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 | ADMINISTRATIVE DIRECTIVE |
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TRANSMITTAL: 90 ADM-34

DIVISION: Administration

TO: Commissioners of
 Social Services

DATE: October 16, 1990

SUBJECT: Statewide Child Support Collection Goals SFY 1990-91

SUGGESTED DISTRIBUTION:	Directors of Administrative Services IV-D Directors Staff Development Coordinators
CONTACT PERSON:	Any fiscal questions concerning this release should be directed to the Bureau of Local Financial Operations: Metropolitan Office - Marvin Gold (212) 804-1108 Upstate Office - Irid Gordon 1-800-342-3715, extension 4-7549
ATTACHMENTS:	ADC IV-D Collection Goal SFY 90-91 (Not available On-Line)

FILING REFERENCES

Previous ADMs/INFs	Releases Cancelled	Dept. Regs.	Soc. Serv. Law & Other Legal Ref.	Manual Ref.	Misc. Ref.
89 ADM-30	89 ADM-30	347.18	SSL 111-		
88 ADM-44	88 ADM-44	347.21	b(5)		
87 ADM-43	87 ADM-43	347.22			
		347.23			

I. Purpose

The purpose of this directive is to notify each social services district of its ADC/IV-D Child Support collection goal for the State Fiscal Year ending March 31, 1991, as required by subdivision 5, section 111-b of the Social Services Law. This information is found in the attachment to the release. This subdivision requires that a statewide child support collection goal be established, specifies that a portion of the statewide goal be allocated to each district, and provides that penalties be assessed against any district failing to meet its goal.

II. Background

A. Legal Requirements

As required by subdivision 5 of section 111-b of the Social Services Law, a child support collection goal has been established by Chapter 53 of the Laws of 1990 for the fiscal year ending March 31, 1991. The goal is \$136,400,000.

B. Development of Fiscal Year 1990-91 Collection Goals

The Commissioner has, with the approval of the Director of the Budget, allocated a portion of the Statewide goal to each social services district.

In allocating the State fiscal year 1990-91 statewide collection goal to each district, the Department used its standardized methodology established and used since state fiscal year 1979-80. The methodology for allocation of the goal includes the use of a statistical method known as a multiple regression analysis. The multiple regression analysis utilizes variables related to child support collections for the purposes of projecting collection goals. The related or independent variables used in the equation (representative of previous periods) are:

- Reported ADC Collections.
- Number of ADC Basic Cases.
- Gross ADC Basic Payments.
- Number of ADC Absent Parents Making Support Payments.

These variables, along with a dependent variable (prior year collection goal), were used to determine raw collection goals. Three decision rules are applied to the goals as follows:

1. The new raw collection goal cannot be less than 90 percent of reported collections for the previous year.
2. The new raw collection goal cannot be more than 110 percent of goal for the previous year.

3. The new raw collection goal cannot be less than 90 percent of the collection goal for the previous year.

NOTE: a. If the criteria for Rule 1 and Rule 2 exists, then rule 2 will apply.

- b. If none of the three rules apply, then the raw collection goal will be used in the remaining methodology.

If application of the decision rules yields goals for each district that total more or less than the legislatively mandated statewide goal, then each district's goal will be prorated to obtain the statewide mandated goal.

III. Program Implications

Penalties for Failure to Meet Goal

When the Commissioner determines that a local district has failed to meet its portion of the statewide child support collection goal:

1. The Commissioner shall deny State reimbursement for such district's ADC expenditures in an amount equal to the difference between the amount of State funds such district is required to repay to the State out of collections actually made, and the amount of State funds the district would have been required to repay to the State had it met its collection and goal.
2. The Commissioner may promulgate any regulation deemed necessary to improve such district's organization, administration, management, and/or program.

IV. Required Action

A. Amount of Child Support Collection

1. The district's individual collection goal as set forth in this Directive is the minimum achievement the district must attain to avoid the imposition of a financial penalty.
2. For purposes of determining the amount of child support collections which are attributable toward meeting a district's portion of the statewide collection goal, any amounts collected by one district on behalf of another shall be credited to the district to which the support payments have been assigned. Support payments collected on behalf of another state or on behalf of persons not in receipt of ADC shall not be taken into consideration in determining whether such district has met its goal.

3. Districts that wish to submit supplemental collection data for a fiscal year must submit supplemental claims within 60 days from the end of that fiscal year. Any claims received after 60 days will be credited to the next fiscal year. For example, if a district is unable to properly distribute previously unidentified collections and wishes to have the claim credited as collections for the April, 1990 - March 1991 year, the claim must be so identified and submitted by June 1, 1991.

Districts are also reminded that Department Regulation 18 NYCRR 347.18 mandates that each district submit monthly a summary of collections and distributions (Schedule A-1). A district which does not submit a Schedule A-1 with its monthly reimbursement claim package must notify the Bureau of Local Financial Operations and indicate the reason(s) for non-submission.

B. Request for Redetermination

Any district which has been denied State reimbursement or which has received official Department notification of an intention to deny reimbursement for failing to meet its portion of the annual collection goal may request a redetermination in accordance with Department Regulation 18 NYCRR 347.23. Guidelines of generally acceptable factors for requesting redetermination of penalties are the following:

1. Federal or State Government

Such factors include specific incidences of action or lack of assistance from the Department or any other State or Federal Agency which adversely impacted the district's ability to collect at the maximum potential.

Examples:

- a. When requests for technical assistance were made, the response was not timely or adequate.
- b. Particular procedural or policy changes during the year had a negative impact on the district's ability to collect.

2. Economic and Environmental

Such factors include specific economic or environmental factors unique to the county and the relationship of these factors to the caseload dynamics.

Examples:

- a. When an exceptionally high unemployment rate is compared to the statewide rate. Layoffs related to major business or industry located in the county or some outside effect on the agricultural market which adversely affected the productivity and economy of a rural area (bad weather conditions lowering the farm production, etc.).
- b. When specific caseload dynamics are related to the district when compared with the statewide increases or decreases such as an ADC caseload decline greater than the statewide average.

3. Family Court

Specific procedural and processing requirements of the County Family Court which have a negative effect on collections.

Examples:

- a. Lack of full complement of Family Court judges which has caused delays or backlogs in processing cases.
- b. Special processing requirements of the Family Court which add an inordinate workload to the district, thereby, causing delays and backlogs.

For these factors to be considered, all of the following documentation must be provided.

- (1) Full explanation of the factors affecting collections and how they were outside of the administrative and processing functions which are subject to the jurisdiction of such district's legislative body.
- (2) The period of time involved.
- (3) The number of cases affected.
- (4) Statistical analysis of value of cases affected.
- (5) Methodology of determining value of cases.
- (6) Where applicable, presentation of what actions district took to meet or overcome problems.
- (7) Net dollar effect on collections for which redetermination is requested.

Unacceptable factors for requesting redetermination include but are not limited to the following:

- (1) Goal formulation and application of the goal methodology, unless it can be demonstrated that there has been an error in the base data used to calculate the goal.
- (2) Low income level of absent parents subject to Family Court orders (this is taken into consideration by goal formulation factors).
- (3) Judicial decisions alone, which are the prerogative of the Family Court judge, do not constitute substantiation for redetermination (e.g., low support amounts, cancellation of arrears, etc).
- (4) Inadequate staff in local IV-D agency.
- (5) Locally initiated reorganization of staff within IV-D unit.

V. Additional Information

Districts are reminded that Social Services Law 111-b(5)(e) allows the Department to deny reimbursement at the end of the State fiscal year.

In an effort to maximize collections, districts should actively enforce all existing support orders and utilize the following services and enforcement methods in addition to utilizing all resources available at the district level:

1. Wage Reporting System (financial information),
2. Internal Revenue Services (income tax refund offset, assets information and collection services),
3. Parent Locator Services (location and employment information),
4. Automatic Income Executions for Support Enforcement orders (enforcement of support orders through wage deduction),
5. Timely Violation petitions against Delinquent Respondents,
6. Increased Utilization of Family Court arrest warrants,
7. Prioritization of cases,
8. Upward modification of existing orders of support where financial circumstances have changed.

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VI. Effective Date

These goals will be effective for the period of April 1, 1990 through March 31, 1991.

John M. Sweeney
Assistant Commissioner
Office of Financial Management