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SERVICES

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA  
SAN FRANCISCO DIVISION

E-filing

VRW

CV 09 4398

CALIFORNIA ALLIANCE OF CHILD AND  
FAMILY SERVICES,  
  
Plaintiff,  
  
v.  
  
JOHN WAGNER, Director of the California  
Department of Social Services, in his official  
capacity; GREGORY ROSE, Deputy Director of  
the Children and Family Services Division of the  
California Department of Social Services, in his  
official capacity,  
  
Defendants.

No.  
  
**DECLARATION OF CHRIS  
STONER-MERTZ IN SUPPORT OF  
PLAINTIFF CALIFORNIA  
ALLIANCE OF CHILD AND  
FAMILY SERVICES' EX PARTE  
APPLICATION FOR TEMPORARY  
RESTRAINING ORDER AND  
ORDER SHOWING CAUSE  
REGARDING PRELIMINARY  
INJUNCTION**

1 I, Chris Stoner-Mertz, declare as follows:

2 1 I am a resident of the State of California and am over the age of 18. I am  
3 submitting this declaration in support of California Alliance of Child and Family Services'  
4 Temporary Restraining Order Application. Each of the facts stated herein are based on my  
5 personal knowledge unless I state that I know that information based on information and belief.

6 2. I am currently the President and CEO of Lincoln Child Center. I have held these  
7 positions for approximately three and a half years. As President and CEO, my duties include  
8 oversight of the facility's budget and finances.

9 3. Lincoln Child Center was founded in 1883 as an orphanage and is now a licensed  
10 group home for children. The children for whom we provide services range in age from six to  
11 fourteen and are classified as severely emotionally disturbed.

12 4. The majority of Lincoln Child Center's funding comes from the California  
13 Department of Social Services ("DSS"), which makes foster care maintenance payments as is  
14 required under the federal Child Welfare Act and California's Welfare and Institutions Code.  
15 Initially, DSS payments made up one-hundred percent of our budget. Currently, those payments  
16 make up approximately seventy percent of our budget. In order to staff the facility at the level  
17 necessary to serve the most challenging children in the system, we obtain the remainder of our  
18 funds from the counties that we serve.

19 5. The foster care maintenance payments that Lincoln Child Center receives from  
20 DSS are used to provide the most basic necessities to the foster care children we serve. Among  
21 other things, we use the funds to provide food, shelter, daily supervision, school supplies and  
22 many other essential items as required under the federal Child Welfare Act and California  
23 Welfare and Institutions Code.

24 6. In recent years, the cost of providing the basic necessities required under the  
25 federal Child Welfare Act and California Welfare and Institutions Code has increased  
26 significantly. At the same time, the reimbursement rates have remained almost the same. As a  
27 result, the reimbursement rates from DSS no longer cover the cost of providing the required  
28 basic necessities to the foster care children at Lincoln Child Center. Unfortunately, this has led

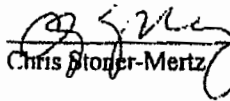
1 us to reduce the size of our program. Within the past three years, we have reduced the number of  
2 beds at our facility from fifty-two to sixteen. This reduction in our program size has limited the  
3 number of children with severe emotional disturbances that can receive the high level of care and  
4 treatment we provide at our facility. As a result, children who require these services are limited  
5 to less attractive or more restrictive placement options.

6 7. I am informed and believe that in July 2009, the State of California passed its  
7 new budget for 2009 (the "2009 Budget"). The 2009 Budget includes a ten percent reduction in  
8 the DSS reimbursement rates for foster care maintenance payments.

9 8. The 2009 Budget's ten percent reduction in DSS reimbursement rates will further  
10 increase the gap between, on the one hand, the amount necessary to provide the required basic  
11 necessities under the Child Welfare Act and, on the other hand, the amount Lincoln Child Center  
12 actually receives from DSS. This reduction will significantly affect Lincoln Child Center and  
13 the foster children under our care. Unless the counties that we serve are able to fill the revenue  
14 gap caused by these cuts, we will likely have to close the program.

15 I declare under penalty of perjury under the laws of the United States of America  
16 that the foregoing is true and correct.

17 Executed on July 27, 2009, at Oakland, California.

18  
19   
20 Chris Stoner-Mertz