

TEXT OF PROPOSED REGULATIONS

**STATE OF CALIFORNIA
CALIFORNIA DEPARTMENT OF VETERANS AFFAIRS
1227 O STREET, ROOM 105
SACRAMENTO, CA 95814**

TEXT

**TITLE 12. MILITARY AND VETERANS AFFAIRS
DIVISION 2. DEPARTMENT OF VETERANS' AFFAIRS
CHAPTER 3. VETERANS' SERVICES
SUBCHAPTER 4. COUNTY SUBVENTION**

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12 CCR § 452

§ 452. Operational Requirements of Participating Counties.

(a) Each county that has established a CVSO shall institute the organizational and administrative ability to carry out its obligations, including but not limited to the following:

- (1) The establishment and maintenance of a data-reporting system that provides the information required on CDVA prescribed workload activity report forms.
- (2) The maintenance of financial records and books of account fully disclosing the allocation and expenditure of county funds and the disposition of all offsetting revenues and reimbursements including Department funds allocated to the CVSO function. Such records and books shall be maintained on an accrual or modified accrual basis in accordance with generally accepted accounting principles.
- (3) A workload activity data collection system that provides documentation and justification for reported workload activities.

(b) Each county shall submit to the Department all required workload activity reports *specified in the Department's Procedure Manual for Subvention and Medi-Cal Cost Avoidance dated July 1, 2015, Edition 2, which is hereby incorporated by reference* within 30 days after the end of the reporting periods as established by the Department. ~~Failure to comply may result in the omission of a delinquent county from the annual allocation process.~~

(c) Each county shall submit to the Department:

- (1) The adopted/final current fiscal year budget for the CVSO function, detailing all dedicated CVSO costs and scheduled revenues and reimbursements within 30 days of adoption by the Board of Supervisors. *Each county shall certify to the Department that the*

current fiscal year expenditure exceeds the fiscal year 1988-89 expenditure by, at least, the full amount of the current annual allocation.

~~(2) A detailed report of the prior fiscal year's actual expenditures for the CVSO function including all offsetting revenues and reimbursements by November 1 of each year.~~

~~(2) Claim for Subvention Funds for the current fiscal year on which the county certifies its current fiscal year expenditures by January 31 of each year.~~

~~(3) Subvention Certificate of Compliance for the current fiscal year by January 31 of each year.~~

(d) For the purpose of eligibility to participate in *and receive payment of the full annual* ~~the~~ allocation of funds as specified in this chapter, each CVSO shall: ~~provide services to veterans and dependents as required by Military and Veterans Code Sections 970 and 971.~~

(1) Provide services to veterans and dependents as required by Military and Veterans Code Sections 970 and 971.

(2) Obtain accreditation by the Department within 12 months of appointment by the county Board of Supervisors.

(3) Ensure county veteran service representatives filing claims obtain accreditation by the Department within 12 months of hire.

(4) Adhere to all policies and requirements described in the Department's Procedure Manual for Subvention and Medi-Cal Cost Avoidance.

(5) Provide metrics on CVSO activities and outreach to the Department by September 1 of each fiscal year, as defined in the Department's Procedure Manual for Subvention and Medi-Cal Cost Avoidance.

~~(e)~~ (f) For the purpose of eligibility to participate in the annual allocation of funds authorized pursuant to Military and Veterans Code Section 972.5, each county shall, as required by the Department, perform, document, and report activities that benefit, or realize cost avoidance to, the Medi-Cal program of the State Department of Health Services and welfare programs of the State Department of Social Services.

(f) Failure to comply with requirements described in the Military and Veterans Code Sections 971 and 972, and CCR Sections 450-455 may result in a delinquent county receiving a reduction in the annual allocation or the county's omission from the annual allocation process.

~~(e) For the purpose of eligibility to participate in the annual allocation of funds authorized pursuant to Military and Veterans Code Section 972.1, each county shall appropriate county funds in each fiscal year for the CVSO an amount equal to or greater than expended in Fiscal Year 1988-89.~~

~~(1) For the purpose of eligibility to claim and receive payment of the full annual allocation, each county shall certify to the Department that the current fiscal year expenditure exceeds the Fiscal Year 1988-89 expenditure by, at least, the full amount of the current annual allocation.~~

Note: Authority cited: The Statutes of 1990, Chapter 535, Section 2; and Section 700, Military and Veterans Code. Reference: Sections 970, 972, 972.1 and 972.5, Military and Veterans Code.

12 CCR § 453

§ 453. State General Funded Subvention Programs; Audits and Fund Allocations.

(a) The Department shall perform year-round audits of selected counties to authenticate each county's reported workload activities.

(b) By November 15 of each year, the Department shall calculate and publish the current fiscal year statewide annual county subvention allocations of available state general fund moneys using the audit findings of the previous fiscal year.

(1) Each county's annual subvention allocation pursuant to Military and Veterans Code, Section 972, shall not exceed 50 percent of the county's current fiscal year budgeted expenditures and the allocation of available funds shall be subdivided into the following components:

(A) An administration component of ~~\$5,000~~ for each county that has established a CVSO.

(B) ~~Effective January 1, 1995, a CVSO A training~~ component of ~~\$2,500~~ for each county that has appointed a veteran to perform the duties of a CVSO. This ~~\$2,500 component~~ is allocated to offset the cost of the appointed CVSOs' (or designees') attendance at Department sanctioned ~~administrative~~ training sessions. A proportional percentage reduction of this allocation, as determined by the Department, shall be taken for each training session that is not attended. The funds saved through this reduction shall be distributed as described in Section 453(b)(5).

(C) A performance component for each county that is based on the authenticated workload activities of each county as verified by the Department's annual audit. The amount of this component shall be established by prorating the number of each county's workload activities against the statewide county total.

(D) ~~Effective January 1, 1995,~~ Two or more counties may jointly establish a single veterans service office. However, any veterans service office jointly established under this provision shall only receive funding at the same rate as a single county.

~~(2) The Department shall disburse the allocated annually available funds semi-annually, after December 31 and June 30, upon receipt of each county's Claim for Subvention Funds on which the county certifies its expenditures. Each payment shall not exceed either 50 percent of the county's expenditure or 50 percent of the annual allocation, whichever is less.~~

(2) ~~(3)~~ Each county's annual subvention allocation pursuant to Military and Veterans Code Section 972.1 shall not exceed the increase of the current fiscal year budgeted expenditures over the Fiscal Year 1988-89 actual expenditures for CVSO operational costs. The allocation of available funds is based on the workload activities allowed by the Department's annual audit and the amount shall be established by prorating the number of each county's workload activities against the statewide county total.

(3) ~~(4)~~ The Department shall disburse the allocated annually available funds semi-annually, after December 31 and June 30, upon receipt of each county's Claim for Subvention Funds on which the county certifies its expenditures. *Each payment shall not exceed either 50 percent of the county's expenditure or 50 percent of the annual allocation, whichever is*

less. The first payment shall not exceed 50 percent of each county's total annual allocation. The second payment shall be either:

(A) the unpaid balance of the total annual allocation, or

(B) a lesser amount, being the difference between the first payment and the total amount the current fiscal year expenditure exceeds the Fiscal Year 1988-89 expenditure. This payment adjustment shall occur when a county's actual fiscal year expenditure is less than originally budgeted, but still exceeds the base Fiscal Year 1988-89 expenditure. If, however, a county's total current fiscal year expenditure is less than the sum of the Fiscal Year 1988-89 actual expenditure and the first semi-annual payment, as determined by a departmental audit of county expenditures or the county's certification of expenditure, that amount shall be considered an overpayment and shall be credited as a paid reimbursement to the county under the annual subvention allocation pursuant to Military and Veterans Code Section 972.

(5) In the event expenditures of one or more counties are inadequate for a county to receive the total annual allocation available under Sections 453(b)(1) and 453(b)(3), the total amount of undisbursed funds shall be prorated to the remaining eligible counties as per Section 453(b)(3).

Note: Authority cited: The Statutes of 1990, Chapter 535, Section 2; The Statutes of 1993, Chapter 138, Section 4; and Section 700, Military and Veterans Code. Reference: Sections 970, 972 and 972.1, Military and Veterans Code.