

## DEPARTMENT OF BENEFIT PAYMENTS

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September 2, 1976

## ALL-COUNTY LETTER NO. 76-116

TO: COUNTY WELFARE DIRECTORS  
DISTRICT ATTORNEYS  
COUNTY AUDITORS  
WELFARE FISCAL SUPERVISORS  
ADMINISTRATIVE SERVICE OFFICERS

SUBJECT: TREATMENT OF VOLUNTARY CHILD SUPPORT PAYMENTS  
PREPARATION OF THE SCHEDULE OF ADJUSTMENTS FOR THE IV-D CHILD  
SUPPORT CLAIM  
SUPPLEMENTAL CASE COUNT INSTRUCTIONS

## REFERENCE:

This letter is to provide clarification of three aspects of the IV-D Child Support Program with which counties have experienced difficulties: Treatment of voluntary child support payments, CS 801 Schedule of Adjustments, and case count.

Voluntary Payments

In cases where a court order has not yet been obtained, the amount paid voluntarily by the absent parent is treated for distribution purposes as though it were a payment on a court ordered obligation except that no pass-on will be paid (EAS 43-203.132). The collection remaining after deducting the disregard and recoupment against the current month's AFDC grant is applied against the unreimbursed assistance pool.

A provisional Twelve Month Support Obligation (TMSO) pool is established in voluntary contribution cases. This provisional TMSO pool is computed on an arbitrary amount; either the amount that the district attorney will request in the court order, or a "forced" amount (e.g., \$75.00). If the court ordered obligation, when established, differs from the amount used to compute the provisional TMSO pool, the pool must be adjusted. This adjustment is retroactive to the first month of a IV-D collection.

## Example:

DA request or "forced" amount	\$ 50
Twelve months	<u>x 12</u>
Provisional TMSO Pool	\$600

After four months the court ordered obligation is established at \$100 per month. Voluntary child support collections received during the four months is \$150.

Provisional TMSO pool balance is \$450.

Court ordered obligation	\$ 100
Twelve months	<u>x 12</u>
TMSO Pool	\$1,200
Voluntary collections	<u>- 150</u>
Balance of TMSO Pool	\$1,050

The conversion of the provisional TMSO Pool is made by adjusting the provisional TMSO Pool by the difference between the computed TMSO Pool balance and the provisional TMSO Pool balance.

Computed TMSO Pool balance	\$1,050
Provisional TMSO Pool balance	<u>- 450</u>
Adjust TMSO Pool on CS 278 L	\$ +600

If the conversion of the provisional TMSO Pool indicates that too much recoupment was claimed at 25 percent federal incentive, an adjustment must be made on the CS 801 schedule of adjustments.

Example:

DA request or "forced" amount	\$ 100
Twelve months	<u>x 12</u>
Provisional TMSO Pool	\$1,200

After eight months the court ordered obligation is established at \$50 per month. Voluntary child support collections received during the eight months is \$800.

Court ordered obligation	\$ 50
Twelve months	<u>x 12</u>
TMSO Pool	\$ 600
Voluntary collection	<u>-800</u>
TMSO Pool balance	\$-200

The recoupment from the last \$200 of voluntary collections has been claimed at 25 percent federal incentive. The amount of recoupment from the last \$200 of collections must be determined and adjusted for on the CS 801 schedule of adjustments.

Total collections	\$200
Disregard, Excess	<u>- 50</u>
Recoupment	\$150

Schedule of Adjustments:

	A-1 or B-1	A-2 or B-2
	25% Federal SEIF	10% Federal SEIF
Case Identification	(\$150)	\$150

Schedule of Adjustments

All manual adjustments, deletions, and additions to the IV-D child support payroll must be made on a CS 801 child support payroll labeled "Schedule of Adjustments." Substitute CS 801 payroll forms may be used, however, all information required on the CS 801 is also required for any adjustment page. Adjustments, deletions and additions to the current month claim and to previous month's claims are to be made as a one line entry. The Schedule of Adjustments must be compiled and subtotaled separately by FG, U, and BHI, and intracounty, intercounty, and interstate.

A recapitulation statement should be prepared to expedite the processing of the child support claim. This recapitulation statement will aid in the identification of problem areas during the audit by Claims Audit and Control Bureau and will also expedite the processing of incentive payments. The totals on the recapitulation statement, which includes the main payroll and the Schedule of Adjustments, will be the totals posted to the CS800 Summary Report of Child Support Payments.

A suggested format of a recapitulation statement is attached.

Case Count

Instructions for case count are contained in All-County Letter 76-23. In addition to those instructions, separate Family Budget Units (i.e., 30-0005432-1, 30-0005432-2) will be counted as separate cases. This also applies to Family Group or Unemployed cases where one or more children are placed in Boarding Homes and Institutions (BHI). Each BHI child is also counted as a separate case.

Contact reference: Chris Belden, Rhane Turner, or Bob Wildman of the Financial Planning IV-D Section at (916) 445-7046.

Sincerely,



GARY G. ADAMS  
Deputy Director

Attachment

cc: CWDA







SAMPLE FORMAT  
CHILD SUPPORT RECAPITULATION STATEMENT

Collection	Disregard	Pass-On	Excess	Recoupment 25%	Recoupment 10%	Recoupment Unassigned	Recoupment Non-Fed Bill
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Intracounty

Main payroll  
Schedule of Adj.  
Total (CS 800)

Intercounty

Hidalgo 06-177  
Main payroll  
Schedule of Adj.  
Total

Podoc 06-179  
Main payroll  
Schedule of Adj.  
Total

Other Counties

Main payroll  
Intercounty Total  
(CS 800)

Interstate

Arizona 04  
Cochise 04-003  
Main payroll  
Schedule of Adj.  
Total

Yuma 04-027  
Main payroll  
Schedule of Adj.  
Total

Other States

Main payroll  
Interstate Total  
(CS 800)