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| LOCAL COMMISSIONERS MEMORANDUM |
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Transmittal No: 99 LCM-34

Date: November 05, 1999

Division: Child Support
Enforcement

TO: Local District Commissioners

SUBJECT: Child Support Incentives FFY 97

ATTACHMENT: Attachment #1 - Schedule of Actual Collections and
Expenditures FFY 97 (Available On ERS)
Attachment #2 Schedule of Actual ADC Incentives FFY 97
(Available On ERS)
Attachment #3 - Schedule of Actual Non-ADC Incentives
FFY 97 (Available On ERS)
Attachment #4 - Comparison of Actual Versus Reported
Incentives FFY 97 (Available On ERS)
Attachment #5 - Estimated ADC and Non-ADC Incentives
FFY 2000 (Available On ERS)
ERS is the Child Support Electronic Reference System
accessible via ASSETS.

ACTUAL INCENTIVE CALCULATION

The Department has received the actual IV-D child support incentives earned by New York State from the U. S. Department of Health and Human Services, Office of Child Support Enforcement, for the federal fiscal year October 1, 1996 through September 30, 1997 (FFY 97). ADC and Non-ADC incentives earned by New York State for that period totalled \$31,373,902.

Of this \$31,373,902 statewide incentive, Chapter 53 of the Laws of 1996 and 1997 authorizes the Department to retain up to \$8,978,431 in incentives for state fiscal year (SFY) 1996-97 and \$9,500,000 for SFY 1997-98 respectively. Since FFY 97 encompasses the last half of SFY 1996-97 and the first half of SFY 1997-98, \$4,489,216 (1/2 of \$8,978,431) was retained as the state share of incentives for the period October 1, 1996 - March 31, 1997 and \$4,750,000 (1/2 of \$9,500,000) was retained for the period April 1, 1997 - September 30, 1997. The amount remaining for distribution to local districts is \$22,134,686.

Attachment #1 provides a summary of collections and expenditure amounts for the reporting period October 1, 1996 through September 30, 1997 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

The calculation of individual district incentives for the remainder of SFY 99-00 is based on an estimated incentive amount of \$24,252,000 (\$11,280,000 for ADC incentives and \$12,972,000 for non-ADC incentives). The amount of incentives the Department expects to retain for SFY 99-00 is \$9,500,000. The estimated amount remaining for local district distribution is \$14,752,000.

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 September 2000. These amounts were estimated by applying the actual cost benefit ratios for the period October 1, 1996 through September 30, 1997, against estimated incentives based on recent collections.

Local IV-D staff do not have to submit supplemental claims for the adjustment to actual incentives earned for the period October 1, 1996 through September 30, 1997 (see attachment #4). However, staff must report the new estimated incentives beginning with the first Schedule A-1 due after receipt of this LCM.

Any questions regarding this matter should be directed to the Office of Child Support Enforcement, Kevin Boyle, at (800)343-8859, extension 40766. His e-mail address is OCS240@dfa.state.ny.us.

Robert Doar, Deputy Commissioner and
Director, Division of Child
Support Enforcement