

**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

December 22, 2004

LCSA LETTER: 04-24

ALL IV-D DIRECTORS

**SUBJECT: CALIFORNIA DEPARTMENT OF CHILD SUPPORT SERVICES (DCSS)  
INTERNAL REVENUE SERVICE (IRS) SAFEGUARD REVIEW REPORT**

In March of 2003 the IRS conducted a safeguard review of DCSS processes and procedures. The purpose of the safeguard review was to evaluate the methods utilized to protect federal tax information (FTI) from unauthorized use or disclosure. The evaluators reviewed the procedures the DCSS used to process and protect return information provided by the IRS. The IRS also made on-site visits to the Santa Barbara local child support agency (LCSA), the Internal Services Department data center in Downey, California, and the Health and Human Services Data Center in Sacramento, California. At each location they discussed the procedures and protection used for processing, accessing and/or safeguarding FTI.

Internal Revenue Code (IRC) section 6103(l)(6) allows the IRS to only disclose return information to Federal, State, and LCSAs to the extent necessary to assist in gathering locate information and to establish and collect child support obligations from individuals owing such obligations. As a condition of receiving the return information, IRC section 6103(p)(4) requires recipient agencies to establish and maintain, to the satisfaction of the IRS, certain safeguards designed to prevent unauthorized uses of the information and to protect the confidentiality of that information.

As a result of this report, DCSS will be establishing policies and procedures relevant to these IRS findings.

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If you have any questions or concerns regarding this matter, please contact  
Melanie Henderson at (916) 464-5519.

Sincerely,

A handwritten signature in black ink that reads "Joan M. Obert". The signature is written in a cursive style with a large, stylized initial "J".

JOAN M. OBERT  
Deputy Director  
Technology Services Division