

**DEPARTMENT OF SOCIAL SERVICES**

744 P STREET, SACRAMENTO, CALIFORNIA 59814



April 18, 2000

ALL-COUNTY INFORMATION NOTICE NO. I-38-00

TO: ALL COUNTY WELFARE DIRECTORS  
ALL CALWORKS CHILD CARE  
COORDINATORS

REASON FOR THIS TRANSMITTAL

- State Law Change  
 Federal Law or Regulation Change  
 Court Order or Settlement Agreement  
 Clarification Requested by One or More Counties  
 Initiated by CDSS

SUBJECT: RELEASE OF CALWORKS STAGE THREE SET-ASIDE  
AUGMENTATION AND STAGE TWO INTERIM RESERVE  
ALLOCATIONS FOR FISCAL YEAR 1999-2000

REFERENCE: CALIFORNIA DEPARTMENT OF EDUCATION  
MANAGEMENT BULLETINS 00-04 and 00-04A and  
STAGE 2 CONTRACT AUGMENTATION LETTER

The purpose of this All-County Information Notice is to provide counties with copies of the California Department of Education (CDE) Management Bulletins No. 00-04 and 00-04a and a letter from the CDE Fiscal and Administrative Services Division.

The Management Bulletins contain information on the Stage Three Set-Aside contract augmentations and required reports. The augmentation letter provides information about recent Stage Two interim reserve allocations.

Questions regarding this material may be directed to the California Department of Social Services Child Care Programs Bureau at (916) 657-2144.

***Original signed by Jo Weber on 4-24-00***

JO WEBER, Chief  
Work Services and Demonstration Projects Branch

Attachments



**Child Development  
Division**

**MANAGEMENT  
BULLETIN**

**Main Office Number: (916) 322-6233**

<b>Subject: 1999-2000 Allocations for CalWORKs Stage 3 Set-Aside Augmentation</b>	No.: 00-04 (mb)
Authority: 1999 Budget Act (Chapter 50, Statutes of 1999)	Date: February 2000
	Expires: June 30, 2000

**ATTENTION: ALTERNATIVE PAYMENT CONTRACTORS**

**PURPOSE**

This Management Bulletin is to inform Alternative Payment Programs (APPs) of the augmentation to their Fiscal Year (FY) 1999-2000 CalWORKs Stage 3 Set-Aside contracts (see Attachment A). The State has approved an additional \$6.77 million in Stage 3 funding for families who will exhaust their 24-month period of eligibility for Stage 1 and/or Stage 2 child care services in the current fiscal year. This bulletin explains the rationale for the allocations and provides additional information regarding the use of these funds through the remainder of this fiscal year. We recognize that because of the difficulty of accurately projecting the numbers of timing out children, agencies may still not be allocated enough funds to carry the cost of these children through June 30, 2000. This bulletin also provides agencies the opportunity to request additional funds for Stage 3 Set-Aside if needed.

**The information in this bulletin supercedes the instructions provided in Management Bulletin 99-15 (issued November 1999) for terminating families for lack of funds.**

**BACKGROUND**

The FY 1999-2000 Budget Act, as signed by the Governor, appropriated funds for CalWORKs Stage 3 Set-Aside child care programs. APPs completed caseload and cost surveys for the CalWORKs stages in June 1999 and again in November 1999. Both surveys indicated that the need for Stage 3 Set-Aside funds to cover all families timing out would exceed the amount budgeted. Considering the documented need for additional funds, the Governor's Office and the Legislature have approved a budget revision for \$6.77 million to augment Stage 3 Set-Aside funding. Since the Stage 3 Set-Aside caseload has been extraordinarily difficult for agencies and the State to project, the Governor's Office also indicated that funds in addition to this \$6.77 million augmentation could be requested if individual agencies could document their additional need.

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## **ADDITIONAL ALLOCATION AMOUNTS**

Attachment A lists the additional Stage 3 Set-Aside augmentation. This augmentation is based on each agency's response to the November CalWORKs Survey 4 for children timing out of Stage 1 and/or 2. In December 1999, agencies were allocated \$20.6 million, the total amount budgeted at that time, which met approximately 78 percent of each agency's need identified by the survey. This present allocation will bring each agency up to 100 percent of the need identified by the November survey. Since the fund source of this augmentation is from federal funds, agencies will receive an amendment to their current F3AP contract. The amendments for this augmentation are already being prepared and mailed to APPs.

If your circumstances have changed and you feel you will still run out of funding for timing out families prior to June 30, then you should complete Attachment C, the Stage 3 Set-Aside Funding Analysis Survey.

## **INSTRUCTIONS FOR COMPLETING THE ATTACHMENTS**

### **Attachment B - Augmentation Response Form**

**All agencies must complete and return the Stage 3 Set-Aside Augmentation Response Form by Friday, March 10.** On this form, you must indicate whether you need the current augmentation as listed on Attachment A, and whether you will be submitting a request for an additional allocation to meet the needs of children through June 30, 2000. If a response is not received, CDE will assume that you do not need an additional augmentation. This form should be submitted to the Child Development Fiscal Services Office via FAX at (916) 322-6050.

### **Attachment C - Funding Analysis Survey**

**Only those agencies requesting an allocation in addition to the augmentation** listed in Attachment A of this Management Bulletin should complete this form. Such agencies have until Friday, March 17, to complete the Stage 3 Set-Aside Funding Analysis Survey (Attachment C). This information will be used to determine the statewide need for additional funds which must be authorized by the Department of Finance. This request will go forward as soon as the data are returned to us so that the funds will be available as quickly as possible.

Agencies will need to determine, based on the agency's cost per child month of care including administrative costs, when they will exhaust Stage 3 Set-Aside funds and the amount of additional funds that will be needed to serve all timing out families through June 30, 2000. This form should also be submitted to the Child Development Fiscal Services Office at the address shown on the form or FAX it to (916) 322-6050.

**POLICY**

The augmentations listed in Attachment A, and possible subsequent augmentations, are intended to provide funding only for families timing off their 2-year eligibility period for Stage 1 and/or Stage 2 child care programs. These funds may not be used to fund over-enrollment in the base Stage 3 Set-Aside program (i.e., your original F3AP contract).

The State has committed to funding child care services for all families timing out in the current year. Therefore, APPs should not terminate families. This information supercedes Management Bulletin 99-15 (issued November 1999).

Questions regarding this Management Bulletin may be directed to Mike Fuller at (916) 322-6248 or Nancy Remley at (916) 323-1329 in the Child Development Division.

***Original signed by Maria Balakshin  
February 2000***

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Maria Balakshin, Director  
Child Development Division

***Original signed by Kathy B. Lewis  
February 2000***

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Kathy B. Lewis, Deputy Superintendent  
Child, Youth and Family Services Branch

Attachments:

~~Attachment A - CalWORKs Stage 3 Set-Aside Augmentations~~ **Please refer to the following Management Bulletin No. 00-04a for the correct allocation amounts.**

Attachment B - Augmentation Response Form  
Attachment C - Funding Analysis Survey