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| LOCAL COMMISSIONERS MEMORANDUM |  
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DSS-4037EL (Rev. 9/89)

Transmittal No: 96 LCM-95

Date: October 11, 1996

Division: Services & Community  
Development

TO: Local District Commissioners

SUBJECT: Preventive Services: Preventive Services Maintenance of Effort  
(MOE) Requirement

ATTACHMENTS: Social Services Districts' Preventive Services MOE  
Amounts SFY 1996-97 (Available on line)

The purpose of this memorandum is to advise social services districts of the State fiscal year (SFY) 1996-97 Preventive Services Maintenance of Effort (MOE) amounts which have been reduced due to reductions in federal Title XX funding allocations to the districts. In addition, this memorandum will advise districts on the changes made by Chapter 309 of the Laws of 1996 to the way in which reductions will be made to a social services district's Family and Children's Services Block Grant allocation if the district fails to meet its Preventive Services MOE requirement.

Preventive Services MOE Amounts

As noted in 95 LCM-123, Section 153-i of the Social Services Law (SSL) included a provision that established the Preventive Services MOE requirement for the Family and Children's Services Block Grant. Under this requirement, each social services district must maintain its Preventive Services expenditures in each SFY at 80% of the amount it expended in Federal fiscal year (FFY) 1993-94 unless a waiver or reduction of its MOE amount has been approved by the Department. A social services district's Preventive Services MOE amount is based on the district's expenditures for all Preventive Services from state and local funds and federal Title XX funds for FFY 1993-94, exclusive of in-kind and indirect services and non-tax levy funds. A social services district that spends less than its Preventive Services MOE amount and does not receive a reduction or waiver of the Preventive Services MOE requirement will have its Family and Children's Services Block Grant allocation reduced by the amount that the district's Preventive Services expenditures fall short of the required MOE amount.

Section 153-i also provides that the MOE requirement shall be reduced by the amount by which federal funding available under Title XX of the federal Social Security Act to the district for Preventive Services is reduced. A reduction in Title XX funding occurred for FFY 1995-96. Districts were advised of their revised (reduced) Title XX allocations in 96 LCM-63 (July 12, 1996). These allocations apply to SFY 96-97 and will affect the SFY 96-97 Preventive Services MOE amounts.

The MOE amounts for each district for SFY 96-97 have been calculated by taking the 24% of each district's FFY 93-94 Title XX allocation which was required to be made available for Preventive Services and 24% of the district's FFY 95-96 Title XX allocation (this being the equivalent of the Title XX amount "available" for Preventive Services) and subtracting the 95-96 amount from the 93-94 amount. The result is the amount by which the district's SFY 1996-97 Preventive Services MOE amount is reduced.

Taking Albany County as an example, the calculation works out as follows:

FFY 93-94 Title XX Allocation	2,387,428
24% of 93-94 Allocation	572,983
FFY 95-96 Title XX Allocation	2,000,334
24% of 95-96 Allocation	480,080
Difference 93-94 minus 95-96	92,903
Preventive Services MOE (93-94 Base)	5,905,588
96-97 Preventive MOE Amount	5,812,685

The same method has been used for each of the single-county social services districts and for New York City, except for Hamilton County which must be computed separately. Attached to this memorandum is a chart that lists the Preventive Services MOE amounts for each social services district for SFY 1996-97 as revised to reflect the Title XX reduction.

NOTE: 95 LCM-123 remains in effect to define what is included in the Preventive Services MOE and to set out each social services district's Preventive Services MOE amount for SFY 1995-96.

#### Block Grant Allocation Reductions for MOE Deficiencies

As noted above, the MOE provisions would require the Department to reduce a social services district's Family and Children's Services Block Grant allocation when the district fails to meet its Preventive Services MOE requirement. Initially, this would have required a reduction by the full amount of a district's MOE deficiency. However, Chapter 309 of the Laws of 1996 amended Section 153-i of the SSL to revise the basis on which social services districts' block grant allocations will be reduced because of failure to meet the Preventive Services MOE requirements. The amendments establish significantly reduced graduated penalties based on the districts' populations, instead of dollar for dollar penalties, for failure to meet the MOE requirements in State fiscal years 1995-96 and 1996-97.

Under the revised formula, a social services district's Family and Children's Services Block Grant allocation in SFY 1996-97 and SFY 1997-98

will be reduced by a percentage of the amount by which the district's expenditures for Preventive Services from State and local funds and from Federal funds under Title XX of the Federal Social Security Act for the previous SFY, exclusive of in-kind and indirect services and non-tax levy funds, is less than the district's MOE requirement. The percentage formulas are based on a social services district's total population.

For SFY 1996-97, the percentage reductions are as follows:

Social Services District Total Population	Percentage Reduction
0 to 100,000	0%
100,001 to 200,000	25%
Over 200,000	50%

These percentage reductions will apply to the amount by which a district's Preventive Services expenditures for SFY 1995-96 were less than the district's Preventive Services MOE requirement.

For SFY 1997-98, the percentage reductions will be made as follows:

Social Services District Total Population	Percentage Reduction
0 to 100,000	10%
100,001 to 200,000	35%
Over 200,000	65%

These percentage reductions will apply to the amount by which a district's Preventive Services expenditures for SFY 1996-97 are less than the district's Preventive Services MOE requirement.

For SFY 1998-99 and beyond, a district's Family and Children's Services Block Grant allocation will be reduced by the full amount by which the district failed to meet its Preventive Services MOE amount in the previous SFY.

MOE Amount Waiver/Reduction

Districts will be advised annually by letter of any deficiency in meeting their Preventive Services MOE, of its potential impact on the district's Family and Children's Services Block Grant allocation for the subsequent SFY, and of the district's opportunity to mitigate any such block grant allocation reduction by applying for a waiver or reduction of its Preventive Services MOE amount.

Chapter 309 of the Laws of 1996 retains the provision in Section 153-i of the SSL under which the Department may waive or reduce the district's MOE amount upon a demonstration by the district that a substantial change in circumstances results in the MOE requirement causing a substantial risk of

harm to the health and safety of the children in the district. Regulations establishing criteria for requesting a waiver or reduction of a district's Preventive Services MOE amount based on such a substantial change in circumstances are in development. The proposed regulations will be published in the New York State Register for public comment as soon as the statutory clearance and publication process is completed.

No waiver or reduction request will be accepted or acted upon until the waiver/reduction regulations are officially adopted and implementation procedures are completed and disseminated to all social services districts.

Questions/Inquiries

If you have any questions regarding the policy or procedure issues addressed in this LCM, please contact your area Regional Office of the Division of Services and Community Development:

Albany	William McLaughlin	518-432-2751, 0FN010
Syracuse	Jack Klump	315-423 1200, 89W005
Rochester	Linda Kurtz	716-238-8201, 0FH010
Buffalo	Linda Brown	716-847-3145, 89D421
Metro	Fred Levitan	212-383-1788, 72W035

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Rose M. Pandozy  
Deputy Commissioner

SFY 1996-97 PREVENTIVE SERVICES MOE AMOUNTS

<u>Social Services District</u>	<u>MOE Amount</u>
Albany	5,812,685
Allegany	277,921
Broome	2,376,267
Cattaraugus	346,562
Cayuga	210,247
Chautauqua	846,643
Chemung	489,601
Chenango	174,026
Clinton	684,284
Columbia	178,374
Cortland	710,528
Delaware	854,949
Dutchess	968,094
Erie	6,020,511
Essex	266,359
Franklin	294,914
Fulton	365,304
Genesee	373,474
Greene	95,259
Hamilton	1,882
Herkimer	481,177
Jefferson	346,691
Lewis	79,336
Livingston	308,081
Madison	416,287
Monroe	8,704,639
Montgomery	185,949
Nassau	1,917,194
Niagara	562,643
Oneida	2,495,245
Onondaga	6,482,526
Ontario	273,897
Orange	2,667,145
Orleans	258,838
Oswego	1,111,923
Otsego	714,587
Putnam	331,546
Rensselaer	835,760
Rockland	3,584,349
St. Lawrence	371,220
Saratoga	291,473
Schenectady	4,209,857
Schoharie	152,022
Schuyler	76,016
Seneca	414,584
Steuben	854,143
Suffolk	2,761,386
Sullivan	1,582,735
Tioga	365,566
Tompkins	630,421
Ulster	2,392,606
Warren	328,625
Washington	361,408
Wayne	384,707
Westchester	6,660,949
Wyoming	164,630
Yates	79,937