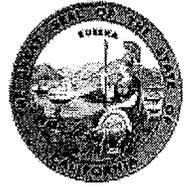




California  
Department of  
Health Services

**SANDRA SHEWRY**  
Director

State of California—Health and Human Services Agency  
**Department of Health Services**



**ARNOLD SCHWARZENEGGER**  
Governor

May 19, 2006

**TO: MATERNAL, CHILD AND ADOLESCENT HEALTH (MCAH)  
DIRECTORS AND ADOLESCENT FAMILY LIFE PROGRAM  
(AFLP) DIRECTORS**

**SUBJECT: ALLOCATION FUNDING APPLICATION (AFA) THIRD AND FINAL  
ANNUAL ALTERNATE-YEAR FUNDING DOCUMENTS FISCAL  
YEAR (FY) 2006/07**

This letter provides instructions for your agency's FY 2006/07 AFA for the final year of the current three-year funding period and requests your agency complete the required documents and provide those to your Contract Manager by June 30, 2006.

**Title V Funding Outlook**

Despite the robust *State* General Fund revenues, MCAH has received reduced federal funding from the federal MCH Bureau. In FY 2005/06, California's Title V funds were decreased by approximately \$2.5 million and for FY 2006/07 by approximately \$3.5 million – and there is the possibility of further reductions for the federal fiscal year that begins October 1, 2006. MCAH has sought to spare local jurisdictions and direct services programs from funding reductions to the extent possible and has instead taken the reductions primarily in supportive statewide contracts. As you may know, we have been able to retain the Childhood Injury Prevention Program funding (\$225,000) for the five local jurisdictions for this last year of the current AFA funding agreement. We were not able, however, to avoid all funding cuts to local programs. Effective March 1, 2006, the Adolescent Sibling Pregnancy Prevention Program (ASPPP) was reduced by \$2.291 million. This program was eliminated so that the core AFLP program could be maintained.

If there are further federal Title V reductions effective October 1, 2006, this could result in a mid-year adjustment to the Allocation Tables and to your agency's budget. We will keep you advised as more information becomes available.

**AFLP Annual Months of Service (MOS) review**

As in prior years, agencies that were unable to meet 85 per cent of their allocated MOS averaged over a three and one-half year period had their MOS and corresponding allocations reduced. The reduction in MOS should allow these agencies to meet the reduced 85 per cent level for FY 2006/07. This will result in a reduction in the MOS for eight agencies equating to approximately \$154,000 (91 clients/1092 MOS). Individual letters will be sent to the eight affected agencies, and will identify the fiscal reduction for 2006/07, however, they have already been notified by phone conference.

**To complete the AFA process, please review these instructions and submit an original and two copies of the following documents as applicable by June 30, 2006:**

- 1) Annual Alternate-Year Funding Checklist – This document is similar to the checklist previously submitted, but has been modified specifically for submitting alternate-year funding documents. This is a fill-in document that will allow you to select the appropriate fiscal year and check the applicable “YES” or “NO” boxes.
  - 1.1 Checking the “YES” box will indicate that document(s) you are submitting have changed since the original AFA funding period approval, and are therefore required for submission.
  - 1.2 Checking the “NO” box will indicate that the document(s) have not changed from the original AFA funding period approval, and are therefore not required for submission.
- 2) AFA Alternate-Year Funding Form (four (4) pages with instructions). This is a fill-in document that will allow you to list all applicable agency contact information.
- 3) Updates to any AFA forms on which your agency information, e.g., duty statements, Scope of Work (SOW), HAS 1204 (see contractor equipment bullet below) has changed since FY 2005/06.

The required AFA Alternate-Year documents are listed on our MCAH website (<http://www.mch.dhs.ca.gov/administration/afa.htm>). The prior two years of AFA documents are now under Item 9: Archives. You can navigate the website to locate and download documents by selecting the link shown above and completing the following steps:

- 1) Locate the AFA Checklist Heading and choose the appropriate FY link (AFA Alternate-Year Update) open, and then save to your computer.
- 2) Locate the Funding Application Heading and choose the appropriate FY link (AFA Alternate-Year Update) open, and then save to your computer.

The MCAH website also includes the following items:

- FY 2006/07 MCAH Allocation Table
- FY 2006/07 AFLP Allocation Table
- Budget/Invoice Templates for FY 2006/07 (update is pending as stated above)
- MCAH and Black Infant Health (BIH) Medi-Cal Factor Tables
- AFLP Only SOW (Updated with minor changes and formatted as a "fill-in document")
- BIH, Fetal and Infant Mortality Review (FIMR), BIH FIMR, and MCAH/SIDS SOW (Revisions Pending)
- Contractor Equipment Purchased with CDHS Funds Form (HAS 1203)
- Inventory/Disposition of CDHS Funded Equipment Form (HAS 1204)
- Subcontractor Agreement Form
- Travel Reimbursement Information Form (CMU 01)
- Sample Invoice Cover Letter

If you have any difficulty completing the required documents, have questions regarding the submission of your FY 2006/2007 AFA, or if you find that you are unable to meet the deadline, please contact your contract manager as soon as possible for assistance. See the following URL link for MCAH Contract Managers, Program Consultants Assignments, and Contact Information: <http://www.mch.dhs.ca.gov/administration/>.

Depending upon your mailing preference, please use the appropriate address below to submit your AFA Package:

**Regular Mail:**

(Contract Manager's Name)  
California Department of Health Services  
Maternal, Child and Adolescent Health/Office of Family Planning Branch  
**MS 8305**  
P.O. Box 997420  
Sacramento, CA 95899-7420

**FedEx/UPS/Overnight Courier:**

(Contract Manager's Name)  
California Department of Health Services  
Maternal, Child and Adolescent Health/Office of Family Planning Branch  
**MS 8305**  
1615 Capitol Avenue, Suite 73.560  
Sacramento, CA 95814-5015

As with all state funding agreements, final funding is contingent on appropriations in the final State Budget Act. For your protection, do not incur any expenses or fiscal liabilities against this funding agreement until you have received your AFA approval letter. Any expenses incurred in advance of that approval are at your own risk and the State acknowledges no responsibility for reimbursement.

May 19, 2006

As a reminder, please do not submit invoices for payment until you have received your AFA approval letter. Also, please confirm that your agency is using the correct AFA Agreement number for FY 2006/2007 (**2006 "County #"**). The agreement number is required to be listed on all of your invoices, correspondence, and reports.

Please remember the longer your agency retains the AFA Package, the longer it will be before it is reviewed and approved by MCAH/OFP Branch. After all approvals have been secured, an AFA approval letter will be sent to you.

Thank you for your careful review and monitoring of this funding agreement through your agency's administrative approval process.

Sincerely,



Susann J. Steinberg, M.D., Chief  
Maternal, Child, and Adolescent Health/  
Office of Family Planning Branch

cc: Contract Managers  
Program Consultants  
Central File