



C A L I F O R N I A D E P A R T M E N T O F

Mental Health

1600 9th Street, Sacramento, CA 95814
(916) 654-2309

April 10, 2012

TO: PATH County Mental Health Directors
 PATH County Mental Health Administrators
 PATH County Administrative Fiscal Officers

SUBJECT: Federal McKinney Projects for Assistance in Transition from
 Homelessness (PATH) Grant Application for State Fiscal Year
 (SFY) 2012-2013

EXPIRES: June 30, 2013

This letter is to inform you that the application instructions for the State Fiscal Year (SFY) 2012-2013 PATH Formula Grant Program has been released. The PATH grant is authorized under the Stewart B. McKinney Homeless Assistance Amendments Act of 1990 (Public Law 101-645, Title V, Subtitle B). These instructions are consistent with federal and state laws and regulations. The grant provides funds to states for the provision of services to individuals who have a severe mental illness, or who have co-occurring severe mental illness and substance abuse disorders, and who are homeless or at imminent risk of becoming homeless. California's PATH allotment from the Center for Mental Health Services for SFY 2012-2013 is \$9,034,000. Availability of funding for this program is subject to the enactment of the final federal budget for FY 2012 or an annualized Continuing Resolution (CR) for fiscal year 2012, as well as the enactment of the California SFY 2012-2013 Budget Act. The California Department of Mental Health (DMH) plans to utilize four percent of the grant to administer the statewide program.

APPLICATION SUBMISSION AND DEADLINE - Each County's PATH application package is due electronically to DMH no later than **May 11, 2012**. Hard copies of the requested documents with original signatures must be mailed to DMH and postmarked no later than **May 11, 2012**.

The 'PATH Application Instructions' will be sent electronically to all PATH County Mental Health Directors, and PATH County Program and Fiscal Contacts. You can access the application and the corresponding enclosures at [http://www.dmh.ca.gov/Services and Programs/Adults/PATH.asp](http://www.dmh.ca.gov/Services_and_Programs/Adults/PATH.asp).

SUBMISSION INSTRUCTIONS

All application materials must be submitted electronically no later than close of business May 11, 2012, to the Grant Programs Management Unit at PATH@dmh.ca.gov. Late submissions may delay funding. The electronic application submission must contain the following:

- Enclosure 1 - PATH Allocation Worksheet- Planning Estimate
- Enclosure 2 - Federal Assurances
- Enclosure 3 - Compliance Assurances
- Enclosure 4 - Federal Assurances- Non-Construction
- Enclosure 5 - County Intended Use Plan
- Enclosure 6 - Provider Intended Use Plan
- Enclosure 7 - Federal Budget Summary
- Enclosure 8 - PATH MH 1779 Program Budget

In addition to the electronic submission, the county should mail the following documents containing original signatures. The package must be post marked no later than May 11, 2012.

- Enclosure 1 - PATH Allocation Worksheet- Planning Estimate
- Enclosure 2 - Federal Assurances
- Enclosure 3 - Compliance Assurances
- Enclosure 4 - Federal Assurances- Non-Construction

Mail the package to:

California Department of Mental Health
Grant Programs Management
Attn: State PATH Contact
1600 Ninth Street, Room 100
Sacramento, CA 95814

The state is required to forward these enclosures to the federal government; therefore, it is imperative that all counties meet these deadlines. Please review all enclosures carefully to ensure accuracy and format consistency throughout the application package.

MATCH REQUIREMENT

Counties are required to make available (directly or indirectly) nonfederal contributions towards the cost of services in the amount of one dollar (\$1) for each three dollars (\$3) of federal funds provided (Section 523(a) PHS Act). Nonfederal contributions may be in cash or in-kind, fairly evaluated, including plant, equipment, or services. Amounts provided by the federal government, including services assisted or subsidized by the federal government, shall not be included in determining the amount of such nonfederal contributions (OMB Circular A-110).

SPECIAL REQUIREMENTS

Counties receiving PATH funds are obligated to follow these special requirements:

1. Grant funds may only be used to provide services to individuals who are suffering from serious mental illness (Public Law 102–321) or from a co-occurring serious mental illness and substance abuse disorder and who are homeless or at imminent risk of becoming homeless.
2. Grant funds cannot be used by any entity that has a policy of excluding individuals due to the existence of substance abuse or that has a policy of excluding individuals from substance abuse services due to the existence or suspicion of mental illness.
3. In selecting contract providers, counties are to give special consideration to entities with a demonstrated effectiveness in serving homeless veterans.
4. Not more than 20 percent of the county allocation can be expended on the housing services permitted in item 10 of the 'Eligible PATH Services' section of the PATH Application Instructions.
5. Grant payments may not be expended:
 - To support emergency shelters or construct housing facilities.
 - For inpatient psychiatric treatment costs or inpatient substance abuse treatment costs.
 - To make cash payments to intended recipients of mental health or substance abuse services.
6. No more than ten percent of Federal PATH funds received shall be expended for administrative expenses. The ten percent administrative expense cap includes both the county's and the subcontractor's administrative costs in aggregate.

PROGRAM CONSIDERATIONS

Please adhere to the following when implementing PATH programs:

1. According to the federal legislation, the use of PATH funds for shelter operations and for shelter beds is not permitted. Funds expended directly to house clients are to be related only to security deposits or one-time payments to prevent eviction.
2. Funds expended must clearly be appropriate and necessary to meet the purpose of PATH programs. The federal government places emphasis on the PATH funds being directly related to services received by the target population. Although PATH funds can be used to support an array of services, all programs are required to fund outreach,

case management and services that are not financially supported by mainstream behavioral health programs.

3. Counties are requested, to the extent possible, to expend PATH funds in coordination with other funds available, both federal and state, for persons who are homeless and have a serious mental illness.

REPORTING REQUIREMENTS

The reporting requirements, including provider detailed budget forms, quarterly expenditure and data reports, year-end cost report forms, and the PATH Annual Report forms, are included in the application instructions. The PATH Annual Report is required by the Center for Mental Health Services and will need to be completed online.

If you have any questions regarding PATH program or fiscal requirements please contact your State Path Contact (SPC) via e-mail at PATH@dmh.ca.gov.

Sincerely,



David P. Jones
Acting Deputy Director
Community Services Division

Enclosures can be obtained at:

http://www.dmh.ca.gov/Services_and_Programs/Adults/PATH.asp

cc: Mark Beckley, Deputy Director DMH Administration