



WILL LIGHTBOURNE
DIRECTOR

STATE OF CALIFORNIA—HEALTH AND HUMAN SERVICES AGENCY
DEPARTMENT OF SOCIAL SERVICES
744 P Street • Sacramento, CA 95814 • www.cdss.ca.gov



EDMUND G. BROWN JR.
GOVERNOR

November 6, 2014

COUNTY FISCAL LETTER (CFL) NO. 14/15-17

TO: COUNTY FISCAL OFFICERS
COUNTY WELFARE DIRECTORS
CHIEF PROBATION OFFICERS
COUNTY AUDITOR CONTROLLERS

SUBJECT: ADOPTIONS ASSISTANCE PROGRAM (AAP) DE-LINK SAVINGS

REFERENCE: [FOSTERING CONNECTIONS TO SUCCESS AND INCREASING ADOPTIONS ACT OF 2008 \(PUBLIC LAW \[PL\] 110-351\)](#)
[TITLE I—EXTENSION OF CHILD AND FAMILY SERVICES PROGRAMS \(PL 112-34\)](#); [WELFARE AND INSTITUTIONS CODE \(W&IC\) SECTION 16118\(d\) AND \(f\)](#); [W&IC SECTION 16132](#);
[ADMINISTRATION FOR CHILDREN AND FAMILIES PROGRAM INSTRUCTIONS 10-11 \(ACYF-CB-PI-10-11\)](#) DATED JULY 9, 2010;
[ASSEMBLY BILL \(AB\) 154](#) (CHAPTER 222, STATUTES OF 2009);
[SENATE BILL \(SB\) 1013](#) (CHAPTER 35, STATUTES OF 2012)

This letter provides County Welfare Departments with instructions on reporting requirements for the AAP De-link savings of Local Revenue Funds (LRF)/county funds, as established by [PL 110-351](#). The [PL 110-351](#) shifted otherwise qualified non-federal AAP cases to Title IV-E eligible cases by de-linking the income requirements of the Aid for Dependent Children-Foster Care (AFDC-FC) and Supplemental Security Income/State Supplementary Payment (SSI/SSP) programs. A child defined in the new law as an “applicable child” will no longer need to meet the 1996 AFDC income requirements to be eligible for Title IV-E funding. As a result of the phased-in eligibility changes, there is a savings in LRF/county funds.

Background

To conform to [PL 110-351](#), the [W&IC section 16118\(d\) and \(f\)](#) and [W&IC section 16132](#), require Title IV-E agencies to spend the LRF/county savings resulting from the de-link of income requirements for the provision of Foster Care and adoption services. The [PL 112-34](#) further clarified that beginning with Federal Fiscal Year (FFY) 2011, Title IV-E agencies must document how the LRF/county savings (if any) are spent. These changes were codified in [SB 1013](#). Prior to 2011 Realignment, the AAP De-link savings were reinvested statewide. The non-federal portion of the funding that has now

been realigned will require counties to assist the state in providing county-specific information in order to meet federal reporting requirements.

In order to conform to federal regulations, LRF/county savings resulting from the AAP De-link must be expended on Foster Care and adoption services provided under Title IV-B and Title IV-E of the federal Social Security Act. Due to 2011 Realignment, the counties now have the responsibility for reinvesting and reporting amounts in excess of the \$1.565 million that was realigned related to the AAP De-link. The counties are responsible for the excess amount due to the fact that the state included the calculated LRF/county savings amount of \$1.565 million into the base 2011 Realignment amount for FY 2011-12 (resulting in a decrease to the base). Since the counties did not receive the LRF/county savings as a result, the state is responsible for reporting on the amount included in the 2011 Realignment base on an ongoing basis.

Estimate Methodology

The [ACYF-CB-PI-10-11](#) clarified the Title IV-E agency must include the spending requirement in the State Plan. In addition, the agency has the flexibility to determine the methodology for calculating the LRF/county savings.

In conjunction with the County Welfare Directors Association, the methodology for cost savings was determined by multiplying the number of payments for the applicable FY and the statewide federally ineligible percent based on AAP expenditures by the AAP grant. The cost savings amount was then offset by the realigned amount. The calculated LRF/county savings are distributed to each county based on a percent-to-total of the actual number of payments for the applicable FY, as displayed in Attachments I and II.

Prior to the beginning of each FY, counties will receive an annual CFL providing each county's estimated LRF/county savings amount. Attachment I provides the FY 2012-13 final LRF/county savings distribution, while Attachment II provides the FY 2013-14 estimated LRF/county savings distribution. In February 2015, an annual CFL will be released providing the final LRF/county savings amount for FY 2013-14 and an estimated LRF/county savings amount for FY 2014-15. This process will be ongoing on an annual basis.

Reporting Instructions

In order for counties to certify how the LRF/county savings were reinvested and/or how they will be reinvested going forward, Attachment III needs to be submitted to CDSS to the address below. Please note, the LRF/county savings from any fiscal year do not

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have to be reinvested within that fiscal year. However, in compliance with the provision of Foster Care and adoption services as stated in [W&IC section 16118\(d\) and \(f\)](#) and [W&IC section 16132](#), counties are required to report annually to the Department how the LRF/county savings were reinvested, including expenditures for post-adoption services. The report for FY 2012-13 is due by December 7, 2014. If the LRF/county savings are not reinvested within two years, the counties must provide an explanation on Attachment III.

California Department of Social Services
Attn: Adoptions Services Bureau
Children's Services Operations & Evaluation Branch
744 P Street, Mail Station 8-12-31
Sacramento, CA 95814

Questions regarding this CFL should be directed to fiscal.systems@dss.ca.gov.
Questions regarding the certification requirement may be directed to the Adoptions Services Bureau at (916) 651-8089.

Sincerely,

Original Document Signed By:

LILIA A. YOUNG, Chief
Fiscal Forecasting and Policy Branch

Attachments

FY 2012-13 Final De-Link Savings Calculation

| <u>County</u> | <u>Distribution Percent</u> | <u>County Specific Savings</u> |
|-----------------|-----------------------------|--------------------------------|
| Alameda | 1.67% | -\$3,645 |
| Alpine | 0.00% | \$0 |
| Amador | 0.00% | \$0 |
| Butte | 0.44% | -\$970 |
| Calaveras | 0.20% | -\$445 |
| Colusa | 0.00% | \$0 |
| Contra Costa | 1.89% | -\$4,129 |
| Del Norte | 0.02% | -\$33 |
| El Dorado | 0.39% | -\$860 |
| Fresno | 3.83% | -\$8,372 |
| Glenn | 0.34% | -\$732 |
| Humboldt | 0.19% | -\$409 |
| Imperial | 0.05% | -\$110 |
| Inyo | 0.00% | \$0 |
| Kern | 4.49% | -\$9,798 |
| Kings | 0.27% | -\$589 |
| Lake | 0.01% | -\$15 |
| Lassen | 0.00% | \$0 |
| Los Angeles | 28.71% | -\$62,679 |
| Madera | 0.21% | -\$463 |
| Marin | 0.11% | -\$245 |
| Mariposa | 0.09% | -\$193 |
| Mendocino | 0.04% | -\$90 |
| Merced | 0.53% | -\$1,147 |
| Modoc | 0.00% | \$0 |
| Mono | 0.00% | \$0 |
| Monterey | 0.48% | -\$1,059 |
| Napa | 0.14% | -\$309 |
| Nevada | 0.16% | -\$352 |
| Orange | 5.10% | -\$11,138 |
| Placer | 0.99% | -\$2,159 |
| Plumas | 0.00% | \$0 |
| Riverside | 11.73% | -\$25,617 |
| Sacramento | 4.06% | -\$8,860 |
| San Benito | 0.09% | -\$187 |
| San Bernardino | 7.60% | -\$16,601 |
| San Diego | 10.31% | -\$22,518 |
| San Francisco | 2.57% | -\$5,619 |
| San Joaquin | 2.62% | -\$5,716 |
| San Luis Obispo | 0.38% | -\$830 |
| San Mateo | 0.62% | -\$1,353 |
| Santa Barbara | 0.90% | -\$1,968 |
| Santa Clara | 3.18% | -\$6,942 |
| Santa Cruz | 0.80% | -\$1,743 |
| Shasta | 0.72% | -\$1,574 |
| Sierra | 0.00% | \$0 |
| Siskiyou | 0.05% | -\$116 |
| Solano | 0.59% | -\$1,281 |
| Sonoma | 0.64% | -\$1,394 |
| Stanislaus | 0.11% | -\$242 |
| Sutter | 0.34% | -\$744 |
| Tehama | 0.55% | -\$1,211 |
| Trinity | 0.04% | -\$83 |
| Tulare | 0.36% | -\$777 |
| Tuolumne | 0.09% | -\$187 |
| Ventura | 1.02% | -\$2,237 |
| Yolo | 0.11% | -\$244 |
| Yuba | 0.16% | -\$345 |
| Total | 100.00% | -\$218,330 |

FY 2013-14 Estimated De-Link Savings Calculation

| <u>County</u> | <u>Distribution Percent</u> | <u>County Specific Savings</u> |
|-----------------|-----------------------------|--------------------------------|
| Alameda | 1.36% | -\$15,849 |
| Alpine | 0.00% | \$0 |
| Amador | 0.00% | \$0 |
| Butte | 0.44% | -\$5,105 |
| Calaveras | 0.15% | -\$1,795 |
| Colusa | 0.00% | \$0 |
| Contra Costa | 2.07% | -\$24,129 |
| Del Norte | 0.03% | -\$392 |
| El Dorado | 0.54% | -\$6,248 |
| Fresno | 3.44% | -\$40,081 |
| Glenn | 0.26% | -\$3,086 |
| Humboldt | 0.15% | -\$1,799 |
| Imperial | 0.07% | -\$762 |
| Inyo | 0.00% | \$0 |
| Kern | 4.22% | -\$49,185 |
| Kings | 0.30% | -\$3,480 |
| Lake | 0.01% | -\$72 |
| Lassen | 0.00% | \$0 |
| Los Angeles | 26.99% | -\$314,458 |
| Madera | 0.26% | -\$2,983 |
| Marin | 0.37% | -\$4,325 |
| Mariposa | 0.19% | -\$2,168 |
| Mendocino | 0.04% | -\$473 |
| Merced | 0.39% | -\$4,508 |
| Modoc | 0.00% | \$0 |
| Mono | 0.00% | \$0 |
| Monterey | 0.56% | -\$6,522 |
| Napa | 0.14% | -\$1,601 |
| Nevada | 0.29% | -\$3,369 |
| Orange | 6.40% | -\$74,522 |
| Placer | 1.00% | -\$11,698 |
| Plumas | 0.00% | \$0 |
| Riverside | 12.97% | -\$151,129 |
| Sacramento | 3.89% | -\$45,357 |
| San Benito | 0.10% | -\$1,189 |
| San Bernardino | 7.46% | -\$86,940 |
| San Diego | 9.28% | -\$108,140 |
| San Francisco | 2.23% | -\$25,938 |
| San Joaquin | 2.36% | -\$27,525 |
| San Luis Obispo | 0.48% | -\$5,634 |
| San Mateo | 0.56% | -\$6,579 |
| Santa Barbara | 1.18% | -\$13,696 |
| Santa Clara | 2.76% | -\$32,141 |
| Santa Cruz | 1.08% | -\$12,578 |
| Shasta | 1.04% | -\$12,114 |
| Sierra | 0.00% | \$0 |
| Siskiyou | 0.04% | -\$437 |
| Solano | 0.64% | -\$7,413 |
| Sonoma | 0.79% | -\$9,237 |
| Stanislaus | 0.14% | -\$1,679 |
| Sutter | 0.45% | -\$5,256 |
| Tehama | 0.55% | -\$6,353 |
| Trinity | 0.07% | -\$758 |
| Tulare | 0.42% | -\$4,932 |
| Tuolumne | 0.13% | -\$1,549 |
| Ventura | 1.46% | -\$17,058 |
| Yolo | 0.11% | -\$1,227 |
| Yuba | 0.13% | -\$1,538 |
| Total | 100.00% | -\$1,165,007 |

**Adoption Assistance Program (AAP) De-link
Savings and Reinvestment Reporting Form**

The Fostering Connections to Success and Increasing Adoptions Act of 2008 (Public Law 110-351) mandates Title IV-E agencies spend any Local Revenue Fund (LRF)/county savings generated from implementing the revised adoption assistance eligibility criteria on child welfare services that may be provided under Title IV-B and Title IV-E. Title IV-E agencies need to report the amount of LRF/county savings and how the funds are being reinvested, to the California Department of Social Services (CDSS). The [Welfare and Institutions Code \(W&IC\) section 16118\(d\)](#) implements the reporting requirement. Under 2011 Realignment, the LRF/county savings accrued required the County Welfare Department (CWD) to provide county-specific information on how the funds were reinvested in order to meet the federal reporting requirements per [W&IC section 16118\(d\)](#). The CWD is required to report to CDSS: the amount of savings; how the savings are reinvested; and how the savings are being reinvested on child welfare related services, specific to Title IV-B and Title IV-E State Plans. If savings are not reinvested within two years, the counties must indicate a reason.

By December 7, 2014, please provide responses to the following questions, for the time period of July 1, 2012 through June 30, 2013, and submit the responses to the Adoptions Services Bureau at the following address:

California Department of Social Services
Attn: Adoptions Services Bureau
Children's Services Operations & Evaluation Branch
744 P Street, Mail Station 8-12-31
Sacramento, CA 95814

1. County: _____
2. Contact: _____
3. Number: _____
4. Email Address: _____
5. Total County Fund Savings: \$ _____
(To be provided by California Department of Social Services)
6. The amount of savings reinvested in the below programs and the activities provided:
 - a. Foster Care: \$ _____
Activities: _____

**Adoption Assistance Program (AAP) De-link
Savings and Reinvestment Reporting Form**

b. Adoption: \$ _____

Activities: _____

c. Post Adoption Services: \$ _____

Activities: _____

COUNTY WELFARE DIRECTOR'S CERTIFICATION

I hereby certify, under penalty of perjury, that I am the official responsible for the administration of the public welfare programs in said county; that I have not violated any of the provisions of Sections 1090 to 1096, inclusive, of the Government Code; that the activities reported herein comply with the AAP de-link savings expenditure provisions of Sections 16118 and 16132 of the Welfare and Institutions Code.

| | |
|--------------------------------------|------|
| Signature of County Welfare Director | Date |
|--------------------------------------|------|