

June 1998

TO: New York State County Fiscal Officers, Budget Officers, and Social Services Commissioners
FROM: New York State Office of the State Comptroller, Division of Municipal Affairs
SUBJECT: Changes to Revenue and Expenditure Accounts Resulting from Welfare Reform

PLEASE GIVE COPIES OF THIS BULLETIN TO OTHERS WHO NEED THIS INFORMATION.

Federal and State Welfare Reform legislation has brought about program and funding changes which necessitate revisions to the revenue and expenditure accounts listed below. These changes are based on recent revisions to Chapter 2, Volume I, of the Fiscal Reference Manual published by the New York State Office of Temporary and Disability Assistance. **These changes must be used when preparing your 1999 county budget, and if you desire, you may make these changes for 1998 transactions.**

For accounting questions, please call Municipal Accounting Systems at (518) 474-6023.

For program details, please contact the NYS Office of Temporary and Disability Services, Roland Levie at 1-800-343-8859 or Marvin Gold at (212) 383-1733. Mr. Gold is responsible for Sullivan, Ulster, Dutchess, Orange, Putnam, Rockland, Westchester, Nassau, and Suffolk Counties. Mr. Levie covers all other counties, except New York City.

Changes to Subsidiary Expenditure Accounts

Added

A6143.0 Food Assistance Program

Eliminated

A6015.0 Jobs (Administration Expenditure for Jobs)

A6131.0 Adult Care, Private Institution

A6135.0 Jobs (Program Expenditures for Jobs)

A6148.0 Burial (Now go to A6109.0 or A6140.0)

Name Changes

A6109.0 Family Assistance (Formerly Aid to Dependent Children). Includes Family Assistance Program and EAF (Emergency Assistance to Families)

A6140.0 Safety Net (Formerly Home Relief)

Continued

Changes to Subsidiary Revenue Accounts

Added

A1843 Repayment of Food Assistance
 A3643 Food Assistance Program
 A4643 Food Assistance Program
 A4661 Family and Children's Services Block Grant

Eliminated

A3615 Jobs Administration
 A3635 Jobs Program
 A3648 Burials (Now Charged to A3609 or A3640)
 A4615 Jobs Administration
 A4635 Jobs Program

Name Changes

A3609 Family Assistance (Formerly Aid to Dependent Children)
 A3640 Safety Net (Formerly Home Relief)
 A4609 Family Assistance (Formerly Aid to Dependent Children)
 A4640 Safety Net (Formerly Home Relief)
 A1809 Repayment of Family Assistance (Formerly Repayment of Aid to Dependent Children)
 A1840 Repayment of Safety Net Assistance (Formerly Repayment of Home Relief)

**OVERVIEW OF AFFECTED REVENUE AND EXPENDITURE ACCOUNTS
 AND EXPLANATION OF CHANGES**

<u>Program</u>	<u>Expenditures</u>	<u>Revenue Accounts</u>			<u>Refer to Note</u>
		<u>Local</u>	<u>State</u>	<u>Federal</u>	
<u>New Accounts:</u>					
Food Assistance Program	6143.0	1843	3643	4643	D
Families and Childrens Services Block Grant (Title IV-B)				4661	H
<u>Name Changes:</u>					
Family Assistance (Formerly Aid to Dependent Children)	6109.0	1809	3609	4609	B, I
Safety Net (Formerly Home Relief)	6140.0	1840	3640	4640	C
<u>Accounts Eliminated:</u>					
Jobs (Administration Exp)	6105.0		3615	4615	E
Adult Care Private Inst.	6131.0				
Jobs (Program Expenditures)	6135.0		3635	4635	E
Burials	6148.0		3648		G
Aged Blind & Disabled	6103.0				F
<u>Other Accounts Affected:</u>					
Social Services Administration	6010.0		3610	4610	I
Day Care	6055.0	1855	3655		A
Aged Blind and Disabled		1803			F

Explanation of Changes

- A Day Care expenditures and revenues, with the exception of Title XX Day Care which is charged to A6070.0, will use only one account each for Expenditures (A6055.0) Revenues (A3655) and Refund and Recovery Revenues (A1855). Previously, several accounts were used for Day Care expenditures and revenues. Since the State will reimburse Day Care Claims (excluding Title XX Day Care) from one block grant which is a blend of both Federal and State Funds, there is no longer a need for two revenue accounts. Use A3655 to record the reimbursement to locals for Day Care expenditures. A3655 will represent a mix of both Federal and State funds.
- B The accounts formerly labeled, “Aid to Dependent Children,” are renamed “Family Assistance.” These accounts are A6109.0 for Expenditures, A3609 and A4609 for State and Federal Aid and A1809 for Revenues from refunds and recoveries. These accounts include TANF (Temporary Assistance for Needy Families) and EAF (Emergency Assistance to Families) revenues and expenditures. However, account A3609 does not include claims for EAF expenditures which are reimbursed under the State’s Family and Children Services Block Grant. That State Aid would continue to be recorded in A3661.
- C The accounts formerly labeled, “Home Relief,” are renamed “Safety Net.” These accounts are A6140.0 for Expenditures, A3640 and A4640 for State and Federal Aid and A1840 for Revenues from refunds and recoveries. Previously, account A4640 had been used for revenues from Federal Aid for Home Relief expenditures for recipients who were Federal Charges. The account will now also be used for Federal Aid for Safety Net Program expenditures that qualify for Federal reimbursement under TANF.
- D New accounts are added for the Food Assistance Program. These are: A6143.0 for expenditures, A3643 and A4643 for State and Federal Aid, and A1843 for repayments.
- E The administrative expenditure and revenue accounts for JOBS eliminated are , since these program activities are funded under the TANF. A separate account for employment activities was previously a Federal mandate, but that is not longer true.
- F The expenditure account A6103.0 for Aged, Blind, and Disabled is no longer necessary. However, A1803 is still needed for recovery of assistance.
- G The accounts related to burials (A6148.0 and A3648) are no longer are needed since burials would be paid from the Safety Net account (A6140.0) unless the case qualified for TANF. If so, the burials would be reported under Family Assistance (A6109.0). Repayments of burials charged to A6148.0 would still be credited to the A1848 account.
- H There’s a new Federal Revenue Account A4661 for Title IV-B funds that are distributed as a supplement to the Family and Children’s Services Block Grant. (The State Block Grant continues to be recorded in A3661.)
- I There’s a change in the accounting treatment of Child Support collections. Until the passage of Welfare Reform at the Federal level, the child support payments for child support cases that were retained by local districts were deducted from the ADC claims. The Child Support collections were credited to the A1809 as ADC repayments, and the net ADC claim was credited against A3609 and A4609 accounts to recognize the State and Federal Aid on those expenditures. With the passage of Welfare Reform, the Federal Government requires this offset to be made against the claims for Child Support Activities (under Title IV-D) with the retained child support collections for TANF cases. In some instances, the collections may exceed the administrative expenditures. You should continue to recognize the repayments in the A1809 revenue account for the retained collections, and only recognize the net revenue for the IV-D administrative costs in the A3610 and A4610 accounts. **Due to this change accounts 3610 and 4610 will decrease, but accounts 3609 and 4609 will increase.**

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