

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

June 25, 2002

LCSA LETTER: 02-13

ALL IV-D DIRECTORS

SUBJECT: STATUS UPDATE ON FEDERAL DATA RELIABILITY AUDIT

As you know, the Department of Child Support Services (DCSS), in coordination with the local child support agencies (LCSAs), has been working together to improve the reliability of the data reported on the OCSE 157 to meet the new standard of 95 percent reliable data effective Federal Fiscal Year (FFY) 2001. Despite these efforts, it appears that California will not meet the 95 percent for the paternity establishment performance measure. **In response to these findings and in order to ensure California has reliable data for FFY 2002, we are requiring the LCSAs immediately begin conducting case reviews as outlined below.**

Federal Data Reliability Audit Preliminary Findings

The Data Reliability Audit cited errors on Line 9 of the OCSE 157, as follows:

Line 9 – (drawn from line 16 on the CS 157) *Paternity Establishment Percentage (PEP)*. In reviewing the documentation in the case file as compared to the information reported by the counties on the FFY 2001 CS 157, the auditors have found seven cases with errors including orders for paternity dated outside of the audit period, paternities established for children born out-of-state or during a marriage, as well as data entry errors.

Some of the errors were a result of system programming that counted a paternity established whenever a court order or modification was done, even when paternity was not at issue. One system was programmed to determine the state of birth by where the Social Security Number (SSN) was issued, which resulted in one case that was cited as an error. (Child was born in Armenia, SSN was obtained in California, so the child was reported as born in California.) Some cases were reported on the audit case listing but not on the OCSE 157. One paternity established in 1999 was entered on the system retroactively as a paternity established and the system used a default date in the current year.



Impact of Findings and Subsequent Audits

Specific findings for the errors cited in the review are in Attachment 1. At this time, it appears that DCSS will lose incentives in the area of *Paternity Establishment*. Although this may not have an impact on the total amount anticipated to be received by California, the reason it may not impact overall funding is because federal incentive amounts are based on the performance of the other states and other states seem to be having difficulty with one or more measures.

It is important to note that at the new standard for data reliability of 95 percent, every case is critical in terms of whether the State passes the audit. One case can make the difference in the State receiving federal incentives for a particular measure. In addition, if the State fails in one measure and the problem is not remedied by the FFY 2002 audit, a penalty of one to two percent of California's TANF block grant will be imposed in FFY 2003 (\$37 – \$74 million). Family Code Section 17604 (e) specifies that if an audit or review results in a reduction of federal funds, the sanction shall be assessed against the counties cited in the federal findings. It is in everyone's best interest to avoid any reduction in federal funds.

Required Action

As a result of the preliminary audit findings, it is critical that we focus on improving both our performance and data reliability, particularly in terms of *Paternity Establishment*. To ensure that California passes the Data Reliability Audit (DRA) for FFY 2002 forward, it is important the LCSAs take immediate steps to improve data reliability.

LCSAs need to do case reviews designed to emulate the federal audit to identify and resolve any issues prior to the next audit. The scope of the review is to ensure that all the data were reported accurately. DCSS is particularly concerned with *Paternity* data (lines 16, 16b and 16c), which is the highest priority for review on the CS 157. LCSAs must review all cases that had paternity established judicially in FFY 2002. Compare the FFY 2002 cases to the relevant data as provided by your consortia lead to ensure all information has been accurately submitted and all cases have been properly processed. A less intensive review of the other lines that are normally reviewed by the federal auditors should also be conducted; those are Lines 1, 2, 24, 25, 28 and 29. For each set of lines (Lines 1 and 2 are a set, lines 24 and 25 are a set and lines 28 and 29 are a set), LCSAs must review 25 cases for small counties (a caseload of 10,000 or less) and 50 cases for medium and large counties (a caseload of 10,000 or more). The consortia leads will pull a listing of appropriate cases for review, including all paternities established judicially since October 2001 and an appropriate sample for the other lines. Please contact your consortia lead for assistance with that process.

Attached are definitions (Attachment 2) and sample review forms (Attachment 3) for each review area to assist you in the review. All cases with paternity established

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judicially in FFY 2001 (October 1, 2001 to September 30, 2002) must be compared to the Paternity Opportunity Program (POP) database, using the most recent D-Rom received. The CD-Rom contains all POP Declarations signed from 1995 to the present.

Please prepare a report listing the cases pulled for review, document the period reported, and the result of the review. Each case should be identified as **Approved** (meaning all information was accurate and appropriate) or **Revised** (meaning information needed to be clarified or corrections made to the file or system). For those cases that required any revision, identify the clarification or correction that was made (i.e., root cause). Please sign the report and forward to DCSS (attention: Karen Echeverria, Chief, Data and Performance Analysis Branch) at least monthly, beginning August 1, 2002, until the reviews have been completed, no later than October 1, 2002. Also, any indicators of an automation system problem should be reported immediately to your consortia lead and to Jackie Martin, Chief of the PRISM Branch, via e-mail at Jackie.Martin@dcss.ca.gov or telephone at (916) 464-5605. You may refer to the attached list of consortia leads (Attachment 4) for contact names and numbers.

This review is intended to identify corrective actions needed immediately, especially in the areas where deficiencies have been identified in the audit. It is critical that all measures to improve data reliability be identified and implemented as soon as possible.

If you have any questions or concerns about this letter, please contact Karen Echeverria via e-mail at Karen.Echeverria@dcss.ca.gov or telephone at (916) 464-5080.

Sincerely,

CURTIS L. CHILD
Director

Enclosures

c: Regional Administrators

SUMMARY OF DRA 2001 VARIANCES

LINE 1 – CASES OPEN AT THE END OF THE FEDERAL FISCAL YEAR

VARIANCE	ROOT CAUSE(S) OF VARIANCE
1. Case reported as open incorrectly. (ARS)	<ul style="list-style-type: none"> System error – the case did not convert properly to ARS. System error – automated case closure failed.
2. Case was not counted as an open case. (STAR/KIDS)	<ul style="list-style-type: none"> Reporting error – programming error for CS 157 reporting. System error – the system allowed user override to the jurisdiction indicator which caused the case to not be counted.

LINE 2 – CASES OPEN AT THE END OF THE FEDERAL FISCAL YEAR WITH SUPPORT ORDERS ESTABLISHED

VARIANCE	ROOT CAUSE(S) OF VARIANCE
1. Case did not have a support order. (KIDZ)	<ul style="list-style-type: none"> System error - conversion issue (11/2000 conversion) - the system created an account even though no support order existed.

LINE 9 – PATERNITIES ESTABLISHED OR ADJUDICATED DURING THE FEDERAL FISCAL YEAR

VARIANCE	ROOT CAUSE(S) OF VARIANCE
1. Paternity establishment date was 6/14/90 – outside the audit period. (ARS)	<ul style="list-style-type: none"> User error – input error. System error – the system allowed the end-user to update the paternity page without clearance. System error – allowed the establishment of paternity in cases where the NCP was the mother. System error – the case was in the audit trail but not reported on the CS 157.

SUMMARY OF DRA 2001 VARIANCES

<p>2. The child was not born in the state. (ARS)</p>	<ul style="list-style-type: none"> • Policy decision to use SSN numbers to match place of birth. • System error – SSN should not be used to identify state of birth.
VARIANCE	ROOT CAUSE(S) OF VARIANCE
<p>3. The child was not born out-of-wedlock. (ARS)</p>	<ul style="list-style-type: none"> • System error – programming updated the paternity screen each time a modification or criminal order was obtained. • System error – the case was in the audit trail but not reported on the CS 157.
<p>4. Paternity establishment date was 7/25/00 – outside the audit period. (ARS)</p>	<ul style="list-style-type: none"> • System error – programming updated the paternity screen each time a modification or criminal order was obtained • System error – the case was in the audit trail but not reported on the CS 157.
<p>5. Paternity establishment date was 1/13/00 – outside the audit period. (ARS)</p>	<ul style="list-style-type: none"> • System error – allowed the establishment of paternity in cases where the NCP was the mother. • System error – updated the paternity page when a modification of the court order occurred.
<p>6. Paternity never established. (Legacy System – converted to ARS 2/4/02)</p>	<ul style="list-style-type: none"> • Policy decision to count cases for paternity reporting purposes when paternity was ever at issue and a court date was pending. • System error – should not have counted cases that did not have paternity established during the period.

SUMMARY OF DRA 2001 VARIANCES

LINE 24 – AMOUNT OF CURRENT SUPPORT DUE DURING THE FEDERAL FISCAL YEAR

VARIANCE	ROOT CAUSE(S) OF VARIANCE
1. No current support was due for the custodial parent PIN submitted on the audit trail. (ARS)	<ul style="list-style-type: none"> • Reporting error – the audit trail was not prepared as instructed by DCSS and did not provide accurate information. • System error – system may not have been able to produce the audit trail as instructed.
2. Not all of the current support due reported could be verified. (KIDZ)	<ul style="list-style-type: none"> • System error – The case did not convert correctly.
3. Not all of the current support due reported could be verified. (CASES)	<ul style="list-style-type: none"> • User error – miscalculation of current support due. • User error – may not know how to build the history into the system.
4. All current support due was not reported on the audit trail. (CASES)	<ul style="list-style-type: none"> • User error – the current support account was closed prior to completing a case transfer. (Although the current support account should not be closed prior to transferring a case, if there was a legitimate reason to do so it should be done at month end in order for the system to identify both an obligation and a distribution, per consortia lead.) • System error – the system allowed the user to close the current support account mid month.

SUMMARY OF DRA 2001 VARIANCES

LINE 25 – AMOUNT OF CURRENT SUPPORT DISTRIBUTED DURING THE FEDERAL FISCAL YEAR

VARIANCE	ROOT CAUSE(S) OF VARIANCE
1. No current support was distributed to the custodial parent PIN submitted on the audit trail. (ARS)	<ul style="list-style-type: none">• Reporting error – the audit trail was not prepared as instructed by DCSS and did not contain accurate information.• System error – system may not have been able to produce the audit trail as instructed.
2. Current support was not distributed as reported on the audit trail. (Legacy System – converted to ARS 2/4/02)	<ul style="list-style-type: none">• System error – inability to properly account for and report cancelled warrants.• Reporting error – audit trail did not match the information reported on the CS 157.

SUMMARY OF DRA 2001 VARIANCES

LINE 28 – CASES WITH AN ARREARS PAYMENT DUE DURING THE FEDERAL FISCAL YEAR

VARIANCE	ROOT CAUSE(S) OF VARIANCE
1. Collection activity was associated with the wrong case. (ARS)	<ul style="list-style-type: none"> • Reporting error – the audit trail was not prepared as instructed by DCSS and did not provide accurate information. • System error – system may not have been able to produce the audit trail as instructed.
2. Arrears were not reported correctly on the audit trail. (CASES)	<ul style="list-style-type: none"> • User error – This is the same case as item 4 under line 24. Because the support account was closed prior to completing a case transfer, both current support and arrears were reported incorrectly. • System error – the system allowed the user to close the support account mid month.

LINE 29 – CASES WITH AT LEAST ONE COLLECTION TOWARD ARREARS DURING THE FEDERAL FISCAL YEAR

VARIANCE	ROOT CAUSE(S) OF VARIANCE
1. Collection activity associated with the wrong case. (ARS)	<ul style="list-style-type: none"> • Reporting error – the audit trail was not prepared as instructed by DCSS and did not provide accurate information. • System error – system may not have been able to produce the audit trail as instructed.

CS 157 Line Definitions

9. Children in the State with Paternity Established or Acknowledged During the Year

The Local Child Support Agency does not report on line 9. Line 9 is calculated as follows: Line 10 + Line 16 – (Line 16b and Line 16c) Line 10 is Paternity Declarations and is calculated by DCSS.

16. Children in the IV-D Caseload for Whom Paternity Was Established **Judicially** During the Year

Report the number of children in cases in the IV-D caseload for whom paternity was established **judicially** by the IV-D agency during the year. A paternity established or acknowledged prior to a case's referral to IV-D is not counted in this item. If more than one child is included in a single paternity action, each child is counted separately. If a paternity determination action includes an order for support, the paternity is counted on Line 16 and the support order is counted on Line 17. *Remember, only include those children who are under age 18 years on lines 16 – 16c. However, if a child turned 18 during the reporting period, that child should be included in the count.*

16b. Children in the IV-D Caseload for Whom Paternity Was Established **Judicially** During the Year and Who Were Born Out-of-Wedlock in **Another State** or the **State of Birth is Unknown**

Report the number of children in the IV-D caseload, born out-of-wedlock in another state and/or the birth state is unknown for whom the IV-D agency established paternity during the year. These are a subset of, and should be included in, Line 16.

16c. Children in the IV-D Caseload for Whom Paternity Was Established During the Year Using the County Judicial System and a Match Was Found in the Statewide POP Database

Report the number of children in the IV-D caseload for whom paternity was established by the IV-D agency using the county court system and a match was found in the statewide POP database during the year.

25. Total Amount of Support Distributed as Current Support During the Year

Report the total amount of support distributed as current support during the year for all IV-D cases. Voluntary payments are considered current support and should be reported even though there is no order to require payments.

Data Reliability Review*
(October 1, 2001 through September 30, 2002)

County _____ Date Of Review _____

Case Number _____ Case Name _____

Audit area - PATERNITY ESTABLISHMENT (Lines 16, 16b and 16c of the CS 157)

1. What was the paternity establishment date? _____
If not between 10/1/01 and 9/30/02, case should not be included on line 16.

2. Was the child born out-of-wedlock? yes _____ no _____
If no, child should not be included on line 16.

3. What is the child's date of birth? _____

4. Was the child a minor during the audit period? yes _____ no _____
If no, the child should not be included on line 16.

5. Was the child born in the State? yes _____ no _____
If no, it should be included in line 16b.

6. Was a POP declaration signed? yes _____ no _____
If yes, child should be reported on line 16c.

7. Was this case reported correctly as a paternity established during the audit period? yes _____ no _____

If no, what was the reason for the error and what action needs to be taken to correct it and prevent similar errors from occurring?

*This review form is provided as a **sample** of recommended questions or areas to be reviewed. LCSAs are responsible for all aspects of data submitted to the State and for ensuring accuracy and reliability of the data.

Data Reliability Review*
(October 1, 2001 through September 30, 2002)

County _____ Date Of Review _____

Case Number _____ Case Name _____

**Audit area – OPEN CASES (LINE 1) AND OPEN CASES WITH SUPPORT ORDERS
ESTABLISHED (LINE 2)**

1. Should this case have been reported as an open case? yes _____ no _____

If no, what is the explanation for reporting it? _____

3. Was a support order established during the audit period? yes _____ no _____

If no, what was the reason for the error and what action needs to be taken to correct it and prevent similar errors from occurring?

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Data Reliability Review*
(October 1, 2001 through September 30, 2002)

County _____ Date Of Review _____

Case Number _____ Case Name _____

**Audit area – CURRENT SUPPORT DUE (LINE 24) and COLLECTED AND
DISTRIBUTED (LINE 25)**

1. Was the case status open during the audit period?
yes _____ no _____

2. Does the amount of current support distributed on the
system match the amount reported on the CS 157? yes _____ no _____

3. How much current support was collected during
the audit period? _____

4. Does the amount of current support distributed on the
system match the amount reported on the CS 157?
yes _____ no _____

5. If not, what is the amount of the variance? _____

6. Was this case reported correctly? yes _____ no _____

If no, what was the reason for the error and what action needs to be taken to
correct it and prevent similar errors from occurring?

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Data Reliability Review*
(October 1, 2001 through September 30, 2002)

County _____ Date Of Review _____

Case Number _____ Case Name _____

Audit area – CASES WITH ARREARS (LINE 28) DUE AND CASES WITH AT LEAST ONE COLLECTION TOWARD ARREARS (LINE 29)

1. Does this case show that arrears were owed on the audit trail?
yes _____ no _____

2. Were arrears owed in this case during the audit period?
yes _____ no _____

3. If no, what is the explanation? _____

4. Does this case show that an arrears collection was received on the audit trail?
yes _____ no _____

5. Was this case reported correctly? yes _____ no _____

If no, what was the reason for the error and what action needs to be taken to correct it and prevent similar errors from occurring?

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Department of Child Support Services Lead Consortias - June 2002

Name	Lead County	Phone	Fax	Address	E-mail Address	System
Paula Deen	Alameda	(510) 639-3071	(510) 639-3535	2901 Peralta Oaks Court Oakland, CA 94605	pbd@co.alameda.ca.us	BEST
Jim Mohler	Kern	(916) 648-3350 ext. 225	(650)745-1418	3780 Rosin Court, Ste 100 Sacramento, CA 95834	Jmohler@kidzsupport.com	KIDZ
David "Jake" Jacobson	Los Angeles	(323) 832-7191	(213) 869-1115	5500 South Eastern Ave Commerce, CA 90040	jake_jacobson@childsupport.co.la.ca.us	ARS
Gail Thomas	Riverside	(909) 486-7850	(909) 653-3027	6147 River Crest Drive, Suite B Riverside, CA 92507	gthomas@co.riverside.ca.us	STAR/KIDS
Christine Anderson	San Francisco	(415) 356-2740	(415) 356-2741	617 Mission Street San Francisco, CA 94105	christine_a@sfnt02.cahwnet.gov	CASES
Jim Beaumont	San Mateo	(650)-363-4682	(650) 368-6374	555 County Center, 2nd Floor Redwood City, CA 94063	Jbeaumont@co.sanmateo.ca.us	CHASER