

DEPARTMENT OF ALCOHOL AND DRUG PROGRAMS

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**ADP BULLETIN**

Title Revised Fiscal Year 2006-07 Governor's Budget (Preliminary) Allocation, v1.0a		Issue Date: May 19, 2006 Expiration Date: N/A	Issue No. 06-05
Deputy Director Approval MICHAEL S. CUNNINGHAM Deputy Director Program Services Division	Function: [] Information Management [] Quality Assurance [] Service Delivery [X] Fiscal [] Administration	Supersedes Bulletin/ADP Letter No. 06-02	

PURPOSE

This bulletin transmits the revised Fiscal Year (FY) 2006-07 Governor's Budget (Preliminary) Allocation to counties for informational and planning purposes. Included in this revision are changes to the distribution of the Substance Abuse Prevention and Treatment (SAPT) reduction and a correction to ADP Bulletin 06-02, which contained an error in the previous distribution of the Federal Fiscal Year (FFY) 2007 SAPT reduction. Please note this bulletin should be used for FY 2006-07 planning purposes.

The enclosed allocation of funds is contingent upon enactment of the FY 2006-07 Budget Act, federal appropriations, and executed State/County contracts. After the FY 2006-07 Budget is enacted, a final notice will be sent to reflect any adjustments.

This bulletin includes five exhibits: (A) Overview of Program, Funding, and Allocation Methodologies, (B) Statewide Allocation Summary, (C) SAPT Block Grant Fund Exchange Information, (D) Funding Periods Chart, and (E) Individual County Summary.

DISCUSSION

In FFY 2006 there was a one percent reduction to the SAPT Block Grant Award. The FY 2006-07 Governor's Budget does not reflect this one percent reduction because the Federal Government did not announce the reduction until after the Governor's Budget was released. This statewide reduction is still pending legislative approval.



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- **State General Fund (SGF)**

A total of \$92.5 million in SGF is available. Of this amount, \$63.2 million is designated for Drug Medi-Cal (DMC) services. The Department of Alcohol and Drug Programs (ADP) has budget authority to allocate \$60.8 million for Regular DMC and \$2.4 million for Perinatal DMC services.

- **SAPT Block Grant Reduction from FFY 2005**

The FFY 2005 (FY 2004-05) SAPT Block Grant Award was reduced by \$510,614. During FY 2004-05 and in FY 2005-06, ADP had sufficient funds to absorb this reduction without reducing county allocations. In FY 2006-07 ADP does not have sufficient funds to absorb the reduction, which will result in a \$464,614 reduction to county allocations. ADP State Operations will be reduced by \$46,000.

- **\$2.412 Million Reduction to SAPT Block Grant Award**

In FFY 2006 there was a permanent ongoing reduction of \$2.412 million to the SAPT Block Grant Award, which will result in a \$2,200,000 reduction to county allocations. ADP State Operations will be reduced by \$212,000.

- **Prevention Set-Aside**

The Federal law requires that a minimum 20 percent (20%) of the SAPT Block Grant Award be expended on primary prevention services. This preliminary allocation includes a \$482,400 ongoing reduction in Prevention Set-Aside as a result of the FFY 2006 SAPT Block Grant reduction.

- **Human Immunodeficiency Virus (HIV) Set-Aside**

The SAPT Block Grant requires that ADP expend a minimum and a maximum of five percent of the total SAPT award on HIV early intervention services. This preliminary allocation includes \$120,600 ongoing reduction in HIV Set-Aside as a result of the FFY 2006 SAPT Block Grant reduction.

The HIV allocation methodology will be changed for FY 2007-2008. Please refer to the March 21, 2006 memo from ADP Deputy Director Michael Cunningham, which includes preliminary allocation amounts for FY 2007-08 HIV funding for planning purposes only. Counties are expected to use FY 2006-07 as a transition year to prepare for the necessary changes to their programs.

- **Perinatal Set-Aside**

The SAPT Perinatal Set-Aside share of the SAPT reduction for FY 2006-07 will be distributed as an additional reduction to SAPT Discretionary funds.

- **Pilot Exchange Program**

FY 2006-07 is the final year of a three-year pilot allocation policy for SAPT Block Grant funds. ADP will exchange SAPT categorical funds (HIV Set-Aside, Perinatal Set-Aside, and Adolescent and Youth Treatment) from Minimum Base Allocation (MBA) counties with populations less than 40,000 with equal amounts of SAPT Discretionary funds from the remaining counties populations of 40,000 or greater. This pilot project is intended to provide counties with populations under 40,000 with the flexibility to meet the needs of their clients.

- **Friday Night Live (FNL) / Club Live (CL)**

A balance of \$6,000 for FNL programs and \$6,000 for CL programs will be available for counties that currently do not receive FNL or CL funds. Requests for these funds must be submitted with the V.1 Budget Amendments. These amendments are required within 60 days of the release of the FY 2006-07 Budget Act Allocation.

REFERENCES

- Senate Bill 1129, Budget of 2006-07
- Assembly Bill 1800, Budget of 2006-07
- ADP Bulletin 06-03-Revised FY 2005-06 Budget Act Allocation, V3.0

BACKGROUND

Not applicable.

QUESTIONS / MAINTENANCE

Questions concerning the bulletin and any of the exhibits should be directed to:

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Additional copies of this document and its exhibits may be requested through ADP's Resource Center by calling (800) 879-2772 and through ADP's Website at www.adp.ca.gov.

EXHIBITS

- A. [Revised Overview of Program, Funding, and Allocation Methodologies](#)
- B. [Revised Statewide Allocation Summary](#)
- C. [SAPT Block Grant Fund Exchange Information](#) ([worksheets](#))
- D. [Funding Periods Chart-State General Fund and SAPT Block Grant](#)
- E. Revised Individual County Summary (County Administrators Only)

DISTRIBUTION

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