

**CALIFORNIA DEPARTMENT OF CHILD SUPPORT SERVICES**

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



January 8, 2014

CSS LETTER: 14-01

ALL IV-D DIRECTORS  
 ALL COUNTY ADMINISTRATIVE OFFICERS  
 ALL BOARDS OF SUPERVISORS

<u>Reason for this Transmittal</u>
<input type="checkbox"/> State Law or Regulation Change
<input type="checkbox"/> Federal Law or Regulation Change
<input type="checkbox"/> Court Order or Settlement Change
<input type="checkbox"/> Clarification requested by One or More Counties
<input checked="" type="checkbox"/> Initiated by DCSS

**SUBJECT: DETERMINING IF AN AUDIT(S) SHOULD BE CONDUCTED WHEN CASE MANAGEMENT RESPONSIBILITY CHANGES**

The purpose of this letter is to provide local child support agencies (LCSAs) with policy for determining when a financial audit of a child support case and/or an Unreimbursed Assistance Pool (UAP) audit is required prior to a change in case management responsibility (CMR).

Prior to transferring a case, the sending county (SC) must review the case financials, the public assistance history, and UAP balances, if any. If the SC determines that adjustments are needed, or information should be changed or added, the SC must make the corrections, which may or may not require an audit(s).

Based on the LCSA's business practice the SC may choose to conduct a case financial or UAP audit prior to a change in CMR, even if the need for an adjustment, change, or addition of information has not been identified. If the SC does not exercise the option to perform a financial case and/or UAP audit, the receiving county (RC) must accept the case transfer unless one or more of the following exceptions apply:

- The RC has specific reason to believe that the case financials and/or UAP balance(s) are inaccurate. The RC must provide supporting information to the SC that substantiates a need for a change to the case financials or UAP balances.
- The RC has specific information that would require an adjustment of the account(s) (for example, a change in custody, missing order, etc.). In this instance the SC may be able to correct the case financials with or without performing a case financial and/or UAP audit.
- There is a pending legal action (for example, a motion to set arrears) in the SC. Changing CMR must not occur until the action is completed.

If one or more of the above exceptions apply the RC must submit a written request (email is acceptable) for a case financial and/or UAP audit to the SC. If a legal action occurs after the case has already been transferred, the RC may ask the SC to assist

them by providing an audit. The RC shall include detailed information substantiating the need for an audit(s). The SC must review the case, perform the audit(s), and make any necessary adjustments. If none of the above exceptions apply, the RC must accept the case transfer.

For purposes of conducting a case financial and/or UAP audit, LCSAs may find that pre-conversion data is available in the Legacy Data Archive (LDA) in the Child Support Enforcement (CSE) system. The LDA contains data from six prior consortiums: BEST, CHASER, Star KIDS, KIDZ, CASES and ARS. The LDA does not contain data from pre-consortia legacy systems (i.e. legacy-legacy). The LDA was designed to provide a repository for workers to review activity that occurred on a case prior to conversion to CSE.

The LDA contains records for the following types of cases:

- Open cases at the LCSA upon conversion to CSE.
- Cases closed within one year prior to the LCSA's conversion to CSE.
- Closed cases that did not convert to CSE, but were closed less than four years, four months prior to conversion.
- Cases that received an Internal Revenue Service payment that were closed less than seven years prior to conversion.

LCSAs are required to cooperate with each other when one or more of the exceptions apply for cases changing CMR and/or when an audit is needed afterwards. If the RC and the SC disagree that an audit is required, they must follow their local business practice to elevate the issue in a timely manner to avoid delaying the transfer process. If the dispute cannot be resolved, the LCSA Director from the RC must contact the LCSA Director from the SC to resolve the issue. If the LCSA Directors are unable to resolve the dispute, they must contact their Department of Child Support Services Regional Administrator for assistance in resolving the matter.

The procedures for determining if an audit should be conducted when CMR changes have been incorporated into the *Transferring a IV-D Case* Quick Reference Guide, which is located on California Child Support Central at <https://central.dcss.ca.gov>.

This new policy and related procedures will be shared in a training coordinator call in the near future.

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If you have any questions, please contact the Policy and Program Branch at (916) 464-5883.

Sincerely,

o/s

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Deputy Director  
Child Support Services Division