

OFFICE OF TEMPORARY AND DISABILITY ASSISTANCE

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| LOCAL COMMISSIONERS MEMORANDUM |
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OTDA-4037EL (Rev. 11/98)

Transmittal No: 99 LCM-29

Date: September 28, 1999

Division: OBF&DM

TO: Local District Commissioners

SUBJECT: TANF MOE Expenditures

ATTACHMENTS: Attachment I - Potential MOE Countables (Available On-Line)

The purpose of this LCM is to provide guidance to local districts on claiming expenditures that qualify for TANF Maintenance of Effort (MOE). As you are aware, for the Federal Fiscal Year ending 9/30/99, the State, based on current projections will be deficient in meeting MOE requirements as explained in 99 LCM-14.

State agencies and local district staff have been working together to identify potential expenditures that may qualify toward the State's MOE.

Requirements

Under the Federal TANF legislation the TANF program has the following purposes:

(a) Provide assistance to needy families so that children may be cared for in their own homes or in the homes of relatives;

(b) End the dependence of needy parents on government benefits by promoting job preparation, work, and marriage;

(c) Prevent and reduce the incidence of out-of-wedlock pregnancies and establish annual numerical goals for preventing and reducing the incidence of these pregnancies; and

(d) Encourage the formation and maintenance of two-parent families.

For expenditures that count or do not count toward MOE, local districts must refer to the attachment "Helping Families Achieve Self-Sufficiency" to 99 LCM-14. Examples of activities, as well as the guidelines for allowable/unallowable expenditures, are discussed beginning on page 9.

Claiming Eligible Expenditures

For new program activity expenditures that do not fall within the parameters of the RF2 or RF2a claiming process, local districts should report eligible MOE expenditures on the LDSS-3922 Financial Summary for Special Projects claim form. For MOE related submissions via RF2 or RF2a expenditures, the comment field should be labeled TANF MOE. Depending upon the nature of the expenditure, the "claims" submitted may not be reimbursed, but only used to report MOE eligibility. Locals need to exercise discretion in recording these claims as revenue.

On the LDSS-3922, the project name should be TANF MOE and the expenditures should be reported in the total expenditure column. Also indicate if any State share reimbursement was paid (including from another State agency) and the local share. Any programs that already receive non-TANF Federal funding that requires a State/local match, would not be eligible for MOE. Local social service districts should not investigate or report programs that already receive non-TANF Federal funding. The period of the local expenditure must be between October 1, 1998 - September 30, 1999.

IN ADDITION TO THE RF2 or 2a, LDSS-3922 CLAIM FORM, LOCAL DISTRICTS MUST INCLUDE THE ATTACHMENT TO THIS LCM FOR EACH PROGRAM REPORTED WITH THEIR CLAIM. THE ATTACHMENT HELPS TO EXPLAIN THE NATURE OF THE EXPENDITURE, THE POPULATION THAT IS TARGETED FOR THE PROGRAM, THE DOCUMENTATION THAT SUPPORTS THE EXPENDITURE (E.G. CLIENT SPECIFIC LISTINGS, WHICH AGENCY AT THE COUNTY LEVEL HAS THE DOCUMENTATION, AND ANY OTHER INFORMATION THAT WILL HELP STATE AGENCIES EVALUATE WHETHER THE EXPENDITURE QUALIFIES FOR MOE).

In order to be able to include appropriate claims to the Federal government on the TANF Quarterly Expenditure Report, the claims and cover letter, must be sent to the:

OTDA
Bureau of Financial Services - Claims Unit
40 North Pearl Street, 14th Floor, Section D
Albany, New York 12243

The DSS-3922 Special Project Claim form and accompanying document must be received by October 31, 1999.

Local districts may have to be contacted if further information is needed to determine whether the expenditures may qualify for MOE. Please indicate a contact person on all your submissions.

Additional Information

Local districts are reminded that both TANF and MOE reported expenditures are subject to audit. The following audit issues are included in the Federal TANF regulation for MOE expenditures:

- 1) Were all MOE expenditures reported for the fiscal year actually made during that fiscal year;
- 2) has the State adequately documented that reported MOE expenditures went to eligible families;
- 3) were the methodologies the State used to estimate the portion of program expenditures going to eligible families sound;
- 4) were all the reported expenditures consistent with the purposes of TANF;
- 5) were any expenditures made in violation of the prohibitions in Federal TANF regulation 263.6;
- 6) where applicable, did all expenditures meet the "new spending test" (e.g., for every such program, did the State properly identify whether the program existed in 1995 and the difference in the amount spent during the current year and the amount spent in the FFY 1995 base period).
- 7) were administrative costs within the 15 percent cap; and
- 8) were the expenditures consistent with the cost principles set forth in OMB Circular A-87.

Any questions relating to this LCM may be directed to Richard Radzynski at (518) 474-7527, via INFOFIS at OFM030, or e-mail at ofm030@dfa.state.ny.us.

Phil Maher
Assistant Commissioner
Office of Budget Finance & Data Management

ATTACHMENT I
POTENTIAL MOE-COUNTABLES

Name of Program:

Brief Description of Services Provided:

Population Served: (To be potentially countable, the program must serve persons in needy families. Need must be based on income. Families must include a child living with a custodial parent or other adult caretaker relative, and may include a noncustodial parent or needy pregnant women. Describe income eligibility requirements; identify if current TANF recipients are served; provide number of TANF-eligible/current TANF recipients to the total number of individuals served by the program. Describe assumptions in determining the number of eligible persons.

Allowable Purpose: (Check one)

Cash Assistance

Child Care

Education activities designed to increase self-sufficiency, job training and work

Assistance to needy families so that children may be cared for in their homes or in the home of relatives

Services which end the dependency of needy parents on government benefits by promoting job preparation, work and marriage

Services which prevent and reduce the incidence of out-of-wedlock pregnancies

Services which encourage the formation and maintenance of two-parent families

Please provide a brief explanation of how the program expenditures meet one or more of the TANF goals.

Data Reporting: (Identify how recipients and expenditures can be tracked to satisfy Federal reporting requirements; describe available documentation; and the agency in which the documentation exists. PLEASE NOTE: There are 108 data reporting elements for MOE eligible expenditures in the final TANF Federal regulations. Initiatives must be able to readily provide such data.

FFY 1995 (10/1/94-9/30/95) Expenditure Level: (In order to meet the "new spending test".) The "new spending" rules apply to services/activities that were not eligible for IV-A (ADC) funding in the FFY 1995 year. The district must report both the amount spent during the FFY 1995 base period for all program participants (recognizing they can exclude singles if there were any) and the amount spent during the current year for TANF eligibles.

- Amount of State Funds:

- Amount of Local Funds:

Assistance vs. Non-Assistance

Refer to pages 25 and 26 of the Attachment to 99 LCM-14 and explain whether the program expenditure relates to assistance or non-assistance according to the Federal TANF definition.