

DEPARTMENT OF ALCOHOL AND DRUG PROGRAMS

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**ADP BULLETIN**

Title Fiscal Year (FY) 2004-05 Budget Act Allocation, 2.0		Issue Date: 9-17-04 Expiration Date:	Issue No. 04-14
Acting Deputy Director Approval (signed by) MICHAEL S. CUNNINGHAM Program Operations Division	Function: <input type="checkbox"/> Information Management <input type="checkbox"/> Quality Assurance <input type="checkbox"/> Service Delivery <input checked="" type="checkbox"/> Fiscal <input type="checkbox"/> Administration	Supersedes Bulletin/ADP Letter No.	

PURPOSE

This bulletin transmits funding information for alcohol and other drug (AOD) services for State FY 2004-05. This bulletin includes six exhibits: (1) Funding and Program Overview, (2) Allocation Methodologies, (3) Individual County Allocation Notices, (4) Statewide Allocation Summary, (5) Substance Abuse Prevention and Treatment (SAPT) Block Grant Fund Exchange Information, and (6) Funding Periods Chart.

DISCUSSION

FY 2004-05 is the first year of a three-year pilot allocation policy for SAPT Block Grant funds. At the request of the County Alcohol and Drug Program Administrators Association of California (CADPAAC), the Department of Alcohol and Drug Programs (ADP) will exchange SAPT categorical funds (HIV Set-Aside, Perinatal Set-Aside, and Adolescent and Youth Treatment) from very small Minimum Base Allocation (MBA) counties (populations less than 40,000) with equal amounts of SAPT Discretionary funds from larger counties (populations greater than 40,000). This pilot project is intended to provide very small counties the flexibility necessary to best meet the needs of their clients. Please note that SAPT Prevention Set-Aside funds have not been included in this exchange.

This pilot project will require quarterly monitoring utilizing the Quarterly Federal Financial Management Reports (QFFMR). ADP will utilize the QFFMRs to analyze the impact this fund exchange has on expenditures. In addition, ADP will continue annual onsite county monitoring visits. The impact of this pilot project will be reviewed upon completion of the first (FY 2004-05) and third (FY 2006-07) years to determine whether the fund exchange will continue.



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For future allocation and tracking purposes, any change in the level of SAPT funding will be distributed using FY 2003-04 as a base. If at the end of this pilot project, this exchange of funds is not adopted, funding levels will revert to this base amount as adjusted for any changes in SAPT funding after FY 2003-04. For further information on how this exchange affects specific counties, please refer to Exhibit 5.

ADP reminds the very small MBA counties with active HIV early intervention programs that they cannot use SAPT Discretionary funds to provide HIV services. Federal law states that the HIV set-aside is both the minimum and maximum amount of SAPT funds that can be expended on HIV early intervention services.

Highlights of the FY 2004-05 Budget Act

- State General Fund (SGF)

A total of \$86.6 million in SGF is available in FY 2004-05. Of this amount, \$57.4 million is for Drug Medi-Cal (DMC) services. ADP has budget authority to allocate up to \$55.2 million for Regular DMC and \$2.2 million for Perinatal DMC services in FY 2004-05. Funding for the combined Regular and Perinatal DMC program has increased by \$5.9 million from FY 2003-04 based on caseload, services, and treatment utilization patterns.

- SAPT Discretionary

The FY 2004-05 Budget Act Allocation includes an ongoing increase in Federal Fiscal Year 2005 SAPT Discretionary funds of \$1.9 million. These funds were retained from a previous federal SAPT increase to fund the California Outcomes Measurement System project. These funds are allocated on an ongoing basis under the standard allocation methodology: each county receives \$2,500 per \$1.0 million allocated, with the balance distributed per capita.

The Youth Development and Crime Prevention (YDCP) Initiative was funded at a level of \$400,000 in FY 2003-04, the final year of the program. Upon completion of this program these funds were scheduled to revert to SAPT Discretionary funds. CADPAAC and the Fiscal Workgroup have supported ADP's use of these funds to conduct an annual treatment conference.

- SAPT Prevention Set-Aside

The FY 2004-05 Budget Act Allocation includes an ongoing increase of \$221,938 in Prevention Set-Aside funds.

CADPAAC approved the continuation of the \$500,000 one-time reduction to SAPT Prevention Set-Aside funds for Technical Assistance for Prevention Outcomes and Measurements contracts in FY 2004-05.

- SAPT HIV Set-Aside

The FY 2004-05 Budget Act Allocation includes an ongoing increase of \$55,485 in HIV Set-Aside funds. A survey of counties not receiving HIV Set-Aside funds in FY 2003-04, along with clarification of the expenditure requirements, resulted in one additional county requesting HIV Set-Aside funding. San Benito County has requested and will receive \$14,219 to establish an HIV Early Intervention Services Program. The remaining HIV Set-Aside ongoing increase of \$41,266 is distributed to the participating counties using the HIV Set-Aside Allocation methodology.

REFERENCES

- FY 2004-05 Governor's (Preliminary) Budget Allocation, 1.0
- Revised FY 2004-05 Governor's Preliminary Allocation, Version 1.0a
- Revised FY 2003-04 Budget Act Allocation, Version 5.0
- FY 2004-05 Budget Act (Chapter 208, Statutes of 2004)

BACKGROUND

Not applicable.

QUESTIONS/MAINTENANCE

Questions concerning the statewide and individual county allocation notices should be directed to Ms. Barbara Norton, Analyst, Program and Fiscal Policy Branch, at (916) 323-2019. Additional copies of this document and its exhibits, may be requested through ADP's Resource Center by calling (800) 879-2772. This bulletin and the statewide summary worksheet are also available through ADP's web site at www.adp.ca.gov.

EXHIBITS

1. [Funding and Program Overview](#)
2. [Allocation Methodologies](#)
3. Individual County Allocation Notice (counties only)
4. [Statewide Allocation Summary](#)
5. SAPT Fund Exchange Information
 - [Fiscal Year \(FY\) 2004-05 Budget Act Allocation SAPT Fund Exchange Information \(Word\)](#)
 - [SAPT Fund Exchange Program \(Excel\)](#)
6. [Funding Periods Chart](#)

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