



Financial Quality Assurance Department

Title IV-D Issues

Spring Auditors Conference
Fort Wayne, Indiana
May 24, 2018

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



Children thrive in safe, caring, supportive families and communities

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



Children thrive in safe, caring, supportive families and communities

| CHILD SUPPORT INCENTIVE FUNDS TRANSFER AGREEMENT | | | |
|---|--|---|--------------------------------|
| State Form 5520 (3-15) Approved by State Board of Accounts, 2016 DEPARTMENT OF CHILD SERVICES | | | |
| County: _____ | Date (month, day, year): _____ | | |
| TRANSFEROR INFORMATION | | | |
| Name of transferor: _____ | Fund number for transfer: _____ | | |
| TRANSFEEE INFORMATION | | | |
| Name of transferee: _____ | Fund number for transfer: _____ | | |
| TRANSFER INFORMATION | | | |
| <input type="checkbox"/> One time transfer Transferor and Transferee agree that \$ _____ shall be transferred from Transferor's fund to Transferee's fund. Date of transfer (month, day, year): _____ | | | |
| <input type="checkbox"/> Periodic transfer Transferor and Transferee agree that \$ _____ shall be transferred <input type="checkbox"/> quarterly <input type="checkbox"/> yearly (check one) from Transferor's fund to Transferee's fund. Date of commencement (month, day, year): _____ Date of termination (month, day, year): _____ Purpose of transfer / Transfer must be allowable under State and Federal law: _____ | | | |
| AGREEMENT | | | |
| As a condition of this transfer, we agree that: <ul style="list-style-type: none"> Transferor and Transferee shall both maintain appropriate documentation regarding the transfer of funds described within this agreement. Transferor shall not be responsible for any reporting connected to the expenditure of the funds transferred by this agreement. Transferee shall be responsible for any and all reporting, including on the Quarterly Incentive Expenditure Report for Title IV-D (State Form 54523), connected with the expenditure of funds transferred by this agreement. The amount of money transferred herein shall remain in the appropriate incentive account until spent only for Title IV-D child support purposes allowable under state and federal law or until transferred to an office that has entered into a current and approved cooperative agreement with the Indiana Department of Child Services Child Support Bureau (DCS-CSB). Transferor and Transferee shall have current and approved cooperative agreements with the DCS-CSB. Transferee shall provide a copy of this agreement, signed and dated by both parties, to the County Auditor within five (5) business days of signature. County Auditor shall sign and date the bottom of this agreement including the date of the transfer. County Auditor shall report the transfer as both a positive and negative balance adjustment on the Quarterly Incentive Balance (QIB) Form for Title IV-D (State Form 54766) in the quarter in which the transfer occurred. County Auditor shall upload the fully signed and completed transfer agreement into the IV-D Expenditure Portal when submitting the QIB form for the quarter in which the transfer occurred. | | | |
| We, the Transferor and Transferee, understand and agree to all of the terms contained in this agreement. | | | |
| Signature of transferor: _____ | Office of transferor: _____ | | Date (month, day, year): _____ |
| Title of transferor: _____ | County of transferor: _____ | | |
| Signature of transferee: _____ | Office of transferee: _____ | | Date (month, day, year): _____ |
| Title of transferee: _____ | County of transferee: _____ | | |
| FOR COUNTY AUDITOR USE ONLY | | | |
| Signature of County Auditor received by: _____ | | Printed name of County Auditor received by: _____ | |
| Date of receipt (month, day, year): _____ | Date of completion / first transfer for periodic transfers (month, day, year): _____ | | |



supportive families and communities

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



Children thrive in safe, caring, supportive families and communities

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



Children thrive in safe, caring, supportive families and communities

Quarterly Incentive Balance (QIB) Report

QUARTERLY INCENTIVE BALANCE (QIB) FORM FOR
 State Form 5470A (04/14/10)
 Revised by State Board of Accounts, 2010
 DEPARTMENT OF CHILD SERVICES

Indiana Child Support Bureau (CSB)
IN: Financial Quality Assurance (FQA)
 402 West Washington St., 500 11
 Indianapolis, IN 46204
 E-mail: CSBQA@dcsc.IN.gov

Quarter/Year: _____ County: _____

COMPLETION: (1) Complete all information requested on this form.
INSTRUCTIONS: (2) For each type of incentive fund (Regular/ARRA), record the balance at the end of the quarter.

SUBMISSION: (3) Submit the QIB form via the IV-D Expenditures Portal by 15th day after the end of each quarter.
INSTRUCTIONS:

| "Regular" Title IV-D Incentive Fund Balance Information Pre-ARRA Monies Designated as "Incentive Fund" on Remittance Notices | | | |
|---|-------------------------------------|---------------------------------|---|
| | Prosecutor's Office (Fund #8897) | Clerks of Court (Fund #8893) | Title IV-D Incentive Fund (Fund #8825) |
| Final Regular Incentive Account Balance at the End of Quarter | | | |
| <i>If applicable, Balance Adjustments During the Quarter</i> | | | |
| Comments: | | | |

| "ARRA" Title IV-D Incentive Fund Balance Information Monies Designated as "ARRA" on Remittance Notices | | | |
|---|-------------------------------------|---------------------------------|---|
| | Prosecutor's Office (Fund #8892) | Clerks of Court (Fund #8894) | Title IV-D Incentive Fund (Fund #8892) |
| Final ARRA Incentive Account Balance at the End of Quarter | | | |
| <i>If applicable, Balance Adjustments During the Quarter</i> | | | |
| Comments: | | | |

CERTIFICATION
 I certify that the information on this form is accurate and agrees with the financial records, to the best of my knowledge and belief and that I am the elected official to have been designated by law on her/his purpose of approving these documents.

| Signature of Authorized Official/Position | Telephone | Date (mm/dd/yyyy) |
|---|-----------|-------------------|
| | | |



upportive families and communities

Quarterly Incentive Balance (QIB) Report

| "Regular" Title IV-D Incentive Fund Balance Information Pre-ARRA Monies Designated as "Incentive Fund" on Remittance Notices | | | |
|---|-------------------------------------|---------------------------------|---|
| | Prosecutor's Office (Fund #8897) | Clerks of Court (Fund #8893) | Title IV-D Incentive Fund (Fund #8825) |
| Final Regular Incentive Account Balance at the End of Quarter | | | |
| <i>If applicable, Balance Adjustments During the Quarter (see instruction 3 above)</i> | | | |
| Comments: | | | |

| "ARRA" Title IV-D Incentive Fund Balance Information Monies Designated as "ARRA" on Remittance Notices | | | |
|---|-------------------------------------|---------------------------------|---|
| | Prosecutor's Office (Fund #8892) | Clerks of Court (Fund #8894) | Title IV-D Incentive Fund (Fund #8892) |
| Final ARRA Incentive Account Balance at the End of Quarter | | | |
| <i>If applicable, Balance Adjustments During the Quarter (see instruction 3 above)</i> | | | |



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



Children thrive in safe, caring, supportive families and communities

Quarterly Incentive Balance (QIB) Report

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



Children thrive in safe, caring, supportive families and communities

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



Children thrive in safe, caring, supportive families and communities

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



Children thrive in safe, caring, supportive families and communities

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)



Children thrive in safe, caring, supportive families and communities

Auditor Health Insurance Form



AUDITOR HEALTH INSURANCE FORM
State Form 000
Approved by

| County | Date Submitted |
|--------|----------------|
| | 12/31/18 |

COMPLETE INSTRUCTIONS ON BACK

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-insun ▾
3. Does the county budget health insurance costs by participant or position? Participan ▾
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

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 in: 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 | Use to Reconcile for 2018 |
| 12. Other amounts included in the health insurance budget line item that are transferred into health insurance fund: | | |

| Type | Check if Included |
|--------------|-------------------------------------|
| Life | <input checked="" type="checkbox"/> |
| Dental | <input type="checkbox"/> |
| Vision | <input type="checkbox"/> |
| HSA | <input checked="" type="checkbox"/> |
| Other(list): | <input type="checkbox"/> |
| | <input type="checkbox"/> |
| | <input type="checkbox"/> |

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



Children thrive in safe, caring, supportive families and communities

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



Children thrive in safe, caring, supportive families and communities

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



Children thrive in safe, caring, supportive families and communities

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



Children thrive in safe, caring, supportive families and communities

Questions



Children thrive in safe, caring, supportive families and communities

Contact Information

John Mallers

John.Mallers@dcs.in.gov

Lisa R. Smith

LisaRene.Smith@dcs.in.gov

Financial Quality Assurance Department

CSBQA@dcs.in.gov



Children thrive in safe, caring, supportive families and communities