



Fact Sheet:



Allocation Process Highlights

Background

The Department of Alcohol and Drug Programs (ADP) is the single state agency overseeing alcohol and other drug (AOD) abuse prevention, treatment, and recovery services in California. ADP allocates State General Funds as well as federal Substance Abuse Prevention and Treatment (SAPT) Block Grant funds to counties for local AOD services. These funds are contracted between ADP and the counties through the Net Negotiated Amount – Drug Medi-Cal contract process.

- ADP collaborates with the County Alcohol and Drug Program Administrators Association of California (CADPAAC) and ADP's Fiscal Work Group comprised of CADPAAC administrators and representatives of other key stakeholder groups to develop fiscal policies.
- Historically, ADP has utilized a variety of methods for allocating AOD funds to the counties. However, in Fiscal Year 1998-99, allocation methodologies were standardized.
- Increases: Each county receives \$2,500 of each \$1,000,000 allocated, with the balance of the remaining funds distributed per capita.
- Reductions: If funding is reduced, it is distributed proportionate to the total allocation base of each county, except Minimum Base Allocation (MBA) counties (those with less than 100,000 population), do not participate in the reduction until the reduction equals five percent statewide. If reductions exceed five percent and there are no other sufficient revenues to decrease the loss to five percent, then all counties

including MBA counties shall participate in funding reductions on a proportionate basis above the five percent threshold.

- Funds appropriated for special populations or specific legislative intent are allocated based on indicators of need or at the direction of the Legislature.

Schedule of Allocations

ADP issues statewide allocations for a number of reasons:

- The Governor's Preliminary Budget Allocation distributes the local assistance funds contained in the Governor's proposed budget, as submitted to the Legislature on January 10 of each year. Health and Safety Code Section 1814(a) mandates that this allocation be released within 45 days of the issuance of the Governor's proposed budget.
- The Budget Act Allocation distributes the local assistance funds appropriated in the Budget Act. This allocation is prepared and released after the Governor signs the Budget Act.
- Changes to the level of federal funds appropriated by Congress are communicated via statewide allocation revisions. These revisions are prepared and released upon notification that ADP's Budget Authority has changed.
- The Substance Abuse and Crime Prevention Act (SACPA) of 2000 established the Substance Abuse Treatment Trust Fund which provided \$60 million in start-up funds for State Fiscal Year (SFY) 2000-2001, \$120 million annually through SFY 2006-07

and \$100 million for SFY 2007-08. ADP distributes these funds to counties to implement SACPA. These funds are distributed according to the following allocation methodology: 50% general population, 40% SACPA treatment caseload, and 10% drug arrests.

- Effective October, 2001, the Substance Abuse Treatment and Testing Accountability (SATTA) program (Senate Bill 223, Chapter 721, Statutes of 2001) appropriated monies to ADP to administer and award funds to counties for the costs of substance abuse testing for SACPA offenders. SATTA funding, \$8.6 million in SFY 2006-07, is part of California's SAPT Block Grant funds. SATTA funds may be used for drug testing SACPA clients, if the county has no other sources of non-federal funds for drug testing, and for other purposes allowed under the SAPT block grant.
- In SFY 2006-07, the Substance Abuse Offender Treatment Program (OTP) was established (Chapter 75, Statutes of 2006 (Assembly Bill 1808). The Budget Act appropriated \$25 million to OTP in SFY 2006-07 and \$20 million in FY 2007-08. OTP funds are distributed according to the following allocation methodology: 50% general population, 25% based on the percentage of offenders ordered to drug treatment that actually begin treatment (show rate), and 25% based on the percentage of offenders ordered to drug treatment that completed treatment (completion rate).
- OTP funds are used to serve offenders who qualify for services under SACPA. The goal of OTP is to improve SACPA program outcomes and offender accountability, including increased show rates and retention and completion outcomes.
- The Drug Court Partnership (DCP) Act (Senate Bill 1587, Chapter 1007, Statutes of 1998) provided \$7.8 million in Fiscal Year

2007-08 for drug courts to serve adult offenders. Funding distribution is based on a per capita methodology: large counties (population exceeding 750,000) receive \$400,000 and small counties (population less than 750,000) receive \$125,000. In FY 2005-06, due to one county dropping its DCP program, these amounts have been revised to \$451,339 for large counties and \$140,300 for small counties.

- The Comprehensive Drug Court Implementation (CDCI) Act created an additional funding stream for state drug courts (Assembly Bill 1111, Chapter 147, Statutes of 2000). Each county receives \$2,500 of each \$1,000,000 allocated, with the balance of the remaining funds distributed per capita. In Fiscal Year 2007-08, CDCI adult felony drug courts were appropriated a total of \$17.9 million, and CDCI dependency courts received \$5.1 million in funding.