

April 30, 2020

CALIFORNIA DEPARTMENT OF SOCIAL SERVICES

EXECUTIVE SUMMARY

COUNTY FISCAL LETTER NO. 19/20-76

The purpose of this County Fiscal Letter is to notify the counties and other stakeholders of updates and changes to claiming instructions effective with the June 2020 quarter or the date otherwise stated. Notable updates include revised County Expense Claim due dates and a new ledger for County Probation Departments. Forthcoming guidance for COVID-19 related claiming information will be issued in separate County Fiscal Letters.



KIM JOHNSON
 DIRECTOR

GAVIN NEWSOM
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April 30, 2020

COUNTY FISCAL LETTER (CFL) NO. 19/20-76

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

SUBJECT: COUNTY WELFARE DEPARTMENT COUNTY EXPENSE CLAIM TIME
 STUDY AND CLAIMING INSTRUCTIONS FOR THE JUNE 2020
 QUARTER

This CFL provides counties with time study and claiming instructions for the April through June 2020 quarter, which includes information and reminders regarding the following functions/programs:

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The Program Code Descriptions (PCDs), SSTRP instructions, and Type of Expense Code (TOE) code descriptions for county use during the June 2020 quarter are as follows:

<u>Section</u>	<u>Revised Quarter</u>
Social Services	06/20
CalWORKs	06/20
Other Public Welfare	12/18
Child Care	03/17
Non-Welfare	09/05
Staff Development	09/07
Electronic Data Processing	06/18
SSTRP Instructions	06/06
Direct-to-Program/Function Support Staff Codes	06/18
Direct Service Delivery Codes	03/17
General Time Study Instructions	06/18

For the latest version of the PCD manual, please go to the California Department of Social Services (CDSS) link: [PCD Manual](#).

Changes to the PCDs and/or SSTRP instructions will be shown in bold, underline, or strikeout format.

I. SOCIAL SERVICES

A. Staff Development for Peer Review Non-Title IV-E

Effective with the June 2019 quarter, Staff Development has been opened to Program Code (PC) 828 (Peer Review Non-Title IV-E) to capture costs associated with training on the Peer Review process that are not Title IV-E eligible.

Please refer to [CFL No. 18/19-84](#) for more information on Staff Development for Peer Review and [CFL No. 04/05-42](#) information on the Peer Review claiming process.

B. State Use Only Code (SUO) 969 (CWS - CARES Nonfederal)

The CWS CARES Project does not have approval by the Administration of Children, Youth, and Families (ACYF) for a non-discounted federal share of cost for the June 2019 quarter. Accordingly, the Title IV-E Nonfederal Discount Rate (Discount Rate) will be applied to the following PCs for the June 2019 quarter only, via State Use Only code 969 (CWS – CARES Nonfederal):

- PC 528 (CWS – CARES Implementation)
- PC 965 (CWS - CARES Intake)
- PC 966 (CWS – CARES Case Management)
- PC 967 (CWS - CARES Courts)
- PC 968 (CWS – CARES CALS [Certification, Application, Licensing, Service])

Beginning with the September 2019 quarter and ongoing, the Discount Rate will be applied only to PC 528 (CWS – CARES Implementation) costs, as the ACYF has only approved non-discounted costs for planning activities associated with other CWS CARES modules but not implementation costs. The discount rate will be applied retroactively and no action is needed from counties.

C. Post 2011 Realignment Ledger for County Probation Departments (CPD)

Effective with the June 2019 quarter, Ledger number 189 (Post 2011 Realignment – CPD) has been established to capture costs associated with programs impacted by Post 2011 Realignment activities performed by CPDs. Any costs exceeding funds from Ledger 189 (Post 2011 Realignment – CPD) will be shifted to Probation-only via SUO 989 (Post 2011 Realignment CPD O/M).

D. Juvenile Wards Legal Counsel (JWLC)

Effective with the June 2019 quarter, activities associated with JWLC shall be claimed to PC 127 (Probation Title IV-E Case Management). A percentage of nonfederal costs claimed to PC 127 shall be determined to access Post 2011 Realignment funds via SUO 987 (Reduce County% to Post 2011). Costs will then be applied to Ledger 189 (Post 2011 Realignment – CPD) via SUO 988 (Move County% to Post 2011 CPD). Costs claimed in excess of Ledger 189 will be shifted to Probation only via SUO 989 (Post 2011 - CPD O/M). Program instructions can be found in a forthcoming All County Letter.

E. Foster Youth Placement Changes

For County Welfare Departments (CWD), effective with the June 2019 quarter, costs associated with a Child and Family Team convening in the event of a potential foster youth placement change shall be claimed to PC 148 (Title IV-E Case Management) and a percentage of costs shall be captured by SUO 937 (Reduce GF% for Post 2011) to shift General Fund costs. Costs are then shifted to Ledger 163 (Post 2011 Realignment) via SUO 938 (Move GF% to Post 2011).

For CPDs, a percentage of nonfederal costs claimed to PC 127 (Probation Title IV-E Case Management) shall be determined to access Post 2011 Realignment funds via SUO 987 (Reduce County% to Post 2011 CPD). Costs will then be applied to Ledger 189 (Post 2011 Realignment – CPD) via SUO 988 (Move County% to Post 2011 CPD). Costs claimed in excess of Ledger 189 will be shifted to Probation only via SUO 989 (Post 2011 - CPD O/M).

Please see [ACL No. 19-26](#) for programmatic information related to Foster Youth Placement Changes.

II. CALWORKS

No Changes.

III. OTHER PUBLIC WELFARE

No Changes.

IV. CHILD CARE

No Changes.

V. NON-WELFARE

No Changes.

VI. **GENERAL**

A. **Coronavirus-19 (COVID-19)**

Forthcoming guidance for COVID-19 related claiming information will be issued in separate CFLs.

B. **County Cash Claiming – Reporting**

The CDSS recently issued an update to the cash claiming requirements, outlined in [CFL No. 19/20-05](#), dated September 20, 2019. Both the CEC and the CA 800 automated assistance claims operate on a cash claim basis. For a cost to be claimable as an expenditure, two conditions must be met:

- A payment must have been issued by the county either to:
 - another party for goods/services, or
 - a client as a benefit, and
- The goods/services must have been received by the county or the service period/period of eligibility for which the benefit was issued to the client must have begun.

Both requirements must be satisfied for the expenditure to be considered eligible to be claimed. Costs should be claimed based on the latter of the two dates. Once an expenditure has met these criteria, counties should not defer claiming the cost and should report the cost in the quarter in which it meets the cash claiming requirements. The requirement to claim costs on a cash basis does not remove a county's responsibility to comply with Generally Accepted Accounting Principles for county financial statements that are used for purposes other than CEC claiming. Please see CFL No. 19/20-05 for additional examples of cash claiming situations.

Adjustment claims must be submitted in a timely manner to ensure the two-year limit for claiming federal funds is met. Adjustment claims should include corrections to the original quarter submission. They should not include any corrections for other quarters. The due dates for the adjustment claims are provided annually, in advance, within every March quarterly CFL. As outlined in [Manual of Policies and Procedures \(MPP\) Division 25-965.38](#), counties are required to maintain supporting documentation for all claims and must retain this documentation for three years. However, it is recommended that counties retain this documentation for a minimum of five years (refer to CFL No. 19/20-05).

Fiscal records must be retained and produced in the event of a federal, state, county, or [2 Code of Federal Regulations \(CFR\) section 200 Subpart F](#) (formerly known as A-133) audit as outlined in [MPP Division 10-119](#) and [MPP Division 23-353](#).

C. Direct Charge Methodology

The [CFL No. 00/01-78](#), dated May 21, 2001, informed counties of the discontinuance of the Direct Charge Methodology Detail Certification Form, DFA 327.9. The DFA 327.9 was replaced by a Letter of Intent to Direct Charge. The [CFL No. 04/05-34](#), dated January 6, 2005, informed counties that as of July 1, 2005, CDSS no longer recognizes the DFA 327.9. The only acceptable method of notifying CDSS of a county's intent to direct charge support operating costs is through a Letter of Intent to Direct Charge submitted and addressed to the following address:

California Department of Social Services
Accounting and Fiscal Systems Branch
Attn: County Claims Unit
744 P Street, MS 9-4-76
Sacramento, CA 95814

Please refer to [CFL No. 00/01-78](#), dated May 21, 2001, for the required contents and sample of the letter. All state and federal laws, regulations, and guidelines with respect to claiming direct costs still apply. CDSS requires all counties to submit a new Letter of Intent by **June 15, 2020**, to direct charge for FY 2020-21. Counties who submit their Letter of Intent after this date will not be allowed to direct charge support operating costs for the FY. Counties can implement the methodology at the beginning of the FY or any quarter during the FY. However, the same methodology must be in effect for the entire FY or remainder of the FY depending upon the quarter of implementation. A new Letter of Intent is required annually.

D. CCAP Budget Units and Cover Letter for FY 2020-21 Submittal

The CCAP, as required in [2 CFR section 200.416](#) (formerly known as Office of Management Budgets [A-87]), must be submitted to and approved by the Office of the State Controller County Cost Plan Section on an annual basis. All counties are required to submit the CCAP Budget Units and Cover Letter before the September 2020 quarter CEC is submitted, which is due on October 31, 2020, to:

California Department of Social Services
Accounting and Fiscal Systems Branch
Attn: County Claims Unit
744 P Street, MS 9-4-76
Sacramento, CA 95814

The cover letter must identify the budget units as provided in the Supplemental Information Checklist (Exhibit 1303) and include the total budgeted amounts from the summary report of the approved plan (CCAP [CFR section 200.416](#)). Please refer to [CFL No. 97/98-26](#), dated September 15, 1998, [CFL No. 00/01-111](#), dated June 26, 2001, and [CFL No. 02/03-68](#), dated June 13, 2003, for additional information.

E. CEC Due Dates for FY 2020-21

The original CEC is due to CDSS on the first working day **after** 30 days ~~after~~ **following** the end of the quarter. The following are the due dates for FY 2020-21 original claims:

<u>Original CEC</u>	<u>Final Filing Date</u>
September 2020	October 30, 2020 November 2, 2020
December 2020	January 29, 2021 February 1, 2021
March 2021	May 3, 2021
June 2021	July 30, 2021 August 2, 2021

Adjustment CECs 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 FY 2018-19 adjustment quarter claims:

<u>Adjustment CEC</u>	<u>Final Filing Date</u>
September 2019	July 1, 2020
December 2019	October 1, 2020
March 2020	January 1, 2021 January 4, 2021
June 2020	April 1, 2021

F. CDSS Policy Regarding Late County Expense Claim Submissions

The late CEC policy enforced by the federal Administration for Children and Families (ACF) requires CDSS to report CEC data within 45 days after the quarter ends ([TANF-ACF-PI-2014-02](#)). The ACF requires CEC data for nationwide budgeting and distribution of their federal funds. As a result, any late CECs may jeopardize federal funding for California. Any county requests for extensions must be received by CDSS at least two weeks before the due date and will need to be requested in writing from the County Welfare Director. Requests for extension should be sent to:

California Department of Social Services
Accounting and Fiscal Systems Branch
Attn: County Claims Unit
744 P Street, MS 9-4-76
Sacramento, CA 95814

G. Debarment and Suspension

Pursuant to federal regulations, CWDs must be in good standing with the federal government to receive federal funds. To ensure CWDs are not debarred or suspended from federal financial assistance programs by any federal department or agency, CDSS must verify the CWD is not listed on the federal Excluded Parties Listing System prior to issuance of any federal funds.

To ensure accuracy of the verification, CDSS requires submissions of the CWD's exact legal name of the entity and Employer Identification Number (EIN) or Tax Identification Number (TIN) as submitted to the Internal Revenue Service when applying for an EIN or a TIN. If a CWD is operating under multiple names or identification numbers, each name and identification number must be submitted. The information requested must be submitted via email on or before May 1 annually to CDSS at Fiscal.Systems@dss.ca.gov with "EIN or TIN for the County of (insert county name)" in the subject line.

H. Federal Fund Monitoring Responsibilities

As a reminder, counties have certain responsibilities for monitoring the expenditures of federal funds. Please refer to [CFL No. 18/19-86](#), dated June 19, 2019, for a description of federal requirements and a link to the [terms and conditions for each federal grant administered by CDSS](#). Updated terms and conditions will be posted to this link on an ongoing basis.

I. Electronic Data Processing (EDP) Maintenance & Operation (M&O)

CDSS must monitor and track the reporting of all EDP M&O costs (identified on DFA 325.1A and 327.2 of the CEC). The EDP M&O costs to maintain and support the Statewide Automated Welfare Systems and the Statewide Automated Child Welfare Information System will be reviewed during the CDSS Desk Audit process. Claims will be compared against authorized approval letters issued by the Office of System Integration (OSI) and the Child Welfare Services/Case Management System prior to reimbursement. The CDSS approved [County Cost Allocation Plan](#), including its M&O Cost Methodology, adheres to federal guidance found in [45 CFR section 95.631\(b\)](#) and [45 CFR sections 1355.50-1355.57](#). The M&O for non-Advance Planning Document (APD) items such as Personal Services costs and CCAP costs will not be tracked against the APD approval letters.

J. Support Staff Time Reporting Plan (SSTRP) for FY 2020-21

This is to notify counties that the SSTRPs for FY 2020-21 are due to CDSS on **September 1, 2020**. Please refer to [CFL No. 00/01-74](#), for instructions on the development and submission of the SSTRP. The SSTRPs are required to comply with the state's federally approved CCAP which requires counties to specify the level to which county clerical and administrative support staff will report their time.

Please mail the current SSTRP to the CDSS County Claims Unit at the following address:

California Department of Social Services
Accounting and Fiscal Systems Branch
Attn: County Claims Unit
744 P Street, MS 9-4-76
Sacramento, CA 95814

CDSS will review the SSTRP for completeness and will acknowledge receipt of the SSTRP within 30 days of receiving it. It is important to note that CDSS' review of the SSTRP constitutes an acknowledgement of a CWD's method for accumulating costs for distribution under the CCAP and does not imply that CDSS has approved the organizational structure of the CWD.

K. Authorized Signatures and County Contacts

The CEC Certification (DFA 325.5) and County Assistance 800 (CA 800) Workbook Certification are signed by the County Welfare Director and the County Auditor. As part of the review at the state level, the CEC and CA 800 Reviewers verify the signatures on the certification with a letter from the county of authorized signatories and ensure the signatures on the DFA 325.5 and CA 800 Workbooks Certification match the letter submitted by the counties. Counties must submit a new Authorized Signature form annually, beginning with the state fiscal year on or before July 1, whether the county has changes or no changes of authorized signatures. This information shall be submitted **each subsequent fiscal year**. This requirement does not preclude counties from submitting this information anytime during the fiscal year if there is a change in the CEC and CA 800 signatories.

Authorized Signature forms should be sent to:

For CEC:

California Department of Social Services
Accounting and Fiscal Systems Branch
Attn: County Claims Unit
744 P Street, MS 9-4-76
Sacramento, CA 95814

For CA800:

California Department of Social Services
Accounting and Fiscal Systems Branch
Attn: County Payments Unit
744 P Street, MS 9-5-27
Sacramento, CA 95814

In addition, CDSS, as mandated by the California Public Records Act, is required to release documents to the public upon request, including contact information, such as names, addresses and telephone numbers of county contacts. It is imperative that the data held by CDSS is accurate and updated. In view of this, counties are required to submit to CDSS, with the September 2020 quarter claims, the following information:

- 1) Name of Director and Assistant Director, e-mail addresses and telephone numbers
- 2) Name of Fiscal Officer, e-mail address and telephone number
- 3) Name of CEC contact, e-mail address and telephone number
- 4) Name of CA 800 contact, e-mail address and telephone number
- 5) Office address

Please submit County Contact information to the CEC mailbox, cec@dss.ca.gov, and the County Systems mailbox, csystems@dss.ca.gov.

If counties have any questions regarding this CFL, please direct them to the Fiscal Policy and Analysis Bureau at fiscal.systems@dss.ca.gov.

Sincerely,

Original Document Signed By:

SALENA CHOW, Chief
Fiscal Forecasting and Policy Branch