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

Transmittal No: 98 LCM-5

Date: January 28, 1998

Division: Program Support and
Quality Improvement

TO: Local District Commissioners

SUBJECT: Deadlines for Submitting Claims to Close Out ADC
(including EAF and Administration), JOBS, At Risk and
Transitional Child Care, as a Result of TANF

ATTACHMENTS: NONE

The Temporary Assistance for Needy Families (TANF) program was created out of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA). In New York State TANF became effective December 2, 1996, replacing the Aid to Dependent Children (ADC) program.

The transition from ADC to TANF requires special claiming and reporting procedures to assure that all allowable claims for federal reimbursement are made against the proper accounts. Federal funding for TANF is provided by the States Family Assistance Grant. The period of the initial grant is October 1, 1996 to September 30, 1997. Section 116(1)(B) of the PRWORA provides that funding for ADC expenditures made and claimed in October and November, 1996 plus TANF amounts claimed December, 1996 to September, 1997 be applied to (and not exceed) the initial States Family Assistance Grant. ADC expenditures made prior to October 1, 1996 and claimed in October and November, 1996 must be identified and adjusted to the period in which the expenditures were made. If an adjustment is not made for these amounts, they will be improperly charged to the States Family Assistance Grant.

Local districts must submit quarterly supplemental claims to report prior period ADC amounts in the proper period. A description of costs should accompany a supplemental claim. For districts submitting claims through the Automated Claiming System, this description should be entered in the comment field.

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Since At Risk Child Care was not an open ended entitlement program and the State spent its entire allocation, no additional claims can be submitted for expenditures prior to October 1, 1996. Effective October 1, 1996, the State is operating under the Child Care Block Grant, as outlined in 97 LCM 55.

For JOBS, IVA Day Care, and Transitional Day Care expenditures, expenditures prior to October 1, 1996 must be submitted by June 30, 1998, subject to the two year time limit. For example, costs paid in January-March 1996 must be reported to the State by February 15, 1998 in order to meet the two year filing deadline.

Supplemental claims may be filed at any time up to twenty-two months after the date of the original expenditure or by June 30, 1998, whichever is earlier.

As noted in 96 LCM-82 an adjustment to properly claim prior period administrative costs, prior to October 1, 1996, will insure that these amounts are not applied to the 15% cap on claiming of administrative costs under TANF. For example, if you have an A-87 rate adjustment or a maintenance in lieu of rent (MLR) adjustment which spans the 1996 calendar year, you should take the extra effort to split the adjustment between the period before October 1, 1996 and the period after. (The regular practice would have been to do the adjustment in the last month of the district's fiscal year.) This effort will result in keeping the administrative costs under Welfare Reform closer to the 15% limit.

Please claim timely to facilitate welfare reform and maximize reimbursement.

If you have any fiscal questions, please call the Bureau of Finance:

Regions 1-4 - Roland Levie at 1-800-343-8859, extension 4-7549 or dial direct at (518) 474-7549; User ID# FMS001

Region 5 - Marvin Gold at (212) 383-1733; User ID# OFM270

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