



**NEW YORK STATE
OFFICE OF TEMPORARY AND DISABILITY
ASSISTANCE
40 NORTH PEARL STREET
ALBANY, NY 12243-0001**

David A. Paterson
GOVERNOR

Administrative Directive

Section 1

Transmittal:	10-ADM-05
To:	Local District Commissioners
Issuing Division/Office:	Division of Child Support Enforcement (DCSE) Center for Child Well-Being (CCWB)
Date:	July 14, 2010
Subject:	Purchase of Service Agreements/Memorandum of Understanding for the Child Support Program
Suggested Distribution:	Child Support Enforcement Coordinators Support Collection Unit Supervisors IV-D Attorneys Accounting Supervisors
Contact Person(s):	Division of Child Support Enforcement at 1-800-343-8859 Office of Legal Affairs – Brian Wootan at 1-518-473-6188
Attachments:	<u>Attachment 1: Draft Agreement</u> <u>Attachment 2: IRS Agreement Language For General Services</u>
Attachment Available On – Line:	X

Filing References

Previous ADMs/INFs	Releases Cancelled	Dept. Regs.	Soc. Serv. Law & Other Legal Ref.	Manual Ref.	Misc. Ref.
85-ADM-32		346.4; 346.5; 347.4	110-a;352;352-a 45 CFR 303.107 45 CFR 302.34 45 CFR 304.21 45 CFR 304.22		

Section 2

I. Summary

The local district may enter into purchase of service agreements (POS) with nonprofit organizations, private entities, local officials, departments and agencies which do not have judicial or law enforcement authority, to assist in the administration of the child support enforcement program at the local district level. These include, but are not limited to, laboratories licensed and approved by the New York State Department of Health for paternity testing in paternity establishment cases and process servers. When services are being purchased from another governmental agency, with the exceptions noted above (courts and law enforcement), a Memorandum of Understanding (MOU) is used. For the purposes of this ADM, government agencies and private entities that could otherwise be referred to as agency/contractor/vendor will be referred to as "Service Provider." Also, legal services may be provided by a POS with a private attorney or non-profit legal services attorney or a Cooperative Agreement with the County Attorney's office (refer to 10- ADM-02 for contracting legal services).

Regardless of whether a POS or MOU is used, State and Federal law and regulations require the inclusion of certain terms and provisions in order to be eligible for federal financial participation.

II. Purpose

This administrative directive sets forth provisions that must be contained in a POS or MOU. It also provides direction for obtaining prior approval of the POS/MOU from the Division of Child Support Enforcement (DCSE).

III. Background

Local districts enter into POS/MOUs to obtain the assistance of Service Providers in carrying out their functions under the child support enforcement program as specified under Parts 346 (excluding support collection unit services) and 347 of Title 18 of New York Codes Rules and Regulations. These POS/MOUs must be in written form and must contain certain terms and conditions in order to be eligible for federal financial participation (refer to 45 CFR 302.34, 303.107, 304.21 and 304.22 and 18 NYCRR 346.4 and 347.4). All POS/MOUs must be provided to DCSE for *prior* approval.

IV. Program Implications

Local districts must review current procedures for services obtained through a POS/MOU to ensure compliance with relevant statutes, regulations and these instructions.

V. Required Action

A. All POS/MOUs must:

1. Provide for adequate supervision and monitoring by State and local officials.
2. Include a clear description of the specific duties, functions and responsibilities of each party. This means that the POS/MOU must state clearly what will be done and who will do it. It is the responsibility of the local district Child Support Enforcement Unit (CSEU) to monitor the POS/MOU to ensure effective implementation of its terms and to identify any problems that may affect the delivery of services.
3. Any POS/MOUs must:
 - a. specify clear and precise performance standards by which the terms of the arrangement and quality of services under the arrangement are measured;
 - b. contain standards of performance that are measurable, consistent with federal and state requirements, and acceptable to each party. These standards must be related specifically to the duties outlined in the POS/MOU; and
 - c. contain both qualitative and quantifiable performance standards. Some examples of qualitative standards are accuracy and thoroughness. Examples of quantifiable standards are: how many specific actions must be taken; what time frame is allowable for the completion of a task, for example, time for service of process.
4. Specify the financial arrangements including: budget estimates; covered expenditures; methods of determining costs; procedures for billing the CSEU; and any relevant federal and state reimbursement requirements and limitations.
5. Specify the kind of records that must be maintained and the appropriate Federal and State reporting and safeguarding requirements. Any information (e.g., tax refund offset amounts) obtained from the IRS and recorded on the Child Support Management System is subject to specific IRS safeguards. Any POS/MOU that would include sharing IRS information must have certain language (see Attachment 2 and refer to IRS Publication 1075). Also, any Service Provider must sign the IRS confidentiality statement.

6. Clearly state organizational relationships (e.g., who is accountable to whom, resources used, etc.).
7. Include a justification that the POS/MOU is the most cost-effective way of providing the service and that the cost is reasonable and necessary to assure the quality of the services.
8. If applicable, include a justification for the POS/MOU using two or more part-time employees, whose combined time under the arrangement will be greater than one full-time employee equivalent.
9. Specify the documentation that the POS/MOU must provide to support claims for federal and state reimbursement for services performed under the arrangement.
10. Specify the dates on which the POS/MOU begins and ends, any conditions for renewal, and the circumstances under which the arrangement may be terminated.

B. Some required terms and conditions are standard for all POS and MOUs. These terms and conditions are set out in Attachment 1, which must be attached to and incorporated in every POS/MOU. These standard terms and conditions require that the POS/MOU:

1. Specify that the parties will comply with Title IV-D of the Social Security Act, implementing Federal and State law and regulations and any other applicable Federal and State law and regulations and requirements.
2. Provide for the proper use and disclosure of confidential records. Child support information may be used and disclosed only to authorized individuals and only for authorized purposes, including information given to a Service Provider (see Social Services Law §111-v and 18 NYCRR 347.19).
3. Include a provision that the POS/MOU may be terminated by the local district Department of Social Services or CSEU upon 30 days written notice to the other party without cause and immediately for cause or if federal or state reimbursement is terminated or not allowed.
4. The POS/MOU must have a provision for bonding of any POS/MOU employees who will have access to or control over child support collections as required by 18 NYCRR 346.5. Any collections received by the local district or a service provider must be immediately remitted to the Processing Center.

- C. POS/MOUs for legal services should follow the format of Attachment 1, “Cooperative Agreement/Purchase of Services Agreement,” provided in 10-ADM-02. The sample POS/MOU includes all the required terms and conditions specific to legal services. Attachment 1 to this administrative directive should not be attached.
- D. All POS/ MOUs must be submitted to DCSE for review and prior approval. DCSE will review such agreements within 45 days of receipt and notify the district if the agreement is approved or return the agreement with comment. Such POS/MOUs must be

mailed to:

Bureau of Program Operations
NYS OTDA
Center for Child Well-Being
Division of Child Support Enforcement
40 North Pearl St., 13th Floor, Albany, NY 12243-0001

OR

emailed to:

otda.sm.dcse.bpo@otda.state.ny.us

VI. Systems Implications

None.

VII. Additional Information

Fiscal Claiming

Costs incurred through a POS/MOU must be supported by the DSS-Form-2674 and claimed on Schedules DSS-923A and 923 in accordance with the instructions contained in Chapter 15 of Bulletin 143b. For services negotiated on a fee-for-service basis, the DSS-Form-2674 does not need to be prepared.

VIII. Effective Date

This administrative directive is effective immediately.

Issued By:

Name: Scott E. Cade
Title: Deputy Commissioner and Director
Division/Office: New York State OTDA
Center for Child Well-Being
Division of Child Support Enforcement