

August 29, 2023

Honorable Nancy Skinner, Chair  
Joint Legislative Budget Committee  
Senate Budget and Fiscal Review  
Committee

Honorable Phil Ting, Chair  
Assembly Budget Committee

Honorable Anthony Portantino, Chair  
Senate Appropriations Committee

Honorable Chris R. Holden, Chair  
Assembly Appropriations Committee

### **Section 28.00—Department of Public Health, Fiscal Year 2022-23 Budget Adjustment**

Pursuant to the provisions of Control Section 28.00, 2022 Budget Act, the following report is respectfully submitted.

The Department of Finance received the attached Control Section 28.00 application from the Department of Public Health, for the purpose of increasing expenditure authority in Item 4265-111-0890 by \$275,000,000 for Program 4045—Public and Environmental Health to spend the remaining portion of the Immunization and Vaccines for Children Grant awarded by the Centers for Disease Control. The additional funds will support any outstanding 2022-23 obligations.

The Department of Public Health received official notification of the availability of additional, unanticipated funds totaling \$357,026,000 from the Immunization and Vaccines for Children Grant on March 31, 2021. The department notified Finance within 45 days of this date. Finance sent a notification to the Joint Legislative Budget Committee on May 24, 2022, and subsequently increased the department's Federal Trust Fund expenditure authority in 2021-22 to reflect that the entire grant dollars would be spent in 2021-22. However, the grant funding was not ultimately fully spent in 2021-22. On July 12, 2023, the Department of Public Health notified the Department of Finance of the need to expend the remaining \$275,000,000 in grant funding in 2022-23. The timing of the request is associated with a department miscalculation of 2022-23 Federal Trust Fund expenditure authority.

Given the need for the department to liquidate the remainder of the federal funds by September 28, 2023, Finance is requesting a waiver of the 30-day notification period and is instead, requesting a 10-day notification period.

This request meets the following criteria, as required in subdivision (b) of Section 28.00:

- The funds will be expended to pay local health departments for work performed to assess and improve immunization rates against vaccine-preventable diseases, which is consistent with state law.

- The funds are made available to the state under conditions permitting their use only for the specified purpose, and the additional expenditure proposed would apply to this specified funding purpose.
- Acceptance of the additional funding does not impose on the state any requirement to commit or expend new state funds for any program or purpose.
- The need exists to liquidate the additional funding during the current fiscal year because the availability of federal funding expires September 28, 2023, and in the absence of increased expenditure authority in 2022-23, the department will be unable to pay outstanding invoices from local health jurisdictions.

If you have any questions or need additional information regarding this matter, please call Nina Hoang, Principal Program Budget Analyst, at (916) 445-6423.

JOE STEPHENSHAW  
Director  
By:



ERIKA LI  
Chief Deputy Director

Attachment

cc: Honorable Dr. Akilah Weber, Chair, Assembly Budget Subcommittee No. 1  
Honorable Caroline Menjivar, Chair, Senate Budget and Fiscal Review Subcommittee No. 3  
Honorable Roger W. Niello, Vice Chair, Senate Budget and Fiscal Review Committee  
Honorable Vince Fong, Vice Chair, Assembly Budget Committee  
Gabriel Petek, Legislative Analyst (3)  
Elisa Wynne, Staff Director, Senate Budget and Fiscal Review Committee  
Kirk Feely, Fiscal Director, Senate Republican Fiscal Office  
Christopher W. Woods, Senate President pro Tempore's Office (2)  
Christian Griffith, Chief Consultant, Assembly Budget Committee  
Joseph Shinstock, Fiscal Director, Assembly Republican Caucus, Office of Policy and Budget  
Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office  
Katja Townsend, Capitol Director, Assembly Republican Leader's Office  
Jason Sisney, Assembly Speaker's Office (2)  
Mark McKenzie, Staff Director, Senate Appropriations Committee  
Jay Dickenson, Chief Consultant, Assembly Appropriations Committee

*Please report dollars in thousands.*

<b>DEPARTMENT</b> California Department of Public Health (CDPH)	<b>ITEM NO./ FISCAL YEAR</b> 2022-23	<b>NOTIFICATION LETTER TO LEGISLATURE:</b> <input type="checkbox"/> 30-DAY NOTICE <input checked="" type="checkbox"/> REQUEST WAIVER OF 30-DAY NOTICE
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**PROGRAM TITLE PER GOVERNOR'S BUDGET:**

Center for Infectious Diseases

<b>FUNDING (SPECIFY FUND)</b>	<b>CURRENTLY BUDGETED</b>	<b>REQUESTED CHANGE (+) OR (-)</b>	<b>TOTAL</b>
4265-111-0890	1,265,919	275,000	1,540,919

(Check appropriate boxes)

- The funds will be expended for a purpose that is consistent with state law (explain use of funds in Part A below).
- The funds are made available to the state under conditions permitting their use only for a specified purpose, and the additional expenditure proposed under this section would apply to that specified funding purpose (as supported by explanation for the purpose of the funds).
- Acceptance of additional funding does not impose on the state any requirement to commit or expend new state funds for any program or purpose.
- The need exists to expend the additional funding during the current fiscal year (explain in Part B below).
- This application is provided to Finance within 45-days of official notice of receipt of funds.
- Explanation of delayed notification to Finance is attached (required if 45-day notification period is exceeded).
- A copy of the official notice of fund availability is attached to this application.
- One-time expenditure.
- Ongoing commitment from this source (if checked, explain under Program Proposal).
- Matching funds required (if checked, explain under Program Proposal).
- Expenditure either supplements or supplants an existing state-funded program (if checked, explain under Program Proposal).

**PART A: For what purpose will the funds be expended?**

FUNDS WILL BE USED TO PAY LOCAL HEALTH DEPARTMENTS' INVOICES FOR WORK PERFORMED IN 2022-23 TO ASSESS AND IMPROVE IMMUNIZATION RATES AGAINST VACCINE PREVENTABLE DISEASES WITHIN THEIR LOCAL HEALTH JURISDICTIONS.

**PART B: Explain the need to expend the funds in the current fiscal year, including the consequence of waiting until budget year to expend the funds:**

THIS IS A PAST-YEAR BUDGET REVISION REQUEST TO INCREASE AUTHORITY FOR FISCAL YEAR (FY) 2022-23. THE STATE HAS UNTIL SEPTEMBER 2023 TO DRAW DOWN THE FEDERAL FUNDING.

**PROGRAM PROPOSAL** (Attach additional information as necessary)

**TITLE:**  
IMMUNIZATIONS AND VACCINES FOR CHILDREN GRANT

**STATUTORY AUTHORITY:** (state, federal, as appropriate)  
**Control Section 28, Budget Act of 2022**

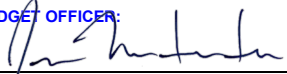


**DESCRIPTION:**

THE CALIFORNIA DEPARTMENT OF PUBLIC HEALTH (CDPH) WAS AWARDED THE IMMUNIZATIONS AND VACCINES FOR CHILDREN GRANT (CFDA # 93.268) FROM THE CENTERS FOR DISEASE CONTROL AND PREVENTION (CDC). OF THE FUNDING RECEIVED, \$141.5 MILLION IN AUTHORITY WAS NOT BUILT IN, AND \$133.5 MILLION IN AUTHORITY BUILT INTO FY 2021-22 WAS DISENCUMBERED.

CDPH IS SEEKING TO REESTABLISH AUTHORITY IN ORDER TO ENCUMBER FUNDS BEYOND THE CURRENT AUTHORITY, RESULTING IN A NEED TO INCREASE LOCAL ASSISTANCE AUTHORITY OF \$275 MILLION.

**JUSTIFICATION:**

ADDITIONAL FEDERAL TRUST FUND AUTHORITY WAS REQUESTED IN FY 2021-22 FOR THE INCREASES IN FEDERAL FUNDING FROM THE CDC. HOWEVER, THIS REQUEST DID NOT ACCURATELY REQUEST SUFFICIENT FEDERAL TRUST FUND AUTHORITY. ADDITIONALLY, FINAL INVOICES WERE RECEIVED AT THE END OF THE 2022 CALENDAR YEAR, BUT, DUE TO THE MISCALCULATION, EXISTING AUTHORITY WAS DISENCUMBERED. FEDERAL TRUST FUND AUTHORITY MUST BE BUILT INTO FY 2022-23 TO MEET CURRENT OBLIGATIONS TO LOCAL HEALTH DEPARTMENTS.

<b>SUBMITTED BY:</b>		<b>APPROVED BY DEPARTMENT OF FINANCE:</b>	
<b>BUDGET OFFICER:</b> 	<b>DATE:</b> 7/12/2023	<b>DATE SUBMITTED TO LEGISLATURE:</b> 8/29/23	
<b>DIRECTOR:</b> 	<b>DATE:</b> 7/12/2023	<b>PPBA:</b> 	<b>DATE:</b> 8/21/2023



**Recipient Information**

**1. Recipient Name**

California Department of Public Health  
1615 Capitol Ave  
California Department of Public Health  
Sacramento, CA 95814-5015  
[NO DATA]

**2. Congressional District of Recipient**

06

**3. Payment System Identifier (ID)**

1743204993A1

**4. Employer Identification Number (EIN)**

743204993

**5. Data Universal Numbering System (DUNS)**

799150615

**6. Recipient's Unique Entity Identifier**

**7. Project Director or Principal Investigator**

Ms. Maria Elena Volk  
Assistant Branch Chief  
MARIA.VOLK@CDPH.CA.GOV  
(510) 620-3748

**8. Authorized Official**

Dr. Karen Smith  
KAREN.SMITH@cdph.ca.gov  
916-449-5900

**Federal Agency Information**

CDC Office of Financial Resources

**9. Awarding Agency Contact Information**

Sharlene Sanders  
GMS  
qx12@cdc.gov  
678-475-4650

**10. Program Official Contact Information**

Divya Cassity  
PBEMB CoAg Specialist  
kyq4@cdc.gov  
404.718.8962

**Federal Award Information**

**11. Award Number**

6 NH23IP922612-02-04

**12. Unique Federal Award Identification Number (FAIN)**

NH23IP922612

**13. Statutory Authority**

Sections 317, 317(k)(2) of the Public Health Service Act (42 U.S.C. Sections 247b, 247b(k)(2) and 247c), as amended.

**14. Federal Award Project Title**

CDC-RFA-IP19-1901 Immunization and Vaccines for Children

**15. Assistance Listing Number**

93.268

**16. Assistance Listing Program Title**

Immunization Cooperative Agreements

**17. Award Action Type**

Supplement

**18. Is the Award R&D?**

No

**Summary Federal Award Financial Information**

**19. Budget Period Start Date** 07/01/2020 - **End Date** 06/30/2021

**20. Total Amount of Federal Funds Obligated by this Action** \$357,026,635.00

20a. Direct Cost Amount \$357,026,635.00

20b. Indirect Cost Amount \$0.00

**21. Authorized Carryover** \$596,980.00

**22. Offset** \$0.00

**23. Total Amount of Federal Funds Obligated this budget period** \$443,744,881.00

**24. Total Approved Cost Sharing or Matching, where applicable** \$0.00

**25. Total Federal and Non-Federal Approved this Budget Period** \$800,771,516.00

**26. Project Period Start Date** 07/01/2019 - **End Date** 06/30/2024

**27. Total Amount of the Federal Award including Approved Cost Sharing or Matching this Project Period** \$857,720,195.00

**28. Authorized Treatment of Program Income**

ADDITIONAL COSTS

**29. Grants Management Officer - Signature**

Freda Johnson

**30. Remarks**

This funding is related to the activities under COVID-19 Vaccination Supplement 4 (April 2021)



<b>Recipient Information</b>
<b>Recipient Name</b> California Department of Public Health 1615 Capitol Ave California Department of Public Health Sacramento, CA 95814-5015 [NO DATA]
<b>Congressional District of Recipient</b> 06
<b>Payment Account Number and Type</b> 1743204993A1
<b>Employer Identification Number (EIN) Data</b> 743204993
<b>Universal Numbering System (DUNS)</b> 799150615
<b>Recipient's Unique Entity Identifier</b> Not Available
<b>31. Assistance Type</b> Cooperative Agreement
<b>32. Type of Award</b> Demonstration

<b>33. Approved Budget</b> (Excludes Direct Assistance)	
I. Financial Assistance from the Federal Awarding Agency Only	
II. Total project costs including grant funds and all other financial participation	
<b>a. Salaries and Wages</b>	\$1,937,182.00
<b>b. Fringe Benefits</b>	\$1,017,876.00
<b>c. Total Personnel Costs</b>	\$2,955,058.00
<b>d. Equipment</b>	\$0.00
<b>e. Supplies</b>	\$1,169,849.00
<b>f. Travel</b>	\$84,245.00
<b>g. Construction</b>	\$0.00
<b>h. Other</b>	\$719,237,696.00
<b>i. Contractual</b>	\$77,336,521.00
<b>j. TOTAL DIRECT COSTS</b>	<b>\$800,783,369.00</b>
<b>k. INDIRECT COSTS</b>	<b>\$585,127.00</b>
<b>l. TOTAL APPROVED BUDGET</b>	<b>\$801,368,496.00</b>
<b>m. Federal Share</b>	<b>\$801,368,496.00</b>
<b>n. Non-Federal Share</b>	<b>\$0.00</b>

<b>34. Accounting Classification Codes</b>					
FY-ACCOUNT NO.	DOCUMENT NO.	ADMINISTRATIVE CODE	OBJECT CLASS	AMT ACTION FINANCIAL ASSISTANCE	APPROPRIATION
1-9390GKL	20NH23IP922612C5	IP	41.51	\$153,521,453.00	75-2124-0943
1-9390GWA	20NH23IP922612C6	IP	41.51	\$203,505,182.00	75-X-0943



**DEPARTMENT OF HEALTH AND HUMAN SERVICES** Notice of Award

Centers for Disease Control and Prevention

Award# 6 NH23IP922612-02-04

FAIN# NH23IP922612

Federal Award Date: 03/31/2021

**Direct Assistance**

BUDGET CATEGORIES	PREVIOUS AMOUNT (A)	AMOUNT THIS ACTION (B)	TOTAL (A + B)
Personnel	\$0.00	\$0.00	\$0.00
Fringe Benefits	\$0.00	\$0.00	\$0.00
Travel	\$0.00	\$0.00	\$0.00
Equipment	\$0.00	\$0.00	\$0.00
Supplies	\$0.00	\$0.00	\$0.00
Contractual	\$0.00	\$0.00	\$0.00
Construction	\$0.00	\$0.00	\$0.00
Other	\$0.00	\$0.00	\$0.00
Total	\$0.00	\$0.00	\$0.00

# AWARD ATTACHMENTS

California Department of Public Health

6 NH23IP922612-02-04

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1. Terms and Conditions



## ADDITIONAL TERMS AND CONDITIONS OF AWARD

**Incorporation:** In addition to the federal laws, regulations, policies, and CDC General Terms and Conditions for Non-research awards at <https://www.cdc.gov/grants/federalregulationspolicies/index.html>, the Centers for Disease Control and Prevention (CDC) hereby incorporates Notice of Funding Opportunity (NOFO) number IP19- 1901, entitled, *Immunization and Vaccines for Children*, which are hereby made a part of this Non-research award, hereinafter referred to as the Notice of Award (NoA).

**Supplemental Component Funding:** Additional funding in the amount \$357,026,635 is approved for the Year 02 budget period, which is July 1, 2020 through June 30, 2021.

**Recipients have until June 30, 2024 to expend all COVID-19 funds herein and previously funded.**

**Overtime:** Because overtime costs are a very likely and reasonable expense during the response to COVID-19, CDC will allow recipients to include projected overtime in their budgets. Recipients should be careful to estimate costs based on current real-time needs and will still be required to follow federal rules and regulations in accounting for the employees' time and effort.

**Coronavirus Disease 2019 (COVID-19) Funds:** A recipient of a grant or cooperative agreement awarded by the Department of Health and Human Services (HHS) with funds made available under the Coronavirus Preparedness and Response Supplemental Appropriations Act, 2020 (P.L. 116-123); the Coronavirus Aid, Relief, and Economic Security Act, 2020 (the "CARES Act") (P.L. 116-136); the Paycheck Protection Program and Health Care Enhancement Act (P.L. 116-139); and/or the Consolidated Appropriations Act, 2021, Division M - Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (P.L. 116-260), the American Rescue Plan Act of 2021 (P.L. 117-2) agrees, as applicable to the award, to: 1) comply with existing and/or future directives and guidance from the Secretary regarding control of the spread of COVID-19; 2) in consultation and coordination with HHS, provide, commensurate with the condition of the individual, COVID-19 patient care regardless of the individual's home jurisdiction and/or appropriate public health measures (e.g., social distancing, home isolation); and 3) assist the United States Government in the implementation and enforcement of federal orders related to quarantine and isolation.

In addition, to the extent applicable, Recipient will comply with Section 18115 of the CARES Act, with respect to the reporting to the HHS Secretary of results of tests intended to detect SARS- CoV-2 or to diagnose a possible case of COVID-19. Such reporting shall be in accordance with guidance and direction from HHS and/or CDC. HHS laboratory reporting [guidance](https://www.hhs.gov/sites/default/files/covid-19-laboratory-data-reporting-guidance.pdf) is posted at: <https://www.hhs.gov/sites/default/files/covid-19-laboratory-data-reporting-guidance.pdf>.

Further, consistent with the full scope of applicable grant regulations (45 C.F.R. 75.322), the purpose of this award, and the underlying funding, the recipient is expected to provide to CDC copies of and/or access to COVID-19 data collected with these funds, including but not limited to data related to COVID-19 testing. CDC will specify in further guidance and directives what is encompassed by this requirement.

**Unallowable Costs:**

- Research
- Clinical care
- Publicity and propaganda (lobbying):
  - Other than for normal and recognized executive-legislative relationships, no funds may be used for:
    - publicity or propaganda purposes, for the preparation, distribution, or use of any material designed to support or defeat the enactment of legislation before any legislative body
    - the salary or expenses of any grant or contract recipient, or agent acting for such recipient, related to any activity designed to influence the enactment of legislation, appropriations, regulation, administrative action, or Executive order proposed or pending before any legislative body
  - See Additional Requirement (AR) 12 for detailed guidance on this prohibition and additional guidance on lobbying for CDC recipients:  
[https://www.cdc.gov/grants/documents/Anti-Lobbying\\_Restrictions\\_for\\_CDC\\_Grantees\\_July\\_2012.pdf](https://www.cdc.gov/grants/documents/Anti-Lobbying_Restrictions_for_CDC_Grantees_July_2012.pdf)
- All unallowable costs cited in CDC-RFA-IP19-1901 remain in effect, unless specifically amended in this guidance, in accordance with 45 CFR Part 75 - Uniform Administrative Requirements, Cost Principles, And Audit Requirements for HHS Awards.

**COVID-19 Funding Budget Revision Requirement:** The recipient must submit a revised budget with a narrative justification within 60 days of receipt of the Notice of Award. If the date falls on a weekend or holiday, the submission will be due the following business day. Failure to submit the required information in a timely manner may adversely affect the future funding of this project. If the information cannot be provided by the due date, you are required to contact the GMS/GMO identified in the Awarding Agency Contact Information section on the first page before the due date.

<b>REPORTING REQUIREMENTS</b>
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**Required Disclosures for Federal Awardee Performance and Integrity Information System (FAPIS):** Consistent with 45 CFR 75.113, applicants and recipients must disclose in a timely manner, in writing to the CDC, with a copy to the HHS Office of Inspector General (OIG), all information related to violations of federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the federal award. Subrecipients must disclose, in a timely manner in writing to the prime recipient (pass through entity) and the HHS OIG, all information related to violations of federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the federal award. Disclosures must be sent in writing to the CDC and to the HHS OIG at the following addresses:

CDC, Office of Grants Services  
Wayne Woods, Grants Management Specialist Centers for Disease Control and Prevention  
Branch 1  
2939 Flowers Road, MS-TV-2 Atlanta, GA 30341  
Email: [kuv1@cdc.gov](mailto:kuv1@cdc.gov) (Include "Mandatory Grant Disclosures" in subject line)

**AND**

U.S. Department of Health and Human Services Office of the Inspector General  
ATTN: Mandatory Grant Disclosures, Intake Coordinator 3301 Independence Avenue, SW  
Cohen Building, Room 5527 Washington, DC 20201  
Fax: (202)-205-0604 (Include "Mandatory Grant Disclosures" in subject line) or Email:  
[MandatoryGranteeDisclosures@oig.hhs.gov](mailto:MandatoryGranteeDisclosures@oig.hhs.gov)

Recipients must include this mandatory disclosure requirement in all subawards and contracts under this award.

Failure to make required disclosures can result in any of the remedies described in 45 CFR 75.371. Remedies for noncompliance, including suspension or debarment (See 2 CFR parts 180 and 376, and 31 U.S.C. 3321).

CDC is required to report any termination of a federal award prior to the end of the period of performance due to material failure to comply with the terms and conditions of this award in the OMB-designated integrity and performance system accessible through SAM (currently FAPIIS). (45 CFR 75.372(b)) CDC must also notify the recipient if the federal award is terminated for failure to comply with the federal statutes, regulations, or terms and conditions of the federal award. (45 CFR 75.373(b))

#### **PAYMENT INFORMATION**

*The HHS Office of the Inspector General (OIG) maintains a toll-free number (1-800-HHS-TIPS [1- 800-447-8477]) for receiving information concerning fraud, waste, or abuse under grants and cooperative agreements. Information also may be submitted by e-mail to [hhtips@oig.hhs.gov](mailto:hhtips@oig.hhs.gov) or by mail to Office of the Inspector General, Department of Health and Human Services, Attn: HOTLINE, 330 Independence Ave., SW, Washington DC 20201. Such reports are treated as sensitive material and submitters may decline to give their names if they choose to remain anonymous.*

**Payment Management System Subaccount:** Funds awarded in support of approved activities have been obligated in a subaccount in the PMS, herein identified as the "P Account". Funds must be used in support of approved activities in the NOFO and the approved application.

The grant document number identified on the bottom of **Page 2** of the Notice of Award must be known to draw down funds.

**Stewardship:** The recipient must exercise proper stewardship over Federal funds by ensuring that all costs charged to your cooperative agreement are allowable, allocable, and reasonable and that they address the highest priority needs as they relate to this program.

All the other terms and conditions issued with the original award remain in effect throughout the budget period unless otherwise changed, in writing, by the Grants Management Officer.