

California Community Colleges CalWORKs Program Fiscal and Accountability Process

Funding, Allocation Formula, Allocation
Adjustments and SSARCC Reporting
of Proposed and Final Expenditures

CalWORKs Funding: Fiscal Year 2017-18 Appropriation

\$29.972 M CalWORKs Program Funds (match required)

\$ 9.188 M CalWORKs Child Care Funds

\$ 4.900 M Work Study Funds (match required)

\$44.260 M State Proposition 98 Funds

\$ 8.000 M Federal Temporary Assistance for Needy Families (TANF) Funds

Allocation Methodology

Typically, allocated by college using the following:

- Colleges would be advanced 95% of each college's immediate prior year combined total initial allocation
- Each college allocation would be protected at 95% of prior year's initial allocation (unless >5% budget cut)
- Based on college MIS data reporting for eligible students served through CalWORKs program with an enrollment record in immediate prior year
- Minimum base funding level: \$125,000
- Funds distributed through apportionment process

Allocation Methodology

Fiscal Year 2017-18—still allocated by college

- Colleges were advanced 95% of 2016-17 total initial allocations
- **100%** protection of 2016-17 total initial allocation (to mitigate switch to “prior prior year”)
- Based on college MIS data reporting for eligible students served through CalWORKs program with an enrollment record for **2015-16** (i.e., “prior prior year” MIS data—uses 2015-16 for two years)
- Minimum base funding level: \$125,000
- Funds distributed through apportionment process

Allocation Methodology

For Fiscal Year 2018-19, will use:

- Colleges will be advanced 95% of each college's immediate prior year (**2017-18**) combined total initial allocation
- Each college allocation will be protected at 95% of the **2017-18** initial allocation (unless >5% budget cut)
- Based on college MIS data reporting for eligible students served through CalWORKs program with an enrollment record in **2016-17**
- Minimum base funding level: \$125,000
- Funds distributed through apportionment process

Allocation Adjustments

- Three Types: 1) Return of unused funds; 2) Transfer funds between Program, Child Care and Work Study; and 3) Request additional funds
- Returns of unused funds and requests for additional funds apply to either State Proposition 98 CalWORKs funds or TANF funds
- Transfers/returns of funds can be done when submitting initial Budget Plan
- If reporting planned expenditures of less than initial allocation, the Chancellor's Office will sweep those funds and reallocate them mid-year

Allocation Adjustments

- If transferring funds between Program, Child Care and Work Study, the Chancellor's Office acceptance Budget Plan will be the college's approval
- Statewide CalWORKs program must spend a minimum of \$4.9 million in work study each year—Chancellor's Office monitors total through the transfer process
- Mid-year adjustments through Allocation Adjustment form (Jan-June)

Allocation Adjustments

- Once Allocation Adjustment forms are processed, the Chancellor's Office will notify colleges
- Updated totals (for allocations) will be reflected in Student Services Automated Reporting for Community Colleges (SSARCC) for Final (year-end) Expenditure reporting
- Colleges may report under-expended funds, final transfers or expenses greater than their allocations in the Final Expenditure report

Allocation Adjustments

- Colleges reporting greater than 5% of their allocation under-expended (“returned”) after June 30 are subject to a dollar for dollar fiscal penalty for every dollar over 5%
- Colleges reporting expenses greater than their allocation may or may not receive additional funds to cover those expenses—subject to the amount of funding that remains under-expended once all the Final Expenditure reports have been reviewed
- Colleges will be notified after the Final Expenditure reports are reviewed of the accepted final amounts

Reporting Expenses by Object Code

- Object Code references in this presentation are based on descriptions contained in the California Community Colleges Budget and Accounting Manual (BAM) and are used in SSARCC
- Local practices may vary from district to district
- The most recent Budget and Accounting Manual can be found here:
<http://extranet.cccco.edu/Divisions/FinanceFacilities/FiscalStandardsandAccountibilityUnit/FiscalStandards/BudgetandAccountingManual.aspx>

Program Activities

- ⦿ Job Development/Placement
- ⦿ Coordination
- ⦿ Child Care
- ⦿ Work-Study
- ⦿ Child Care Tracking Costs
- ⦿ Curriculum Development & Redesign*
- ⦿ Instruction*
- ⦿ Post-employment**
- ⦿ Non-CalWORKs

* and ** require pre-approval

Funding Sources

- CalWORKs Program
State Proposition 98
- TANF
- Child Care
- CalWORKs Work Study
- ARRA **
- District/College
- College Work Study
- Federal Work Study
- Carl D. Perkins
- County Contract
- Backfill
- Flexible**
- TRIO
- WIA (WIOA)
- MESA
- CDE
- Other Funds
- SSSP
- Student Equity

Reporting Expenses by Object Code

- ① 1000 – academic salaries, child care tracking cost
- ② 2000 – classified salaries, child care tracking cost
- ③ 2000, 5000, 7000 – work-study salaries
- ④ 3000 – benefits: academic, classified and students
- ⑤ 5000 & 7000 – child care, child care tracking; direct services to students
- ⑥ 6000 – capital outlay (equipment)
- ⑦ Match – required dollar for dollar match – may use 1000 to 8000 object codes



Reporting Expenses by Object Code

- ① 1000 – Director, coordinator or counselor—identified by campus as administrator or faculty personnel (Please note: faculty or staff time to instruct, develop or redesign curriculum or pay for instructor time must have Chancellor’s Office approval in advance)
- ② 2000 – Director, coordinator, job developer, clerical, students assistants, on-campus work-study students, tutors, hourly or temporary personnel (identified by campus as classified personnel)



Reporting Expenses by Object Code

- 3000 – Benefits
- 4000 – Supplies and Materials: Includes textbook/computer loan program, office supplies, instructional supplies, outreach/recruitment materials, workshop materials, equipment expenditure (depends on life of equipment)
- 4000 – Food/beverage for workshops, orientations, meetings, and training if district policy allows this type of expenditure



Reporting Expenses by Object Code

- 5000 – Other Operating Expenses: Travel expenses such as mileage, parking, etc. for staff and students attending CalWORKs-related activities; food/beverage for CalWORKs year-end events; consultant/speaker fees; lease agreements for CalWORKs-paid equipment; maintenance agreements; county work study contracts
- 6000 – Capital Outlay: Equipment, computers, desk tops, laptops, printer, scanners, and software (should meet life of equipment rule)

Reporting Expenses by Object Code

- 7000 – Direct Services to Students—anything provided to students – Report to campus Financial Aid Office, examples include:
 - Book service program, textbook rental fees (TANF funds only)
 - Child care (CalWORKs/TANF funds)
 - On or off-campus work-study (CalWORKs/TANF funds)
 - Transportation: bus passes, campus parking permits, gas cards (TANF funds only)
 - Educational supplies: backpacks, paper, pencils, staplers, calculators, flash drives, etc. (TANF funds only)

*under revision—updated guidance to be released later this fall

Special Issues: Computer Hardware/Software

- ⦿ No pre-approval by Chancellor's Office to purchase equipment is required
- ⦿ Equipment purchased must meet district/college requirements for equipment purchases
- ⦿ "...equipment/hardware/software purchased with CalWORKs funds should be reported to Chancellor's Office in proposed and final expenditure report in Object Code 6000. These expenses are considered approved when a colleges' year-end expenditure report is accepted by the Chancellor's Office"

Special Issues: Child Care Funds—Campus-Based Center or Parental Vouchers

- ◎ By law rates of payment must follow rules established by the State Department of Education, including eligibility, reimbursement rates, and parental contribution schedules
 - ❖ The county should be paying child care services for CalWORKs students
 - ❖ Child care may be provided during the time the student is engaged in educational and work activities
 - ❖ If the student becomes timed out or sanctioned but continues to attend classes, services can continue up to three months thereafter or until the end of the term, whichever period of time is greater

Special Issues:

Sick Leave for CalWORKs Work Study and Student Assistants

- ◎ Assembly Bill 1522 provides part-time employees sick leave benefits—applies to all CalWORKs Work Study and other student assistants
- ◎ State law—not optional
- ◎ Options for paying for sick leave:
 - ❖ Working in CalWORKs office being paid 100% Federal Work Study—Federal Work Study cannot pay the sick leave so the college will have to find another source
 - ❖ If the student is working 100% in the CalWORKs program, CalWORKs can pay the benefit
 - ❖ If the student is working on or off campus and is paid partially by CalWORKs Work Study, CalWORKs can pay part of the benefit and the remainder should come from the employer/campus office

Special Issues:

Disposal of Books and Equipment (1 of 2)

◎ CalWORKs Purchased Textbooks or Equipment with Monetary Value

If the college CalWORKs program no longer has need for the textbooks or equipment, the district may dispose of them based on its rules for sale or disposal of old textbooks and equipment and direct any money generated to support the CalWORKs program. These funds are to be held in an account that is separate from the current year's state (Prop. 98) allocation. If the district wishes to use the textbooks/equipment outside of the CalWORKs program area, it should assess the remaining value of the items and increase its contribution to the CalWORKs program in an amount equal to the residual value.

Special Issues:

Disposal of Books and Equipment (2 of 2)

- ◎ CalWORKs Purchased Textbooks or Equipment with No Monetary Value

Out-dated or no longer used textbooks or equipment that has no monetary value should be disposed of by the district in accordance with its policy for the surplus of old textbooks and equipment. Alternately, the CalWORKs program may donate textbooks or equipment to a library or organization that accepts textbooks and equipment

Examples of Allowable District Match

- Funds allocated to the program for CalWORKs Program, and Work Study require a dollar for dollar match
- Child Care and TANF funds do not require a dollar for dollar match
- Salaries and benefits for positions serving the CalWORKs students
- Object Codes 4000-6000 when used to support the CalWORKs program
- Work study – the minimum 25% employer contribution of student salary may be used

Required Dollar for Dollar Match (1 of 3)

- State and Local funds –Funds allowable are funds under the control / jurisdiction of the district so long as these funds are not expressly restricted for use
- May include discretionary general fund, Board of Governors Fee Waivers (being renamed the California College Promise Grant), Cost-of-Living Adjustments, growth, property tax revenue, work study contributions, etc.

Required Dollar for Dollar Match (2 of 3)

- ⦿ Federal funds – Funds whereby specific program requirements provide for the expenditure of allowable activities can be applicable to the CalWORKs program, unless expressly restricted from use. These funds may include Pell, SEOG, VTEA, TRIO, WIOA, work study, etc.
- ⦿ Please note: State community college CalWORKs funds (Prop. 98) are counted as part of the State's Maintenance of Effort (MOE) for TANF and therefore cannot be used to match other federal funds
- ⦿ County funds – Funds from contracts entered into with county social service agencies for direct services provided to the CalWORKs program can be used as a match

Required Dollar for Dollar Match (3 of 3)

- ⦿ Non-Public, Private funds – Private contributions or grants if the funds used to match are dedicated exclusively to the CalWORKs program
- ⦿ Employer Work-Study Contribution – Colleges can claim the amount of the employer work study contribution as match towards the required dollar for dollar match

Supplanting

- ◎ Education Code Section 79204(d)
- ◎ Strictly prohibited
- ◎ CalWORKs funds shall be used to supplement, and not supplant, existing funds and services provided for CalWORKs recipients attending a community college
- ◎ No waivers are allowed

Examples of Supplanting

- In prior year, the district paid 100% of salary/benefits but in current year, CalWORKs pays 100%
- In a prior year the district paid a percentage of salary and benefits but in the current year, wants CalWORKs to pay a higher percentage or 100%
- In prior year, district paid 50% of a part time counselor working at .50 FTE. Hours were reduced to .40 FTE with district still paying 50% of reduced time; however, district wants CalWORKs to pay for additional hours to increase the counselor's time back to .50 FTE or greater
- In prior year, district/college paid for item/service for all programs but in the current year the college wants to require CalWORKs to pay for item/services

Not Considered Supplanting

- District general funds temporarily redirected to CalWORKs to specifically cover shortfalls in the CalWORKs budgets

Identify these district funds as “backfill” in CalWORKs budgets and in CalWORKs program plan

Non-Allowable Expenditures

- Education Code Section 84752(a)
- Strictly prohibited
- Districts may not receive FTES for activities fully funded through another source
- CalWORKs cannot pay for classes that generate FTES for the college
- No waivers are allowed

Non-Allowable Expenditures

- ⦿ Gifts—funds may not be used for gifts or monetary awards of any kind. Expenditures for a public purpose are not considered a gift of public funds; such expenditures must be coordinated with financial aid departments and be within the student's cost of attendance
- ⦿ Stipends for students to pay for student participation in programs, classes or workshops
- ⦿ Administrative salaries and benefits
- ⦿ Political advocacy, legal & audit expenses
- ⦿ Indirect costs – lights, heating, telephones, on campus space, plant maintenance
- ⦿ Funds previously used as match
- ⦿ Any other expense that does not directly benefit the CalWORKs program

Retroactive Payment of Salaries

- ⦿ CalWORKs funds must be spent in the fiscal year in which they were appropriated
- ⦿ If employee contracts are settled/ratified after the close of the fiscal year, then any retroactive salary increases for the prior fiscal year must be covered by the district
- ⦿ If employee contracts are settled/ratified late in the fiscal year and include retroactive salary increases for that fiscal year, the CalWORKs funds may be spent for those salaries (if available)

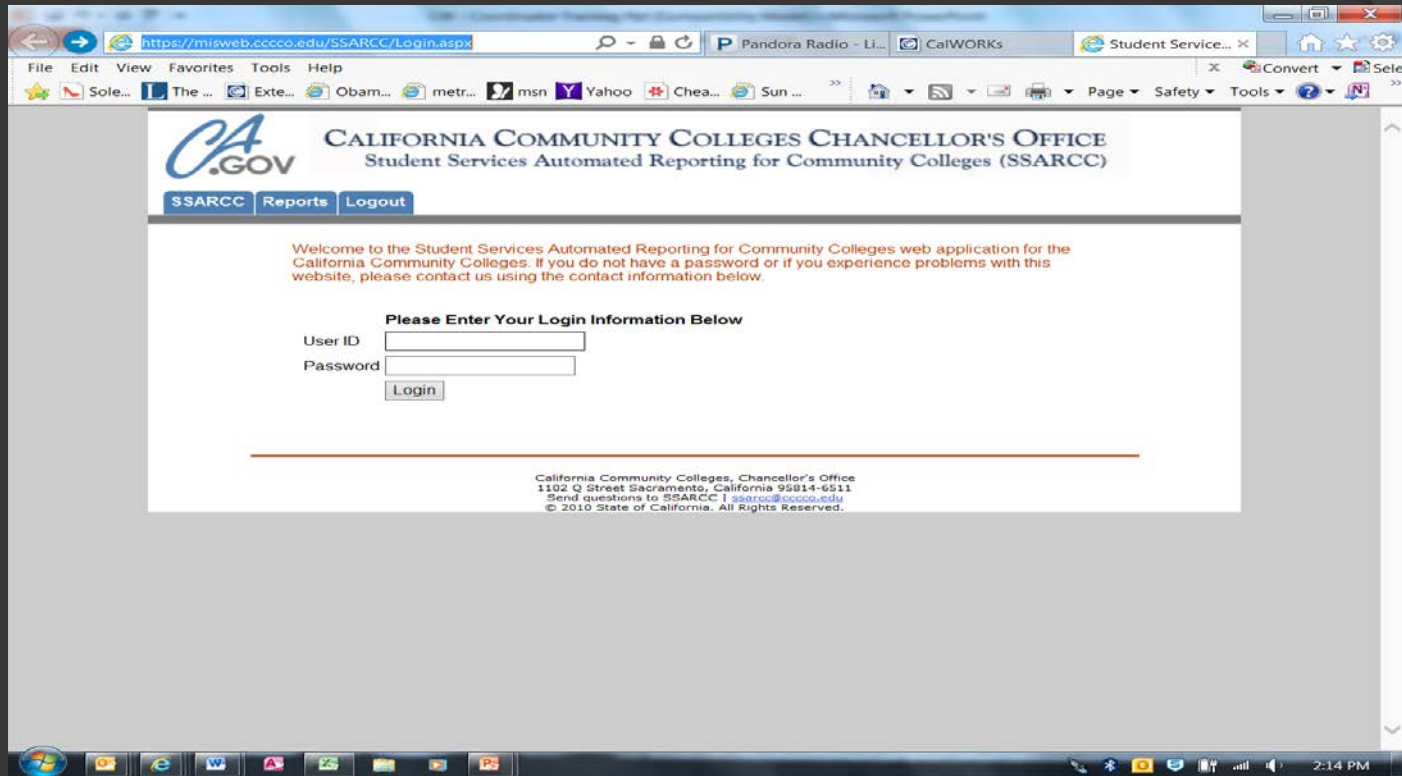
CalWORKs Budget Plans and Final Expenditures

Allocation Adjustments

SSARCC

Allocation Adjustment Form

- Form is used to return unused funds, transfer funds between Program, Child Care and Work Study, and request additional funds in either State CalWORKs funds or TANF funds.
- Submit via ssarcc-calworks@cccco.edu in accordance with a specified schedule
- When processed by the Chancellor's Office, colleges will be notified and your allocation will have been adjusted accordingly
- After the end of the fiscal year, these re-allocations will be reflected in the year-end SSARCC file



<https://misweb.cccco.edu/SSARCC/Login.aspx>

Other Questions and Answers