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ADP BULLETIN

Title:

Alcohol and Other Drug Programs Funding Hierarchy

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Deputy Director Approval

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Program Services Division

Function:
[ ]Information Management
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Supersedes Bulletin/ADP Letter No. 04-17

PURPOSE

This bulletin clarifies the requirements and restrictions on the expenditure of state and federal funds allocated by the Department of Alcohol and Drug Programs (ADP) for alcohol and other drug (AOD) treatment and prevention services. The attached exhibit provides, by program, a hierarchy of the order in which funding for AOD treatment and prevention services are to be expended. ADP is releasing this bulletin as a supplement to ADP Bulletin 04-2, titled "Prohibition Regarding Supplantation of Funds." It supersedes ADP Bulletin 04-17, titled "Alcohol and Other Drug Programs Funding Hierarchy."

DISCUSSION

In order to maintain the current level of federal funding, California is required to expend a specific amount of State General Fund (SGF) on AOD services. The significance of this maintenance of effort (MOE) requirement is magnified due to proposed significant SGF reductions in State Fiscal Year 2009-2010. To meet the state's MOE requirement, SGF funds allocated to provide treatment for specific populations must be expended before using Substance Abuse Prevention and Treatment (SAPT) Block Grant funds.

ADP reminds counties that the information included in this bulletin or its exhibits does not relieve counties of any monetary match requirements mandated by state or federal law.

Federal regulations prohibit the supplantation of state funds with federal funds (refer to Title 45 CFR, Section 96.134(a)). ADP cautions counties and providers that violating state and federal laws and regulations may jeopardize future AOD funding levels.

SAPT Block Grant funds may be used to provide SAPT-authorized substance abuse treatment services to offenders sentenced under the Substance Abuse and Crime Prevention of 2000 (SACPA). SAPT Block Grant funds may <u>not</u> be used for the following costs, which are currently allowable under SACPA: court costs of placing

persons in drug treatment programs; vocational training; family counseling other than family counseling authorized under the SAPT Block Grant; literacy training; probation department costs; court monitoring costs; or any miscellaneous costs made necessary by the provisions of SACPA.

ADP reminds the counties that any treatment services provided with SAPT Block Grant funds shall follow the treatment preferences established in 45 Code of Federal Regulations (CFR) 96.131 (a): 1) Pregnant injecting drug users; 2) Pregnant substance abusers; 3) Injecting drug users; and 4) All others.

ADP reminds the counties that SAPT Block Grant and potential Byrne Grant funds qualify for the Office of Management and Budget A-133 Audit threshold. Any provider that expends $500,000 or more in federal funds during its fiscal year must receive an A-133 compliant audit.

REFERENCES

Title 42, United States Code, Section 300x-24
Title 45, CFR, Sections 96.121-96.137 and 96.134(a)
Title 9, California Code of Regulations, Commencing with Section 9500
ADP Bulletin 04-2

BACKGROUND

Not Applicable.

QUESTIONS/MAINTENANCE

Questions regarding this bulletin may be directed to Mr. Robert Maus, Manager, Program and Fiscal Policy Branch, Program Services Division, at (916) 323-1074.

This bulletin is also available online, at http://www.adp.ca.gov.

EXHIBITS

Exhibit 1: Funding Hierarchy Chart

DISTRIBUTION

County Alcohol and Drug Program Administrators
Director's Advisory Council
Strategic Local Government Services, LLC