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| LOCAL COMMISSIONERS MEMORANDUM |
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Transmittal No: 93 LCM-115

Date: September 3, 1993

Division: Economic Security

TO: Local District Commissioners

SUBJECT: Child Support Incentives

ATTACHMENT: Attachment #1 - Schedule of Actual Collection and Expenditures FFY 91 - not available on-line
Attachment #2 - Schedule of Actual ADC Incentives FFY 91 not available on-line
Attachment #3 - Schedule of Actual Non-ADC Incentives FFY 91 - not available on-line
Attachment #4 - Comparison of Actual Versus Reported Incentives FFY 91 - not available on-line
Attachment #5 - Estimated ADC and Non-ADC Incentives - not available on-line

ACTUAL INCENTIVE CALCULATION

The Department has received the actual IV-D child support incentives earned by New York State from the Department of Health and Human Services, Office of Child Support Enforcement, for the federal fiscal year October 1, 1990 through September 30, 1991 (FFY 91). ADC and non-ADC incentives earned by New York State for that period totalled \$20,565,188.

Of this \$20,565,188 statewide incentives, Chapter 53 of the Laws of 1990 and 1991 authorizes the Department to retain up to \$4,500,000 in incentives for state fiscal year (SFY) 1990-91 and \$5,500,000 for SFY 1991-92 respectively. Since FFY 91 encompasses the last half of SFY 1990-91 and the first half of SFY 1991-92, \$2,250,000 (1/2 of \$4,500,000) was retained as the state share of incentives for the period October 1, 1990 - March 31, 1991 and \$2,750,000 (1/2 of \$5,500,000) was retained for the period April 1, 1991 - September 30, 1991. The amount remaining for distribution to local districts is \$15,565,188.

Attachment #1 provides a summary of collections and expenditure amounts for the reporting period October 1, 1990 through September 30, 1991 which were used to determine each district's actual incentives.

Attachments #2 and #3 contain the calculation of actual ADC and non-ADC incentives (after the above referenced state share amount is deducted) for each district based on the incentive methodology outlined in regulations at 18 NYCRR part 347.16(e).

Attachment #4 contains the adjusted incentive amounts (from estimated incentives reported on schedule A-1 to actual incentives) which will be processed by the Department's Local Assistance Unit on the next settlement for each district.

ESTIMATED INCENTIVE CALCULATION

New York State also received estimated incentives for FFY 93 which total \$22,246,000; \$10,347,000 for ADC incentives and \$11,899,000 for non-ADC incentives. This estimate is based upon collection and expenditure figures projected by federal OCSE. From this amount, Chapter 53 of the Laws of 1992 and 1993 authorizes the Department to retain up to \$6,500,000 in incentives for SFY 92-93 and \$7,500,000 for SFY 93-94 respectively. Again, since FFY 93 encompasses the last half of SFY 92-93 and the first half of SFY 93-94, the Department will retain \$3,250,000 (1/2 OF \$6,500,000) for the period October 1, 1992 to March 31, 1993 and \$3,750,000 (1/2 of \$7,500,000) will be used as the state share for the period April 1, 1993 through September 30, 1993. The estimated amount remaining for local district distribution is \$15,246,000.

Attachment #5 contains the estimated incentives which should be reported on Schedule A-1 (Summary of Title IV-D Collections and Distributions) for each month through December 1993. These amounts were estimated by applying the actual cost benefit ratios for the period October 1, 1990 through September 30, 1991, against the estimated incentives provided by federal OCSE.

Local IV-D staff do not have to submit supplemental claims for the adjustment to actual incentives earned for the period October 1, 1990 through September 30, 1991 (see attachment #4). However, staff must report the new estimated incentives beginning with the first Schedule A-1 due after receipt of this LCM.

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Any questions regarding this matter should be directed to the Office of Child Support Enforcement, Kevin Boyle, at (800)342-3012, extension 30544. (OA USERID OCS240)

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Deputy Commissioner
Division of Economic Security