SUBJECT: NOTICE OF TERMINATION OF SAN PASQUAL ACADEMY (SPA) PILOT PROGRAM EFFECTIVE OCTOBER 1, 2021

Dear Dr. Giardina:

This letter is written to provide notification of the termination of the San Pasqual Academy (SPA) Pilot Program, effective October 1, 2021.

On October 2019, San Diego County (the County) and California Department of Social Services (CDSS) executed a Memorandum of Understanding (MOU) that allowed New Alternatives to operate an educationally based residential program called the SPA Pilot Program.

As you are aware, AB 403 (Chapter 773, Statutes of 2015) codified the Continuum of Care Reform (CCR) Act, which advances California’s goal of reducing the use of long-term congregated care programs by emphasizing the importance youth residing in family settings. In situations in which the youth may need structure to heal from trauma or stabilize a crisis, residential programs were designed to be short-term with intensive integrated mental health services. The AB 403 eliminated the use of licensed group homes as a placement option for foster youth. Given SPA’s decision not to convert to a short term residential therapeutic program (STRTP) or any other licensing category available to foster youth, its educationally based residential program would have become unsustainable for foster care under CCR.

However, when AB 403 was signed into law, the California legislature included an uncodified section which permitted SPA to continue as a pilot for a residential educationally based model of care under specified conditions. Section 121 of AB 403 states that “notwithstanding the provisions of this act, on and after January 1, 2017, facilities with licensed capacity of 184 that were in operation prior to January 1, 2015, that offer placements for the purpose of attending an onsite high school, may continue to operate under an appropriate licensing category determined by CDSS as long as those facilities submit to the Department a transition plan describing how the program will comply with the provisions of this act, pursuant to a timeframe to be determined with the department.” The SPA Pilot was never intended to be a substitute for an STRTP. Rather, it was established to test out a model that centered around the concept of
creating a living community of support, while advancing relational permanency and promoting educational achievement.

The MOU for SPA provides its term “shall be from December 1, 2018, through December 2021, unless terminated earlier by operation of effect of federal or state law.” The MOU specifically anticipates an impact on the term resulting from the implementation of the Family First Prevention Services Act (FFPSA) Public Law 115-123 and provides for CDSS and the County to “jointly examine the viability and financial impact of FFPSA, of continuing the Pilot Program through the end of the term.” The MOU acknowledges that the implementation of the FFPSA will impact the ability to draw down Title IV-E funding should it be implemented by the State and provides for an amendment or termination of the MOU prior to the end of the term. Furthermore, the MOU provides that either CDSS or the County has the “right to terminate the MOU upon sixty (60) days prior written notice to the other.”

The California legislature is implementing FFPSA effective October 1, 2021. Conversations between the County and CDSS have determined that federal funding for the pilot will be unavailable following the implementation of FFPSA. Given the overall reduction in the county’s foster care population and the very limited number of appropriate referrals, it appears that continuation of the pilot is no longer viable or prudent. Therefore, the MOU is hereby terminated effective October 1, 2021. While only 60 days’ notice of termination is required under the MOU, CDSS is providing notice at this time to provide the County additional time to transition the foster youth participating in the pilot into suitable placements.

If you have any questions regarding this action, please do not hesitate to contact Cheryl Treadwell at 916-651-9152 or by email at cheryl.treadwell@dss.ca.gov.

Sincerely,

Gregory E. Rose
Deputy Director

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Julie Ann Queijo, CCLD
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