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 | ADMINISTRATIVE DIRECTIVE |
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TRANSMITTAL: 98 ADM-5

TO: Commissioners of
 Social Services

DIVISION: Temporary
 Assistance

DATE: April 24, 1998

SUBJECT: Merit Incentive Awards for Children in Receipt of TANF Funded
 Public Assistance

SUGGESTED DISTRIBUTION: Public Assistance Staff
 Medical Assistance Staff
 Food Stamp Staff
 CAP Coordinators
 Directors of Services
 Accounting Staff
 Staff Development Coordinators

CONTACT PERSON: Call 1-800-343-8859 and ask for the following:
 TA Team 1, 3-0332; Team 2, 4-9344, Team 3, 4-9307;
 Team 4, 4-9300; Team 5, 3-1469; Team 6, 212-383-1658

Any questions on fiscal matters can be directed to:
 Regions I-IV, Roland Levie at extension 4-7549,
 or (518) 474-7549 (User ID FMS0001) or; Region V
 Marvin Gold at (212) 383-1733 (User ID OFM270)

ATTACHMENTS: Attachment A: Merit Incentives Plan (Available On-Line)
 Attachment B: Merit Incentives Monthly Report (Available On-Line)

FILING REFERENCES

Previous ADMs/INFs	Releases Cancelled	Dept. Regs.	Soc. Serv. Law & Other Legal Ref.	Manual Ref.	Misc. Ref.
None	None	None	None	None	None

I. Purpose

This Directive advises local districts of the availability of funds dedicated to providing periodic incentives for excellence in academic achievement or community service to children who are recipients of Temporary Assistance to Needy Families (TANF) funded public assistance in grades seven through nine. These incentives are to be provided to these children by the social services district (SSD) in accordance with a plan submitted by the SSD and approved by the Commissioner and the Director of the Budget.

Consideration will be given initially to districts operating Learnfare. Any remaining funds after the initial awards are made may be allocated to non-Learnfare districts. If requests for awards exceed available funds award amounts may be adjusted based on the number of potentially eligible students. For the 1997-98 State Fiscal Year (SFY), a total of \$500,000 is available on a Statewide basis which may be awarded to qualified students retroactively to September 1, 1997. This initiative is 100% federally funded for the 1997-98 SFY. There is no anticipated future funding.

II. Background

The 1997-98 State Budget dedicated federal funds to be used by SSDs to provide merit incentives to children in receipt of public assistance. A long-term goal for all public assistance recipients is self-sufficiency. One step on the self-sufficiency ladder is education. Another is preserving and enhancing community pride through community involvement. Merit incentives are tools to help SSDs promote both.

III. Program Implications

SSDs will define the parameters which will allow them to provide specific incentives to TANF funded public assistance children in grades seven through nine. Although Merit Incentives are funded through TANF, these awards are not part of the regular recurring grant and will not count toward the sixty month limit on TANF assistance, may not be included in the fair hearing process or included as part of an aid to continue package, or offset by support collected on behalf of the child receiving the incentive. Merit incentives are not to be provided in cash and should not be included as income for other assistance programs (including Food Stamps and Medicaid). Merit incentives may not be included in recovery efforts and may not be used to offset overpayments. Merit incentive awards should not be counted toward the resource limit.

IV. Required Action

A. SSD Responsibility

SSDs must submit a plan (Attachment A) to this Office defining the specific terms and indicators they will use to measure academic achievement and community service. Plans should be structured for one year of funding for which \$500,000 is available Statewide. Examples of measures may include report cards, attendance reports, recommendations of teachers and administrative staff, recommendations from recognized volunteer groups within the community, local community service awards and specific recommendations from community leaders. Plans will be due by May 15, 1998.

When SSDs begin integrating merit incentives into self-sufficiency planning, special consideration should be given to directing awards to areas which will best meet long-term goals identified by the SSD. For example, in the case of dropout rates, A Report to the Governor and the Legislature on the Educational Status of the State's Schools: Submitted February 1997, reports that in 1994-95, the State dropout rate was 4.1 percent. On average large urban districts had a higher dropout rate than other districts. The dropout rate was 6.7 percent in New York City public schools; 5.2 percent in the large city districts; and 2.4 percent in districts outside the big five. In this example, areas with lower dropout rates may want to use merit incentives to promote community involvement rather than only addressing dropout prevention.

SSDs must determine what types of awards will be allowable under the plan. Items which may be used as awards may include, but are not limited to: books, personal computers, software, calculators, items of need relating to specific disabilities not available through other resources, tuition for special programs or special educational/vocational camps not reimbursable under regular public assistance, museum or special event type admission costs, and other items/costs that are educationally related to preventing students from dropping out, or are determined fundamental in promoting academic success.

SSDs must work cooperatively with local school districts and others within the community to make them aware that these incentives exist, and assign a contact person within the SSD. Mechanisms for securing merchandise or services and providing payment for these incentives must be established locally. For example, SSDs may purchase gift certificates to local bookstores which are not redeemable for cash.

Please send completed plans to:

Patricia A. Stevens
Deputy Commissioner
Division of Temporary Assistance
New York State
Office of Temporary and Disability Assistance
40 North Pearl Street
Albany, NY 12243-0001
FAX: (518)-474-9347

Participating SSDs are also required to report to this Office on a monthly basis the number of students receiving the incentives, their grade levels, the type of incentive awarded and the reason for the award. The report will be made on the monthly report form (Attachment B) included in this Directive.

B. Notices

There are no notice requirements for the disbursement of these funds. Notification may be provided to the client in a locally developed format.

C. Child Assistance Program (CAP)

The Merit Incentive program is available to families participating in CAP. These awards have no budgeting implications for CAP.

D. Claiming

Merit Incentive Award payments should be reported and claimed on the (DSS-3922) "Financial Summary for Special Projects" claim form. The composites are being modified to reflect and identify these expenditures.

Line Instructions

Project Name

The project name should be "Merit Inc".

Month/Year

Enter the month and year in which these expenditures on the report were made.

Object of Expense

Under this column in Section C, "Other Expenses" line 12, you should print the program expense entitled "Incentive Award." Total expenditures should be entered on line 12 under the column

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headed "Total Expenditures." For SFY 1997-98, all expenditures are 100% federally funded, and as such, the total expenditure amount should also be entered under the column headed "Federal Share."

Claims for reimbursement should be submitted on a monthly basis to:

Finance Unit
Bureau of Financial Services
Office of Temporary and Disability Assistance
40 North Pearl Street, 13th Floor
Albany, NY 12243

V. Systems Implications

A new WMS Payment Type code is being developed for authorizing Merit Incentive payments. SSDs will be notified when this code becomes available.

VI. Effective Date

This directive is effective May 1, 1998, retroactive to September 1, 1997.

Patricia A. Stevens
Deputy Commissioner
Division of Temporary Assistance

Merit Incentives Plan

_____ County is requesting \$_____ in Merit Incentives funds for the State Fiscal Year 1997-98. These funds will be provided to children in grades seven through nine as an incentive for demonstrated academic excellence or community service. Awards will be made through the indirect purchase of goods or services. This award will not be considered as part of the regularly recurring public assistance grant.

_____ County will provide non-cash Merit Incentives which include:

- _____ Books
- _____ Personal Computers
- _____ Software
- _____ Calculators
- _____ Tuition for Special Educational Programs
- _____ Educational Camps
- _____ Admission to Special Events
- _____ Other (Must be approved by this Department and the Division of Budget) Specify:

The following terms and indicators will be used when determining academic achievement or community service:

The following community organizations will be actively participating in the development of this County's Merit Incentive Program:

I agree to the terms and conditions of accepting funds to provide merit incentives and agree to disburse these funds in accordance to the above plan, including disbursement of funds only to children eligible for TANF.

Signature of Local Social Services Commissioner _____

Date _____

Merit Incentives Monthly Report

District _____

Month _____

Contact Person _____

Types of Awards:

- _____ Books
- _____ Personal Computers
- _____ Software
- _____ Calculators
- _____ Tuition for Special Educational Programs
- _____ Educational Camps
- _____ Admission to Special Events
- _____ Other (Specify) _____

Total Number of Awards _____

Grade Levels:

- _____ Grade 7
- _____ Grade 8
- _____ Grade 9

Number of Students _____

Reason for Award

- _____ Academic Excellence
- _____ Community Service
- _____ Other (Specify) _____

Send the monthly reports to:

Division of Temporary Assistance
New York State
Office of Temporary and Disability Assistance
40 North Pearl Street
Albany, NY 12243-0001
FAX: (518)-474-9347
Attention: Region Team II