FISCAL ESSENTIALS 102

- STACEY SANDOVAL – FRESNO COUNTY
- CHERLYN DAVIS – SACRAMENTO COUNTY
- MARIA LUCIA GONZALES – SACRAMENTO COUNTY
• Claims
  • Assistance – CA 800
  • Administration – CEC
• Claiming Regulations
• Allocated vs. Direct Charged
• Time Studies
• Case Counts
• Overspending Program Allocations
A DIRECTOR’S PERSPECTIVE
FISCAL REGULATIONS

SOCIAL SERVICES FINANCING IS GOVERNED BY MANY AGENCIES AND REGULATIONS:

• COUNTY WELFARE DEPARTMENT (CWD) COST ALLOCATION PLAN
• 2 CFR 225 “COST PRINCIPLES FOR STATE, LOCAL & INDIAN TRIBAL GOVERNMENTS”
• COUNTY FISCAL LETTERS (CFLS) AND ALL COUNTY LETTERS (ACLS)
• COWCAP – COUNTY-WIDE COST ALLOCATION PLAN
CWD COST ALLOCATION PLAN

• WHAT IS A COST ALLOCATION PLAN (CAP)?

• WHY IS THE COST ALLOCATION PLAN NECESSARY?

• HOW IS THE COST ALLOCATION PLAN APPLIED?
2 CFR 225

THE FEDERAL PROVISIONS THAT OUTLINE PRINCIPLES IN DETERMINING ALLOWABLE COSTS FOR FEDERAL AWARDS

• COSTS REQUIRED TO OPERATE A PROGRAM SUCH AS PERSONNEL COSTS, GOODS AND SERVICES, EQUIPMENT, TRAINING, TRAVEL, ETC.

• COSTS MUST BE REASONABLE, FAIR, EQUITABLE, AND CONSISTENT – WE MUST TREAT LIKE COSTS ALIKE
FISCAL REGULATIONS

2 CFR 225
CWD CAP
County Expense Claim
Time Study
Claim Instructions
PROGRAM

ASSISTANCE (CA800)

ADMINISTRATION (CEC)
Assistance

• CALWORKS ASSISTANCE COSTS ARE CONSIDERED ENTITLEMENT PROGRAMS (UNCAPPED), NOT ALLOCATED TO COUNTIES, AND ARE NOW REALIGNMENT.

• FOSTER CARE AND ADOPTIONS ASSISTANCE PROGRAMS ARE FUNDED WITH FEDERAL FUNDS, REALIGNMENT, AND COUNTY GENERAL FUNDS.

• IHSS IS FUNDED THROUGH TITLE XIX AND MOVED TO THE NEW MOE MODEL, MAKING THE STATE SHARE VARY.
ASSISTANCE CLAIMS

• THE CA800 IS AN EXCEL WORKBOOK CREATED BY THE CALIFORNIA DEPARTMENT OF SOCIAL SERVICES (CDSS) AND IS THE MECHANISM USED BY COUNTIES TO OBTAIN FEDERAL AND STATE REIMBURSEMENT FOR THE ASSISTANCE EXPENDITURES.

• PAYMENTS ARE MADE THROUGH THE CONSORTIUM SYSTEMS (CALSAMS & CALWIN).

• CASH ASSISTANCE PAYMENTS AND FOSTER CARE PLACEMENT COSTS ARE INCLUDED ON THE CA800.

• IHSS PAYMENTS ARE MADE THROUGH CMIPS II AND THE STATE INVOICES THE COUNTY FOR THEIR SHARE OF COST.
Administration

- Counties are provided allocations for capped state funding streams to administer the programs.
  - In most cases, the federal funds are uncapped.
- Allocations are not controlled at the detail level.
- Allocations are only good for one fiscal year! Use it or lose it.
CEC PURPOSE - ADMINISTRATION

• THE COUNTY EXPENSE CLAIM (CEC) IS AN AUTOMATED SYSTEM THAT WAS CREATED BY THE CALIFORNIA DEPARTMENT OF SOCIAL SERVICES (CDSS).

• ONLY ADMINISTRATIVE COSTS AND MANDATED CLIENT SERVICES ARE PROCESSED THROUGH THE CEC.

• THE CEC IS THE MECHANISM USED BY COUNTIES TO OBTAIN FEDERAL AND STATE REIMBURSEMENT FOR THE SOCIAL SERVICES PROGRAMS ADMINISTERED BY CWD.
CEC PURPOSE

• ADMINISTRATIVE COSTS
  • SALARY AND BENEFITS
  • FACILITY COSTS (LEASES, UTILITIES, BUILDING IMPROVEMENTS)
  • TRAVEL
  • TRAINING COSTS
  • EQUIPMENT
  • OTHER OPERATING

• MANDATED CLIENT SERVICES
  • CONTRACTS
  • CHILD CARE
  • SUPPORTIVE SERVICES
KEY COMPONENTS FOR COMPLETING THE CEC

• TIME STUDY DATA

• CASE COUNT DATA

• EXPENDITURE DATA
ALLOCATED COSTS

• MOST COUNTY EXPENDITURES ARE ALLOCATED WITHIN THE CEC.

• ALLOCATED COSTS INCLUDE:
  • SALARY & BENEFITS
  • OTHER OPERATING COSTS
  • FACILITIES, EDP, AND SDD COSTS

• FEDERAL AND STATE GUIDELINES REQUIRE EQUITABLE DISTRIBUTION OF COSTS AMONG ALL PROGRAMS WHEN COSTS CANNOT REASONABLY BE CHARGED TO A SPECIFIC PROGRAM.
HOW ARE COSTS ALLOCATED WITHIN THE CEC?

- TIME STUDIES
- CASE COUNTS
HOW DO YOU PROGRAM MANAGERS GET INVOLVED?
A DIRECTOR’S PERSPECTIVE
HOW IS THE TIME STUDY DATA USED WITHIN THE CEC?

• 3 DIFFERENT TIME STUDY RATIOS:
  • CASEWORK RATIO
    • THIS RATIO IS USED TO ALLOCATE GENERIC COSTS TO ONE OF THE FOLLOWING FOUR CEC FUNCTIONS: SOCIAL SERVICES, CALWORKS, OTHER PUBLIC WELFARE, AND CHILD CARE.
  • PROGRAM RATIO
    • THIS RATIO IS USED TO ALLOCATE ALL OTHER COST POOLS, WHERE APPLICABLE, TO THE PROGRAM LEVEL.
  • SALARY POOL PROGRAM RATIO
    • THIS RATIO IS USED TO ALLOCATE CASEWORKER SALARY AND BENEFITS COSTS WITHIN THE CEC FUNCTIONS TO THE PROGRAM LEVEL.
CASEWORK RATIO

- THE CASEWORK RATIO IS CALCULATED BY DIVIDING THE CASEWORK HOURS OF EACH FUNCTION BY THE TOTAL CASEWORK HOURS.

<table>
<thead>
<tr>
<th>Function</th>
<th>Total Casework Hours</th>
<th>Casework Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social Services</td>
<td>150,000.0</td>
<td>0.348837</td>
</tr>
<tr>
<td>CalWORKs</td>
<td>90,000.0</td>
<td>0.209302</td>
</tr>
<tr>
<td>Other Public Welfare</td>
<td>180,000.0</td>
<td>0.418605</td>
</tr>
<tr>
<td>Child Care</td>
<td>10,000.0</td>
<td>0.023256</td>
</tr>
<tr>
<td>Total</td>
<td>430,000.0</td>
<td>1.000000</td>
</tr>
</tbody>
</table>
CASEWORK RATIO

• THE CASEWORK RATIO IS APPLIED TO GENERIC COSTS TO DETERMINE THE FUNCTION COSTS.

• GENERIC OPERATING COSTS FOR THE QUARTER WERE $10,000,000. THESE COSTS ARE ALLOCATED TO THE FUNCTION BASED ON THE CASEWORK RATIO:

<table>
<thead>
<tr>
<th>Function</th>
<th>Total Casework Hours</th>
<th>Casework Ratio</th>
<th>Generic Operating Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social Services</td>
<td>150,000.0</td>
<td>0.348837</td>
<td>$3,488,372</td>
</tr>
<tr>
<td>CalWORKs</td>
<td>90,000.0</td>
<td>0.209302</td>
<td>$2,093,023</td>
</tr>
<tr>
<td>Other Public Welfare</td>
<td>180,000.0</td>
<td>0.418605</td>
<td>$4,186,047</td>
</tr>
<tr>
<td>Child Care</td>
<td>10,000.0</td>
<td>0.023256</td>
<td>$232,558</td>
</tr>
<tr>
<td>Total</td>
<td>430,000.0</td>
<td>1.000000</td>
<td>$10,000,000</td>
</tr>
</tbody>
</table>
CASEWORK RATIO

- IF THE HOURS FOR CALWORKS ARE REDUCED BY 20,000, EITHER BY A REDUCTION IN FTE’S OR A CHANGE IN TIME STUDY PRACTICE, THE RESULT IS:

<table>
<thead>
<tr>
<th>Function</th>
<th>Total Casework Hours</th>
<th>Casework Ratio</th>
<th>Total Casework Hours</th>
<th>Casework Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social Services</td>
<td>150,000.0</td>
<td>0.348837</td>
<td>150,000.0</td>
<td>0.365854</td>
</tr>
<tr>
<td>CalWORKs</td>
<td>90,000.0</td>
<td>0.209302</td>
<td>70,000.0</td>
<td>0.170732</td>
</tr>
<tr>
<td>Other Public Welfare</td>
<td>180,000.0</td>
<td>0.418605</td>
<td>180,000.0</td>
<td>0.439024</td>
</tr>
<tr>
<td>Child Care</td>
<td>10,000.0</td>
<td>0.023256</td>
<td>10,000.0</td>
<td>0.024390</td>
</tr>
<tr>
<td>Total</td>
<td>430,000.0</td>
<td>1.000000</td>
<td>410,000.0</td>
<td>1.000000</td>
</tr>
</tbody>
</table>
CASEWORK RATIO

• THE ALLOCATION OF THE $10,000,000 CHANGES. CALWORKS RECEIVED A REDUCED AMOUNT; HOWEVER, ALL OTHER FUNCTIONS INCREASE.

<table>
<thead>
<tr>
<th>Function</th>
<th>Total Casework Hours</th>
<th>Casework Ratio</th>
<th>Generic Operating Costs</th>
<th>Total Casework Hours</th>
<th>Casework Ratio</th>
<th>Generic Operating Costs</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social Services</td>
<td>150,000.0</td>
<td>0.348837</td>
<td>$3,488,372</td>
<td>150,000.0</td>
<td>0.365854</td>
<td>$3,658,537</td>
<td>$170,164</td>
</tr>
<tr>
<td>CalWORKs</td>
<td>90,000.0</td>
<td>0.209302</td>
<td>$2,093,023</td>
<td>70,000.0</td>
<td>0.170732</td>
<td>$1,707,317</td>
<td>$(385,706)</td>
</tr>
<tr>
<td>Other Public Welfare</td>
<td>180,000.0</td>
<td>0.418605</td>
<td>$4,186,047</td>
<td>180,000.0</td>
<td>0.439024</td>
<td>$4,390,244</td>
<td>$204,197</td>
</tr>
<tr>
<td>Child Care</td>
<td>10,000.0</td>
<td>0.023256</td>
<td>$232,558</td>
<td>10,000.0</td>
<td>0.024390</td>
<td>$243,902</td>
<td>$(11,344)</td>
</tr>
<tr>
<td>Total</td>
<td>430,000.0</td>
<td>1.000000</td>
<td>$10,000,000</td>
<td>410,000.0</td>
<td>1.000000</td>
<td>$10,000,000</td>
<td>$-</td>
</tr>
</tbody>
</table>
COUNTY DIRECT CHARGES EXAMPLES

- OVERTIME
- OTHER OPERATING COSTS
- CLIENT SERVICES
SHARING RATIOS

• SHARING RATIOS RELATES TO THE PERCENT OF COST REIMBURSEMENT THAT EACH ENTITY (FEDERAL, STATE, HEALTH, OR COUNTY) WILL CONTRIBUTE TOWARD EXPENDITURES FOR PROGRAMS.

• EACH PROGRAM CODE WITHIN THE CEC HAS A SHARING RATIO.
SHARING RATIO EXAMPLE

• THE SHARING RATIOS FOR PC 343 (NON-ASSISTED CALFRESH ELIGIBILITY) IS AS FOLLOWS:
  • FEDERAL – 50%
  • STATE – 35%
  • COUNTY 15%

• ALL COSTS ALLOCATED OR DIRECT CHARGED TO PC 343 WILL BE REIMBURSED USING THESE RATIOS.
CEC LEDGERS

- The ledger pages within the CEC are used to track allocations that the county agency receives to operate the welfare programs.

- The purpose of the ledgers is to track expenditures against allocations.

- Expenditures in excess of the program’s allocation will be shifted to county only funds within the CEC using a State Use Only (SUO) code.
**LEDGER EXAMPLE**

- **ALL CALFRESH PROGRAM CODES, INCLUDING PC 343, ARE TRACKED ON CEC LEDGER 017.**

- **IN EXAMPLE, LEDGER 017 DISPLAYS TOTAL EXPENDITURES BY PROGRAM CODE AND SHARING RATIO.**

<table>
<thead>
<tr>
<th>Program Code</th>
<th>Total Expenditures</th>
<th>Federal</th>
<th>State</th>
<th>County</th>
</tr>
</thead>
<tbody>
<tr>
<td>PC 211</td>
<td>1,024,710</td>
<td>512,354</td>
<td>358,649</td>
<td>153,707</td>
</tr>
<tr>
<td>PC 268</td>
<td>123,938</td>
<td>61,969</td>
<td>43,378</td>
<td>18,591</td>
</tr>
<tr>
<td>PC 343</td>
<td>69,850,421</td>
<td>34,925,210</td>
<td>24,447,647</td>
<td>10,477,564</td>
</tr>
<tr>
<td>PC 347</td>
<td>1,013,736</td>
<td>506,867</td>
<td>354,808</td>
<td>152,061</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>72,012,805</strong></td>
<td><strong>36,006,400</strong></td>
<td><strong>25,204,482</strong></td>
<td><strong>10,801,923</strong></td>
</tr>
</tbody>
</table>

- **ASSUMING THE STATE ALLOCATION FOR CALFRESH IS $20 MILLION, THE COUNTY EXCEEDED THEIR ALLOCATION BY $5,204,482.**
**LEDGER EXAMPLE**

- **THEREFORE, THE STATE EXPENDITURES OVER THE ALLOCATION ($5,204,482) WILL BE SHIFTED TO COUNTY ONLY FUNDS USING SUO 284:**

<table>
<thead>
<tr>
<th>Program Code</th>
<th>Total Expenditures</th>
<th>Federal</th>
<th>State</th>
<th>County</th>
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<tr>
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</tr>
<tr>
<td>PC 347</td>
<td>1,013,736</td>
<td>506,867</td>
<td>354,808</td>
<td>152,061</td>
</tr>
<tr>
<td>SUO 284</td>
<td></td>
<td>(5,204,482)</td>
<td></td>
<td>5,204,482</td>
</tr>
<tr>
<td>Total</td>
<td>72,012,805</td>
<td>36,006,400</td>
<td>20,000,000</td>
<td>16,006,405</td>
</tr>
</tbody>
</table>
OPPORTUNITIES WITHIN THE CEC

• ACCESS TO OPEN-ENDED FEDERAL FUNDING
  • HEALTH-RELATED TITLE XIX FOR CSBG, IHSS, CWS
  • TITLE IV-E FOR CWS, FC
  • EXAMPLES: PUBLIC HEALTH NURSES AND/OR MENTAL HEALTH CLINICIANS IN ADULT/CHILDREN’S SERVICES

• INTERNAL BRAIDING
  • LINKAGES SUPPORTED BY CWS AND/OR CALWORKS
BRAIDED AND LEVERAGING FUNDING

- PARTNERSHIP TO COMBINE RESOURCES WITH OTHER ENTITIES
  - “LOCAL MATCH” TO ACCESS FEDERAL/STATE PROGRAM FUNDS
  - PROVIDE A SPECIFIC SERVICE OR SERVE A SPECIFIC CUSTOMER POPULATION

- FEDERAL FUNDING MATRIX- ALLOWABLE USAGE OF LOCAL MATCH FUNDS
ROLE OF THE MANAGERS

• UNDERSTAND THE “BIG PICTURE”
• MANAGE TIME STUDIES
• MANAGE STAFFING LEVELS
• MONITOR CONTRACTS FOR PROGRAM OUTCOMES AND TIMELY EXPENDITURES
• SEEK OUT GRANT OPPORTUNITIES
• LOOK FOR EFFICIENCIES
• ASK QUESTIONS
• BE GOOD STEWARDS OF TAXPAYER DOLLARS
QUESTIONS?
CONTACT INFORMATION

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