

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

January 2, 2004

ERRATA

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

SUBJECT: INTERIM COMPROMISE OF ARREARS PROGRAM (I-COAP)

REFERENCE: CSS LETTER 03-27

This letter transmits a correction to one of the I-COAP forms recently released with CSS Letter 03-27.

In determining the amount of past due support an obligor is able to pay, the I-COAP formula takes into account an obligor's income, assets, and expenses. To complete the calculation, the local child support agencies (LCSAs) are instructed to enter into the formula the fair market value of any vehicles or real property owned by the obligor.

The Department of Child Support Services (DCSS) form 0152, Instructions for Completing I-COAP Automated Worksheet, inadvertently failed to include instructions on how to determine the fair market value of these assets. Attached is the revised DCSS form 0152, that includes information on publicly available websites to be used for determining the fair market value of these assets. There is no charge to access these websites, and the information is easily printable. No other changes were made to this form.

If you have any questions or concerns regarding this matter, please contact Michael Weinberg, Chief of the Collections Enhancement Branch, at (916) 464-2627, or at Michael.Weinberg@dcss.ca.gov.

Sincerely,

DONNA S. HERSHKOWITZ
Deputy Director
Child Support Services Division

Attachment

INSTRUCTIONS FOR COMPLETING I-COAP AUTOMATED WORKSHEETS

The I-COAP automated workbook utilizes the Microsoft Excel program. The Excel workbook containing the automated I-COAP system has three separate worksheets:

- Eligibility Worksheet (DCSS 0149)
- Asset Worksheet (DCSS 0150)
- Calculation Worksheet (DCSS 0151)

Upon opening the workbook, the LCSA worker may access any of the three worksheets by left clicking with the computer's mouse on the appropriate tab at the bottom of the open worksheet. All three worksheets are protected allowing entries only in the shaded boxes. The non-shaded boxes will not allow the LCSA worker to enter data and will be automatically filled in by the system.

Eligibility Worksheet (DCSS 0149)

- 1) The LCSA worker should first enter data in the shaded boxes labeled "Date", "LCSA Name", "Case Number", and "Non-Custodial Parent Name". The other worksheets will then automatically display this information.
 - 2) The Eligibility Worksheet is comprised of nine statements, and corresponding "Yes" and "No" boxes.
 - 3) The LCSA worker must answer all nine statements by inserting an "X" in the appropriate box.
 - a) Please note that the LCSA worker must use an "X" as the only entry. Inserting any other character or inserting an "X" and adding a space with the space bar will result in an error message.
 - i) For example, inserting two characters or a non-X character in the "Yes" box will result in the error message **"Invalid Entry In Yes Box"**. An invalid entry in the "No" box will result in a similar message.
 - ii) To remedy this error, highlight the cell and use the keyboard delete button to remove all entries in the "Yes" box.
 - b) An entry of X in both the "Yes" and "No" boxes will result in the error message **"X in both Yes and No boxes"**. To resolve this error message delete the incorrect entry.
 - 4) A "No" answer to any of the nine statements indicates the applicant is ineligible for the I-COAP program. A "No" answer to any of the nine statements will result in the following:
 - a) A message **"Ineligible, Deny Application"**.
 - b) The number (1 through 9) of the question answered "No" will appear at the bottom of the worksheet.
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- 5) All “Yes” answers indicates that the Non-Custodial Parent (NCP) has passed the eligibility criteria for the I-COAP and the LCSA worker should now complete the Asset Worksheet.

Asset Worksheet (DCSS 0150)

- 1) The Asset Worksheet has six columns labeled A through F. The LCSA worker can enter numeric values in columns B through D.
- 2) The LCSA worker enters the fair market value of all of the NCP’s assets in column B.

To obtain asset information on vehicles you may use the following resources:

- a) Kelley Blue Book <http://www.kbb.com>
This site provides the Blue Book value for the vehicle under consideration for models from 1983 to current. Use the private party value figure.
- b) NADA Guides <http://www.nadaguides.com>
(to be used for all other models not found in Kelley Blue Book)
This site provides pricing for standard and classic cars, trucks, minivans, sport utilities, van conversion and limousines, motor homes, campers and fifth wheels, boats, personal water craft, trailers, motorcycles, road bikes, dirt bikes, antique motorcycles, all terrain vehicles and snowmobiles.

To obtain information on house/real estate you may use the following resource:

<http://www.homeradar.com>

Enter the following search criteria to find comparable property values: Street Address; City; State; Zip Code; Include properties within **.25 miles**; and Include sales data from up to **2 months**. If the search results do not find properties with comparable square footage, increase the mileage and/or monthly search criteria. If the search results bring up multiple (comparable) properties, use an average value of those properties.

Example: Property #1 = \$200,000; property #2 = \$250,000; and property #3 = \$225,000. Add these property values and divide by the number of properties ($\$200,000 + \$250,000 + \$225,000 = \$675,000 \div 3 = \$225,000$.)

To obtain information on bank accounts, mutual funds, secured notes, stocks, bonds, and life insurance policies (with cash surrender value).

Refer to the Application for Child Support Compromise of Arrears Program application under “*List of Assets*” in Part VI of DCSS form 0017 .

- 3) The LCSA worker enters the debt owed (encumbrance) on the asset in column C. Please note that the values placed in column C must be a positive numeric value. A negative value will generate the following error message, “**Value in Column C cannot be a negative number.**”
- 4) The LCSA worker enters the percentage the NCP owns of the asset in column D.
- 5) The worksheet will automatically determine the value of all assets and will place that value in the Calculation Worksheet.

Calculation Worksheet (DCSS 0151)

- 1) Arrears: Enter the date that the arrears owed was determined in the shaded area provided.

- 1.a. Enter the amount of **permanently assigned arrears** owed. If the LCSA worker enters an amount of less than \$5000, the following error message automatically appears: "**Permanent Arrears Must Be \$5000 or More**".
 - 1.b. Enter the amount of **conditionally assigned arrears** owed.
 - 1.c. Enter the amount of arrears owed to the Custodial Parent (CP) that have **never been assigned**.
 - 1.d. Enter the amount of arrears owed to the CP that are **unassigned pre-assistance**.
 - 1.e. Enter the amount of arrears owed to the CP that are **unassigned during assistance**.
 - 1.f. **Line 1.f.** is automatically calculated.
- 2) Enter the verified UAP balance. In addition, enter the date of the UAP determination in the shaded area provided.
 - 3) **Line 3** is automatically calculated.
 - 4) Enter the NCP's gross monthly income. If the current gross monthly income does not reflect ability to pay, use the average 12-month income, or imputed income, as appropriate. If an alternative method was used to compute the monthly income, please explain the reason in the shaded area provided.
 - 5) Enter the child support guideline amount calculated using one child, 0% visitation (H=0), \$0 income for the CP, and using all other guideline hardships and deductions as appropriate.
 - 6) **Line 6** is automatically calculated.
 - 7) **Line 7** is automatically calculated.
 - 8) **Line 8** is automatically calculated.
 - 9) **Line 9** is automatically calculated.
 - 10) **Line 10** is automatically calculated.
 - 11) Enter "yes" or "no" depending on whether the NCP had the historical ability to pay during the period the debt was incurred and substantially failed to do so. If answered yes, please explain why in the shaded area provided. A 10% differential is automatically added if the NCP had the ability to pay and substantially failed to do so.
 - 12) **Line 12** is automatically calculated.
 - 13) Enter the lump sum amount offered by the NCP in the application.
 - 14) **Line 14** is automatically calculated.
 - 15) **Line 15** is automatically calculated based on line 11.
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- 16) **Line 16** is automatically calculated.
- 17) **Line 17** is automatically calculated. If the amount in line 17 is greater than or equal to the amount in line 3, the NCP is ineligible for the compromise because the NCP is able to pay all of their child support arrears owed to the government. Deny application.
- 18) **Line 18** is automatically calculated.
- 19) **Line 19** is automatically calculated.