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**Local Commissioners Memorandum**

<b>Transmittal:</b>	08-LCM-07
<b>To:</b>	Local District Commissioners
<b>Issuing Division/Office</b>	Office of Budget, Finance and Data Management
<b>Date:</b>	August 19, 2008
<b>Subject:</b>	Work Incentive Fund Allocations 2008-09
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<b>Attachments:</b>	Attachment 1: 2008-09 Work Incentive Fund Allocations
<b>Attachment Available On – Line:</b>	Yes

**I. Purpose**

The purpose of this Local Commissioners Memorandum (LCM) is to publish the 2008-09 Work Incentive Fund (WIF) allocations (Attachment 1) for each local department of social services (“district”). The Work Incentive Funds were appropriated as part of the budget enacted for State Fiscal Year (SFY) April 2008-March 2009. (See Chapter 53 of the Laws of 2008.) The Local Administration Funds (LAF) base allocations were issued to districts in 08-LCM-06, “Local Administration Fund (LAF) Base Allocations 2008-2009,” dated July 17, 2008.

**II. Background**

Beginning in SFY 2006-07, \$11.4 million in Work Incentive Funds were appropriated as part of the LAF appropriation. These Work Incentive Funds were appropriated to support district efforts to engage parents in work and reward districts that achieve high performance standards. The SFY 2008-09 LAF is again funded at \$322 million, which includes \$11.4 million in WIF.

**III. Program Implications**

As first instituted for the base LAF in SFY 2005-06, district performance was considered in the development of the LAF and WIF allocations and although a heavier weighting on performance was considered, it was determined most appropriate for the 2008-09 time period to maintain allocations at the SFY 2007-08 level to provide local districts consistent funding for SFY 2008-09 and allow districts to focus on the work participation requirements imposed under TANF reauthorization.

*Note:* Counties should be aware that prospectively the integration of performance factors into the calculation of the LAF/WIF allocations may take on a greater weighting factor and seek to reward districts who have met higher performance standards.

As required by subdivision 17 of section 153 of Social Services Law, districts achieving at least a 50% work participation rate in either of the following two categories will earn these funds: TANF-funded assistance cases and MOE-funded Safety Net families. The amount of Work Incentive Funds for each category is displayed on Attachment A. The TANF-funded assistance cases and the MOE-funded Safety Net Families are the two categories required under TANF to achieve a work participation rate of at least 50% to comply with the federally-mandated combined "all families" 50% work participation rate effective October 1, 2006.

To earn either or both 2008-09 WIF allocations, districts will need to achieve the 50% work participation rates without the benefit of the statewide caseload reduction credit.

Districts that achieve the minimum 50% work participation rate in either or both categories will be paid their earned WIF during the January to March 2009 quarter, as a bottom line adjustment on the RF2A State settlement. If one rate is achieved, but not the other, only the funds for the category achieved will be paid. The determination of whether a district achieved the required work participation rates will be based on the respective monthly average work participation rate for the period October 2007-September 2008.

Although it is not mandated that districts spend their earned WIF on employment services, it is recommended that each district ensure that sufficient resources through LAF, Flexible Fund for Family Services (FFFS), and other sources are directed as needed to achieve the mandated 50% work participation rate.

#### **IV. Additional Information**

The LAF covers local district claims for calendar year 2008 and any supplemental claims that are submitted by February 3, 2009.

#### **Issued By**

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