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| LOCAL COMMISSIONERS MEMORANDUM |  
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Transmittal No: 00 LCM-23

Date: December 12, 2000

Division: Child Support  
Enforcement

TO: Local District Commissioners

SUBJECT: Child Support Incentives FFY 98

ATTACHMENT: Attachment #1 - Schedule of Actual Collections and  
Expenditures FFY 98 (not on-line)  
Attachment #2 - Schedule of Actual TANF Incentives FFY 98  
(not on-line)  
Attachment #3 - Schedule of Actual Non-TANF Incentives  
FFY 98 (not on-line)  
Attachment #4 - Comparison of Actual Versus Reported  
Incentives FFY 98 (not on-line)  
Attachment #5 - Estimated TANF and Non-TANF Incentives  
FFY 2001 (not on-line)

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, 1997 through September 30, 1998 (FFY 98). TANF and Non-TANF incentives earned by New York State for that period totalled \$26,666,957

Of this \$26,666,957 statewide incentive, Chapter 53 of the Laws of 1997 and 1998 authorizes the Department to retain up to \$9,500,000 in incentives for state fiscal year (SFY) 1997-98 and \$9,500,000 for SFY 1998-99 respectively. Since FFY 98 encompasses the last half of SFY 1997-98 and the first half of SFY 1998-99, \$4,750,000 (1/2 of \$9,500,000) was retained as the state share of incentives for the period October 1, 1997 - March 31, 1998 and \$4,750,000 (1/2 of \$9,500,000) was retained for the period April 1, 1998 - September 30, 1998. The amount remaining for distribution to local districts is \$17,166,957.

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Attachment #1 provides a summary of collections and expenditure amounts for the reporting period October 1, 1997 through September 30, 1998 which were used to determine each district's actual incentives.

Attachments #2 and #3 contain the calculation of actual TANF and non-TANF 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.

#### ESTIMATED INCENTIVE CALCULATION

The federal methodology for calculating incentives changed effective with FFY 2000. The pass through methodology must be changed and until a new methodology is developed, local districts should report the estimated incentives noted in Attachment #5 for their respective districts. The estimated incentives should be reported on Schedule A-1 (Summary of Title IV-D Collections and Distributions) for each month through September 30, 2001.

Local IV-D staff do not have to submit supplemental claims for the adjustment to actual incentives earned for the period October 1, 1997 through September 30, 1998 (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.

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Margot Bean, Acting Deputy Commissioner  
and Director, Division of Child Support  
Enforcement