DEPARTMENT OF ALCOHOL AND DRUG PROGRAMS
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ADP BULLETIN

Title Updated Instructions for Completion of the Quarterly Federal Financial Management Report

Issue Date: July 5, 1005
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Deputy Director Approval

[Original Signed By]

Michael S. Cunningham
PROGRAM SERVICES DIVISION

Function:
[ ]Information Management
[ ]Quality Assurance
[ ]Service Delivery
[X]Fiscal
[ ]Administration

Supersedes Bulletin/ADP Letter No.

PURPOSE

This bulletin is to notify counties of updated reporting requirements, effective October 1, 2005, to the Quarterly Federal Financial Management Report (QFFMR), and includes instructions for the completion of the QFFMR.

DISCUSSION

The Substance Abuse Mental Health Services Administration (SAMHSA) directed the Department of Alcohol and Drug Programs (ADP) to track and report obligations and expenditures for each individual Substance Abuse Prevention and Treatment (SAPT) Block Grant Award effective with the Federal Fiscal Year (FFY) 2001 SAPT Block Grant award. ADP uses the QFFMR to collect data used to track the expenditure of the SAPT Block Grant funds.

The QFFMR will also be used to collect data for a pilot exchange program implemented by ADP at the request of the County Alcohol and Drug Program Administrators Association of California (CADPAAC). The program allows for the exchange of SAPT categorical funds (HIV Set-Aside, Perinatal Set-Aside, and Adolescent and Youth Treatment) from small counties (populations less than 40,000) with equal amounts of SAPT Block Grant Discretionary funds from larger counties (populations greater than 40,000). The intent of the program is to provide very small counties the flexibility necessary to best meet the needs of their clients.

Information to be Reported on the QFFMR:

The question most frequently received by ADP from counties about the QFFMR is how to report their expenditures. Expenditures previously reported represented actual dollars paid out and did not include obligated or encumbered funds. **Beginning with FFY 2006 (October 1, 2005), expenditure reporting will change. Starting with FFY 2006, expenditures are to be reported on an accrual basis.***

The QFFMR should show, the expenditures cumulatively for each of the funding categories for each FFY indicated (Exhibit 1, columns D and G).

SAPT Block Grant funds are allocated in the following funding categories:

- Female Offender Treatment Services
- Discretionary
- Adolescent and Youth Treatment
- Friday Night Live
- Club Live
- Primary Prevention Set-Aside
- HIV Set-Aside
- Perinatal Set-Aside
- Special Projects
- Youth Development and Crime Prevention
- Substance Abuse Treatment, Testing, and Accountability Program (SATTA), and
- SATTA Additional Discretionary

For further information on how to report FFY 2006 expenditures, see the revised QFFMR instructions (Exhibit 2).

Due Dates for Submitting the QFFMR:

In FFY 2003, and FFY 2004 counties were not required to submit a 4th quarter QFFMR. **Beginning with FFY 2005 (October 1, 2004-September 30, 2005), counties are now required to submit a 4th quarter QFFMR.**

*QFFMR reporting should include income when earned and expenses when incurred regardless of when cash is received or disbursed.

Counties are to submit their QFFMRs no later than two months after the end of the report period/quarter (Exhibit 3):

	Quarter	Due Date
1st	(July - September)	December 1
2nd	(October - December)	March 1
3rd	(January - March)	June 1
4th	(April – June)	September 1

Where to Submit QFFMR:

Department of Alcohol and Drug Programs
ATTN: Program and Fiscal Policy Branch
1700 K Street, 4th Floor
Sacramento, CA 95814

ADP Procedures for Non-Submittal of the QFFMR:

Exhibit C, Article V. A.1. and A.2. in FY 2004-05 negotiated net amount (NNA)/Drug Medi-Cal (DMC) County/State contract requires the county to submit information required by the State, in a manner identified by the State, and by applicable due dates identified by the State. Exhibit C, Article III, B.6. allows the State to withhold monthly payments for late submission of reports and only upon receipt of the reports, shall monthly payments commence. The next regularly scheduled monthly payment shall include funds withheld. ADP will use the following process to ensure timely submission of the QFFMR:

- One week before the QFFMR is due, ADP will contact counties that have not submitted the QFFMR.

- If ADP has not received the QFFMR by the required due date, ADP will mail a letter to the County Drug and Alcohol Program Administrator requesting the report within a specified period of time.

- If the county does not submit the report within the requested time, ADP will mail a letter to the Chief County Administrative Officer requesting the report within a specified period of time.

- If the report is not received within that requested time, ADP will mail a letter to the Chairperson of the County Board of Supervisors requesting the report within a specified period of time.

- If the County has not submitted the QFFMR within 60 days from the last due date, ADP will withhold the next monthly SAPT Block Grant payment and subsequent monthly payments until the QFFMR is received by ADP.

- Upon receipt of the QFFMR, ADP will commence monthly SAPT Block Grant payments with the next regularly scheduled monthly payment, and include any withheld funds with that payment.

REFERENCES

Title 45, CFR, Part 92 **BACKGROUND**

Not applicable. **QUESTIONS/MAINTENANCE**

The FY 2004-05 QFFMR form and instructions are available on ADP's website at http://www.adp.ca.gov/NNA/support_files.shtml.

For further information, please contact Ms. Barbara Norton, Analyst, Program and Fiscal Policy Branch, at (916) 323-2019, or via e-mail to bnorton@adp.state.ca.us. This bulletin is also available on ADP's Web site at www.adp.ca.gov.

EXHIBITS

Exhibit 1 — Sample of FY 2005-06 QFFMR
Exhibit 2 — FY 2005-06 QFFMR Instructions
Exhibit 3 — Submission of the Quarterly Federal Financial Management Report

DISTRIBUTION

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