



Office of Children's Services
Empowering communities to serve youth

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State Pool Allocation Improvement Plan

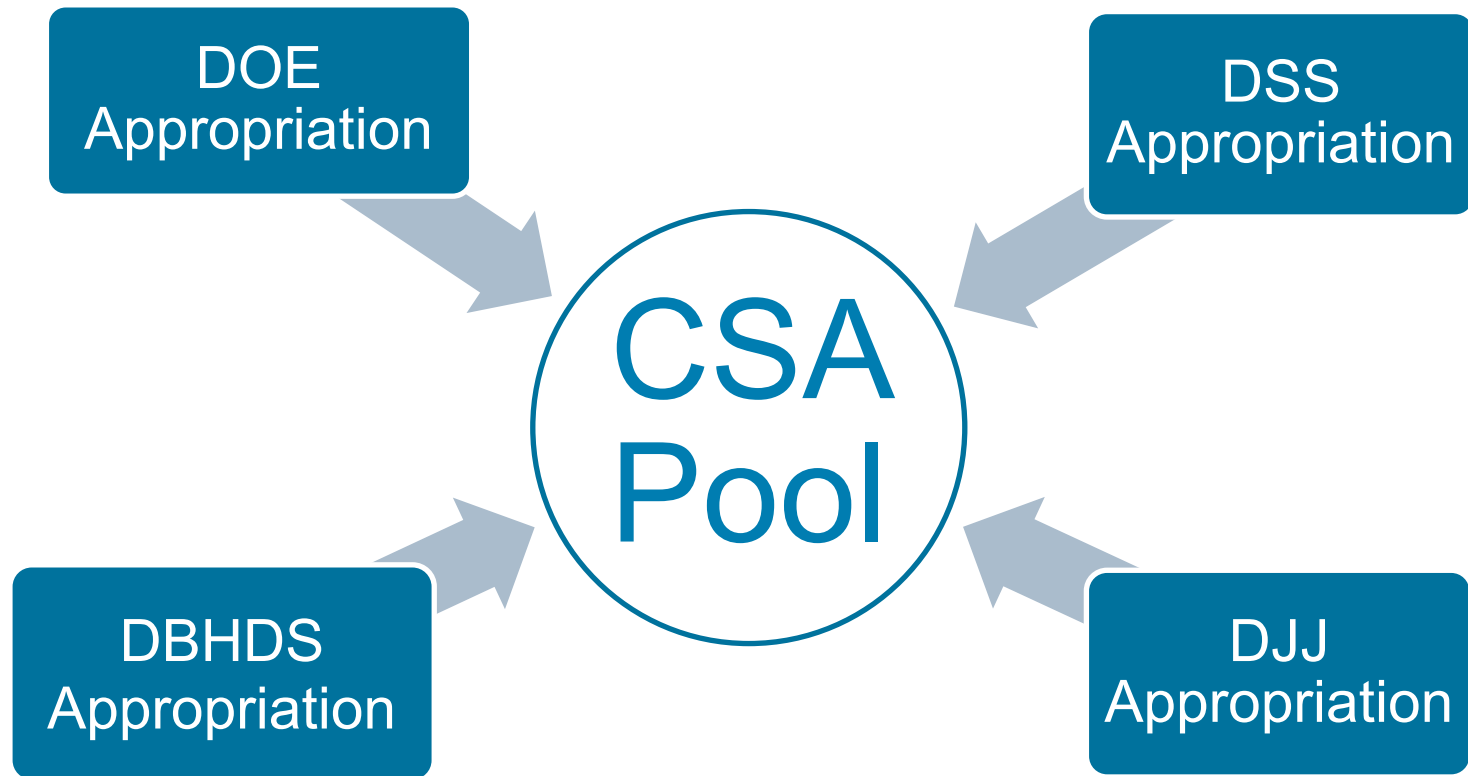
Briefing for Local CSA Stakeholders

June 2024

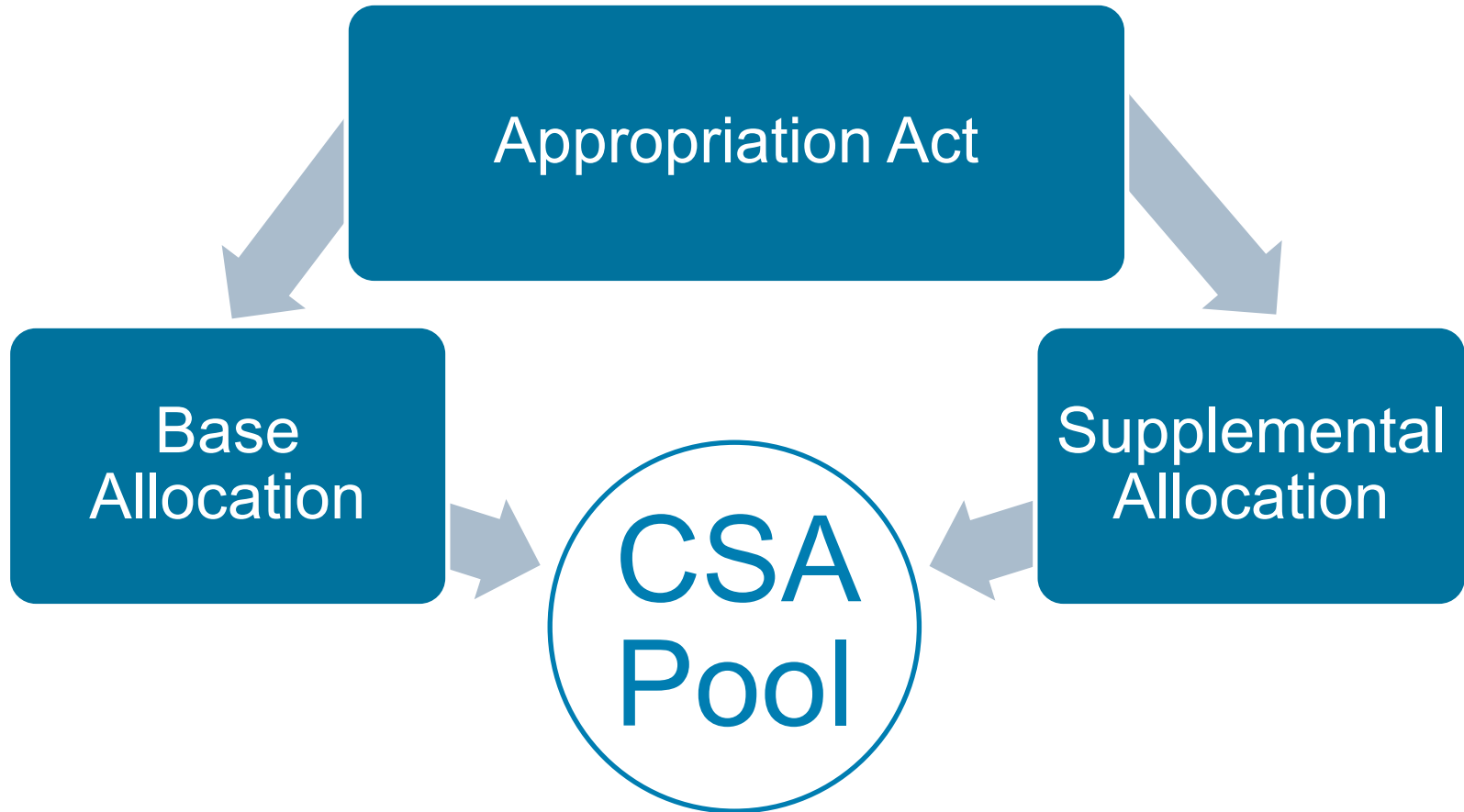
Intent: Revise the Pool Allocation and Supplement Process

- OCS is seeking to revise the current base allocation and supplement process for CSA state pool allocations and reimbursements to localities.
- The current process is outdated and based on a funding mechanism that is no longer necessary to provide sufficient resources for the state pool.

Original (1993) CSA Pool Funding



Current Funding for CSA Pool



Current Appropriation Act Language (General Fund, Non-Medicaid)

Chapter 1, Item 284, B.

1.c. The non-Medicaid state pool allocation shall consist of \$238,073,229 the first year and \$238,073,229 the second year from the general fund.

2.a. Out of this appropriation, \$55,666,865 the first year and \$55,666,865 the second year from the general fund...shall be set aside to pay for the state share of supplemental requests from localities that have exceeded their state allocation for mandated services.

Current "Base" Pool Allocation Language

The Appropriation Act directs OCS to allocate the state base pool funding as follows (Chapter 1 Item 284.C.):

1. Allocations. ... These funds shall be distributed to each locality in each year of the biennium based on the greater of that locality's percentage of actual 1997 Children's Services Act pool fund program expenditures to total 1997 pool fund program expenditures *or the latest available three-year average of actual pool fund program expenditures as reported to the state fiscal agent.*

Current Supplement Process

- The process for localities to increase their current year pool allocation (from the base allocation).
- OCS manages the supplemental pool defined in Item B.2.a.
 - Requires a “cumbersome,” multi-step process at both the local and state level.
- The process has no impact on the total amount of state funding available to reimburse localities for CSA expenditures.

An Improved Pool Reimbursement Process

- Consolidating the separate base and supplemental allocations will create a **single funding pool** available to reimburse localities.
- Localities will be **reimbursed based on their eligible CSA expenditures** as submitted to OCS, not an initial allocation followed by supplemental request(s).
- The current base allocation and supplement request process will be eliminated, resulting in a **simplified reimbursement approach**.
- Local reimbursement for **eligible CSA expenses will continue to be** assured based on the current "sum-sufficient" language found in §2.2-5211.C., COV.

- The proposal will have no impact on the current Protected funds or Special Education Wraparound funds allocation process

Next Steps...

- OCS will submit a request to consolidate the base allocation and supplemental funding language in the Appropriation Act and eliminate the base allocation funding formula.
- If approved by the 2025 General Assembly, OCS anticipates this change will take effect in FY 2026.



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Questions and Discussion

Send any further questions or comments to:

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