

Title IV-D Program Overview & Funding Basics

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Indiana IV-D Program

Indiana IV-D Child Support Enforcement Program

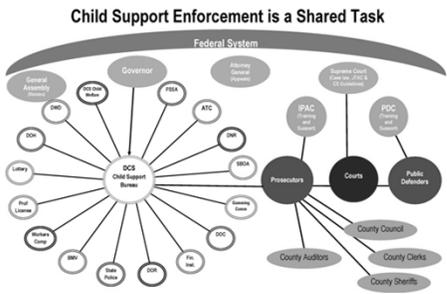
- Federal Grant program tied to state welfare Block Grant
- CSB -single state unit--program administrator
- Funded and carried out locally through voluntary *Cooperative Agreements* with prosecutors, clerks & courts
- IPAC plays a supporting role on behalf of prosecutors
- Policy
- Training
- Legislation
- Liaison with other branches/agencies



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Indiana Title IV-D Program

Child Support Enforcement is a Shared Task



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Prosecutor's Role in Child Support

IC 31-25-4-13.1 provides:

- CSB shall contract with a prosecutor to perform Title IV-D services
- attorney-client relationship between the prosecutor and state, no other party
- service levels to be included in the cooperative agreement
- incentive funds disbursed based upon prosecutor meeting the service levels



Prosecutor Duties for Child Support

Prosecutor Core Duties in Title IV-D Child Support Program:

- establish paternity
- establish support and medical support orders
- review and seek modification of orders
- locate non-custodial parents
- enforce support orders
- financial reporting of expenses to CSB
- audit & record retention responsibilities



Prosecutor Duties for Child Support

Prosecutors get Title IV-D cases from 4 sources:

- TANF, IV-E and Interstate- (mandatory cases)
- Parents not on TANF or other assistance seeking IV-D services who apply and pay one-time fee of \$25.00 (voluntary cases)
- Medicaid recipients who apply for IV-D services –no fee (voluntary cases)
- CHINS cases where DCS applies for IV-D services- no fee (voluntary cases)



CSB Duties

DCS/CSB Core Duties:

- program administration, oversight and support
- financial management, monitoring & reporting
- Payment of reimbursement to counties & distribution of incentive funds to prosecutors, clerks and county
- collection, processing & distribution of child support
- location of non-custodial parents
- ISETS
- policy, training & consultation



Prosecutor Funding for IV-D

IV-D Funding Streams for Prosecutors for IV-D

- County appropriation - 66% of each dollar spent on IV-D direct is eligible for reimbursement – the 66% reimbursement goes back into county general
- State “100%” funding – for each prosecutor office
- Federal Incentives earned by prosecutor – split locally between clerk, prosecutor and county (CSB gets 22%)
- Private Collection Agency Fees (to prosecutors)



Federal Role in IV-D

IV-D Program is heavily funded by the federal government

- 66% reimbursed to states and local entities for every dollar spent
- A portion of state and local indirect are also reimbursed by the federal government
- Incentive funds -additional funding awarded based upon good performance



Federal Role in IV-D

Program is also highly federally regulated

- Many mandates to states
- Funding for IV-D and IV-A (TANF) tied to IV-D performance penalties assessed to states for shortcomings
- States and local entities receiving funding are subject to a variety of routine audits--Data Reliability, Self Assessment, Federal and State Audits
- Feds require DCS/CSB monitoring of local entities



Cooperative Agreements

Cooperative Agreement

.....a legal instrument of financial assistance between a Federal awarding agency or pass-through entity and a non-Federal entityused to enter into a relationship the principal purpose of which is to transfer anything of value from the Federal awarding agency or pass-through entity to the non-Federal entity to carry out a public purpose authorized by a law of the United States...



Title IV-D Funding Requirements

Federal Rules

- Receipt of federal funds requires compliance with federal grant requirements:
 - entity is subject to certain Federal & mandated state financial audits (& program audits)
 - federal grant funds *and* any state and local matching funds are subject to federal grant funding rules
- Federal IV-D grant funds must be properly expended and accounted for in accordance with federal, state and local laws/rules



Title IV-D Funding Requirements

Allowable v. Unallowable Costs

- 45 CFR 304--specific to Title IV-D Program
 - allowable uses for claiming 66% federal reimbursement (FFP)
 - same rules for use of incentive but funds **NOT** eligible for FFP
- 2 CFR 200-- general federal requirements for HHS federal grants
- County rules and prosecutor policies
- DCS Website-- <http://www.in.gov/dcs/> claims guide & additional guidance

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Title IV-D Funding Requirements

Allowable v. Unallowable Costs

- 45 CFR 304.20 & 21 -- allowable expenses:
 - Costs of *Cooperative Agreements* with Prosecutors
 - Establishment of paternity activities
 - Locate activities
 - Investigation
 - Development of evidence
 - Pre-trial discovery
 - Cooperation with other states/UIFSA
 - Establishment and enforcement of support orders

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Title IV-D Funding Requirements

Allowable v. Unallowable Costs

- 45 CFR 304.20 & 21 -- allowable expenses *continued*
 - Costs of obtaining financial information for orders
 - Enforcement of orders
 - Contempt proceedings
 - Issuance of warrants
 - Investigations
 - Income withholding processing
 - Enforcement through criminal or civil proceedings
 - Administrative enforcement activities

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Title IV-D Funding Requirements

Allowable v. Unallowable Costs

- 45 CFR 304.20 & 21 -- allowable expenses *continued*
 - Establishment and maintenance of case records
 - Required medical support activities
 - Reasonable/essential short-term training of Title IV-D program staff



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Title IV-D Funding Requirements

Allowable v. Unallowable Costs

- 45 CFR 304.21 & 23 cover items that are not allowable:
 - Service of process & court filing fees unless the court or law enforcement agency would normally be required to pay the fees
 - Salary, training, furniture, admin staff & travel for judges (This does not include IV-D magistrates under a *Cooperative Agreement*)



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Title IV-D Funding Requirements

Allowable v. Unallowable Costs

- 45 CFR 304.21 & 23 *Unallowable Costs continued:*
 - Construction and major renovations
 - Expenditures for jailing of parents in IV-D cases
 - Counsel for indigent defendants in IV-D actions
 - Guardians ad litem in IV-D actions



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Title IV-D Funding Requirements

Allowable v. Unallowable Costs

- Federal rules require the costs must be:
 - reasonable
 - necessary
 - allocable to a federal award,
 - authorized or not prohibited under state or fed law
 - consistent with policies, regs and procedures that apply uniformly to federal awards and other activities
 - not exceed actual cost incurred by a public entity &
 - documented



Title IV-D Funding Requirements

Allowable v. Unallowable Costs

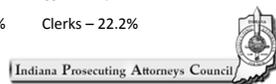
- An expense may be allowable, but remember:
 - If a Court or prosecutor has no policy to support an expenditure, an auditor will look to county policy.
 - If application of the county policy does not support an expenditure, an audit finding could result and repayment required.
 - Example: overtime, bonuses, etc..



Title IV-D Funding Requirements

Incentive Funds-

- 45 CFR 305: Federal incentives fund requirements:
 - Incentives must be spent **ONLY** for IV-D purposes
 - Incentives use must *supplement not supplant* county funds.
 - Expenditures of incentive funds do not need an appropriation or approval from the county fiscal body **EXCEPT** if used to increase or supplement the salary of an elected official.
 - Expenditures of incentive funds are **NOT** reimbursable.
- IC 31-25-4-23: Indiana Incentives divided four ways:
 - Prosecutor – 33.3% CSB- 22.2%
 - County IV-D fund – 22.2% Clerks – 22.2%



Title IV-D Funding Requirements

Incentive Funds continued

- Incentive funds may be shared between county offices--- use *Incentive Transfer Agreement Form*
- Items paid with incentive funds should **NEVER** be reported on a monthly expenditure form --they are **NOT** eligible for 66% reimbursement.
- DCS requires quarterly reporting for incentive expenditures and balances-see *DCS Claims Guide*.
- Incentive funds should **NOT** be moved to the county general fund – risk of improper claim for FFP

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Title IV-D Funding Requirements

Incentive Funds continued

- Is the expenditure an allowable use?
- Same rules in 304.20 & 21 apply
- Prosecutors use incentives for:
 - IV-D Investigator
 - Locate Services—Accurint, Lexis Nexis, DoxPop
 - Additional IV-D staff
 - Paid interns
 - Title IV-D investigator position

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Title IV-D Funding Requirements

Incentive funds continued

- Technology and equipment for Title IV-D staff, computers, additional monitors
- Training and related travel expenses for IV-D staff- Indiana Annual Conference, workshops, ERICSA, NCSEA
- Additional Title IV-D staff overtime/compensation for IV-D staff (salaries, benefits)
- Non-custodial parent liaison position
- Other contract services such as case stratification, paperless, etc...

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Title IV-D Funding Requirements

Incentive funds continued

- IV-D outreach to publicize IV-D services (posters, brochures, public service announcement on radio)
- Technology support to create a IV-D website
- Video for your office lobby explaining IV-D Services
- Coordination with Job services such as Work One and Goodwill Industries to establish referral programs
- Outreach to local jails and schools



Title IV-D Funding Requirements

Incentive funds continued

- Incentives must supplement and not supplant existing IV-D funds
- Will the use of funds supplement and not supplant?
 - General Rule: County appropriations to fund the IV-D program (clerk, prosecutor, IV-D court) may not be reduced as a result of the receipt and reinvestment of incentive payments. (SEE OCSE AT 01-04 for guidance)
 - CSB Guidance: "An office cannot stop spending county general funds and instead operate the IV-D office strictly with incentive funds. The purpose of incentive funds is to improve IV-D operations above current levels."



Title IV-D Funding Requirements

Incentive funds continued

- Current balances in County IV-D, Clerk and Prosecutor accounts statewide:
\$32,284,340.47 (as of 12/31/14)
- Title IV-D incentives have been earned by your office for your county and balances exist which **must** be spent on the IV-D program. Be creative, share the funds between offices, make a countywide commitment to improve services and ensure all families in need of IV-D services receive them.



Title IV-D Funding Requirements

▪ Good Advice:

If you have any doubts as to whether the use of funds is allowable or the use may be a supplant, CSB AO Inquiry email or Rob Conrad to seek advice. It is better to run things by the agency rather than risking receipt of an audit finding.

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