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NEW YORK STATE
OFFICE OF TEMPORARY AND DISABILITY ASSISTANCE
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Commissioner

Local Commissioners Memorandum

Section 1

Transmittal:	02-LCM-8	
To:	Local District Commissioners	
Issuing Division/Office:	Office of Finance	
Date:	August 1, 2002	
Subject:	Claiming Federal Reimbursement for Reserved Accommodations	
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Attachments:	None	
Attachment Available On – Line:		None

Section 2

I. Purpose

The purpose of this LCM is to inform the local districts that federal reimbursement is again available for reserved accommodation expenditures made under the foster care programs.

II. Background

Reserved Accommodation payments are made to certified foster boarding homes to assure that adequate accommodations are available for the immediate reception and proper care of children for whom the Commissioner has responsibility to provide foster care. Reimbursement for these costs is only available when:

- Payments for reserved accommodations are based upon a rate that does not exceed 50 percent of the rate of payment when a child is in the home,
- The total number of reserved accommodations does not exceed five (5) percent of the total number of certified boarding home beds in use on the last day of the previous month, and
- The home is not reimbursed solely for reserved accommodations without being used for the care of a foster child for a period in excess of three (3) consecutive months.

The costs relating to reserved accommodations for foster care children are distributed and direct charged to the Title IV-E Foster Care and Non-Title IV-E Foster Care programs on the basis of the ratio of Services Random Moment Study (SRMS) percents for the current claim period for these two programs. Full claiming instructions may be found in the Fiscal Reference Manual, Volume 3 (Volume 4 for NYC), Chapter 9, pages 7 and 8.

The Federal Division of Cost Allocation for Region II, during a review, had determined that these reserved accommodation costs did not meet federal requirements to be considered allowable as Title IV-E administrative expenditures and had moved to disallow federal share reimbursement for these costs.

This Department (with the able assistance of six local districts) appealed this determination to the federal Departmental Appeals Board. After a hearing was held by the appeals board the Departmental Appeals Board issued DAB decision No. 1831 that found for the State in that these costs are a necessary part of the recruitment and retention of families to serve for the emergency placement of children.

III. Program Implications

Effective immediately the local districts are no longer to use the instructions contained in Local Commissioners Memorandum 01 LCM-11 dated August 29, 2001 that is hereby cancelled. The local districts should, starting with the original claim submission for July 2002, use the claiming instructions in the Fiscal Reference Manual, Volume 3 (Volume 4 for NYC), Chapter 9. OTDA and OCFS will calculate the reimbursement due the local districts for the July 2001 through June 2002 claims.

Issued By Office of Finance

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