

**CALIFORNIA DEPARTMENT OF CHILD SUPPORT SERVICES**

P.O. Box 419064, Rancho Cordova, CA 95741-9064

Reason for this Transmittal

- State Law or Regulation Change
- Federal Law or Regulation Change
- Court Order or Settlement Change
- Clarification requested by One or More Counties
- Initiated by DCSS

February 15, 2001

CSS LETTER NO: 01-06

TO: ALL IV-D DIRECTORS  
ALL DISTRICT ATTORNEYS  
ALL COUNTY ADMINISTRATIVE OFFICERS

SUBJECT: SERVICE AGREEMENT REQUIREMENT BETWEEN THE COUNTY FAMILY SUPPORT DIVISION AND THEIR RESPECTIVE COUNTY INFORMATION TECHNOLOGY DEPARTMENT

REFERENCE: 45 CFR 95.605

This letter provides counties with clarification regarding the State's requirement to obtain copies of service agreements between a county's local child support agency (LCSA) and their respective county information technology (IT) departments. At the Child Support Director Association (CSDA) meeting held in Sacramento on December 6, 2000, the question was raised as to whether counties are still required to have Memorandums of Understanding (MOUs) in place with their IT departments if the county's IT department provides services to the LCSA offices.

Pursuant to federal regulation 45 CFR 95.605, counties are required to maintain a service agreement or an MOU between the LCSA and their respective county IT department if a county IT department provides IT services to the LCSA. The State is required to maintain a copy of each County's IT MOU on file. The *Code of Federal Regulations 45 CFR 95.605, under Service Agreement (a-h)*, requires the following service agreement or MOU components:

- Identify Automatic Data Processing (ADP) services provided by the Central Data Processing facility;
- Identify charges associated with the services along with a schedule of expected total charges;
- Identify accounting method for services rendered and computing service charges;
- Include assurances that services provided will be timely and satisfactory;
- Include assurances that information, access, use and disposal of data will be safeguarded in accordance with federal regulations 45 CFR 205.50 and 45 CFR 303.21;
- Include period of performance.

In addition, 45 CFR 95.605 requires providers (in this case, the county IT department) “to obtain prior approval pursuant to 45 CFR 95.611(a) from the Department [ACF] for ADP equipment and ADP services that are acquired from commercial sources primarily to support the titles covered by this subpart”. This means that if **the anticipated costs of ADP equipment or services being acquired by the county IT department from commercial sources are reasonably expected to be billed to the LCSA for more than 50 percent of the total charges during the time period covered by the agreement, or the LCSA will be directly charged for the total cost, then any new contracts, leases, or purchase orders in excess of \$100,000, or contract time extensions of more than 60 days, must receive prior federal approval pursuant to 45 CFR 95.611, as defined in CSS Letter #00-11, dated December 12, 2000.**

Please submit copies of county service agreements or MOUs to:

Department of Child Support Services  
Technology Services Division  
Attention: Automation Approvals Unit, M/S 40  
P. O. Box 419064  
Rancho Cordova, CA, 95741-9064

If you have any questions, or would like copies of the federal regulations, please contact Cathy MacRae at (916) 464-5359, or Julie Arico at (916) 464-5357.

Sincerely,

*/s/Carole Hood*

CAROLE HOOD  
Chief Deputy Director  
Department of Child Support Services