TO: Manual Holders

DATE: December 6, 1991

SUBJECT: Reallocations of Funds - Clarification - P6.01, Match Requirements for Social Services Block Grant Services Contracts

The purpose of this memorandum is to clarify the need for Departmental approval to reallocate Social Services Block Grant Funds and the required percentage of Match for such funds.

A. County Human Services Advisory Council Reallocation Process

Each County Human Services Advisory Council recommends allocations of the SSBG funds for its county. The Departmental Component must give prior written approval in situations where there is a need to reallocate funds to service providers. Furthermore, if funds are to be reallocated, the Department must ensure that there is no loss in service dollars previously generated by Matching funds. Therefore, written approval must also be given to change the percentage of the Match requirement applicable to any funds being reallocated.

B. Policy Circular P6.01, Match Requirements

The Department's Policy Circular P6.01, Match Requirements for Social Services Block Grant Service Contracts, currently requires a 25% Match on all SSBG service contracts. This policy was subsequently modified for FYs '85 and '86 for new funding (see Information Memoranda P84-2 and P85-4) in that each County Human Services Advisory Council was given the option of a 10% or 25% Match requirement. Therefore, some contracted services may contain identified Match dollars governed by both a 25% and a 10% Match requirement.

Funds that initially required a 25% or 10% Match will retain that percentage when reallocated. However, when authorization is received to reallocate funds that include a mix of a 10% and a 25% Match requirement, a blended rate may be developed with the Department. The following formula will be used to develop the blended rate:
Total Current Match Funds Required - Blended Percentage Total SSBG Funds To Be Allocated.

The blended percentage rate is to be rounded to the nearest whole percentage point. This new percentage rate will then be the required Match on the SSBG funds being reallocated. However, the blended rate may be raised to the full 25% Match rate if the county so chooses.

Issued by:

Henrietta Small, Manager
Contract Policy and Management Unit