

## **Status of COFA migrant/ECS-LIP “U” fund utilization**

### **History/Overview**

In the 2008 Legislative Session, OCS was authorized to spend certain TANF reimbursements on Compact of Free Association (COFA) migrants and other qualified low-income persons provided we report to the Legislature annually. The Office of Community Services’ U fund reimbursement is a mechanism by which OCS is compensated from Temporary Assistance for Needy Family (TANF) funds for individuals served that may qualify under TANF guidelines.

The current reimbursement ceiling is still \$1,200,000. However, the current TANF Memoranda of Agreement (MOA’s) have been terminated with the restructuring of the Department of Human Services’ TANF expenditure plan. Thus, in the previous Fiscal Year, OCS expended only \$264,342.52. This amount is not enough to maintain a full, statewide program for COFA individuals, and was instead used to supplement the Employment Core program for low-income persons as allowed by the original budgetary proviso of 2008.

Due to lack of continuing reimbursement by DHS, the COFA program was eliminated in 2010.

It is important to note that the \$1,200,000 ceiling is merely a placeholder for reimbursement, and without the TANF transfers the ceiling has no monetary value. However, OCS will continue to pursue other inter-departmental means of funding to support programs for low-income individuals.