



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 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 and the Director's Advisory Council 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: Counties receive \$2,500 per \$1,000,000 allocated, with the balance distributed per capita.
- Reductions: If reductions occur, they are distributed proportionate to the total allocation base to each non-Minimum Base Allocation (MBA) county (counties with less than 100,000 population) 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 five percent.

- 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 on three occasions:

- 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 once 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.