APPENDIX B

GUIDANCE IN PREPARING FOR

PRWORA CERTIFICATION REVIEWS

Introduction

The purpose of Appendix B is to provide information on how to prepare for a certification review of the systems requirements needed to support the child support provisions of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. In this document you will find suggestions on how to prepare documentation, select cases for demonstration purposes and what the Federal review team will need to see demonstrated for certification purposes. You will also find information on how in some instances the review team will gather valuable information prior to the site visit which will be used for certification purposes, such as the system's ability to transmit data to other locations.

Several of the requirements are new to child support, such as Passport Denial, Financial Institution Data Matching (FIDM) and New Hire Reporting. Others are enhancements to the functions required in the Family Support Act of 1988 (FSA 88). The lack of additional guidance in Appendix B does not mean that the functionality will not be reviewed. It was determined that not all the changes or new requirements called for additional or specific guidance since many of these functions were either simple enhancements (meaning the State has had experience demonstrating the functionality) or were relatively straightforward in their functional requirements. In any event, if you have any questions or concerns about how the certification review will be conducted, do no hesitate to contact OCSE.

Some of the PRWORA requirements permit States a variety of options, such as license suspension, FIDM and the design of the State New Hire Directory. In these instances, you will note that we are requesting a great deal of documentation. The documentation suggested in Appendix B should be submitted as a supplement to information already provided in your Certification Questionnaire that was used to support the certification review for FSA 88 and serves two purposes: it becomes the permanent written record on the design and functionality of your State's CSE system and it provides valuable background information for the Federal review team assigned to conduct the review.
  While some of the information we suggest you include may not have a direct correlation to the system itself, it helps the review team determine what they need to see the system perform to meet the functional requirements.

While you will find guidance on how to prepare documentation for many of the PRWORA enhancements in this document, you will not find all that is required. We suggest that you refer to OCSE AT-99-06 "Automated Systems for Child Support Enforcement: A Guide for States" which was issued in April 1999, OCSE AT-98-15 Financial Distribution Test Deck generator for Child Support Distribution under PRWORA (4/24/98) as well as contacting your Regional or Central office systems analyst.

We strongly suggest you submit the documentation six to eight weeks in advance of the scheduled review in order for the review team to thoroughly analyze the material and determine

the types of case scenarios they determine will best demonstrate your State's system ability to meet the functional requirements of PRWORA. This will also allow enough time for revisions or corrections to the documentation, your State's written record, should they be needed.

Topic: Interstate Referrals (CSENet)

Objective A-5: The system must automatically accept and process interstate referrals.
Objective D-7: The system must provide for management of all interstate cases.
Objective D-8: The system must manage responding state case actions.
Objective D-9: The system must manage initiating state case actions.

Additional or New System Certification Requirements Due to PRWORA:
Objective A-5 covers a new transaction type, Case Status Information (CSI). If a State receives information on a case from the Federal Case Registry (FCR) which indicates another State's involvement, the State must be able to utilize CSENet to send a CSI inquiry to another State requesting information on the shared case participant. Please note that OCSE has determined that full locate (LO2) CSENet functionality is not required for either FSA88 or PRWORA certification.

A-5 also includes UIFSA forms. A new requirement is that in the case of interstate forms requiring notarized signatures or raised seal, the system should, where appropriate, extract data from the automated system and generate the interstate forms.

Objective D-8 was formerly D-9 and D-9 was formerly D-10.

Preparing the Documentation:
The State should update their certification documentation to reflect changes in CSENet functionality since the last FSA'88 review. The documentation should:
*   list the States with which your State exchanges CSENet transactions;
*   identify any States you have begun exchanging with since the FSA 88 review;
*   specify changes to the types of CSENet transaction the State performs; and
*   denote changes in transmitting UIFSA data elements.
The documentation should include a description of your State system's ability to transmit and receive information via the Direct File Transfer (Frame Relay). You should also describe the system's ability to transmit and receive Case Status Information (CSI) transactions.

The update should reflect how the States generate UIFSA documents for those documents that must have a raised seal, notarized signature or otherwise mailed.

The State needs to identify screens, batch modules, and reports which support CSENet.

What the Central and Regional Federal Review Team Will Gather Before On-Site Visit

Prior to the on-site review, review team members will obtain information from the CSENet hotline regarding the number of other States the subject State is exchanging with and the volume of transactions by transaction type. Team members may also ask about the quality of the transactions.

Types of Case to Select for Demonstration Purposes
To demonstrate that CSENet is being used to meet the timeframes, the OCSE review team will request that the State identify prior to the on-site visit, a few interstate cases which can demonstrate the following:
- notification of caseworker of incoming case.
- acknowledging receipt of case and where it was sent for action within 10 days or
- if the case information is inadequate, soliciting more information via CSENet
- if located in another State, generating CSENet transaction within 10 days
- if new information, generating CSENet transaction within 10 days
- if it is determined the NCP is in another State, transferring jurisdiction within 20 days.
- if receiving a review and adjustment notice, generating a notice to the parents

What States Should be Prepared to Demonstrate
The review team will ask to see examples of incoming and outgoing CSENet transactions. On the first day of the review, you should be ready to generate a couple of types of transactions, such as providing or requesting information. Responses to the transactions should appear later during the review period.

To demonstrate the automated interface between CSENet and the statewide automated system, the OCSE review team will ask the State to demonstrate how the system automatically generates a CSENet transaction when certain events occur. Please note that the initial CSENet Interface Guidance Document referenced six mandatory and six highly recommended status updates, many of which have been superceded by PRWORA. A suggested demonstration could include a case where the obligor has left the State, a case type change, a new or modified order, a paternity and/or an establishment date notification.

To demonstrate UIFSA capability (initiating and responding case activity) the OCSE review team will ask to see screens where certain data elements are located, (i.e. Non-IV-D case type, State with Continuing Exclusive Jurisdiction (CEJ), Tribunal Case number, Number of Employer fields) and data elements to identify the case as interstate and the other State(s) involved.

Since some jurisdictions require hard-copy UIFSA transmittals, the State should be able to demonstrate that the CSE automated system is able to generate the required UIFSA forms that other States require in hard-copy, especially those requiring a raised seal and/or notarized signature. The State should be able to demonstrate that the necessary data is downloaded to the form for printing, avoiding the need for duplicative data entry. These UIFSA forms include: Child Support Enforcement Transmittal #1, Initial Request; #2 Subsequent Actions; #3 Request

for Assistance/Discovery; Uniform Support Petition, Affidavit in Support of Establishing Paternity; Registration Statement and Locate Data Sheet. For forms such as General Testimony, where much of the data is not retained on the CSE system, the State can demonstrate how the system is utilized to support this form.

Team members will want to see alerts to workers and logging of key events to the case history.

If you have any questions, be sure to contact your systems analyst well in advance of the review.

Topic: State/Federal Case Registry

Objective A-8: The system must accept and maintain identifying information on all case participants.
Objective A-9: The system must accept information for non-IV-D orders.
Objective A-10: The system must automatically interface with the Federal Case Registry.
Objective B-1: The system must electronically interface with all appropriate sources to obtain and verify locate, asset and other information on the non-custodial/putative parent or custodial parent. The system must automatically generate any needed documents.
Objective B-4: The system must automatically submit requests for locate to the Federal Parent Locator System (FPLS).

Preparing the Documentation: The objectives listed above are related to the Federal Case Registry. The review team will rely heavily on the description of the processes which support these objectives because some variation among the States is possible.

The documentation should include answers to the following questions:
- How does the statewide automated system interface with the FCR?
- How does the system identify changes to cases that require an update to the FCR?
- How does the system identify changes to participants that require an update to the FCR?
- How does the system notify the FCR of adds, changes or deletions to the caseload?
- How does the system know which participants to flag for the family violence indicator (FVI)?
- How does the system obtain the requisite non-IV-D order information? (Describe linkages to other agencies or courts when applicable.)
- How the FVI work in non-IV-D cases?
- How does the State respond to other States' requests for information on non-IV-D cases? (For example, State A receives information that State B has a non-IV-D case linked with State A's participant. How does State B provide that non-IV-D information to State A?)
- How does the system use the information it receives from the FCR?
- How does the system maintain synchronization with the FCR?
- How does the system generate FPLS locate requests?
- How does the system use the information it receives from the FCR to change information in a case or participant?
- How does the system handle Social Security Number verification information from the FCR? (For example, do you replace the SSN in you case with the SSN that the FCR has provided? Do you keep both? Do you have a verification code to identify the source of the correcting? Do you have a way of indicating which SSN the FCR has on file?)

The State needs to identify screens, batch modules, and reports which support the Federal Case Registry.

What the Central and Regional Federal Review Team Will Gather Before On-Site Visit

Prior to the on-site visit, the review team will meet with the FCR personnel to determine the volume of transactions and the quality of data, such as completeness of records, accuracy of SSNs, whether your system accepts proactive information from the FCR, the use of the family violence indicator, etc. They will also refer to other reports which the State has filed pertaining to caseloads.

What States Should be Prepared to Demonstrate
Refer to the section on what should be included in the documentation portion of the certification materials. The review team will want to see a demonstration of how the statewide system interfaces with the FCR, that is, how the system identifies cases and participants that need to be sent to the FCR, and how the system notifies the FCR of changes, adds and deletions to cases and participants within five days. The demonstration should include how the family violence indicator is handled, how the flag is put on and how it is removed and how the system responds to requests for information on a flagged participant.

The review team will also want to see how the statewide system obtains non-IV-D information, how the FVI works in non-IV-D cases and how the system responds to requests from other States for information about non-IV-D cases. To assist us in evaluating the system functionality related to the FVI, we suggest you include a description of your FVI policy and process.

The team will want to see how the system uses the information it receives from the FCR, that is, how it uses information about rejected case or participant information, how the system handles SSN verification information, and how the system uses the proactive information sent by the FCR.

If you have any questions, be sure to contact your systems analyst well in advance of the review.

Topic: State/National Directories of New Hire

Objective B-1: The system must electronically interface with all appropriate sources to obtain and verify locate, asset and other information on the non-custodial/putative parent or custodial parent. They system must automatically generate any needed documents.

Preparing the Documentation
Since the SDNH is subject to flexibility in terms of how it is designed and implemented, the Federal review team will rely on the documentation to help them determine the type of review to conduct regarding new hire information. If the SDNH is outside of the CSE system, the State should indicate where the SDNH is housed, if it is operated by another State agency or a vendor, some information on volume of data. The State should provide a complete description of how the SDNH operates, i.e., who enters the new hire data, who conducts the matches, how the data is shared between IV-D and the State Employment Security Administration (SESA), who sends the quarterly wage, unemployment insurance information and new hire data to the National Directory of New Hires (NDNH), ensuring that all mandated timeframes are met.

The State directory of new hires (SDNH) is not required to be a part of the State's automated CSE system. Therefore, while the systems certification will review the interface with the SDNH, many of the functions associated with the SDNH will not be subject to CSE systems certification.

The State needs to identify screens, batch modules, and reports used to support this process.

What the Central and Regional Federal Review Team will Gather Before the On-Site Visit:
Prior to the site visit, the review team will be able to gather information on the volume of data (for new hire, quarterly wage and unemployment compensation) sent to the National Directory, which agency sends it, and the quality of the data. If there have been problems with the quality of data or the transmission, the review team will be able to determine if and how your State has responded.

What States Should be Prepared to Demonstrate
The State should be prepared to demonstrate how the automated system processes new hire, quarterly wage and unemployment compensation data. If the SDNH is within the CSE system, the State should demonstrate how the new hire information is sent to the National Directory of New Hires (NDNH) within three business days after it is entered in the SDNH.

The State should also demonstrate how State new hire data, quarterly wage and unemployment compensation data is used in the locate function, by selecting cases that use the match data for a activity other than income withholding, such as cases for paternity and/ or order establishment, cases subject to review and adjustment, or other enforcement activity.

The State should be prepared to demonstrate the system's ability to use proactive information from the National Directory of New Hires for income withholding and for locate purposes to support paternity or order establishment, review and adjustment or other enforcement activities.

The review team will look for alerts to workers and if the pertinent information is logged to the case history

If you have any questions, be sure to contact your systems analyst well in advance of the review.

Topic: Paternity Establishment

Objective C-1: The system must automatically track, monitor, and report on the status of paternity establishment and support Federal regulations and State laws and procedures for establishing paternity.
Objective C-2: The system must automatically record, track, and monitor information on obligations, and generate documents to establish support including medical support.
Objective C-3: The system must accept, maintain, and process information concerning established support orders.
Objective G-3: The system must generate reports required to ensure and maintain the accuracy of data and to summarize accounting activities.

OCSE Action Transmittal 98-01 and OCSE Action Transmittal 98-02.

PRWORA, as amended by the Balanced Budget Act of 1997, requires a variety of changes in voluntary paternity acknowledgment. These changes include expanding the number of places where parents can go to voluntarily establish paternity, the development and use of an affidavit which includes the minimum requirements of the affidavit specified by the Secretary of DHHS. Further changes include providing specific explanatory materials to parents before they sign such an affidavit, the requirement that all of the entities providing voluntary paternity establishment services must receive forms and materials from the state, and the requirement that the IV-D agency or an entity designated by the state must record information from the acknowledgments into a statewide database that must be made available to the IV-D agency, if such an entity is so designated by the state. Action Transmittal 98-02 establishes the minimum data elements and information requirements that must be included in all paternity acknowledgment affidavits.

Preparing the Documentation:
The certification questionnaire should describe the identifying information on voluntary establishment of paternity accepted by the system, include samples of system generated documents for administrative or judicial processes and show the date and type of documents in the case record, as well as the required data elements for affidavits. Also included should be samples of documents to notify case participants to submit to genetic testing, to petition the court or administrative authority, and to obtain a judgement for genetic testing costs. The questionnaire also should describe how the system initiates actions to establish paternity or an obligation, how actions are re-initiated when necessary, and how these actions are monitored to comply with specified timeframe. Where the original signed acknowledgments database is located also should be identified.

Type of Cases to Select for Demonstration Purposes
Cases for demonstration purposes should include a sample of those in which paternity was established in and out-of-state; those showing, among other information, the issuing state of the order and if interest or late payment fees apply; those showing, when authorized under State law, the administrative establishment of orders and associated documents; and those in which notices to the CP and NCP were generated to inform of all proceedings in which an obligation might be established or modified.

What States should be prepared to demonstrate
The State should be prepared to show the data elements in the system needed for the establishment of paternity process, data on performance to calculate the paternity establishment percentage and controls to ensure completeness and reliability of and ready access to this data. How the system completes the processes described in the questionnaire should be demonstrated overall.   The State should also be able to demonstrate it can generate documents to obtain judgement for generic testing costs from the party who denied paternity, when such paternity is later established.

The State should also be prepared to demonstrate how the State system is monitoring the expedited processes timeframes for establishing a support order, including when necessary paternity establishment. The State should be able to demonstrate that a new data element for child support order information has been added to the system and information for that data element populated so that it provides the issuing State of order. The State should also be prepared to demonstrate, when State law authorizes the administrative establishment of support, how their statewide system supports the administrative establishment of orders. Examples of this would be generation of documents for administrative establishment of orders.

If you have any questions, be sure to contact your systems analyst well in advance of the review.

Topic: Review and Adjustment

Objective D-5: The system must automatically support the review and adjustment of support obligations.

Preparing the Documentation:
PRWORA mandated a simplified process for review and adjustment of child support orders. As a result, there are some significant changes from the FSA 88 requirements. Review and adjustments are now done *upon request* every three years (although a State may elect to have a shorter review cycle). Child support modifications may use one of three methods for adjustment. Notices must be generated every three years (or earlier if State review cycle is shorter).

When preparing the documentation, provide a description of your State's review and adjustment process. Include information such as the length of the review cycle. Describe the method of adjustment used in your State: guidelines, cost of living adjustment (COLA) or a formula devised by the State. If your State uses its own formula or automated process, please provide sufficient detail about procedures, automated interfaces, trigger criteria and the like so the review team can determine how adjustments are made to orders.

Be sure to include information on how your State handles requests for review and adjustment that occur more frequently than every three years (or a shorter State review cycle). For example, what criteria does the State use to determine if a review should be conducted? What criteria does the State use to determine if an adjustment is warranted? This type of background information will assist the review team in assessing the system's ability to support the function.

What States Should be Prepared to Demonstrate
The State should be prepared to demonstrate how notices informing parties of availability of the review and adjustment process are generated. The State should also demonstrate how a case goes through the review and adjustment process, including any appeals or due process. The review team will look for alerts to workers and if the pertinent information is logged to the case history.

If you have any questions, be sure to contact your systems analyst well in advance of the review.

Topic: Case Closure

Objective D-6: The system must allow for case closure.

Final regulations disseminated in OCSE AT-99-04 dated March 11, 1999, made changes to case closure regulations. These regulatory changes resulted in corresponding changes to Objective D-6 (b).

Preparing the Documentation
The questionnaire should be updated to reflect how the system has been modified to reflect the new and revised case closure criteria. The updates should describe if the required notice to other States is generated by the system, or a transaction sent via CSENet.

Types of Cases and Demonstrations
The State must provide evidence that the system can generate the notice to the service recipient regarding the intent to close a case under the 1) 303.11 (b)(3)(iv) new criteria of closing a case when the biological father is unknown, cannot be identified after diligent effort, including at least one interview by the IV-D agency with the service recipient, 2) 303 .11(b)(4) revised criteria of inability to locate non-custodial parent after one year if insufficient information to use automated locate efforts or 3 years if have sufficient information to use automated locate efforts and 3) 303.11(b) (10) closure when IV-D agency is unable to contact the service recipient in non-assistance case after 60 days rather than 30 days. The System must also provide evidence that it can generate the notice to the initiating State regarding the intent to close an interstate case under the new criteria of 303.11(c). Evidence provided by the State may include for each criteria, a copy of a notice regarding the intent to close a case, and for each notice a copy of the case history file with an entry regarding the generation of the notice.

During the review, the team may ask to see examples of how the system identifies cases that meet the new criteria. We also need to see the generation of the case closure notices for the new criteria, and automated entries in the case history file regarding the generation of these notices.

If you have any questions, be sure to contact your systems analyst well in advance of the review.

Topic: Automated income withholding
Objective: E-2 The system must support income withholding activities.

Preparing the Documentation
The State should describe the SDNH match process. The narrative should describe how the system will automatically identify cases that become subject to income withholding, frequency and process for those cases being matched against SDNH. How those matched cases are processed in order to meet the two business day timeframe for notifying the NCP and NCP employer for SDNH match cases. The narrative should describe how the system generates the Standarized Federal order/notice to withhold income for child support and how the necessary data is downloaded to the forms. The State should include a copy of the computer generated forms and letters used in the income withholding process.

What States Should be Prepared to Demonstrate During the On-Site Review:

The State needs to able to demonstrate the SDNH match process. This would include identification of appropriate cases, alerts to workers; generation of Standardized Order/notice to withhold income for child support form, case event history to verify timeframes.

If you have any questions, be sure to contact your systems analyst well in advance of the review.

Topic: Electronic Funds Transfer/Electronic Data Interchange (EFT/EDI)

Objective: E-2(1): The State must offer all employers the option of using Electronic Funds Transfer (EFT) Electronic Data Interchange (EDI) for the transmittal of income withholdings.
Objective: F-3: The system must support the acceptance and disbursement of payments using electronic funds transfer (EFT) /Electronic Data Interchange (EDI)

Preparing the Documentation
Review team members will rely heavily on the information provided in the documentation. Be sure to include the following information when completing the documentation:

•   A list of all employers who currently submit income withholdings to the State via EFT/EDI

•   A list of all the States with which the State is currently exchanging interstate collections

•   A detailed overview of the State's EFT/EDI processing capability, including the following:

   -   verification that the State is capable of <u>receiving</u> and processing income withholding collections and interstate child support collections transmitted in both the CCD+ and CTX NACHA payment formats;

   -   verification that the State is capable of <u>transmitting</u> interstate child support collections in the CCD+ and CTX NACHA payment format;

   -   verification that the State is capable of <u>receiving</u> and processing income withholdings and interstate child support collections and corresponding remittance data transmitted to the State using the NACHA-endorsed EFT/EDI standard format for child support collections (the Child Support Application Banking Convention);

   -   verification that the State is capable of <u>transmitting</u> interstate child support collections and corresponding remittance data using the NACHA-endorsed EFT/EDI standard format for child support collections (the Child Support Application Banking Convention).

•   if EFT/EDI processing is performed on the statewide child support enforcement system (CSES) the State needs to identify any EFT-related screens, batch modules, and reports.

•   if EFT/EDI processing is performed at the SDU then the State needs to provide a detailed description of that alternative system and processing methodology as well as any relevant contract information (e.g., contract scope of work).

What States Should be Prepared to Demonstrate During the On-Site Review:

- Access screens to give evidence that the CSES is processing income withholdings transmitted via EFT/EDI
  - case chronological history notations;
  - prompts or alerts sent to the worker;
  - exception reports, etc.

Additional Information States May Need to Provide During the On-Site Review:

- A printout of an ACH file generated by the State to transmit interstate child support collections.
- ACH file specifications.
- Bank tables or interstate tables that provide the FIPS codes and bank routing codes for other States
- Copies of any outreach materials used to inform employers of the availability of EFT/EDI.
- Copies of any information/instructions the State provides to employers who are interested in submitting income withholdings electronically.

If you have any questions, be sure to contact your systems analyst well in advance of the review.

Topic: Federal Offset Program (Federal Tax Offset, Passport Denial, Administrative Offset)

Objective E-3: The system must automatically support Federal Tax Offset.
Objective E-14: The system must support the State's procedures for passport denial.
Objective E-16: The system must support administrative offset.

Additional or New System Certification Requirements Due to PRWORA:
Passport denial and administrative offset are new. There are only a few changes to the functional requirements of Federal Income Tax Refund Offset and that is that the system must provide for an automated interface (Connect: Direct) to electronically transmit case information. Another change is the move to a continuous update process rather than a one time per year upload. Balances should be updated both up and down, and the system should allow for additions and deletions.

Preparing the Documentation
The administrative offset program is optional. The documentation should indicate whether or not your State currently participates in this program. If your State does participate in the administrative offset program, be sure to specify the frequency of updates your system sends via Connect:Direct to OCSE. Provide a description of due process in your State, that is, does your system generate the pre-offset notice, or does OCSE perform this activity. How often and under what circumstances are notices generated?

The State needs to identify screens, batch modules, and reports which support the Federal Offset processes.

What States Should be Prepared to Demonstrate
The review team will be able to gather information on your system's ability to transmit data via Connect:Direct. Although the Federal tax offset process was covered in the FSA '88 review, the review team will review the changes the State has made to accommodate new data specifications, telecommunication and processes. This will include a review of how the system continuously updates its tax offset file and adds and deletes cases. In addition, the review team will evaluate the State's process for reviewing new cases and updating transactions on the Rejected Case Update Submission File, making any necessary corrections, and resubmitting to OCSE on the next Case Update Submission File.   The review team will also review the passport denial and administrative offset processes, if the State participates in those programs. You will be asked to demonstrate how the system identifies cases which meet the criteria in each process, what alerts the caseworker receives, what is recorded in the case file, and the generation of notices. You will also be asked to demonstrate how cases that have been referred to OCSE for each of these processes are modified, added or deleted.

What the Central and Regional Federal Review Team Will Gather Before On-Site Visit
The Federal review team members will have access to information about the cases your system's ability to transmit Federal tax offset cases via Connect:Direct. They will also have access to information about your State's administrative offset and passport denial cases, such as the ability to transmit data via Connect:Direct, the volume of cases, how often your State sends updates, the quality of the data and whether your State responds appropriately to the rejected file information it receives.

***If** you have any questions, be sure to contact your systems analyst well in advance of the review.*

Topic: Administrative Enforcement Interstate

Objective E-12 The system must automatically accept, process and generate administrative enforcement interstate (AEI) requests, which do not result in the transfer of jurisdiction of the cases.

Although this statutory requirement was originally enacted as part of PRWORA, it was revised by the enactment of the Child Support Performance and Incentive Act of 1998 (P.L 105-200) which resulted in a significant delay in the issuance of data specifications for AEI. While the program requirements remain in effect, OCSE will defer review of the automation requirements of AEI until a later date.

Topic: License Suspension

Objective E-13: The system must support procedures under which the State has (and uses in appropriate cases) authority to withhold or suspend, or to restrict the use of driver's licenses, professional and occupational licenses, and recreational and sporting licenses of individuals owing overdue support or failing, after receiving appropriate notice, to comply with subpoenas or warrants relating to paternity or child support proceedings.

Preparing the Documentation
Review team members will rely heavily on the information provided in the documentation since no two States have identical license suspension procedures. Be sure to include the following information when completing the documentation:

- Specify the trigger criteria which makes a case eligible for the suspension process;

- List all the licensing agencies associated with in the license suspension process.

- Describe the complete process used in license suspension. For example, is this an administrative, judicial or quasi-judicial process? What role does the licensing agency itself play in the suspension process? Which agency tracks the due process and appeals process? Which agency suspends the license.

- Indicate the types of interfaces you employ and the frequency of the data exchanges or batch processing. For example, do you have on-line access to the Department of Motor Vehicles and use it on a case-by-case basis, or do you provide a tape to the DMV with all delinquent obligors? How often do you exchange tapes with professional or occupational licensing boards or agencies? There may be a different process for each type of license affected.

- Describe how the system tracks license suspension through first and second notices, grace periods, appeal process, etc. Is all the pertinent information logged to the case history? When does the caseworker receive prompts or alerts? What is done automatically? What requires worker intervention?

- If your State uses license suspension for failure to comply with paternity or other child support proceedings, please include an explanation of how this is carried out.

The State needs to identify screens, batch modules, and reports which support license suspension procedures.

Types of Cases to Select for Demonstration Purposes

Much of which cases are selected for the demonstrations will depend on how your State processes license suspension. Review team members will rely on the description in the documentation to help them determine whether or not your automated system supports the process. Since this enforcement remedy affords a great deal of flexibility to the State, there will undoubtedly be a wide range in the possible license suspension scenarios.

At a minimum, you should select the types of cases which you believe best demonstrate your State's license suspension process, for example:

- Cases which meet the trigger criteria. If your State uses one set of criteria for one type of license and another set for another license, identify cases for each scenario.

- If you use both on-line and batch processes to carry out license suspension, identify cases that will use the different types of the matching process.

- If your State uses both an administrative process and a judicial process, identify cases that fall into those categories.

- If your State uses license suspension for failure to comply with paternity or other child support proceedings, identify such a case for demonstration purposes.

- Cases which employ recreational license suspension (if there is no automated interface with recreational licensing boards in your State, use the Documentation to describe the process.)

- Any other case which you believe best demonstrates the unique aspects of your State's license suspension process.

What States Should be Prepared to Demonstrate
The review team members will want to see how the system:
- identifies cases eligible for license suspension,
- issues alerts or prompts to workers,
- generates notices to all parties involved in the suspension process,
- logs the activities to the case history.

Be prepared to demonstrate cases which incorporate on-line access to licensing information as well as those cases subject to suspension which are included in tape exchanges or batch process. The review team will also want to see a case as it goes through the appeals process, if it is the responsibility of the IV-D agency.

Include copies of all notices generated by the system.

If you have any questions, be sure to contact your systems analyst well in advance of the review.

Topic: Financial Institution Data Match

OBJECTIVE E-15: The system must support procedures under which the State agency shall conduct matches with financial institutions, using automated data exchanges to the maximum extent feasible.

Preparing the Documentation
Review team members will rely heavily on the information provided in the documentation. Be sure to include the following information when completing the documentation:

- a detailed overview of the State's FIDM process (e.g., process overview, high-level flow charts, file specifications, criteria for determining when delinquent obligors will be included in the FIDM, etc.)

- if FIDM processing is performed on the statewide child support enforcement system (CSES) the State needs to identify screens, batch modules, and reports;

- if FIDM processing is performed on an alternative system the State needs to provide a detailed description of the alternative system and processing methodology as well as relevant contract information (e.g., contract scope of work).

- the following statistics on the operation of the State's FIDM:
  - number of matches
  - average value of accounts matched (optional)
  - average amount actually seized (optional)

- the following statistics on the State's participation in the Multi-State FIDM (MSFIDM):
  - number of matches
  - average value of accounts matched (optional)
  - average amount actually seized (optional)

What the Central and Regional Federal Review Team will Gather Before the On-Site Visit:
Review team members will verify that the State is identifying delinquent obligors for the Multi-State FIDM (MSFIDM) process on the Federal Administrative Offset File.

Types of Cases to Select for Demonstration Purposes
Select cases/delinquent obligors that meet the State's trigger criteria for FIDM processing, including:

  - delinquent obligors with accounts identified in the State's Single State FIDM process;

- delinquent obligors with accounts identified in the Multi-State FIDM process;

- delinquent obligors who have had assets seized as a result of either the Single State or Multi-State FIDM process.

What States Should be Prepared to Demonstrate

States conducting the Single State FIDM on their CSES should be prepared to:

- Provide a printout of an All-Accounts file (if any) received from a Financial Institution (FI).[in single state the FIs have the choice]
- Access screens to demonstrate that a financial institution data match was performed on this All-Accounts file:
    - case chronological history notations;
    - notices automatically generated by the system;
    - prompts or alerts sent to the worker;
    - exception reports, etc.

- Provide a printout of a FIDM Inquiry File - Method Two (Matched Accounts Method) generated by the CSES (if any).
    - Access screens to demonstrate that obligors meeting the State's FIDM criteria are included on that file.

- Provide a printout of a Match File received from a FI.
    - Access screens to demonstrate that the CSES processed this Match File:
        - case chronological history notations;
        - notices automatically generated by the system;
        - prompts or alerts sent to the worker;
        - exception reports, etc.

- Access screens to demonstrate that obligors meeting the State's FIDM criteria are identified for MSFIDM processing on the Federal Income Tax Refund Offset File generated by the CSES.

- Access screens to demonstrate that the CSES accepts and processes FCR MSFIDM response records:
    - FCR MSFIDM response records;
    - chronological case history notations;
    - prompts and alerts to workers;
    - exception reports, etc.

- Provide a copy of the report or form which the State will use to transmit the names and SSNs of delinquent obligors (meeting the State's FIDM criteria) to FIs not capable of participating in an automated match.

- For any actions requiring worker intervention, access the CSES screens needed to demonstrate that the system has prompted the worker to take action.

- Provide copies of all the system-generated documents used to attach an asset held by a FI.

- Provide a printout and file specifications of any electronic files used to attach an asset held by a FI.

If you have any questions, be sure to contact your systems analyst well in advance of the review.

Topic: Financial Management and State Disbursement Unit

Objective F-1: With the exception of those cases with income withholding in force, the system must automatically bill cases with obligations.
Objective F-2 The system must automatically process all payments received
Objective F-5 The system must distribute collections in accordance with OCSE-AT-97-17, OCSE-AT-98-24 and any applicable guidance as provided in Action Transmittals.

Section 454B of the Social Security Act requires States to establish a State Disbursement Unit (SDU) for the collection and disbursement of child support payments. The SDU must process payment in all IV-D cases and in non-IV-D income withholding orders issued on or after January 1, 1994. The SDU must be operated by the State IV-D Agency or a contractor directly responsible to the agency. It must operate in coordination with the statewide automated child support enforcement system.

The State shall submit documentation associated with the Financial Distribution Test Deck for PRWORA to their OCSE Audit office.

Preparing the Documentation
The questionnaire should describe whether the SDU is part of the statewide CSE system, or separate system. If the SDU is outside the statewide system, describe the interface, including transmission medium, frequency. Explain the functions performed by the SDU (i.e. billing, EFT/EDI). It would be helpful if the questionnaire for this objective could provide a break-out of the number of payments processed by the SDU categorized by IV-D, Non-IV-D, wage withholding, EFT/EDI, mailed payments, cash payments, and the number and percentage of payments still being sent to wrong address. The questionnaire should also summarize the number and amount of unidentified payments.

Describe the interface between the SDU and statewide system as it relates to providing payment information to the statewide CSE system, including how that information is transmitted between the SDU and statewide CSE system. (i.e. frequency and method).

When billing is done by the SDU, describe the process for billing suppression and adjustments . The written procedures for billing suppression should be available for review, including how information for billing is derived from information in the statewide automated CSE system.

The questionnaire needs to describe whether the State recovers costs from the non-custodial parent.

Type of Cases to Select for Demonstration Purposes
The State should be prepared to show sample Non-IV-D cases being processed by the SDU as well as IV-D cases.

The team will ask to see examples of paying cases' case history file and look at the date of receipt and the date of disbursement to determine if the two day timeframe is being met.

If the State recovers costs from the non-custodial parent, the State must address the system requirement in F(5)(a) by selecting cases where costs were recovered from the non-custodial parent and demonstrate to the review team the financial history screens that show the amount collected, the current support obligation and the arrears amounts prior to distribution, the amount applied to current support and arrears, and the amount applied to fees/costs recovery. The cases demonstrated need to include examples of where the State was the responding State in an interstate case, and examples of where the State was the initiating State.

What States should be prepared to demonstrate

The State should expect the certification review team will be requesting an on-site visit of the SDU, even if the SDU functions are partially or fully performed by an outside entity.

The team will need to see the payment posting process and examples of financial information posted to a case record in the SDU. The team will later during the review, access the same case(s) to determine if same information posted to the appropriate screens and notations are made in the case history file.

The State should be prepared to describe the process used to handle unidentified collections and measures taken to minimize the number of unidentified collections or time the payments are in collection hold. The State should be able to provide statistics regarding the number of unidentified collections on a monthly basis and average turn-around time.

The State will be asked to access a number of cases in paying status and demonstrate how the case chronology file is updated to reflect payments, arrearages and fees paid.

The State should be able to demonstrate the automatic generation of billing notices to payors that are not subject to wage withholding.

If you have any questions, be sure to contact your systems analyst well in advance of the review.

Topic: Reporting
Objective G-1 The system must maintain information required to prepare Federal reports
Objective G-3 The system must generate reports required to ensure and maintain the accuracy of data and to summarize accounting activities.

Preparing the Documentation:

The required Federal reports include OCSE-157, OCSE-396A and OCSE-34A.   Please see Appendix A for the latest version of these forms. In particular, OCSE AT-99-15 and Dear Colleague 98-65 which provides some changes to the OCSE –157 form.

The State should update their certification questionnaire to provide the following information:
- The tools (e.g. programming languages, report writer software etc.) used to produce the OCSE-157, OCSE-34A and OCSE-396A reports.
- Description of the methodology used to develop and test the reports to ensure accuracy of data.
- Identify any data that is coming from an outside source to produce the reports. (e.g., expenditure and fee data from a separate State accounting system)
- Explain if the system maintains the previous data used to generate the required Federal reports. If yes, for how long? Is the information easily retrievable in PC readable format from the system?
- Describe how the system maintains the data on State performance related to paternity establishment and calculation of paternity establishment for each fiscal year.

Note: The certification review teams analysis is limited to the systems ability to generate the data needed for the required Federal reports. The review of the reliability of the data is a separate process. However, to reduce the amount of the documentation required to be submitted by States for the data reliability reviews, we have broadened our request for documentation in the certification questionnaire for Federal reporting with the understanding that the OCSE auditors will review the documentation related to Federal reports submitted in the certification before requesting additional data for the data reliability reviews. Alternatively, if the State has compiled documentation for the data reliability review, that documentation may be sufficient for this portion of the certification questionnaire. Therefore, OCSE requests that the States in describing how the data for the Federal reports are generated, also provide an expanded explanation that will be useful in the data reliability reviews.

What States should be Prepared to Demonstrate During the On-site Review:

The OCSE-157, OCSE-34A and OCSE-396A reports should be available during our review. The OCSE-34A is tested as a part of the Child Support Financial Test Deck generator. The review team will need to see individual 34-A reports on the test deck scenarios as well as a cumulative report based on the test deck scenarios.

State staff who can explain how the reports were developed and tested should also be available during the on-site review.

If you have any questions, be sure to contact your systems analyst and/or OCSE auditor well in advance of the review.

Topic: Security and Privacy (Including Year 2000)

Objective H-2:   **The system must be protected against unauthorized access to computer resources and data in order to reduce erroneous or fraudulent activities and protect the privacy rights of individuals against unauthorized disclosure of confidential information.**
Objective H-6:   **The system must be capable of processing data related to calendar year 2000.**

Additional or New System Certification Requirements Due to PRWORA:
Objective H-2 (j) provides additional guidance regarding the tracking and identification of the users of the system. This requirement, due to the additional data resources needing protection, particularly in the area of Social Security and Internal Revenue Service data, is intended to monitor who is accessing the system, and to what extent those individuals have access. The requirement does not intend that the system track each individual screen and thus data element that an individual may access. Such real-time tracking of user movement through the system would be prohibitively expensive in terms of processing and data maintenance. Overall, H-2 deals with access to the system, as evidenced by the sub-requirements' H-2(a) through H-2(f) concentration on "front-end" security. The addition of H-2(j) carries this concentration on user security further in requiring the ability, in real time, determine who is currently, or has been, on the system. An extension of this ability is to know to what extent they have access to data on the system (usually through review of an individual user's security profiles and tables.)

Objective H-2 (k) reflects the statutory requirement that States develop safeguards to prohibit the release of "whereabouts" information about persons designated as at risk for family violence. How this is handled by individual State systems can vary, depending on the breadth and scope of the systems security and privacy capabilities. At a minimum, however, the system should allow for the identification on the case record (usually through a check box or indicator code) and on appropriate (through code tables or other means) participant records that case participant(s) are subject to heightened security standards for address or "whereabouts" information due to family violence. The Family Violence indicator at the Federal Case Registry level should only be set by the States that have determined the need for such protection. If, upon receipt of case or participant information from another State with this type of identification, the receiving State should not also submit a FV indicator to FCR unless it also has determined that the case participants in the case in their State need this protection. States are responsible to determine who has access to this case and participant information. Therefore, the State should have written procedures and staff training to instruct staff on how to avoid improper disclosure of address or whereabouts information on protected persons. This would include minimizing potential risk to a protected person through improper access to, publication of, and distribution of, case and participant automated records, print files, forms, documents and reports containing address whereabouts information.

Objective H-6(a) is new and adds a requirement that the entire system be capable of processing date and time data from, into and between the twentieth and twenty-first centuries, and the numeric dates of 1999 and 2000, including leap year calculations.

Preparing the Documentation:
The State should update their certification documentation to reflect the above changes in security procedures and processing since the last FSA'88 review. The documentation should:
- for H-2(j) present a report (or screen print off of a online security monitoring package) showing the ability to determine what users are currently online to the system, and a screen print (or other form of system documentation such as a security profile/table/control record) providing user identification and respective security authorizations to, at a minimum, the screen level;
- for H-2(k) the system narrative for the requirement should explain how such family violence cases are handled by the system, including such topics as procedures for placing and removal of family violence indicators on case and participant records (including any supervisory override capabilities.)
- for H-6(a) present information on the State's internal (State agency conducted Independent Verification and Validation reviews) and external (ACF's State Human Service Systems Y2K Assessment Reviews) testing and assessment of its hardware, software, and firmware, including data networks and electronic interfaces. This information may take numerous forms. However, as part of this information, the State's risk analysis (Business Continuity and Contingency Plan [BCCP] as required in H-1(a) should reflect Y2K contingencies in the event of catastrophic failure as well as utilities and public services provider failures (water, sewer, electricity, banking, printing.)

What the Central and Regional Federal Review Team Will Gather Before On-Site Visit
Prior to the on-site review, review team members will obtain information from ACF's Y2K Assessment Team.

Types of Case to Select for Demonstration Purposes
To demonstrate that the State system meets the new security requirements, the OCSE review team will request that the State identify prior to the on-site visit, cases that can demonstrate the following:
- limits on caseworker access to and edits of cases not subject to the user's security profile.
- family violence cases, including user security profiles necessary to set and remove the family violence indicator on a case.
- Demonstration of how "whereabouts" information on FVI cases is protected.

What States Should be Prepared to Demonstrate
The review team will ask to see examples of user system security profiles (e.g., tables or control records), and security reports identifying users currently online, those that have accessed the system in the last 24 hours, and unauthorized access attempts. Demonstrations, as well, on the

ability of various user levels to set and remove family violence indicators on case and participant records are needed.