

**CALIFORNIA DEPARTMENT OF CHILD SUPPORT SERVICES**

P.O. Box 419064, Rancho Cordova, CA 95741-9064



February 19, 2009

CSS LETTER: 09-01

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

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

SUBJECT: ANNUAL SAFEGUARD ACTIVITY REPORT

The purpose of this letter is to provide Local Child Support Agencies (LCSAs) with direction regarding new requirements for the annual submittal of the Safeguard Activity Report (SAR). A SAR is a record of how Federal Tax Information (FTI) is processed, safeguarded, and protected from unauthorized disclosure in a manner consistent with Internal Revenue Service (IRS) requirements. The IRS provides a guide to those requirements, *Publication 1075 – Tax Information Security Guidelines for Federal, State and Local Agencies and Entities* (<http://www.irs.gov/pub/irs-pdf/p1075.pdf>). Each LCSAs currently prepares an annual SAR and makes it available for the state to review during the compliance review process.

The IRS now requires a SAR to be electronically submitted annually by March 31 of every year. Effective with the 2009 annual filing each LCSA must submit their SAR to the DCSS Information Security Office (ISO) by March 15, 2009 and thereafter annually by January 31 every year. The DCSS ISO will review the SARs to ensure compliance, compile and then file with the IRS in accordance with IRS requirements. If clarification is required before filing with the IRS, the DCSS ISO will work with LCSA staff to obtain necessary additional information before filing the completed SARs with the IRS.

Attached is a template to be used by LCSAs when completing their SARs. Included with the template will be filing instructions to the DCSS ISO.

If you have any questions or concerns regarding this matter, please contact Debbie Martin at (916) 464-5774 or [info.security@dcss.ca.gov](mailto:info.security@dcss.ca.gov).

Sincerely,  
/o/s

DEBBIE MARTIN  
Chief Information Security Officer

cc: on following page

Mary Ann Miller, Assistant Director, Office of Executive Programs  
Vicki Contreras, Regional Administrator  
Cheryl Stewart, Regional Administrator  
Lupe Gonzales, Regional Administrator  
Marcus Mitchell, Regional Administrator  
Mary Lawrence, Regional Administrator

## Safeguard Activity Report (SAR) Analysis

Agency:

Dated:

Reviewed:

#	<i>Pub. 1075 Requirement Reference page 35-36 7.4 Annual Safeguard Activity Report</i>	<i>Agency SAR Content</i>	<i>Additional Information Needed to be Submitted by Agency</i> <i>Note- information noted in red must be submitted within 30 days, information noted in blue must be submitted with next SAR</i>
<b><i>Changes to Information or Procedures Previously Reported</i></b>			
7.4.1	A. Responsible Officers		
7.4.1	B. Functional Organizations Using the Data		
7.4.1	C. Computer Facilities or Equipment & System Security		
7.4.1	D. Physical Security		
7.4.1	E. Retention or Disposal Policy		
<b><i>Current Annual Period Safeguard Activities</i></b>			
7.4.2	A. Disclosure Awareness  Describe the efforts to inform all employees having access to FTI of the confidentiality requirements of the IRC, the agency's security requirements, and the sanctions imposed for unauthorized inspection or disclosure of return information.		
7.4.2	B. Reports of Internal Inspections  Copies of a representative		

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	sampling of the Inspection Reports and a narrative of the corrective actions taken (or planned) to correct any deficiencies, should be included with the annual SAR.		
<b>7.4.2</b>	C. Disposal of FTI  Report the disposal or the return of FTI to the IRS or source. The information should be adequate to identify the material destroyed and the date and manner of destruction, including copies of destruction logs.		
<b>7.4.2</b>	D. Other Information to support the protection of FTI, in accordance with IRC 6103(p)(4) requirements.  (NOTE: generally, agencies will receive instructions from the Office of Safeguards on items to report here.)		
<b>Actions on Review Recommendations</b>			
<b>7.4.3</b>	The agency should report all actions taken, or being initiated, regarding recommendations in		

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	the Final Safeguard Review Report issued because of the latest safeguard review.		
<b>Planned Actions Affecting Safeguard Procedures</b>			
<b>7.4.4</b>	Any planned agency action that would create a major change to current procedures or safeguard considerations should be reported. Such major changes would include, but are not limited to, new computer equipment, facilities, or systems.		
<b>Agency Use of Contractors</b>			
<b>7.4.5</b>	Agencies must account for the use of all contractors, permitted by law or regulation, to do programming, processing, or administrative services requiring access to FTI.		