

DEPARTMENT OF SOCIAL SERVICES

744 P Street. Sacramento, CA 95814



February 7, 1989

ALL COUNTY LETTER NO. 89-14

TO: ALL COUNTY WELFARE DIRECTORS

SUBJECT: COLLECTING THE ANNUAL COUNTY SHARE OF IN-HOME
SUPPORTIVE SERVICES (IHSS) PROGRAM COSTS.

In past years, the required County share of IHSS program costs was 10 percent of expenditures over each County's allocation of a base of Federal/State-only funds. Each quarter, the County's share-to-date was recalculated, and any balance not yet collected was then deducted as a bottom line adjustment from its quarterly County Administrative Expense Claim and next advancement of funds. Under this statutory formula, most Counties did not begin to incur an obligation to share in the program costs until late in the fiscal year, and SDSS could not collect the majority of these monies until the third or fourth quarters. Since the County share of costs is not appropriated in the annual Budget Act, SDSS often encountered cash flow problems in the appropriation account at the State Controller's Office at years end.

Effective July 1, 1988, Chapter 1438, Statutes of 1987 (SB 412) changed the annual County share of IHSS Program costs in future years to the amount contributed by Counties in FY 1987-88. The amount for each County is now a flat annual amount no longer tied to expenditures.

Since the Quarterly claim for the First Quarter of FY 1988-89 has already been processed, these collections will be accomplished in three equal amounts in the second, third, and fourth quarters of FY 1988-89. However, beginning in FY 1989/90 SDSS will reduce each County's Administrative Expense Claim and advancement of funds by an equal amount in each of the four quarters. This method of collection will mitigate cash flow problems at the State level and enable Counties to plan for these collections in a predictable orderly fashion.

Questions regarding this letter should be referred to your IHSS
Fiscal Analyst at (916) 322-6320.



LOREN D. SUTER
Deputy Director
Adult and Family Services

cc: CWDA