# **County APD Frequently Asked Questions & Answers**

Frequently Asked

Questions

&

Answers

**Q.** Where do I submit CWS APDs?

**A.** CWS APDs should be submitted to the CWS Mailbox at [CMSAdminSvcsUnit@osi.ca.gov](mailto:%20CMSAdminSvcsUnit@osi.ca.gov)

**Q.** Where do I submit SAWS APDs?

**A.** SAWS APDs should be submitted to the SAWS Mailbox at [Project.Approvals@osi.ca.gov](mailto:Project.Approvals@osi.ca.gov)

**Q.** How do I complete an APD for the various types, i.e. an APD that benefits SAWS, CWS/CMS, both CWS/CMS and SAWS, or one that contains Generic Costs?

**A.**  The State has provided guidance on the completion and submission of these types of APDs. There are four types of APDs; CWS/CMS, Dual Approval, Generic, or SAWS. To find details on a specific types of APDs and further details on the requirements and submissions, etc. go the OSI website @ <https://www.osi.ca.gov/County_APD_Process.html>

**Q.** What is the definition of “Generic”?

**A.** The same definition applies to the APD process as is found in the CWDA CEC Workgroup County Expense Claim Guidelines and Procedures Manual where Generic is described as follows:

The "Generic" function allows casework staff to time study to generic, or administrative non-casework activities.  This allows the County Agencies the organizational flexibility to utilize casework staff to provide such generic administrative support services, without having to reassign them to an administrative arm of the department.  The CEC allows for expanded use of generic as an interim "function" for the charging of support operation costs, such as space, travel, etc.  Please note that general administrative costs, including staff costs that time study to generic activities, do appear as generic costs on the CEC.  These costs should not be confused with the generic (casework) activities.

**Q.** What is a self-certification document and what sections of the APD can I self certify?

**A**. A self-certification document is a county optional document that may be used to lessen the need of providing and/or submitting to the State documentation for the Cost Allocation and/or Procurement sections in the APD. The self-certification documents allow the county to certify that the methodologies described in the APD are applied correctly and are in compliance with County, State and Federal regulations, however, a level of documentation and explanation will still be required for State review. For further details on the requirements and usage of these documents, go the OSI website

@ https://www.osi.ca.gov/County\_APD\_Process.html

**Q**. Can I use the self-certification for the Cost Allocation Section and not the Procurement Section?

**A**. Yes, The use of self certification is completely optional. If the County chooses to only apply self-certification in the Cost Allocation Section and not the Procurement Section they may do so, or vice versa.

**Q.** What is the definition of Electronic Data Processing (EDP)? What items should be claimed as EDP?

**A**. Electronic Data Processing or EDP means data processing performed by a system of electronic or electrical machines so interconnected and interacting as to minimize the need for human assistance or intervention. EDP items that fall under this category could be equipment, services and software. Please refer to the CWS/CMS County APD Guidelines, Section I or the “Is an APD Necessary?” Checklist for a more detailed definition.

1. Network services are provided by our county’s central IT department. Is an APD required?

**A.** Yes.Counties that procure EDP services from a county central service organization or whose central service organization procures such services from a vendor on its behalf must notify the State via an APD submission. The APD should verify that the central service organization has submitted a countywide cost allocation plan to the State Controller’s Office (SCO) for approval of the billing methodology and procurement process. Although the County’s central IT billing department’s methodology is approved by SCO, counties are still required to display the estimated costs to benefiting programs based on a fully justified cost allocation methodology. The County central services APDs do not require procurement review, since this is done at the SCO level. These APDs act as official notification to the State of the estimated billed EDP costs to the county for central service EDP costs approved by SCO. The State uses this information to update its annual budget.

1. What are the federal requirements for depreciation of EDP equipment costs?
2. If the individual EDP item costs less than $5,000, it does not have to be depreciated, and should be claimed in the quarter it was procured. For example, the county purchases 100 workstations that cost $2,000 each. The workstations do not have to be depreciated. To identify EDP equipment with an acquisition cost greater than $5,000, consider the net invoice price of the equipment including the cost of modifications, attachments, accessories or auxiliary apparatus necessary to make the equipment useable for the purpose for which it was acquired. Other charges such as transportation, installation, or protective in-transit insurance should not be included in the determination of acquisition cost. The period of depreciation is determined by identifying the number of years of useful service.

**Q.** What cost allocation methodology should I use if the acquisition is related to a SAWS Consortia System (e.g. CalWIN or C-IV), such as tech refresh of workstations?

**A**. The cost allocation methodology for any acquisition related to a SAWS consortia system should be the same as the consortia system cost allocation plan.

1. When completing my cost allocation spreadsheet, how should CWS/CMS and non-CWS/CMS costs be allocated?

**A**. The county must evaluate whether the electronic data processing (EDP) good/service being procured is required and/or necessary for the efficient operation of the State’s CWS/CMS (SACWIS) by using the SACWIS/non-SACWIS matrix as a guide (County Fiscal Letter (CFL) No. 03/04-27). If the goods or services is SACWIS eligible, the county must determine the portion allocable to CWS/CMS.

A county can decide how to determine what portion of the purchased good/service is CWS/CMS related based on the most effective and efficient methodology for its county. Suggested options would be computer generated statistics, the use of observations of staff activity, or surveys completed by staff in which they report time spent on CWS/CMS versus other Non-CWS/CMS activities such as county applications, email or the internet. It is up to the county to determine what method can sufficiently produce the necessary statistic. The methodology that the county selects must be reasonable and provide enough detail to convince any reader that the cost determination is justified.

All documentation of the methodology used to determine to CWS/CMS related costs must be maintained with the county’s claiming records and retained for the life of the Project or until 7 years after the CWS/CMS application has been certified by the federal government. This would include such things as results of surveys, interviews or computer generated statistics. For further information, review the CWS/CMS APD Guidelines.

**Q**. What is the federal approval threshold for EDP expenditures?

1. Federal regulations applicable to projects receiving enhanced (e.g., SACWIS) FFP require prior federal approval of procurement documents and contracts when the contract is anticipated to or will exceed $100,000 if in whole or part requesting SACWIS funding.
2. Federal regulations applicable to projects receiving regular (e.g., non-SACWIS or welfare-related) FFP require prior federal approval of non-competitive procurement documents and contracts when the contract is anticipated to or will exceed $1,000,000 or competitive procurement documents and contracts when the contract is anticipated to or will exceed $5,000,000.
3. Why is ACF prior approval required for APDs for enhanced funding purchases over $100,000 when the threshold for non-enhanced funding is $5,000,000 for competitively bid contracts and $1,000,000 for non-competitively bid contracts?
4. CWS/CMS is considered an “Enhanced Project” due to that fact that during it’s development the State received a 75% funding match from the federal government. Because of this classification, the State is subject to enhanced funding requirements which require prior approval for costs over $100,000, until the completion of the entire SACWIS, if any portion of the costs is to be SACWIS funded. This applies whether or not any components are in development or maintenance & operation

(M & O). The entire SACWIS system must meet all functional and data

requirements, which CWS/CMS does not.

1. If the County included the planned EDP purchase as a project in its CWS/CMS CAPE, does it still have to submit an APD?
2. Yes. The CAPE must be completed in order for the State to report proposed system costs to the federal government on an annual basis. The information collected in the CAPE does not provide enough detail for the State to be able to approve individual projects or APDs.

**Q**. Does CWS/CMS have a State leveraged procurement contract that I can use to   
 facilitate my procurement?

**A.** Yes. The State has several contracts that are available to counties. The County APD

preparer may consult an APD coordinator for further information on this subject.

1. Must a cost benefit analysis always include dollar savings?

**A.** No. If inordinate effort would be required to determine quantitative cost benefits, the county may so state and describe qualitative benefits. When considering time savings which might be achieved through automation, keep in mind that you do not have real payback unless you plan to eliminate staff positions or lay off staff. Your savings are the productivity gain that can be used to improve service delivery.

**Q**. Are there clear definitions for CWS/CMS and non-CWS/CMS allocation requirements?

**A.** The State and federal governments will annually negotiate the State and County Welfare Department Cost Allocation Plans. The negotiated allocation methodology require counties to prepare APD cost allocation plans for CWS EDP goods and services in a prescribed manner. The steps needed to complete the CAP are outlined in CWS/CMS APD Guidelines.

**Q**. Will a consistent process for the review of APDs with timeframes be developed?

**A.** Yes. A reengineering effort was established and was recently completed by the State with the assistance of consultants and county stakeholders. This reengineering project and it’s deliverables can be reviewed on the OSI Project website @ https://www.osi.ca.gov/County\_APD\_Process.htmlThis APD reengineering includes Service Level Agreements (SLA) which include State and County timeframes.

**Q.** Will the State provide a standard status report to counties on the progress of their APD approvals?

**A.** Yes. A reengineering effort was established and was recently completed by the State with the assistance of consultants and county stakeholder’s participation. This reengineering project and its deliverables can be reviewed on the OSI Project website @ https://www.osi.ca.gov/County\_APD\_Process.html.

**Q.** Will the state develop a defined set of APD templates once a solid policy is drafted and finalized?

**A.** Yes. The State has developed standardized templates for various types of APDs and the associated spreadsheets.

**Q.** How does a county obtain State and federal prior approval for a draft Request for Proposal (RFP) for use with future APDs?

**A.**  State and federal regulations require prior approval for all procurement documents associated to an APD. The applicable regulations on obtaining prior approval may differ dependent upon the procurement methodology (i.e. Master Contract, Sole Source Contacts) the county chooses to utilize for their acquisition. For example, the federal regulation on obtaining prior approval in relation a Master Contract can be found in the Administration of Children’s and Families (ACF) Information Memorandum [ACYF-CB-IM-05-04](http://www.acf.hhs.gov/programs/cb/laws_policies/policy/im/2005/im0504.htm).