

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814



April 6, 2006

COUNTY FISCAL LETTER (CFL) No. 05/06-43

TO: COUNTY WELFARE DIRECTORS
 COUNTY FISCAL OFFICERS
 COUNTY AUDITOR CONTROLLERS
 COUNTY PROBATION OFFICERS

SUBJECT: COUNTY WELFARE DEPARTMENT (CWD) COUNTY EXPENSE CLAIM (CEC)
 TIME STUDY AND CLAIMING INSTRUCTIONS FOR THE JUNE 2006 QUARTER

This CFL provides time study and claiming instructions for the April through June 2006 quarter and includes information and reminders on the following programs:

	Function/Program	Time Study Instructions	Claiming Instructions	General Information	Page Number
I	Social Services				
	A. Child Welfare Services Outcome Improvement Project (CWSOIP)	No	Yes	Yes	2
	B. In-Home Supportive Services (IHSS) Quality Assurance	Yes	Yes	Yes	2
	C. Public Agency Title IV-E Pass Through	No	Yes	Yes	3
	D. Adoptions – Case Management	Yes	Yes	Yes	3
II	CalWORKs	No	No	No	3
III	Other Public Welfare	No	No	No	3
IV	Child Care	No	No	No	3
V	Non-Welfare	No	No	No	3
VI	General				
	A. County Expense Claim (CEC) Due Dates for State Fiscal Year (SFY) 2006/07	No	No	Yes	4
	B. Electronic Data Processing (EDP)	Yes	Yes	Yes	4
	C. Support Staff Time Reporting Plan (SSTRP) and Letter of Intent to Direct Charge	No	No	Yes	5
	D. Annual Training Plan (ATP)	No	No	Yes	6
	E. Countywide Cost Allocation Plan (CCAP)	No	No	Yes	6

The Program Code Descriptions (PCDs) and Support Staff Time Reporting Instructions for use during the April through June 2006 quarter are as follows:

<u>Section</u>	<u>Revised</u>
Social Services	06/06
CalWORKs	09/05
Other Public Welfare	09/05
Child Care	09/05
Non-Welfare	09/05
Staff Development	03/01
Electronic Data Processing	03/01
Support Staff Time Reporting Instructions	12/01
Direct-to-Program Function Support Staff Codes	09/05
Direct Service Delivery	09/04
General Time Study Instructions	06/06

Please note that any changes to PCDs and/or Support Staff Time Reporting Instructions are shown in an underline, highlighted, or strikeout format reflecting each quarterly update.

I. SOCIAL SERVICES

A. Child Welfare Services Outcome Improvement Project (CWSOIP)

Counties that have actual documented expenditures associated with CWSOIP that were incurred in the September 2005 quarter may claim those costs through the supplemental claim process. All Program Codes (PCs) contained in CFL No. 05/06-30 dated November 2, 2005, will now be effective retroactive to the September 2005 quarter to allow for claiming of costs incurred for that time period. Please refer to CFL No. 05/06-30 for complete instructions on how to claim these funds. These instructions apply to counties who received an allocation of CWSOIP funds for FY 2005/06. For supplemental claiming, please be aware that some PC titles were changed from 'Cohort' to 'CWSOIP' effective with the December 2005 quarter. Counties claiming costs retroactive to the September 2005 quarter will need to use the 'Cohort' PC's for that quarter.

B. In-Home Supportive Services (IHSS) Quality Assurance

In response to recent questions from counties regarding allowable fraud investigation activities in the IHSS Program, the Department is issuing these clarifying instructions regarding the use of PC 003 and 330. The Department of Health Services (DHS) has responsibility for the investigation of suspected fraud in Title XIX funded programs pursuant to federal and state regulatory requirements. SB 1104 extended DHS authority to investigate fraud in the IHSS Residual Program; however, CWDs may conduct fraud investigations in the Residual Program as well. PC 330 was established to claim costs for fraud investigations conducted in the Residual Program only.

CFL No. 04/05-34 dated January 6, 2005, established PC 003 to be used for activities leading up to the investigation of suspected fraud in IHSS cases provided these duties are within the scope of tasks identified in SB 1104.

C. Public Agency Title IV-E Pass Through

This is a reminder that Program Code 119 – Public Agency Title IV-E Pass Through is only for claiming Title IV-E reimbursement for pre-placement prevention costs from another public agency. All County Letter (ACL) No. 04-32, dated September 7, 2004, and CFL No. 04/05-29, dated October 6, 2004, provided counties with the policy and procedures for claiming Title IV-E for allowable pre-placement prevention activities performed by another public agency.

D. Adoptions – Case Management

As a result of the federal review of the Federal Fiscal Year (FFY) 2004/05 County Cost Allocation Plan, CFL No. 05/06-34 informed counties of the deletion of PC 125, Adoptions-Training, and instructed counties to claim all allowable adoptions case management staff development costs to PC 117 – Adoptions – Case Management.

As a reminder, 45 Code of Federal Regulations (CFR) Section 1356.60(b), limits staff development claiming at the 75 percent enhanced rate to specific cost items associated with training personnel employed or preparing for employment by the State or local agency administering the plan.

All allowable adoptions case management staff development costs should be claimed on the DFA 325.1C, staff development page, of the County Expense Claim (CEC). Refer to Section VI of this Quarterly's Program Code Descriptions and CFL No. 05/06-33 for allowable staff development costs.

If you have any questions regarding this change, please use the fiscal.systems@dss.ca.gov email address.

II. CalWORKs

No changes.

III. OTHER PUBLIC WELFARE

No changes.

IV. CHILD CARE

No changes.

V. NON-WELFARE

No changes.

VI. GENERAL

A. County Expense Claim (CEC) Due Dates for State Fiscal Year (SFY) 2006/07

The Original CEC is due at CDSS the first working day 30 days after the end of the quarter. The following are due dates for SFY 2006/07 original claims:

<u>Original CEC</u>	<u>Final Filing Date</u>
September 2006	October 31, 2006
December 2006	January 31, 2007
March 2007	May 1, 2007
June 2007	July 31, 2007

Adjustment CEC's and the DFA 325.5 (Expenditure Certification for the CWD CEC) are to be received at CDSS by the first working day after the last day of the ninth month from the original claiming quarter. The following are due dates for SFY 2006/07 adjustment quarter claims:

<u>Adjustment CEC</u>	<u>Final Filing Date</u>
September 2005	July 3, 2006
December 2005	October 2, 2006
March 2006	January 2, 2007
June 2006	April 2, 2007

As stated in CFL No. 01/02-58 dated May 7, 2002, CDSS will not accept adjustment claims for processing when they are received in our office beyond the due dates listed above.

B. Electronic Data Processing (EDP)

EDP Costs:

For reporting purposes, all costs for EDP are identified to one of two categories:

- Maintenance and Operations [M & O] (i.e., costs associated with the functioning of the automated system), or
- Development (i.e., costs associated with the design, development, and installation of the automated system).

Costs for each category are allocated by using a separate EDP cost allocation methodology or claimed as a Direct-To-Program cost. EDP costs are reported on the DFA 325.1A form by function or direct to the benefiting program.

EDP Development Cost Allocation Methodology:

Federal regulations require the State to specifically identify which items constitute development costs; assign these costs to specific project cost centers and distribute these costs to funding sources based on the specific identification, assignment and distribution outlined in the approved Advance Planning Document (APD). Costs benefiting a specific program may be direct charged to that program.

M & O Cost Methodology:

Federal regulations require the cost incurred for the operations of an EDP system be identified and assigned by the State agency to the funding sources in accordance with the approved cost allocation plan.

M & O costs are first directly identified to the project and then to the benefiting function or program level. If determined to be generic in nature, costs are further allocated to function based on a ratio of the quarterly total active cases on the system by function. After assignment to the appropriate level, costs are allocated to benefiting programs using ratios developed from caseworker hours or observations. M & O costs for any system developed and operated to benefit a single program will be charged only to that benefiting program. Programs that do not benefit from EDP M & O are not charged costs from this cost category.

EDP Cost Allocation:

The cost allocation for EDP must identify all Programs benefiting from the activity/service/procurement.

For SACWIS (CWS/CMS), using the SACWIS/Non-SACWIS matrix which is found in CFL No. 03/04-27, first determine if the proportion allocable to SACWIS can be identified and justified as a direct charge. If it can be identified and justified as a Title IV-E SACWIS cost, then the counties should use SACWIS PC 536 for those costs. If only a portion of costs can be directly identified and charged to SACWIS and the balance is Non-SACWIS, the Non-SACWIS costs must be identified to the appropriate benefiting programs using the correct PCs.

If costs cannot be reasonably identified and charged as above and the costs benefit the Social Services' Programs, counties may use a summary of the most recent four quarters of Social Workers' time studies to allocate the EDP cost to the benefiting programs. Based on this methodology, if a county can determine that time studies to specific PCs are indicative of staff time accessing the CWS/CMS system, allocation of EDP for those staff can be charged to SACWISs PC 536 for the percentage of time accessing the CWS/CMS.

For further information on the above, please reference the County Cost Allocation Plan (CCAP) at: http://www.dss.cahwnet.gov/pdf/CWD_CAP.pdf.

C. Support Staff Time Reporting Plan (SSTRP) and Letter of Intent to Direct Charge

This notice is to remind counties that their SSTRP for SFY 2006-07, is due to CDSS, August 1, 2006. Please refer to CFL No. 00/01-74, dated April 30, 2001, for instructions on the development and submission of the SSTRP. SSTRPs are required in order to comply with the State's federally approved Cost Allocation Plan (CAP), which requires counties to specify the level to which county clerical and administrative support staff will report their time. Please submit your SSTRP and any Letter of Intent to direct charge by August 1, 2006 to:

CDSS
County Systems & Policy Team
Fiscal Systems Bureau
744 P Street, M.S. 12-03
Sacramento, CA 95814

D. Annual Training Plan (ATP)

The ATP for SFY 2006-07 is due to CDSS on August 1, 2006. Please refer to CFL No. 01/02-19, dated July 25, 2001, for complete submission procedures. The plan and certification form are required in accordance with 45 CFR 235.62 and the CDSS Manual of Policy and Procedures (MPP), Division 14, Staff Development and Training Section. If a county's certification is not received by August 1, 2006, funding for Staff Development may be adversely impacted. Please submit the certification to:

CDSS
Training Bureau
744 P Street, M.S. 15-73
Sacramento, CA 95814

E. Countywide Cost Allocation Plan (CCAP)

The CCAP must be submitted to and approved by the Office of the State Controller, County Cost Plan Section, on an annual basis. All counties must submit a copy of their cover letter identifying specific county budget units and corresponding total dollar amounts budgeted for the SFY which are listed on the Supplemental Information Checklist (Exhibit 1303) of the approved plan. Please submit the above to:

CDSS
County Claims Unit
744 P Street, M.S. 12-01
Sacramento, CA 95814

For further information regarding the above referenced time study & claiming information, counties should reference the CCAP at: http://www.dss.cahwnet.gov/pdf/CWD_CAP.pdf .

If you have any questions regarding this CFL, please use the fiscal.systems@dss.ca.gov E-mail address.

Sincerely,

Douglas D. Park, Chief
Fiscal Systems and Accounting Branch

c: CWD