\$1,144,694	1,417,079	\$70,057	\$2,631,830	\$433,223
TEHAMA	\$751,589	1,114,227	\$69,176	\$1,934,992	\$318,172
TRINITY	\$258,141	495,117	\$16,191	\$769,449	\$120,792
TULARE	\$7,043,685	9,989,173	\$858,142	\$17,891,000	\$2,161,689
TUOLUMNE	\$741,453	792,567	\$42,040	\$1,576,060	\$273,336
VENTURA	\$7,018,619	5,985,742	\$363,745	\$13,368,106	\$2,674,692
YOLO	\$1,861,470	2,783,890	\$161,486	\$4,806,846	\$830,992
YUBA	\$1,038,903	2,489,433	\$121,407	\$3,649,743	\$682,332
TOTAL	\$411,227,316	\$504,943,598	\$26,717,000	\$942,887,914	\$139,756,250

PREMISES -- FY 1998/99

	NEW	EXISTING	COSTS	SAVINGS	FEDERAL & STATE FUNDS (in thousands)
CalWORKs-Eligibility					
CWPDP Evaluation		X	X		1,125
Teen Pregnancy Disincentive		X	X		1,262
Restricted Payments		X	X		9,554
Maximum Family Grant		X	X		239
Recent Noncitizen Entrants		X	X		657
Asset Limit		X		X	-1,092
Elimination of the Look Back		X	X		1,061
Exits Due to Employment		X		X	-6,020
* Medi-Cal Services Eligibility		X	X		-28,800
** Reappropriation from 97/98 to 98/99	X		X		21,666
Fraud					
AFIRM Cost		X	X		5,602
Welfare Program Integrity Initiative		X	X		114
Drug Felon Match		X	X		264
Fleeing Felon Match		X	X		685

* Medi-Cal Services Eligibility pertains to the change cost to Medi-Cal. This premise is in conference at this time, if the savings are allocated, the cost will shift to Medi-Cal, creating a savings in CalWORKs Admin.

** Does not include dollars in Child Care