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

Transmittal No: 96 LCM-66

Date: July 26, 1996

Division: MSQI

TO: Local District Commissioners

SUBJECT: Title IVE JD/PINS and EAF JD/PINS Settlement Change

ATTACHMENTS: None

The purpose of this Local Commissioners Memorandum (LCM) is to advise local districts of a change in agency responsibility for the settlement/reimbursement of the State share of Division for Youth JD/PINS claims.

Effective with local district claims for the month of January, 1996 and thereafter, the State share reimbursement for JD/PINS, as currently claimed by districts on the Schedule K Child Care Reimbursement Claim for Child Care Expenditures (DSS-3479), will be paid directly to districts by the New York State Division for Youth (DFY). These payments by DFY will be made on a reimbursement, not advance basis. Accordingly, local districts should prepare for the impact this change will have on their cash flow. The transfer of agency responsibility for reimbursement of the State share of the subject expenditures will facilitate inter-agency accounting activities as well as tracking against the DFY cap on State share expenditures. The Department (SDSS) will still settle the Federal share of these claims, therefore local districts should continue to claim the Federal and State share of these expenditures on the Schedule K. In instances in which DFY disallows any portion of State reimbursement and the claim(s) involve a Federal share as well, the local district must also file an adjusted claim with the Department for the Federal share of the disallowance.

The affected lines on the Schedule K are as follows:

The State Shares claimed in Section II, Column 14 lines 1.a, 1.b, 1.c, and line 3.c. Amounts claimed on these lines will be settled by DFY.

Local districts are reminded to continue to forward copies of the DSS Schedule K to DFY along with the forms DFY 11, 12 and 13 in order to assure proper settlement of the subject expenditures. Also, please forward a copy of the form RF2 which includes the Schedule K amounts being submitted to DFY for reimbursement.

Date July 26, 1996

Trans. No. 96 LCM-66

Page No. 2

Local districts should note that any out-of-State JD/PINS placements are not reimbursed by DFY, but are reimbursable under the Family and Children's Services Block Grant. These out-of-State placements of JD/PINS should not be claimed from DFY but from SDSS on the Schedule K on lines 2 a-1 or lines 3a or b.

Also, as a reminder, effective with January 1996 expenditures, local districts should not claim directly on the Schedule H any JD/PINS under EAF. These expenditures are to be claimed as instructed in 95 LCM-138. For any supplemental claims for JD/PINS expenditures prior to January 1996 claimed under EAF on Schedule H, local districts should submit a copy of the form RF2A to DFY as well as the Schedule H.

The Bureau of Local Financial Operations will be developing revisions to claim forms and to Volume II, Chapter 3 of the Fiscal Reference Manual to address these and other necessary changes. We anticipate the revisions to be available in the fall of this year.

If you have any questions, please contact the Bureau of Local Financial Operations:

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

Region V: Marvin Gold at (212) 383-1733; User ID OFM270.

For DFY related issues, contact Jerry Judd at DFY at (518) 473-9351.

Stephanie O'Connell
Acting Director
Office of Financial Management