Presented by:
John Mallers, CPA

Presentation Overview

- ARRA Incentive Funds
- Quarterly Incentive Balance Report (QIB)
- Claiming for Self-Insured Health Insurance Counties
- Miscellaneous
- Q & A
### ARRA Incentive Funds

- **Approval to Combine ARRA Balances into Regular Incentive Funds**
  - No longer need to track separately
- **Method of Transfer**
  - Write a check from ARRA fund into regular incentive fund
  - Complete Incentive Transfer Agreement
    - CSB will send partially completed Incentive Transfer Forms to Auditors
    - Auditors include dollar amounts and transfer date
    - Form only signed by Auditor for ARRA transfer

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**CHILD SUPPORT INCENTIVE FUNDS TRANSFER AGREEMENT**

**Date:** May 17, 2018

**Department of Child Services**

** Applicant:**

**ARRA Fund:**

**Transferee:**

**Regular Incentive Fund:**

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**Transfer Information:**

- **Transfer:** [Signature]
- **Date:** [Date]

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**Agreement:**

As a condition of this transfer, we agree that:

1. Transferor and Transferee shall both maintain appropriate documentation regarding the transfer of funds described within this agreement. Transferor shall be responsible for any and all reporting, including the Quarterly Incentives Expenditures Report for Title IV-D (Office of Child Support Enforcement).
2. Transferee shall be responsible for any and all reporting, including the Quarterly Incentives Expenditures Report for Title IV-D (Office of Child Support Enforcement).
3. The amount of money transferred shall be transferred to the appropriate Incentive Account and spent only for Title IV-D child support services allowed under state and federal law or cost transferred to an offset (if any) that has been agreed upon by the parties.
4. Transferor and Transferee shall both maintain and provide appropriate agreements with the DCS-GSA.
5. Transferor shall provide a copy of the agreement signed by both parties, to the County Auditor within five (5) business days of execution.
6. County Auditor shall report the transfer to both the positive and negative balance adjustment on the County Incentives Balance Sheet (IC 8-19 Title IV-D) (Office of Child Support Enforcement) in the quarter in which the transfer takes effect.
7. County Auditor shall update the fully signed and completed transfer agreement in the Title IV-D Expenditure Portal when submitting the DBF form for the quarter in which the transfer took place.

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**Child Support Incentive Funds Transfer Agreement**

- **Sponsor:**
- **Date:** [Date]

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**County Auditor Use Only:**

- **Title:**
- **Date:** [Date]
ARRA Incentive Funds

• Don’t close out ARRA funds yet
  – Revised transfer form not approved
  – Must receive transfer form and QIB with adjustment before 12/31/18 to close out for 2019.
  – If transfer occurs in 2019, then close accounts at end of year for 2020.
  – Will receive email approval from either SBOA or CSB to close out ARRA accounts

Quarterly Incentive Balance (QIB) Adjustment

• ARRA Transfer Reported as Balance Adjustment
  – Negative Adjustment Under ARRA Fund Column
  – Positive Adjustment in Regular Incentive Column

• Per federal approval and CSB guidance, the county is transferring the remainder of its ARRA incentive funds into the corresponding regular incentive fund.

• Not Reported on Quarterly Incentive Expenditure Reports (QIE) – Auditor Initiated Transaction

• Upload transfer agreement with QIB
  – Include ledgers and fund balances
Quarterly Incentive Balance (QIB) Report

<table>
<thead>
<tr>
<th>Quarterly Incentive Balance (QIB) Report</th>
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<tbody>
<tr>
<td>Children thrive in safe, caring, supportive families and communities</td>
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</table>

<table>
<thead>
<tr>
<th>Quarterly Incentive Balance Information</th>
<th>Prosecutor's Office (Fund #887)</th>
<th>Clerks of Court (Fund #885)</th>
<th>Title IV-D Incentive Fund (Fund #885)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-ARRA Monies Designated as &quot;Incentive Fund&quot; on Remittance Notices</td>
<td></td>
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**Final Regular Incentive Account Balance at the End of Quarter**

If applicable, Balance Adjustments During the Quarter (see instruction 3 above)

Comments:

**ARRA** Title IV-D Incentive Fund Balance Information

Pre-ARRA Monies Designated as "ARRA" on Remittance Notices

Prosecutor's Office (Fund #893) | Clerks of Court (Fund #884) | Title IV-D Incentive Fund (Fund #882) |

Final ARRA Incentive Account Balance at the End of Quarter

If applicable, Balance Adjustments During the Quarter (see instruction 3 above)

Comments: Children thrive in safe, caring, supportive families and communities
Quarterly Incentive Balance (QIB) Report

- Report balances of all six incentive funds each quarter
- Completed in IV-D Expenditure Portal
  - Due date changing from 20th to the 15th of the month starting with 2nd Qtr. 2018
  - Next due date will be July 15th (Apr – June)
  - Submit copies of incentive ledgers and fund balances to CSB
    - In Portal or by email to CSBQA@dcs.in.gov

Balance Adjustments

- Balance Transfers
  - Both negative and positive adjustment
  - Upload copy of Transfer Agreement
- Cost Allocation Plan Fee
  - Negative adjustment
- Interest Income into Fund
  - Positive adjustment
Title IV-D Health Insurance

• Type of Insurance
  – Fully Insured
  – Self Insured

• General Rule
  – Considered paid when transferred
  – Claim in months with transfers only
  – Calculation complicated
    • Different rates
    • Inconsistent transfer dates and amounts
    • Causing large adjustments during FQA reviews

Title IV-D Health Insurance

• New Method for Health Insurance Claiming
  – Consistent for all self-insured counties
  – Use of budgeted numbers
    • County-wide budgeted amount for health insurance / # employees enrolled / 12 months =
    • Budgeted cost per enrolled employee per month
      – Use for health insurance on MEC
      – Multiply by employee’s IV-D% to get eligible amount
  – Reconcile with transferred (actual) amount
    • County portion not employee portion
Title IV-D Health Insurance

• Reconcile with Transferred (Actual) Amounts
  • County-wide transferred amount / # of employees enrolled / 12 months =
  • Actual cost per enrolled employee per month
    – Use for reconciliation between budgeted and transferred (actual) costs
  • Excel spreadsheet created for Title IV-D offices to reconcile
    – Reconciliation adjustment required if budgeted > transferred (actual) amount
    – Not required if budgeted ≤ transferred (actual)

Auditor Health Insurance Form

<table>
<thead>
<tr>
<th>County</th>
<th>Desc Submitted</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>12/31/18</td>
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1. Form filled out in December of which year? 2018
2. Is the county self-insured or fully insured? (If fully insured, please skip the remaining questions and sign the form.) Self-insure □
3. Does the county budget health insurance costs by participant or position? Participant □
4. Total county-wide amount BUDGETED for health insurance premiums for the year: 2019 $1,500,000.00
5. Total number of participants/positions covered by health insurance as of 12/31/2018 150
6. BUDGETED county cost per participant/position per month $833.33

Use for MEC claiming in 2019
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## Auditor Health Insurance Form

7. Total county-wide amount TRANSFERRED to the Health Insurance Fund for the year: 2018 $1,500,000.00
8. Excess balance transferred from the Health Insurance Fund back to County General Fund Inc: 2018 $100,000.00
9. Net county-wide amount TRANSFERRED to the Health Insurance Fund for the year: 2018 $1,400,000.00
10. Total number of participants/positions covered by health insurance as of 12/31/2017 155
11. Actual TRANSFERRED cost per participant/position per month $752.69

12. Other amounts included in the health insurance budget line item that are transferred into health insurance fund:

<table>
<thead>
<tr>
<th>Type</th>
<th>Included</th>
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<tbody>
<tr>
<td>Life</td>
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<tr>
<td>Dental</td>
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<tr>
<td>Vision</td>
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<tr>
<td>HSA</td>
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<tr>
<td>Other[if]:</td>
<td></td>
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Use to Reconcile for 2018

## Title IV-D Health Insurance

- Auditor Health Insurance Form due to be completed and submitted to all Title IV-D agencies (Clerk, Prosecutor, and IV-D Court) by December 31st of each year.

- Copy of the form also to be submitted to CSB via email by December 31st.
  - Signed form must be scanned and emailed to CSBQA@dcs.in.gov

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Title IV-D Health Insurance

- Alternative Method
  - Cost Allocation Plan
    - Use actual transferred amounts
      - County-wide transferred amount / # of employees enrolled / 12 months =
      - Actual cost per enrolled employee per month
    - No need to reconcile
    - Delay in receiving reimbursement
    - Significantly reduces MECs

Miscellaneous

- Information Needed by IV-D Offices-MEC/QIE
  - Monthly cash ledger and payroll reports
    - Transaction History Report / Earnings and Deduction Register
    - Combined Ledger All Detail / Employee Pay History or Balance Register All Detail
  - Required documentation
    - Show when expenditures actually occur
    - Show county paid benefits
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Miscellaneous (Part 2)

- Cost Allocation Plan (CAP) Review
  - Per SBOA, Level of review/documentation
    - Document stating CAP reviewed with vendor
      - No specific language, but needs to state that you did review plan with the vendor and it’s reasonable
      - Signed and dated by County Auditor and vendor
    - Any review/verification of numbers
    - Actual calculations can come from vendors

Questions
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