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## Local Commissioners Memorandum

<b>Transmittal:</b>	07-LCM-05
<b>To:</b>	Local District Commissioners
<b>Issuing Division/Office:</b>	Office of Budget, Finance and Data Management
<b>Date:</b>	June 25, 2007
<b>Subject:</b>	Local Administration Fund Allocations 2007-2008
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<b>Attachments:</b>	Attachment 1: 2007-08 Local Administration Fund Base Allocations and Work Incentive Fund Allocations
<b>Attachment Available On – Line:</b>	Yes

### I. Purpose

The purpose of this Local Commissioners Memorandum is to publish the Local Administration Fund (LAF) allocation for each local social services district. The LAF was appropriated as part of the budget enacted for State Fiscal Year (SFY) April 2007-March 2008. (See Chapter 53 of the Laws of 2007.)

### II. Background

The LAF replaced the State share administrative cap which had been in existence since State Fiscal Year 1989-90. The LAF is intended to provide local district flexibility, reward efficiencies, and eliminates the administrative cap exempt area plan process which was cumbersome and slow. The 2007-08 LAF is funded at \$322 million including the Work Incentive Funds.

The LAF applies to the State share of costs for the following functional areas: Temporary Assistance, Food Stamps, Employment (including Food Stamp Employment and Training), and Fraud and Abuse activities allocated to Temporary Assistance and Food Stamps. Please also note that Food Stamp Employment and Training includes participant reimbursement and

dependent care costs. The LAF also includes the State share of Domestic Violence Liaison costs and Drug/Alcohol assessment and screening costs for Safety Net Assistance recipients. Medicaid administrative costs are not part of the LAF but are subject to the local share cap on Medicaid.

### **III. Program Implications**

The 2007-08 Local Administration Fund provides a total of \$322 million of State funds to local social services districts. Of this amount \$310.6 million is a “Base” allocation to provide reimbursement for the program categories identified above. As first instituted in 2005-06, county performance was considered in the development of the allocations and although a heavier weighting on that performance was considered, it was determined most appropriate for the 2007-08 time period to maintain allocations at the 2006-07 level, in order to provide local districts consistent funding for State Fiscal Year 2007-08 and to allow districts to focus on the work participation requirements imposed under TANF reauthorization.

Note: Counties should be aware that prospectively the integration of performance factors into the calculation of the LAF allocations may take on a greater weighting factor and seek to reward districts who have met higher performance standards.

#### Work Incentive Funding

In addition to the Base funding, local districts will be eligible to receive a total of \$11.4 million in “Work Incentive Funds.” These funds are provided to support district efforts to engage parents in work and to reward districts that achieve high performance standards. As required by subdivision 17 of section 153 of the Social Services Law, counties achieving at least a rate of 50% work participation in each of the following two categories will earn these funds: TANF-funded assistance cases and MOE-funded Safety Net Families. The amount of Work Incentive Funds for each category is displayed on the allocation chart that accompanies this transmittal. These are the two categories now required under TANF to achieve a work participation rate of at least 50% to comply with the combined federal “All Families” work requirements effective October 1, 2006. The methodology used to allocate the \$11.4 million in work incentive funds is the same as was used to distribute the base level of LAF funding.

OTDA will advance only the “Base” portion of the appropriation for the first ten months of the State Fiscal Year. Districts that achieve the 50% rate will be paid their earned Work Incentive Fund allocation during the January – March 2008 quarter as a bottom line adjustment on the RF-2/2A State settlement. If one category is achieved but not the other, only funds in the category achieved will be paid. The determination of whether a district achieved the required participation rates will be based on the respective monthly average participation rate for the period October 2006 through September 2007.

It is recommended that each district plan to achieve work participation rates for TANF and MOE cases of at least 50%. However, it should be noted that consistent with federal guidance, districts will have the 50% rate requirement reduced to the extent of the OTDA estimated statewide caseload reduction credit based upon caseload decline achieved between FFY 2005 and FFY 2006 that will be applied by the federal government to New York’s statewide required rate. For example, the caseload reduction credit applied to the October 2006 through September

2007 work participation rate is currently estimated to be 6.7%, meaning that if a district achieves a work participation rate of 43.3% for either the TANF or SN MOE population it will have achieved that required rate. New York's actual caseload reduction credit is not yet known as the current estimate is subject to federal review and approval.

Although districts are not required to spend the incentive funds on employment services, it is recommended that each district ensure that sufficient resources through LAF, the Flexible Fund for Family Services (FFFS) and other sources are directed as needed to achieve the 50% work participation rate requirements.

#### **IV. Additional Information**

The LAF covers local district claims for calendar year 2007 and any supplemental claims that are submitted by February 4, 2008. As in the past, the allocation will be paid out as bottom line payments on the districts' claims settlements.

**Issued By**

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**Division/Office:** Office of Budget, Finance and Data Management

**2007-08 Local Administration Fund Base Allocations and Work Incentive Fund Allocations**

Districts	LAF Base Allocations	Work Incentive Allocations		Total
		TANF Rate	SNA MOE Rate	
ALBANY	4,158,814	76,321	76,321	4,311,456
ALLEGANY	711,884	13,064	13,064	738,012
BROOME	2,923,010	53,642	53,642	3,030,294
CATTARAUGUS	1,031,267	18,926	18,925	1,069,118
CAYUGA	901,327	16,541	16,541	934,409
CHAUTAUQUA	1,803,612	33,099	33,099	1,869,810
CHEMUNG	1,019,257	18,705	18,705	1,056,667
CHENANGO	364,003	6,680	6,680	377,363
CLINTON	1,051,917	19,305	19,304	1,090,526
COLUMBIA	515,975	9,469	9,469	534,913
CORTLAND	685,395	12,578	12,578	710,551
DELAWARE	488,976	8,974	8,973	506,923
DUTCHESS	1,551,517	28,473	28,473	1,608,463
ERIE	14,506,850	266,223	266,224	15,039,297
ESSEX	390,496	7,166	7,166	404,828
FRANKLIN	669,813	12,292	12,292	694,397
FULTON	644,133	11,821	11,821	667,775
GENESEE	573,118	10,517	10,518	594,153
GREENE	502,927	9,229	9,230	521,386
HAMILTON	30,283	555	556	31,394
HERKIMER	542,556	9,957	9,957	562,470
JEFFERSON	1,042,990	19,141	19,140	1,081,271
LEWIS	242,440	4,449	4,449	251,338
LIVINGSTON	798,604	14,656	14,655	827,915
MADISON	311,578	5,718	5,718	323,014
MONROE	6,678,165	122,555	122,555	6,923,275
MONTGOMERY	401,072	7,360	7,361	415,793
NASSAU	6,554,040	120,277	120,277	6,794,594
NIAGARA	2,396,250	43,975	43,975	2,484,200
ONEIDA	3,180,597	58,369	58,369	3,297,335
ONONDAGA	7,225,515	132,600	132,599	7,490,714
ONTARIO	762,513	13,993	13,994	790,500
ORANGE	3,597,814	66,026	66,025	3,729,865
ORLEANS	438,460	8,046	8,047	454,553
OSWEGO	1,435,519	26,344	26,344	1,488,207
OTSEGO	342,575	6,287	6,287	355,149
PUTNAM	481,083	8,829	8,828	498,740
RENSSELAER	1,064,020	19,526	19,527	1,103,073
ROCKLAND	3,987,335	73,174	73,174	4,133,683
ST.LAWRENCE	1,845,079	33,860	33,860	1,912,799
SARATOGA	696,866	12,789	12,788	722,443
SCHENECTADY	1,679,937	30,830	30,829	1,741,596
SCHOHARIE	344,477	6,321	6,322	357,120
SCHUYLER	174,916	3,210	3,210	181,336
SENECA	286,731	5,262	5,262	297,255
STEUBEN	1,137,627	20,878	20,877	1,179,382
SUFFOLK	13,980,246	256,559	256,560	14,493,365
SULLIVAN	906,756	16,640	16,641	940,037
TIOGA	573,087	10,517	10,517	594,121
TOMPKINS	814,195	14,942	14,942	844,079
ULSTER	1,293,832	23,744	23,744	1,341,320
WARREN	406,906	7,468	7,467	421,841
WASHINGTON	507,537	9,314	9,314	526,165
WAYNE	639,130	11,729	11,729	662,588
WESTCHESTER	12,065,173	221,415	221,415	12,508,003
WYOMING	262,755	4,822	4,822	272,399
YATES	209,762	3,849	3,850	217,461
<b>TOTAL UPSTATE</b>	<b>113,832,712</b>	<b>2,089,011</b>	<b>2,089,011</b>	<b>118,010,734</b>
<b>NEW YORK CITY</b>	<b>196,767,288</b>	<b>3,610,989</b>	<b>3,610,989</b>	<b>203,989,266</b>
<b>STATEWIDE</b>	<b>310,600,000</b>	<b>5,700,000</b>	<b>5,700,000</b>	<b>322,000,000</b>