CALIFORNIA DEPARTMENT OF CHILD SUPPORT SERVICES P.O. Box 419064, Rancho Cordova, CA 95741-9064



October 11, 2006

Reason for this Transmittal

- State Law or Regulation Change
 Federal Law or Regulation Change
- [] Court Order or Settlement Change
- [] Clarification requested by One or More Counties

[X] Initiated by DCSS

CSS LETTER: 06-37

ALL IV-D DIRECTORS ALL COUNTY ADMINISTRATIVE OFFICERS ALL BOARDS OF SUPERVISORS

SUBJECT: CHILD SUPPORT PROGRAM–REPAYMENT SHARING RATIOS FOR FEDERAL FISCAL YEAR 2007 AND CHANGES FOR AID CODE 35

This letter provides the repayment sharing ratios for the Federal Medical Assistance Percentages (FMAP) for Federal Fiscal Year (FFY) 2007. The rates are used to determine the federal, State and county shares of child support collections on the Monthly Report of Collections and Distributions (CS 34) and the Assistance Related Distribution and/or Disbursement Summary (CS 35).

These percentages are effective October 1, 2006 through September 30, 2007. The FMAP sharing ratio of 50 percent remains the same as FFY 2006.

In addition to the attached list, this letter also provides changes in funding ratios mandated through federal legislation. Under the Temporary Assistance for Needy Families (TANF) reauthorization provisions established in the Deficit Reduction Act of 2005, separate state programs funded with State maintenance of effort dollars will be subject to TANF work participation rate requirements effective October 1, 2006:

Aid Code 35: TANF - Two Parent Families: A two-parent family is defined as an assistant unit that includes two work-eligible individuals who are non-disabled natural or adoptive parents of the same aided or supplemental security income/separate state program minor child (living in the home), unless birth parents are aided minors and neither is the head-of household.

Beginning with the October 2006 claiming month, CalWORKs two-parent families will become federally claimable and will no longer be a separate State program. Aid Code 35 is redefined to modify the description of the funding source. For complete information refer to the Department of Social Services (DSS) All County Letter 06-45.

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Remaining two-parent codes have not been changed. Aid Codes 3M and 3U will continue to be claimed as State only cases. Changes to the claiming instructions will be provided to counties in a forthcoming DSS County Fiscal Letter.

CS 34/35 Monthly Reporting

Effective with the October 2006 claiming month, Aid Code 35 must be reported as follows:

- CS 34, Line 7a, Column A, (for current assistance cases)
- CS 34, Line 7a, Column A, (for former assistance cases)
- CS 35, Section C, Line 8, (for current assistance cases)
- CS 35, Section D, Line 17, (for former assistance cases)

If you have any questions or concerns regarding the repayment sharing ratios for FFY 2007, please contact Trish Salveson, Manager of the Financial Management Policy Unit, at (916) 464-5055. General questions regarding CS 34 and/or CS 35 reporting should be directed to Ariel Gonzales (916) 464-5150.

Sincerely,

/s/

KAREN ECHEVERRIA Deputy Director Child Support Services Division

Attachment



DEPARTMENT OF CHILD SUPPORT SERVICES FEDERAL MEDICAL ASSISTANCE PERCENTAGES FEDERAL FISCAL YEAR 2007

| AID CATEGORY | | SHARING RATIOS | | |
|------------------------------------------------------------------|----------|----------------|-------|--------|
| Federal | Aid Code | Federal | State | County |
| All Families | 30, 3P | .5000 | .4750 | .0250 |
| TANF - Timed Out (20% Hardship) | 32 | .5000 | .4750 | .0250 |
| Zero-Parent Families | 33, 3R | .5000 | .4750 | .0250 |
| TANF - Two-Parent Families | 35 | .5000 | .4750 | .0250 |
| TANF - Timed Out Legal Immigrant (Mixed Cases) (20% Hardship) | 3W | .5000 | .4750 | .0250 |
| Legal Immigrant - All Families (Mixed Cases) | 3E | .5000 | .4750 | .0250 |
| Legal Immigrant - Zero Parent (Mixed Cases) | 3H | .5000 | .4750 | .0250 |
| Legal Immigrant - Two Parent (Mixed Cases) | 3U | .5000 | .4750 | .0250 |
| KinGAP | 4F | .5000 | .2500 | .2500 |
| Foster Care | 42 | .5000 | .2000 | .3000 |
| EA - Foster Care | 5K | .5000 | .2000 | .3000 |

| AID CATEGORY | | SHARING RATIOS | | |
|----------------------------------------|----------|----------------|-------|--------|
| Non - Federal | Aid Code | Federal | State | County |
| Safety Net - All Families, Child Only | ЗA | .0000 | .9750 | .0250 |
| Safety Net - Two-Parent Families | 3C | .0000 | .9750 | .0250 |
| Legal Immigrant - All Families | 3L | .0000 | .9500 | .0500 |
| Legal Immigrant - Two-Parent Families | 3M | .0000 | .9500 | .0500 |
| Legal Immigrant - Zero-Parent Families | 3G | .0000 | .9500 | .0500 |
| KinGAP | 4G | .0000 | .5000 | .5000 |
| Foster Care | 40 | .0000 | .4000 | .6000 |