

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, California 95814



April 21, 2003

ALL COUNTY LETTER 03-16

TO: ALL COUNTY WELFARE DIRECTORS
ALL CHILD CARE PROGRAM COORDINATORS**REASON FOR THIS TRANSMITTAL**

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

SUBJECT: FREEZE ON NEW ENROLLMENTS IN STAGE TWO

The purpose of this letter is to transmit information regarding the notice that was issued by the California Department of Education to all California Work Opportunity and Responsibility to Kids (CalWORKs) Stage Two contractors. This notice was dated April 13, 2003 and directed all Stage Two contractors to immediately cease enrollment of new families into the Stage Two program (see attached copy). Stage Two contractors have been directed to continue to provide services to families who are currently enrolled and not fill slots vacated by families timing out.

Families who are not currently enrolled but who are eligible for Stage Two child care will be required to receive services in Stage One. As a result, some counties may experience funding pressure in their Single Allocation to pay for this increased level of child care services. The California Department of Social Services is aware of this possibility and is working with the Department of Finance to assess the situation.

If you have concerns that might precipitate the termination of Stage One child care to eligible CalWORKs children and families, please contact the Child Care Programs Bureau immediately at (916) 657-2144.

Sincerely,

*Original signed by
Bruce Wagstaff on 4/21/03*

BRUCE WAGSTAFF
Deputy Director
Welfare to Work Division

Attachment

c: County Welfare Directors Association



JACK O'CONNELL
State Superintendent of Public Instruction

CALIFORNIA
DEPARTMENT
OF
EDUCATION
1430 N Street
P.O. Box 944272
Sacramento, CA
94244-2720

Date: April 13, 2003
To: CalWORKs Stage 2 Contractors
From: Gerald C. Shelton, Director 
Fiscal and Administrative Services Division
Subject: **CalWORKs Stage 2 Contract Funding**

In a letter dated March 14, 2003, the California Department of Education (CDE) notified all CalWORKs Stage 2 contractors of the \$22.9 million reserve fund transfer and the subsequent allocation. A current analysis of caseload data indicates that these funds appropriated for Stage 2 are insufficient to provide continued services to eligible families through the remainder of the fiscal year.

In accordance with Title 5 Regulations, Chapter 19.5, Sections 18409(d) and 18409.5(c), this letter serves as additional notification confirming that all Stage 2 funds have been allocated. **You are hereby directed to immediately cease enrollment of new families into your Stage 2 program.** Although it is not necessary to terminate any portion of your existing caseload, do not accept any new Stage 2 enrollments effective upon receipt of this letter. Furthermore, do not fill slots vacated by those families that are timing out of Stage 2 into Stage 3 and do not fill slots vacated by attrition. The result of this action should be a declining caseload through the remainder of the fiscal year.

Based on information provided in your caseload and fiscal reports, projections will be made to determine the amount of funding needed to continue services through the remainder of the fiscal year to those children who will remain in your Stage 2 contracts. Reductions will be made to various contracts as appropriate and those funds will be redistributed to any agency that has already incurred costs in excess of their maximum reimbursable contract amount.

If you have any questions regarding this directive, please contact Deborah Lindley, Manager of CalWORKs/Alternative Payment Programs in the Child Development Fiscal Services Unit, at (916) 324-6611.