STATE OF CALIFORNIA-HEALTH AND HUMAN SERVICES AGENCY GRAY DAVIS, Governor

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ADP BULLETIN

Title:
CalWORKs Substance Abuse Treatment Funds

Deputy Director Approval	Function [X]Information Management [ ]Quality Assurance [ ]Service Delivery [ ]Fiscal [ ]Administration	Issue Date: 1-11-99 Expiration Date:	Issue No. #99-01
Gloria J. Merk, II Program OperationsDivision		Supersedes Bulletin/ADP Letter No.	

PURPOSE

This bulletin sets forth the conditions under which the CalWORKs Substance Abuse Treatment (SAT) funds were appropriated for the 1998-99 Fiscal Year (FY) which make these funds non-transferable between the substance abuse and mental health (MH) services.

DISCUSSION

The following summarizes the California Department of Social Services= (CDSS) interpretation that the FY 1998-99 CalWORKs SAT funds for the 1998-99 FY are not transferable into any other account and can be utilized only for substance abuse treatment.

AB 1542, the legislation which instituted CalWORKs, contained a provision for funding MH and SAT services in Welfare and Institutions Code (WIC) Section 15204.8 subdivisions (a) and (b). This statute states that the Legislature may appropriate funds for CalWORKs MH and SAT in the Budget Act. If the funds are appropriated in accordance with the statute, then the funds shall be allocated to the counties separately and shall be available for expenditure by the counties for services provided during the budget year. Also, a county may move funds between the two accounts during the budget year for expenditure if necessary to meet the particular circumstances in the county, and any unexpended funds may be retained by each county for expenditure for the same purposes during the succeeding fiscal year.

This is the mechanism which was used for CalWORKs funding for MH and SAT services for the 1997-98 FY. Therefore, the 1997-98 FY funds were transferable between the two accounts (except for the federal Substance Abuse Prevention and Treatment Block Grant funds). Any unexpended funds from the 1997-98 FY which have been carried into the 1998-99 FY are also transferable.

The 1998-99 FY funds, however, were not appropriated in accordance with WIC Section 15204.8 and therefore, the same conditions do not apply. The Governor vetoed the funds for the MH appropriation and indicated that counties should fund mental health services from the single allocation. Based on the Governor=s veto, CDSS and the Department of Finance developed the process outlined in County Fiscal Letter (CFL) No. 98/99-33 whereby mental health services could be funded from the CalWORKs single allocation reserve to the extent counties certify that they need the funds for that purpose. Additionally, a budget revision letter was necessary to move the funds to the single allocation.

The result is that one of the two appropriated accounts, (the MH Account) as described in WIC Section 15204.8 does not exist. It is not possible, therefore, to move money between the two described accounts, where one does not exist.

REFERENCES

CDSS CFL No. 98/99-30
CDSS CFL No. 98/99-33
Governor=s Veto Message
WIC Section 15204.8 (a) and (b)

QUESTIONS/MAINTENANCE

If you have questions about any of the information in this bulletin, please contact Victor Rea, Assistant Deputy Director, Program Operations Division, at (916) 324-5523 or Jo Weber at (916) 657-3442 at Department of Social Services.

EXHIBITS

Not applicable.

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