

Appendix H. State Best Practices

H-1: COLORADO

Undistributed Collections Management Reports

Description/Goals

When the postmaster returns a child support payment to the State IV-D Agency due to an invalid address for the CP, most state IV-D agencies put the payment on hold and commence locating the CP. Oftentimes the trail grows “cold” when trying to locate the CP, and these types of UDC remain in the agency’s account and are reported every quarter as UDC.

Colorado had just this problem. However, Colorado also had the state requirement that payments held for more than 180 days must be reported as abandoned property. Therefore it was necessary to: (1) locate the CP as quickly as possible, and (2) transfer any payments held for more than 180 days to the agency’s “abandoned collections account.”

Colorado staff determined that 180 days was sufficient time to locate the CP, if location was at all possible. To emphasize the importance of working the suspense list daily, and locating CPs for whom payments were on hold, Colorado issued specific policies and procedures to county staff.

Furthermore, to help the state and the counties monitor progress made on “Disbursements on Hold” (DOH), Colorado developed a monthly “DOH Report” that rolls up the DOH’s for all counties and provides information about progress the state has made on the DOH balance. The report was first implemented in late 1997.

In addition to providing the counties with a management tool for monitoring DOH, the state also elected to automate the transfer to the abandoned collections account of payments on hold for more than 180 days. The statewide system is now programmed to automatically transfer payments to the abandoned collections account on the 181st day if the county is unable to locate the CP or NCP.

Results/Impact on Undistributed Collections

Issuance of the policy and procedures, and the management report, appears to have made a big impact on Colorado’s total UDC. According to Colorado’s assessment, the following progress has been made:

Month/Year	Disbursements On Hold
Late/1997	\$1.5 million +
May 2001	\$1.9 thousand

Location

Implementation of the systems change and production of the management reports was done in Denver, Colorado. Local work was done at the county level.

Funding

Funding is state general funds and any applicable federal matching funds.

Replication Advice

When the state issued the new DOH policies and procedures, state staff conducted statewide training for county staff. The training enabled county staff to begin implementing the new policies and procedures immediately. Colorado recommends that any policies and procedures developed for undistributed collections be accompanied by statewide training.

For More Information

Anne Stanek, Anne.Stanek@state.co.us
Leslie Antuna, Leslie.Antuna@state.co.us

**CHILD SUPPORT ENFORCEMENT
PROCEDURES MANUAL**

SUBJECT: DISBURSEMENTS ON HOLD

NUMBER: 8.2

ADOPTED: 4/1/98

REVISED: 10/1/99

PURPOSE:

The purpose of this procedure is to provide county CSE Units with instructions for removing disbursements on hold from the Automated Child Support Enforcement System (ACSES).

POLICY:

Staff manual Volume 6 rules at 6.805.8, contain instructions for undeliverable disbursements. The requirement is that disbursements be removed from ACSES within 180 days of the original issue date. All states are federally required to report abandoned collections to the federal government. These collections will be used as a reimbursement to CSE expenditures and will be reported quarterly.

SCOPE:

The disbursements on hold list is the place on ACSES which houses all those allocations that resulted in a disbursement that has not been sent to the payee, or has been sent and returned. These can be original payments, or reapplied payments from a returned undeliverable disbursement. These disbursements can be payments for current support or arrears for a Non-IV-A custodial party (CP), excess over UPA disbursements for a IV-A or Non-IV-A CP, or overcollect disbursements for a noncustodial parent (NCP). These disbursements have been identified with a specific ledger.

Disbursements on hold on ACSES can include:

- Payments not sent due to lack of address
- Payments returned due to bad addresses
- Payments on hold due to an erroneous unfunded disbursement situation
- Payments on hold due to a problem with the ledger
- Intercept payments on hold until the future scheduled date has been reached
- Payments returned from other states due to lack of identifying information
- Payments that were never cashed (stale dated checks)

This procedure provides counties with instructions and time frames on how to clear the disbursements from the disbursements on hold list and either send them to the payee, which could be the CP or the NCP, reapply the payment to the arrears balance, or transfer them to the abandoned collections account.

ACSES tracks all disbursements that have not been released to the payee and provides information about why this occurred. A held disbursement may come to the attention of the CSE worker in several different ways:

- By working the disbursement on hold list
- Through contact with the custodial party (CP) or noncustodial parent (NCP).
- Through researching the ledger

PROCEDURES:

I. Disbursement on Hold List:

In order to ensure that all disbursements are removed from ACSES in a timely manner, CSE workers must work the disbursements on hold list on a daily basis. Each

disbursement on this list needs to be analyzed to determine why the disbursement is on hold and what action needs to be taken to clear the disbursement.

The county CSE worker will **DAILY** check the disbursements on hold list. The list is available on the ACSES under "disbmenu", option B. A date is entered as a required field. In order to clear any backlog, the date entered should go back as far as ACSES was implemented in each county. Once the backlog of disbursements has been removed from ACSES, and the worker becomes familiar with the disbursements on hold list, the worker will know how far back to select a date. However, to ensure that no disbursements are forgotten, the worker should continue to enter the date of ACSES implementation in the county. The list displays the "T" so that counties will know which disbursements are ready for transfer to the abandoned collections account.

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ELEIBBS1
COUNTY: 01 LIST SCHEDULED DISBURSEMENTS THRU 09/09/88 03/23/98 15:24:54
  
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NUM	PAYEE NAME	LEDGER ID	SCHEDULED DATE	DISBURSEMENT TYPE	FSR ACCT	HOLD LD/FA	AMOUNT	DSB
1	AAAA, BARBARA M	08123-3-00JS-000000	05/30/96	NR	11111111		5.77	Y
2	BBBBB, DENISE	08001-3-89JV-000000	05/31/96	NC	22222222	A	27.43	Y
3	CCCCC, LINDA	08031-1-90DR-000000	06/10/96	NR	33333333	A	206.00	Y
4	DDDDD, SHERYL J	08123-1-86DR-000000	06/14/96	NC	44444444	A	56.00	Y
5	EEEE, MICHELE	08001-1-86DR-000000	06/22/96	NC	55555555	A	33.75	Y
6	FFFF, SHANNON	08001-1-94DR-000000	06/24/96	NC	66666666		18.00	Y
7	GGGGG, ESTRADA	08001-1-89DR-000000	06/28/96	AP	77777777	B	7.33	Y
8	HHHH, SHERYL J	08123-1-86DR-000000	06/29/96	NC	88888888	A	29.00	Y
9	IIIII, W RICE	31111-1-94DR-000000	07/09/96	AP	99999999	J	12.50	Y
10	JJJJJ, NELSON	08001-1-91DR-000000	07/09/96	AP	10101010	A	5.94	Y
11	KKKKK, MARK	08001-3-92JV-000000	07/10/96	AP	12121212	A	237.33	Y
12	LLLLL, CAS	08001-1-82DR-000000	07/17/96	OS	13131313	I	100.00	Y
13	MMMM, FLO	08001-3-93JS-000000	07/17/96	AP	14141414	A	1,248.00	Y

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0 <-- ENTER NUM FOR DESIRED DISBURSEMENT *** CONTINUED ON NEXT PAGE **
-----
N) <==== OPTION .J)-CANCEL N)-NEXT A)-MODIFY DISBURSEMENT M) Q) ?) | LSTSCHDB
  
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The disbursements on hold list provides the payee name, the ledger ID, the scheduled date, the type of disbursement, the FSR account number, the FA reason hold code, the amount of the disbursement, and the setting for the disbursement hold flag. Following is a list of the disbursement hold reason codes.

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ELDAHCS1
                                VALIDATION CODES                                03/23/1998 14:35:44
TABLE: DISB-FA-HOLD-REASON-CD      FILE: ACSES-TRANS-DISBURSE
NUM  --CODE--  DESCRIPTION      (* = BLANK)
  
```

1.	TABLE RECORD	ACSES-TRANS-DISBURSE
2	A	RET CK UNDEL RETURNED CHECK UNDELIVERABLE
3	B	RET CK ERR RETURNED CHECK DISBURSED IN ERROR
4	C	STALE DATED STALE DATED CHECK
5	D	STOLEN LOST STOLEN LOST CHECK
6	E	ADDR NOT VER ADDRESS NOT VERIFIED
7	F	PAY TO ADDR PAY TO ADDRESS NOT ENTERED
8	G	REDEEM/REC STOLEN/LOST REDEEMED, RECOUPED
9	H	NO IVE ADDR NO IVE ADDRESS AVAILABLE
10	I	NO RECP ADDR NO RECIPROCAL ADDRESS
11	J	NO ADDRESS NO VALID PERSON ADDRESS AVAILABLE
12	K	NEG DISBURSE NEGATIVE DISBURSEMENT CANNOT BE SENT TO FA
13	L	RET RECIP RETURNED CHECK- OTHER STATE COULD NOT IDENTIFY

The list is also available in report form. This report will be produced in the counties on a weekly basis. The advantage of the paper report is that it is sorted according to the type of disbursement (FSR and OTC), and it is sorted to group all disbursements for a ledger together. The county must decide which method works best for them.

The reason code will assist the worker in deciding the steps to take to clear a disbursement. Once the daily disbursements are selected to be cleared, the worker shall immediately determine the reason the disbursement is on hold to assess what action needs to be taken in order to release the disbursement.

II. Releasing the Disbursement:

Once it has been determined that a disbursement should be released, the worker shall:

- Immediately pull up the disbursement from the disbursement on hold list
- Choose the modify disbursement option
- Change the hold flag from "Y" to "N"
- The disbursement will be released and will appear on the disbursement register at the FSR the next day

When the disbursement is selected, a series of three screens will appear. The first screen shows the original disbursement, the second shows the backed out disbursement, and the third shows the new disbursement on hold. **This third screen is where the disbursement will be released.** It is not possible to make the change on the first or second screens. The screen shows that the worker will change the "Y" in the "hold disburse" field to "N" in order to release the disbursement and will use option "A", store the changes. Once this is done, the disbursement is released and will appear on the disbursement register at the FSR the next day.

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                                ELFEAASI
                                03/30/98 11:18:15
MODIFY FSR DISBURSEMENT TRANSACTIONS
LEDGER ID: 08101-3-92JV-001017 OBLIGOR: QUINTANA, ALAN L
IVD CASE: 51-095522-92-9-A OBLIGEE: PINO, SANDRA L
TRANS NUM: 51-1997/05/23-33104-00 TYPE: D DISTRIB: 03/24/98 LDGR DISB HLD: F
PAYEE NAME: PINO, SANDRA L DISB STATUS: SCHEDULED - 05/26/97
FSR ACCT : 0092838201 CREATE REASON A - FA ADJUST
----- DISBURSEMENTS MARKED WITH A '>' WILL BE CHANGED -----
      SEQ  TYPE  AMT  PAYM  STYLE  HOLD  DISB CNCL  WARRANT/TRACE  DATE
      > 01-61  NC  162.00  Y      Y      0      0      HELD      00/00/00
      -
      TOTAL: 162.00

HOLD DISBURSE:  n FA HOLD DISB REAS: A - RET CK UNDEL
WARRANT NUM: 0 DISPOSITION: (R-REDEEMED, C-CANCELED, I-REISSUED)
DATE PAID: 3 / 30 / 98 (IGNORED IF NOT PAID)
 a) <==== OPTION .I-CANCEL N)-NEXT  A)-STORE THE CHANGES M) Q) ?) |

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III. Payee is unlocatable:

All attempts should be made on ACSES to locate the payee according to the instructions in Section IV, Locate the Payee. Once all locate sources have been exhausted within 90 days of the original issue date of the check, and it has been determined that the payee cannot be located, the CSE worker shall:

- On the 91st day, review the ledger to determine if there is an RA erroneous disbursement balance
- If yes, recover the RA erroneous disbursement balance
- If money left in the payment after the erroneous disbursement was paid, determine if there are IVA arrears on the ledger
- If yes, apply the payment to the assigned arrears
 - If no, apply the payment to NCP overcollect

- The NCP overcollect disbursement will appear on the disbursement register at the FSR the next day
 - The overcollect amount will be disbursed to the NCP by the FSR
- If the disbursement to the NCP is returned as undeliverable, attempt to locate the NCP according to Section IV, Locate the Payee
- If the NCP cannot be located, determine if there is an NCP erroneous disbursement balance on the ledger
 - If yes, reallocate the payment to apply to the NCP erroneous disbursement balance
 - If no, mark the disbursement for transfer to the abandoned collections account

IV. Locate the Payee:

If the reason the disbursement is on hold is because there is not a valid address (disbursement reason hold codes A, E, F, H, I, J), or because a returned disbursement cannot be sent because of a bad address on ACSES (reason codes A and L), the worker shall:

- Check ACSES and the hard file to determine if there is an existing address
 - If there is, the worker shall immediately update ACSES with the valid address
 - Release the disbursement
- If the worker is unsure that the address on ACSES or in the hard file is accurate, the worker shall:
 - Immediately make a locate attempt either over the phone or through a post office or employer verification letter
 - If the address can be verified, the worker shall
 - Immediately update and verify the address on ACSES
 - Release the disbursement
 - If there is no additional information available either in the hard file or on ACSES, the worker will:
 - Immediately initiate an ACSES locate request on the party
 - Set a calendar review for a month to work the locate responses
- Once the address has been verified and updated on ACSES, the worker shall:
- Check the ledger information screen and determine how many disbursements for the ledger are on hold
 - Immediately release all disbursements on hold to the party for whom the address was verified
- The disbursements will appear on the disbursement register at the FSR the next day
- The FSR will send the disbursements to the new address

V. Returned disbursements:

Reason codes A, D, and L are codes for a disbursement that has already been sent, at least once, to the payee. All undeliverable disbursements are returned to the FSR. Upon receipt of any returned check, the FSR will:

- Update ACSES to:
 - Enter a disbursement exception transaction with a reason code of returned check undeliverable
 - Cancel the original disbursement
 - Create a disbursement backout
 - Create a new disbursement on hold
 - Generate a case chronology

- Set the FA reason code to "A" on the original disbursement
- Set the cancel disbursement flag to "Y" on the reissued disbursement
- Set the FA reason code to the appropriate reason on the reissued disbursement
- Place the ledger on manual disbursement hold with a flag of "F"

Following is the "listtran" which shows, on each line:

- #3 The allocation
- #4 The original disbursement to NCP overcollect that has been voided
- #5 The backout of the disbursement
- #6 The new disbursement on hold

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ELEADOM1                               LIST LEDGER ACTIVITY TRANSACTIONS                               15:20:26 03/24/98
LEDGER ID: 08001-3-93JS-000000          CLASS: A OBLIGOR: AAAAA, NAOMI
ACCT PER.: 95-12 TYPE: ACTV: A STATUS: F OBLIGEE: AAAAA, FRANK
STARTING.: 96-07 CLASS DISPLAYED: ALL   FOR OBL: ALL   ARRS OBL-CNT: 0
NUM-DATE-- OBL -----TYPE-----MSO---CUR DELNQ---ARRS-----OTHER--
1 ----- BEG BAL 96/07 -----+832.00
2 07/15/96 CUR MM-01-960715-60296
3 07/15/96 CUR A.-01-960711-59371          -1,248.00
4          DISB AP W 07/16/96          +1,248.00
5          DISB AP E 07/15/96          -1,248.00
6          DISB AP H 07/17/96          +1,248.00
7 ----- BEG BAL 97/09 -----+832.00
8 ----- BEG BAL 97/10 -----+832.00
9          CURRENT BAL          +832.00

<- ENTER NUM OR NEXT ACCT PER-> YY:  __ MM:  __
-----
N) <==== OPTION  A)-DISPLAY  .)-CANCEL  P)-PREV  N)-NEXT  M) Q) ?) |
  
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This screen shows the actual disbursement, and the address of the payee, and that the check was returned as undeliverable.

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ELFEABM1                               DISPLAY FSR DISBURSEMENT                               03/24/98 15:22:29
LEDGER ID: 08001-3-93JS-000000          OBLIGOR: AAAAA, NAOMI
IV-D CASE: 01-000000-90-9-B            OBLIGEE: AAAAA, FRANK
FSR ACCT: 111111100 CREATE REASON:
TRANSACTION NUM: 01-19960000-0000-00-01-01 DATE: 07/15/96 TYPE: D - DISBURSEM
DISBURSEMENT TYPE: AP - A/P OVERCOLL   AMOUNT: 1248.00
SCHEDULED PAY DT: 07/15/96            SCHEDULED FLAG:
PAYEE NAME: FRANK AAAAA
ADDRESS: 555 S XANADU ST
          DENVER          CO 80219

PAY ACCT PER: 9607
HOLD DISB: N FA REAS:
DATE REQ FROM FA: 07/16/96
DATE PAID/EFT EFF DT: 07/16/96
DATE MAIL/ACH TAPE: 07/16/96
FA CANCEL CK REASON: A - RET CK UND
FA DISB ADJUST DATE: 07/23/96
REDEEM DATE: 00/00/00
N) <==== OPTION  .)-CANCEL  P)-PREV  N)-NEXT  M) Q) ?) | DSP
DISBURSEMENT
          CANCEL DISB: Y REASON: B
          CHECK NUMBER: 1212121
          BANK ROUTING NUM:
          BANK ACCT NUM:
          BANK ACCT TYPE:
          DD TRACE NUMBER:
          REDEEM FLAG: C
  
```

If a returned check has a forwarding address, the FSR will:

- Update the mailing address on ACSES, UNLESS the original address was obtained from COIN. If the address was obtained from COIN, the FSR cannot update the address, and will:

- Send a chronology mail message to the IV-D technician of record requesting that the address be updated.
- The worker will update and verify the address and
 - Send an email to the FSR that the address was updated
- Once the address has been updated, the FSR will:
 - The same day, release the held disbursement (unless the manual hold flag has been set to "Y" by the county, or if the automated hold flag is set to "Y")
 - Check the ledger to see if any other disbursements are on hold
 - Release any other held disbursements to the payee
- The disbursements will appear on the FSR disbursement register the next day

If a returned check has no forwarding address, the FSR will leave the disbursement on ACSES in the disbursement list. The disbursement will be cleared as the worker clears the disbursements on hold list.

VI. Abandoned Collections Account:

When all attempts to locate the CP or NCP have not produced a mailing or residential address for either party within 180 days of the original check issue, and there are no assigned arrears on the ledger, certain disbursements will be transferred to the "abandoned collections account". Once the collection is transferred to this account it is then used to reimburse CSE state programmatic expenditures administered at the state level. The reimbursement is done by reporting this account to the federal government on the federal quarterly expenditure report (OCSE-396) as funds reimbursing CSE expenditures. The federal share of these funds will be distributed to the federal OCSE on the quarterly collections report (OCSE-34a).

If the payee (either the CP or NCP or both) is not located within 180 days of the original check issue date and there are no assigned arrears on the case, the CSE worker shall:

- On the 181st day, select the disbursement to be transferred from the disbursements on hold list
- Choose option D, "modify the disbursement"
- Enter a "T" in the "admin transfer" field
- Select option A, "store the changes"

ACSES will automatically

- Update the date field with the date the "T" is entered
- Update the date field when the disbursement is transferred to the abandoned collections account

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MODIFY FSR DISBURSEMENT TRANSACTIONS 04/16/1998 08:05:44
LEDGER ID: 08123-1-94DR-000000 OBLIGOR: AAAAA, LESLIE N
LVD CASE: 62-000000-00-2-B OBLIGEE: BBBB, SAM N
TRANS NUM: 62-1998/03/18-00000-00 TYPE: D DISB: 03/18/1998 LDGR DISB HLD: N
PAYEE NAME: BBBB, SAM N DISB STATUS: SCHEDULED - 03/18/1998
FSR ACCT : 0000000000 CREATE REASON -
----- DISBURSEMENTS MARKED WITH A '>' WILL BE CHANGED -----
      SEQ TYPE  AMT  PAYM  - HOLD -  -- WARRANT/TRACE --
> 01-01  EG    118.02  STYLE  DISB  CNCL  NUM  DISPOSITION  DATE PAID
      -      -      -      -      -      -      -      -      -
TOTAL: 118.02
ADMIN TRANSF : T ADMIN TRANSFER DT: 00/00/0000
HOLD DISBURSE: Y FA HOLD DISB REAS: -
DISPOSITION: (R=REDEEMED, C=CANCELED, I=REISSUED)
A) <==== OPTION .)-CANCEL N)-NEXT A)-STORE THE CHANGES M) Q) ?) |

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The disbursement will remain marked with a "T" until it is transferred to the abandoned collections account. The disbursement will remain visible in the ACSES on-line list and the "T" will be displayed. The marked disbursement will not appear on the paper report. During month end processing, ACSES will search through all the disbursements on hold, and will select those marked with a "T" to transfer to the abandoned collections account. When the transfer occurs, the date field will be updated automatically. The date field is not a field with user access. A report of all transferred disbursements will be available to counties.

VII. Disbursements for Under \$1:

ACSES does not send disbursements for under \$1 to the FSR to be issued. These disbursements will be automatically transferred to the abandoned collections account during the financial month end closing process in the same month in which they are created. If the CSE worker wants all disbursements to be sent to the payee, the person record must be flagged, via a problem log, to issue all disbursements, including those for under \$1.

VIII. Disbursements for Under \$10:

During month end processing, ACSES will search all disbursements on hold and will select any disbursements for under \$10 where the original disbursement date is 180 days or greater. These disbursements will automatically be transferred to the abandoned collections account even if the county did not mark the disbursement with a "T". As part of the transfer process, ACSES will automatically recover any CP erroneous disbursement balance before transferring the disbursement on hold. The remainder of the disbursement on hold will be transferred to the abandoned collections account. If there are multiple disbursements on hold, each under \$10, on the same ledger, ACSES will automatically transfer all of the disbursements at the same time; however, counties are encouraged to work these disbursements and locate the payee in order to disburse the total amount that is greater than \$10.

IX. Reversing a Transferred Payment:

If the allocation of the payment needs to be changed after the disbursement was transferred to the abandoned collections account, the county worker should back out the payment. The backout transaction will automatically retrieve the disbursement from the abandoned collections account. The county can then reallocate the payment correctly.

If the payment was allocated properly and the payee has now been located, the county worker must send a problem log to the FA customer service (FA cust svc) to retrieve the disbursement from the abandoned collections account. When the FSR backs out the disbursement, the payment will remain allocated on the ACSES ledger and the disbursement will be on the disbursement on hold list for the FSR or county to release. The county must ensure that there is an updated, verified address for the payee on ACSES before they send the problem log to the FSR.

X. Stale Dated Checks:

The FSR has a stale dated check procedure that is followed each month to dispose of all checks that have not been cashed after 120 days from the date they were issued. The FA cancel reason code "C" is used for stale dated checks.

As part of month end processing, a blanket stop pay order is placed at the bank for all FSR checks that are at least 120 days old. The bank mails a computer tape to the FSR listing each check that has been redeemed during the month. The ACSES is updated, usually by the 20th of the month, to add the redeemed date to all disbursements that were redeemed during the month. Once the update process has been completed, all unredeemed checks that are at least 120 days old are cancelled. When the checks are cancelled, the FSR will back out the disbursement, void the original disbursement, and enter a re-issue disbursement in the disbursement on hold list. The cancelled and redeemed disbursements will appear in the disbursement on hold list according to the original disbursement scheduled date, not the most recent check issued date. Thus, if a payment has been disbursed and cancelled more than once, the most recent reissue disbursement will appear in the list according to the original scheduled date, which may be older than 120 days.

The unredeemed checks for under \$10 will be part of the automatic transfer to the abandoned collections account at month end processing. The other stale dated checks must be worked by the CSE Unit.

XI. Lost or stolen checks:

If the payee contacts the CSE Unit about a lost or stolen check, the worker will refer them to the FSR to determine if it is appropriate to reissue a check to the payee.

- The FSR will determine if the check was cashed or not
 - If yes, the payee is notified and a copy of the check is mailed to the payee, if requested
 - If no, the FSR must wait for 7 days after the issue date before any action can be taken, to ensure that the payee does not receive both payments
- Once the 7 days has expired, the FSR will:
 - Require that the payee complete an Oath and Affidavit to Obtain Stop Payment before continuing
 - Put a stop payment on the check
 - Reissue a new check to the payee once the Oath and Affidavit is received
 - Update ACSES chronology
- The ledger is NOT placed on disbursement hold, since this is an isolated occurrence and future checks should be sent without delay

XII. Returned Reciprocal Checks:

Upon receipt of a check returned from another state, the FSR will

- Enter a case chronology repeating the comments of the other state agency
- Set the manual disbursement flag to "F"
- Set the reason code to "L"
- Leave the disbursement on ACSES in the disbursements on hold list

The CSE worker, when selecting a disbursement with reason "L", shall:

- Review the chronology message to determine what action needs to occur
- Did the other state have enough information to identify?
 - If not, update ACSES with the requested information and release the disbursement
- Is the other state's case closed?
 - If yes, close the case on ACSES and determine if the money should be reallocated to arrears or NCP overcollect
- Release the disbursement
- If the reason for returning the check is not clearly understood
 - Contact the other state for clarification

XIII. How a disbursement gets on hold:

A. Automated hold:

Disbursements are put on hold by the ACSES when there is an R/A (recipient/applicant or CP) erroneous disbursement. When an adjustment or backout of an R/A disbursement is done, an erroneous unfunded disbursement occurs. The next payment that is allocated on ACSES that results in a disbursement to the CP will be held automatically by ACSES. The ACSES will change the "ldgr auto disbursement hold" flag to "Y" when this occurs. If the CSE Unit is not going to attempt a recovery of the erroneous disbursement from the CP, the worker should set the automated disbursement hold flag to "N" so that future disbursements can be sent without delay. There is no automatic warning to the user that the automatic disbursement flag has been set to "Y".

The following screen is the ledger information summary screen. It can be accessed in the ledger main menu, option B, or through the direct command "ldgrinfo". It contains fields that will tell the user if the ACSES put the disbursement on hold, or if the user did, and how many disbursements are currently on hold for the ledger.

B. Manual hold:

The user, either in the county CSE Unit or at the FSR, can also put a disbursement on hold. If the disbursement returns as undeliverable mail, or if there is no existing address on ACSES, or if a disbursement has been reported as lost or stolen, the user will put the disbursement on hold until the issue is resolved. The user will go into the modify ledger screen, option A under the ledger main menu, or through the direct command "modldgr", and set the "ldgr man disb hold" flag to "Y".

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ELEADGM1
                                LEDGER SUMMARY INFORMATION - 1. 03/23/1998 15:43:02
LEDGER ID: 08005-1-90DR-000000  LEDGER TYPE: ACTV: A ACCT PER: 10/1994
OBLIGOR: BBBBBBBBB, MICHAEL D   CLASS: B CUR CASE: 01-000000-90-5-A
OBLIGEE: AAAAAAAA, KATHRINE J   STATUS: A ENF CASE: 01-000000-90-5-A

LEDGER CREATED: 08/15/1991 LAST MODIFIED: 09/16/1992 BY: EN010089
LEDGER FIN HOLD REASON:
LDGR AUTO DISB HOLD:  LDGR MAN DISB HOLD:  DISB ON HOLD:  OTH STATE:
AP NSF DATES:
COMMENTS:

SELECT A PAGE NUMBER TO DISPLAY ADDITIONAL LEDGER INFORMATION:
2) LEDGER SUMMARY                3) LEDGER CURR SUPP (IVA, NIVA)
4) LEDGER CURR SUPP (IVE, NIVE, NIVD)  5) SPOUSAL BALANCES
6) PYMT, FFY, PREPAY, AP ED'S, OVERCOLL  7) OBLIGOR BILLING & DELNQ RPT INFO

                                1-7)-GO TO PAGE #
N) <==== OPTION .)-CANCEL PJ)-PREV N)-NEXT M) Q) ) LDGRINFO.
```

STATE OF COLORADO

COLORADO DEPARTMENT OF HUMAN SERVICES

OFFICE OF SELF SUFFICIENCY PROGRAM
Danelle Young, Manager

1575 Sherman Street
Denver Colorado 80203-1714
Phone (303) 866-5994
TDD (303) 866-6293
FAX (303) 866-3574



Bill Owens
Governor

Marva Livingston Hammons
Executive Director

June 20, 2001

Dear IV-D Administrator:

Attached is the Disbursements on Hold (DOH) Report for the month of May, 2001. This report is a statewide county summary of the DOH Report that was created and sent to each county's print queue on June 2, 2001. I am also attaching a report which reflects payments that have been on hold 150 to 179 days. *Careful attention should be paid to this report.* If your county works the payments that are on hold 150 to 179 days, you can prevent payments from hitting the "180 day" timeframe which is the point where your county will fall out of compliance with program regulations. This report shows that \$4,196.88 in payments have been on hold for 150 to 179 days.

I am very pleased to report that the current Disbursement on Hold balance of **\$1,908.91** is *the lowest this balance has ever been!* You and your staff should be very proud of this accomplishment, especially considering that when we first started running this report in late 1997, the balance was over \$1.5 million! I appreciate your efforts and hard work. As always, if you don't know how to clear a payment, or are having trouble clearing particular payments, please contact Leslie Antuna at the State Office, phone number 720/947-5084 and she will assist you.

Sincerely,

Darius Sams, Section Chief
Division of Child Support Enforcement

Cc: Pauline Burton
Andrea Baugher
Craig Goellner
Policy and Evaluation Section
Tom Battany
Randy Martinez
Shawna Hanesworth, PSI

DISBURSEMENT ON HOLD						
DATA FROM AD HOC REPORT DATED JUNE 2, 2001						
Report reflects cases that have disbursements on hold which are 150 to 179 days old.						
COUNTY	FISCAL AGENT		INTERCEPT		OVER THE COUNTER	
	Cases	Amount	Cases	Amount	Cases	Amount
Adams						
Alamosa						
Arapahoe						
Archuleta						
Baca						
Bent						
Boulder	2	\$ 146.15				
Chaffee						
Cheyenne						
Clear Creek						
Conejos						
Costilla						
Crowley						
Custer						
Delta						
Denver	1	\$ 71.50				
Dolores						
Douglas						
Eagle						
Elbert						
El Paso	8	\$ 1,159.04				
Fremont						
Garfield						
Gilpin						
Grand						
Gunnison						
Hinsdale						
Huerfano						
Jackson						
Jefferson						
Kiowa						
Kit Carson						
Lake						
La Plata						
Larimer						
Las Animas						
Lincoln						
Logan						
Mesa						
Mineral						
Moffat						
Montezuma						
Montrose						
Morgan						
Otero	1	\$ 291.00				
Ouray						
Park						
Phillips	1	\$ 169.92				
Pitkin						
Prowers	1	\$ 5.00				
Pueblo						
Rio Blanco						
Rio Grande						
Routt						
Saguache						
San Juan						
San Miguel						
Sedgwick						
Summit						
Teller	1	\$ 66.30				
Washington						
Weld						
Yuma						
TOTALS	15	\$ 1,908.91	0	0	0	0
TOTAL DISBURSEMENT ON HOLD WHICH ARE 150 TO 179						\$ 1,908.91

DISBURSEMENT ON HOLD						
DATA FROM AD HOC REPORT DATED JUNE 2, 2001						
Report reflects cases that have disbursements on hold OLDER THAN 180 DAYS						
COUNTY	FISCAL AGENT		INTERCEPT		OVER THE COUNTER	
	Cases	Amount	Cases	Amount	Cases	Amount
Adams	1	\$ 112.15				
Alamosa						
Arapahoe	1	\$ 1.00				
Archuleta						
Baca			1	\$ 314.00		
Bent						
Boulder						
Chaffee						
Cheyenne						
Clear Creek						
Conejos	1	\$ 1.00				
Costilla	1	\$ 10.00				
Crowley						
Custer						
Delta						
Denver	7	\$ 257.32				
Dolores						
Douglas						
Eagle	3	\$ 349.81				
Elbert						
El Paso	6	\$ 550.43				
Fremont						
Garfield						
Gilpin						
Grand						
Gunnison						
Hinsdale						
Huerfano						
Jackson						
Jefferson						
Kiowa			1	\$ 1,225.00		
Kit Carson						
Lake						
La Plata						
Larimer						
Las Animas						
Lincoln						
Logan						
Mesa						
Mineral						
Moffat						
Montezuma	1	\$ 255.00				
Montrose	1	\$ 5.82				
Morgan						
Otero	1	\$ 182.00	1	\$ 304.00		
Ouray						
Park						
Phillips	1	\$ 16.12				
Pitkin						
Prowers	6	\$ 597.23				
Pueblo	1	\$ 18.00				
Rio Blanco						
Rio Grande						
Routt						
Saguache						
San Juan						
San Miguel						
Sedgwick						
Summit						
Teller						
Washington						
Weld						
Yuma						
TOTALS	31	\$ 2,353.88	3	\$ 1,843.00	0	0
TOTAL DISBURSEMENT ON HOLD WHICH EXCEED 180 DAYS						\$ 4,196.88

H-2: CONNECTICUT

Application Problem Report

Description/Goal

When a state finds that its balance of undistributed payments is caused by a variety of problems, it makes sense to devise a method to categorize those payments and to develop procedures for disposition of the payments within the various categories.

In order to manage UDC, the state of Connecticut developed an “Application Problem Report” that lists undistributed payments and the reasons why the payments are not distributed. This report is generated daily to identify application problems. One of the unique functions performed by Connecticut’s SDU and the Bureau of Child Support Enforcement Central Office is to use this report to “triage” its UDC and generally manage these collections on an ongoing basis.

The Application Problem Report lists UDC balances by reason code. For example, payments that are undistributed due to a name mismatch or due to a lack of identification with the payment are listed together on the report. Connecticut administrative procedures provide staff with instructions on resolution of each problem type, and identify the entity responsible for solving the problem.

Results

Connecticut began to utilize the Application Problem Report with the initiation of its statewide automated system in July 1987. Connecticut has maintained a consistently low UDC rate in the last two federal fiscal years.

FY/Quarter	Collections Avail.	Gross UDC	UDC Rate
FY99 / 4 th Quarter	\$46,628,578	\$1,381,555	2.96%
FY00 / 4 th Quarter	\$49,157,217	\$1,718,800	3.50%

Location

SDU staff and field staff manage the Application Problem.

Funding

Funding is state general funds and any applicable federal matching funds.

Replication Advice

Connecticut staff state that it was very helpful to *intentionally organize* the way in which a state categorizes its UDC balances. Much work was put into designing their state's categorization framework up front.

It is also helpful to work closely with your vendor on an ongoing basis. Connecticut's SDU continually updates its list of contact people in each of the regions for UDC issue resolution. This enables the SDU and local staff to collaborate in working on UDC payments. The state and SDU vendor hold bi-weekly meetings and have cultivated a good working relationship. They are able to identify and resolve issues quickly.

For More Information

Connecticut Bureau of Child Support Enforcement
John Dillon: john.dillon@po.state.ct.us (860) 424-5271

H-3: IDAHO

Electronic Payment System for Child Support Disbursements

Description/Goals

It almost seems like double-work sometimes. Find the NCP and get child support coming in. Then mail out a check to the CP, only to have it returned as undeliverable. Find the CP, remail the check, lose the NCP, and start all over.

Idaho wanted to at least spend less time locating CPs, while decreasing the number of lost or returned checks and increasing the timeliness of CPs receiving their child support. They looked to the model being used by the TANF and food stamp programs – Electronic Benefits Transfer (EBT). With the disbursement of child support, the name was changed to Electronic Payment System (EPS).

When the agency begins collecting child support on behalf of a CP, they send the CP a debit card, along with instructions for its use. As child support payments are disbursed to the CP, the balance of funds available on the card increases. The CP can use the card at any point-of-purchase retailer (for goods or services) or at an ATM machine for cash (there may be a fee for using the debit card at an ATM machine).

The agency mails a distribution notice to the CP to explain how payments were distributed. The funds are available on the card within 24 hours. The distribution notice usually arrives a day or two later. If the distribution notice is returned as undeliverable, the agency pursues CP-locate, but in the meantime, any child support payments will still be credited to the debit card balance. No checks are lost in the mail or returned as undeliverable.

The agency is alerted if, 30 days after a payment has processed, the CP has failed to access the money via the debit card account. The agency can then follow up with the CP to ensure s/he knows how to use the card, hasn't lost the card, hasn't forgotten his/her personal identification number (PIN), etc.

Lost cards can be replaced through the local office on an emergency basis. If a CP receives state benefits, such as food stamps, s/he has only one debit card. All benefits and child support are put on one card.

Results/Impact on Undistributed Collections

Idaho began implementing its EPS process in March 1999 and completed the process in September 1999. Idaho reported a corresponding decrease in its Undistributed Collections (UDC) rate as shown on the OCSE-34A reports submitted for the 2nd and 4th quarters of FY99:

FY/Quarter	Collections Avail.	Gross UDC	UDC Rate
FY99 / 2 nd Quarter	\$15,357,633	\$309,258	2.01%
FY99/ 4 th Quarter	\$15,473,283	\$ 16,940	0.11%

Location

The EPS process is managed by Idaho's Electronic Payment System in Boise.

Funding

Funding from state general funds and any applicable federal matching funds.

Replication Advice

Since the debit card is also used to disburse benefits, many CPs had issues with having their child support put on the same card. There was also some resistance by non-TANF CPs since they believed there was a stigma attached to using the card. More outreach with CPs, NCPs, and point-of-purchase retailers is recommended.

For More Information

Idaho Department of Health and Welfare
http://www2.state.id.us/dhw/hwgd_www/chisupsv/eps.htm
 Sherry Brown: (208) 334-0684, browns@idhw.state.id.us

H-4: MAINE

Comprehensive Study and Reconciliation of Undistributed Collections

Description/Goals

Since implementation of its new NECSES (New England Child Support Enforcement System) computer system in November 1990, Maine has made at least 11,000 changes to its statewide automated system. These changes, in addition to the discovery that the system continued to carry UDC balances from many years ago, prompted a comprehensive study and reconciliation of the UDC balances reported by the system.

At the time the study was initiated, Maine had been reporting a UDC balance of approximately \$4.3 million (4th quarter FY00), which represented about 16.7% of the collections available for distribution during the quarter. Maine believed the actual UDC balance was considerably lower, since many previously undistributed payments had been disbursed by way of a manual system, and were not reflected in the states automated system.

Maine began its study and reconciliation by identifying the components responsible for the undistributed collections. It found three major contributing factors to UDC: (1) problems with the IV-A / IV-D systems interface; (2) problems inherent in NECSES (i.e., inability to retroactively change incorrect member status without programmer intervention); and (3) data input errors by IV-A and IV-D staff. Maine focused most of their attention on the systems interface problems (relative to AFDC/TANF distributions) because these problems contributed to the majority of the UDC existing at the time, and had the greatest potential for generating additional UDC in the future.

Maine's Bureau of Information Systems (its technical support group for NECSES) provided the IV-D agency with a report listing every individual receipt that comprised the whole of the systems related UDC. The report further identified each receipt as belonging to one of twelve categories, each category identifying the unique source of the problem causing the UDC, be it missing or incorrect information. Each of the categories was then analyzed to determine the appropriate corrective actions. Some categories required programmer intervention to resolve, while others required the painstaking process of manual redistributions of individual receipts.

Results/Impact on Undistributed Collections

Maine's study of the statewide system and reported UDC balances revealed 12 pieces of information that needed correction on Maine's statewide system. For example, in some cases, the IV-A or IV-E expenditure data required for disbursement of current support distributions in AFDC/TANF cases, were missing. The most common factors contributing to this problem were either a lack of IV-A case data through the IV-A/IV-D interface, or cases incorrectly coded as open TANF cases, when in fact they should have been coded non-TANF. Once these corrections were made, the state's UDC balance was

significantly reduced. As state staff had suspected, they found many cases where payments were disbursed manually, but were still showing as UDC. The system now captures these manual disbursements so that this over-reporting of UDC should not occur in future reporting periods.

Below is a summary of Maine's reported UDC before and after the reconciliation was completed:

FY/Quarter	Collections Avail.	Gross UDC	UDC Rate
FY00 / 4 th Quarter	\$25,494,358	\$4,254,567	16.69%
FY01 / 1 st Quarter	\$22,030,125	\$ 660,003	3.00%

Location

Augusta, Maine.

Funding

Funding is state general funds and any applicable federal matching funds.

Replication Advice

The key factor for Maine was the ability to identify each receipt contributing to the UDC total and to further categorize them by the source of the problem. Additional advice would be to automate solutions as much as possible, because the alternative is tedious manual intervention.

For More Information

State of Maine Child Support Enforcement
Stephen L. Hussey Stephen.L.Hussey@state.me.us
Tim Whitfield Tim.Whitfield@state.me.us (207) 287-3159

H-5: WASHINGTON STATE – ONLINE SUSPENSE

Online Suspense

Description/Goals

In Washington State, payments that cannot be automatically distributed by the State's Support Enforcement Management System (SEMS) go into suspense and are coded to indicate the reason for suspending the item (e.g., overpayment, no debt on case, special instructions, etc.). After the distribution program runs (nightly), suspense reports are produced, showing all suspended payments. The report is sorted by field office and is printed daily in each local field office. Field office staff are responsible for sorting, copying, and distributing the suspense report to the staff responsible for the cases associated with the suspended payments.

Depending on local office policy, a supervisor may take responsibility for clearing the suspense payments. Or the task might be assigned to the worker responsible for the associated case. In any event, it means multiple copies of the various pages from the suspense report being manually circulated. If a manual adjustment must be made to clear the suspense payment (such as a refund of the payment to the payor), the responsible worker: (1) completes a paper adjustment voucher; (2) makes a note on the suspense report; (3) sends an email to the supervisor, or creates a review or comment record; and (4) sends it off to a supervisor for review, approval, and input into SEMS. These steps help to ensure the separation of duties.

While the current system works (Washington consistently maintains a UDC rate of approximately 2%), it has its shortcomings. Because the suspense report is a paper document, once it has been distributed, it is "out of sight, out of mind," until the following day's report is received and printed. It is also time-consuming to sort, copy, and distribute a paper report on a daily basis. And if a caseload is "uncovered" because of absence or understaffing, suspended payments are sometimes not the highest priority, especially if the suspended payment overpays the obligation. There is also a security concern since the suspense report contains confidential information on undistributed payments.

Paper adjustment vouchers and making notes on the suspense report present problems. As with any piece of paper, they can be misplaced. And there can be delays in review and approval if the responsible supervisor is out of the office. With each office requesting adjustments in a different manner, it is difficult to create procedures for working suspense.

To respond to these issues, the SEMS unit, working with SDU staff and field office representatives, developed an on-line suspense program that is accessible on the intranet.

Instead of a paper report, the suspense report is accessible on-line. A worker first must sign into the SEMS system via the intranet to have access to on-line suspense. The

suspense information is sorted by office, then within each office, by work team, and then by responsible worker. The responsible worker can review all suspense payments associated with the cases in his/her caseload, as well as all items in suspense for cases handled by his/her work team. The supervisor has access to suspense payment information at the worker, work team, and office levels.

Upon reviewing a suspended payment, the worker has several options. If updating the case (such as loading a new obligation) resolves the problem, the worker need only update the case. That night, SEMS will apply the suspended payment to the new obligation. If, however, the suspended payment requires a manual adjustment to clear it (such as a refund to the payor), the worker can access the new on-line adjustment voucher to create the adjustment. Once s/he has completed the adjustment voucher, it is transmitted electronically to the supervisor for review, approval and processing. And if a payment should remain in suspense, the worker can add notes to the payment record to explain why it is still pending.

The annotated screens (see attachments below) illustrate the process.

Expected Results

Since suspense items are on-line, it is easier to monitor and audit the timely distribution of collections. It also saves considerable time and resources now spent in manually sorting, copying, and distributing the paper suspense report daily. On-line adjustment vouchers offer similar savings, and a decrease in the opportunity for paper documents to be misplaced or overlooked.

Location

The online suspense process is utilized both in the headquarters SDU office, and by field staff throughout the state.

Funding

Funding is state general funds and any applicable federal matching funds.

Replication Advice

Washington originally allowed only supervisors and headquarters staff to have access to the suspense report for searching within their office for a payment. However, there were other staff members who were not supervisors that needed access to online suspense for search purposes. For a period of time it was necessary to continue printing the suspense report for these staff members. To remedy this, Washington set up an access control switch that must be set for non-supervisory workers before allowing searches of online suspense.

For More Information

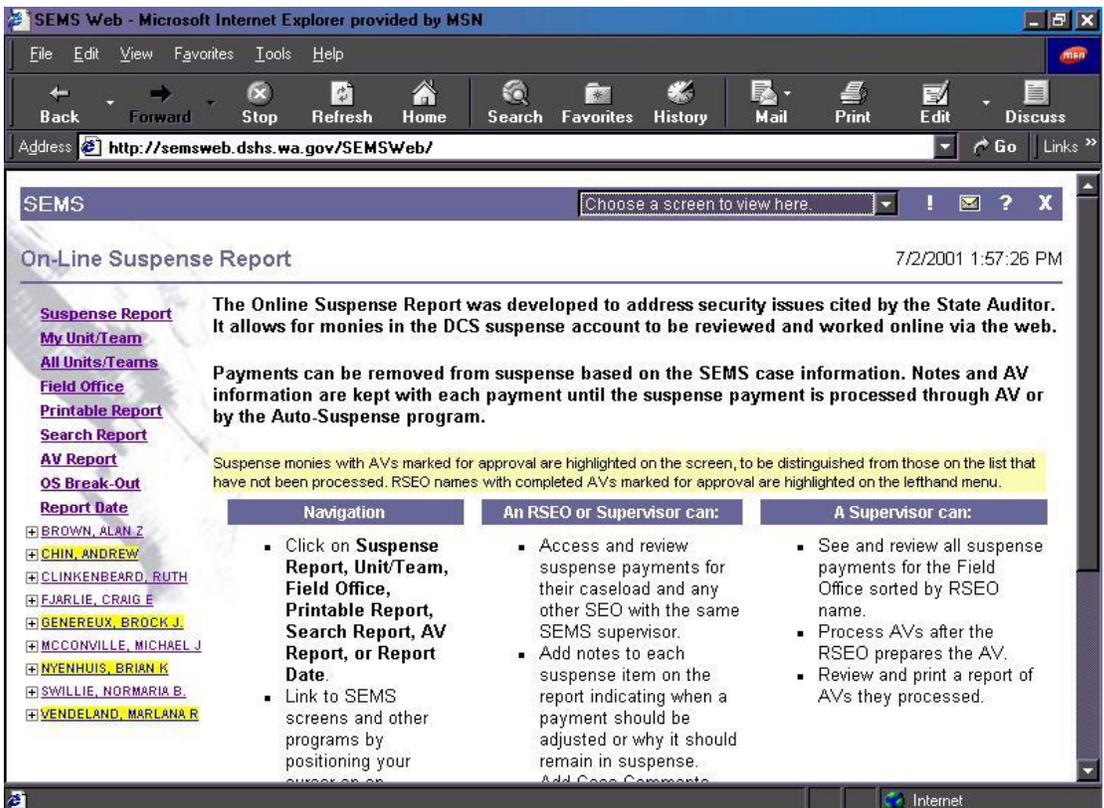
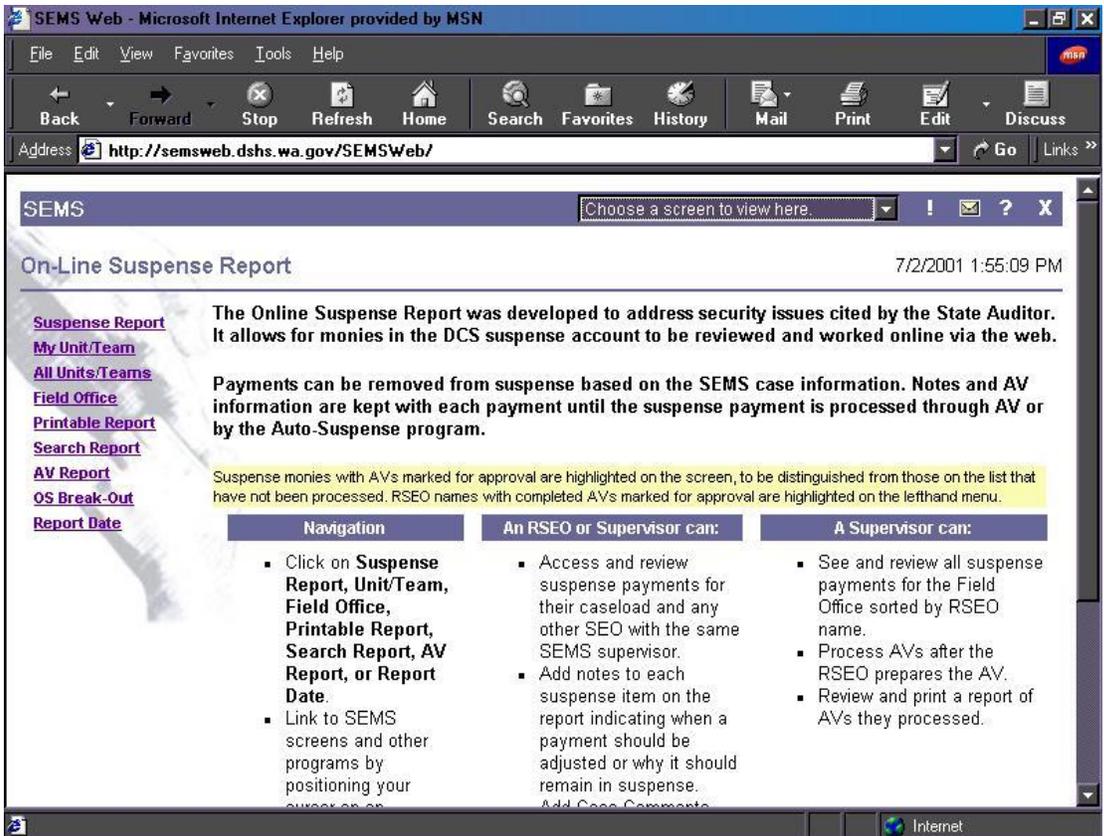
Washington State Department of Social and Health Services, Division of Child Support

Kelley Romeo: kromeo@dshs.wa.gov

Sandy Lee: slee@dshs.wa.gov

Attachments

See attached screen prints for examples of Washington State's online suspense program.



SEMS Web - Microsoft Internet Explorer provided by MSN

Address: http://semsweb.dshs.wa.gov/SEMSWeb/

SEMS

On-Line Suspense Report 7/2/2001 2:00:49 PM

[Suspense Report](#)
[My Unit/Team](#)
[All Units/Teams](#)
[Field Office](#)
[Printable Report](#)
[Search Report](#)
[AV Report](#)
[OS Break-Out](#)
[Report Date](#)

Seattle Field Office

RSEO #: 3885-CHIN, ANDREW

Original Pmt #	Date of Collection	Pmt Types	Individual Number	AP Name	Suspense Amount	Case Number	Rem	Note
062201F741739		A3/S8 E		ROSS WAYNE	\$411.00		REM	N
062501F760480		A3/S8 E		SCOTT EVAN	\$769.00		REM	N
063001F811955		A3/S8		TIM F	\$36.82		REM	N
062501S004473		E2/S8		TRAVIS	\$623.00		REM	N
062201S004526		E2/S8		CONSTANTIN	\$50.00		REM	N
062601S000000		A5/S8		THOMAS LEROY	\$21.75		REM	N
062601F7		L9/S8 E		TARK				
062201S0		A2/S8		DBERT L	\$1,400.00		REM	N
062001S0		E2/S8		THOMAS CRAWFO	\$571.96		REM	N
062201S0		A3/S8		ROBERT JOSEPH	\$152.06		REM	N
061301S0		A3/S2		RYAN LYNN	\$346.22		REM	N
062701S007839		A3/S8		ED BRODRICK	\$281.50		REM	N
052501F463020		B9/S4 E		ETER MICHAEL	\$1,341.00		REM	N
062701F787989		A3/S8		AUL TIMOTHY	\$19.24		REM	N
062101F723029		A3/S8 E		MILLARD JAMES	\$0.07		REM	N

AV Screen
View Image
PI Screen
Post Note
Close

NCP PAYS EARLY. HOLD FOR ROLLOVER - 6/25/2001 8:00:11 AM

javascript:loadNote("062201S004526")

SEMS Web - Microsoft Internet Explorer provided by MSN

Address: http://semsweb.dshs.wa.gov/SEMSWeb/default.asp

SEMS

Adjustment Voucher 7/2/2001 2:48:34 PM

Employee Name: KELLEY 2 Employee No: 9025

Orig Payment No: 063001F811955 Reversing Payment Type: 87

Total Adjustment: 36.82
Auto Comment:

Case Number	Pmt Type	Refund	Current	Arrears(A/C)	Arrears(DSHS)	Arrears(TEMP)	Total Payment
1 740660	R4	36.82	0	0	0	0	\$36.82

Total: \$36.82

Case Comment

PLS PROC AV FOR ORIGINAL# 063001F811955 TO REF=\$36.82 TO AP

Submit AV
 Save Work on this AV
 Submit Comment Only
 Cancel Approval on this AV

SEMS Web - Microsoft Internet Explorer provided by MSN

Address: http://semsweb.dshs.wa.gov/SEMSWeb/

SEMS

On-Line Suspense Search 7/2/2001 2:51:26 PM

[Payment](#)
[Receipt](#)
[Identifier](#)
[Modeling Key](#)
[Scan Batch](#)
[Bundle](#)
[Deposit](#)
[EFT](#)
[Suspense](#)
[Instructions](#)

Payment Number: Through:
 Payment Amount: Through:
 AP Name:
 IV-D Number:
 Individual Number:
 Payment Type:
 RSEO:

SEMS Web - Microsoft Internet Explorer provided by MSN

Address: http://semsweb.dshs.wa.gov/SEMSWeb/

SEMS

Adjustment Voucher Report 7/2/2001 3:02:20 PM

Pmt Number	Pmt Type	Amount	RSEO	RSEO Name	FO																
1 062601S005217	S7	1.82	70	LINDA	A																
<table border="1"> <thead> <tr> <th>Case Number</th> <th>Pmt Type</th> <th>Refund</th> <th>Current</th> <th>Arrears(A/C)</th> <th>Arrears(DSHS)</th> <th>Arrears(TEMP)</th> <th>Address</th> </tr> </thead> <tbody> <tr> <td>747591</td> <td>R6</td> <td>1.82</td> <td>0.00</td> <td>0.00</td> <td>0.00</td> <td>0.00</td> <td></td> </tr> </tbody> </table>						Case Number	Pmt Type	Refund	Current	Arrears(A/C)	Arrears(DSHS)	Arrears(TEMP)	Address	747591	R6	1.82	0.00	0.00	0.00	0.00	
Case Number	Pmt Type	Refund	Current	Arrears(A/C)	Arrears(DSHS)	Arrears(TEMP)	Address														
747591	R6	1.82	0.00	0.00	0.00	0.00															
2 063001F812234	S7	175	70	LINDA	A																
<table border="1"> <thead> <tr> <th>Case Number</th> <th>Pmt Type</th> <th>Refund</th> <th>Current</th> <th>Arrears(A/C)</th> <th>Arrears(DSHS)</th> <th>Arrears(TEMP)</th> <th>Address</th> </tr> </thead> <tbody> <tr> <td>1286321</td> <td>R4</td> <td>175.00</td> <td>0.00</td> <td>0.00</td> <td>0.00</td> <td>0.00</td> <td></td> </tr> </tbody> </table>						Case Number	Pmt Type	Refund	Current	Arrears(A/C)	Arrears(DSHS)	Arrears(TEMP)	Address	1286321	R4	175.00	0.00	0.00	0.00	0.00	
Case Number	Pmt Type	Refund	Current	Arrears(A/C)	Arrears(DSHS)	Arrears(TEMP)	Address														
1286321	R4	175.00	0.00	0.00	0.00	0.00															
3 062201F727046	S5	1303	70	LINDA	A																
<table border="1"> <thead> <tr> <th>Case Number</th> <th>Pmt Type</th> <th>Refund</th> <th>Current</th> <th>Arrears(A/C)</th> <th>Arrears(DSHS)</th> <th>Arrears(TEMP)</th> <th>Address</th> </tr> </thead> <tbody> <tr> <td>743625</td> <td>R9</td> <td>0.00</td> <td>0.00</td> <td>1,303.00</td> <td>0.00</td> <td>0.00</td> <td></td> </tr> </tbody> </table>						Case Number	Pmt Type	Refund	Current	Arrears(A/C)	Arrears(DSHS)	Arrears(TEMP)	Address	743625	R9	0.00	0.00	1,303.00	0.00	0.00	
Case Number	Pmt Type	Refund	Current	Arrears(A/C)	Arrears(DSHS)	Arrears(TEMP)	Address														
743625	R9	0.00	0.00	1,303.00	0.00	0.00															

PA SCDU
PO BOX 69110
HARRISBURG PA 69110
MEMBER [REDACTED] PACES [REDACTED]
[REDACTED] GEORGE FRANKLIN

javascript:void(0)

SEMS Web - Microsoft Internet Explorer provided by MSN

File Edit View Favorites Tools Help

Back Forward Stop Refresh Home Search Favorites History Mail Print Edit Discuss

Address <http://semsweb.dshs.wa.gov/SEMSWeb/> Go Links >>

SEMS Choose a screen to view here. ! ? X

On-Line Suspense Report Suspense Break-Out Screen 7/2/2001 3:09:08 PM

Payment Type	StateWide			Seattle Field Office			70 - Unit		
	Count	Amount	Percentage %	Office Count	Office Amount	Office Percentage %	Unit/Team Count	Unit/Team Amount	Unit/Team Percentage %
S1	258	\$52,270.88	1.82%	1	\$1.82	0.00%	0	0	0%
S2	1428	\$512,690.27	17.90%	228	\$111,051.17	15.55%	22	\$5,744.55	1.12%
S3	381	\$95,107.41	3.32%	69	\$24,761.35	3.47%	16	\$4,643.22	4.88%
S4	259	\$249,988.83	8.73%	58	\$44,507.85	6.23%	10	\$5,759.64	2.30%
S8	10796	\$1,954,537.76	68.23%	2194	\$533,922.72	74.75%	208	\$40,056.03	2.05%
Totals:	13122	\$2,864,595.15	100.00%	2550	\$714,244.91	100.00%	256	\$56,203.44	7.87%

[Click here to build another Break-Out Report](#)

[Click here to return to Suspense Report](#)

Done Internet

SEMS Web - Microsoft Internet Explorer provided by MSN

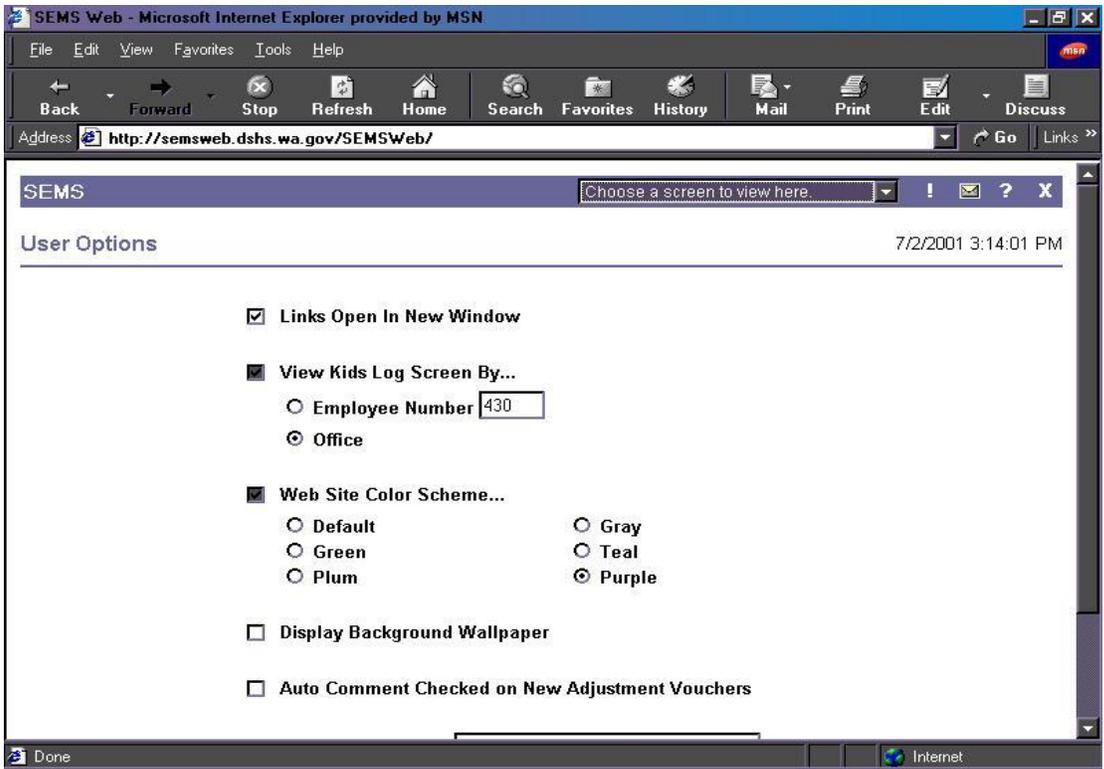
File Edit View Favorites Tools Help

Back Forward Stop Refresh Home Search Favorites History Mail Print Edit Discuss

Address <http://semsweb.dshs.wa.gov/SEMSWeb/> Go Links >>

FO	Code	Count
A	Approved	63
A	Waiting Approval	46
B	Approved	34
B	Waiting Approval	18
C	Approved	24
C	Waiting Approval	60
D	Approved	14
D	Waiting Approval	4
E	Approved	99
E	Waiting Approval	2
F	Approved	28
F	Waiting Approval	2
G	Waiting Approval	2
H	Approved	65
H	Waiting Approval	1
K	Approved	61
K	Waiting Approval	2
S	Waiting Approval	1

Done Internet



H-6: WASHINGTON STATE – PAYMENT IMAGING

Payment Imaging

Description/Goal

In the past, Washington State’s SDU staff microfilmed all payments and accompanying documents they received. They also completed payment processing utilizing the actual payment instrument. On high-volume days (such as Tuesdays following a three-day weekend) SDU staff were sometimes not able to deposit all of the payments received. Additionally, once the payment instrument was deposited, if someone needed a copy of the document, it required microfilm research and retrieval at the SDU location. If there was a problem with the microfilm (poor exposure, for example) the agency had to rely on the bank to provide a true copy of the payment instrument, a time-consuming process.

Washington wanted to ensure that all payments were deposited within 24 hours of receipt, to meet state standards set by the Office of Financial Management. To meet this 24-hour deposit standard, WA needed a tool that would help them to meet the rigorous internal audit control requirements.

SDU staff also wanted to assure quick and easy access to copies of payment instruments and accompanying documentation across the state. And since their research into potential solutions was pointing them in the direction of imaging technology, Washington wanted to take advantage of the other advantages imaging offered, such as improved workflow and more efficient tools for troubleshooting payment-related issues.

Washington developed an imaging solution that eliminated the internal control and timely deposit issues. All payments are imaged upon receipt. The payment instruments can then be deposited, allowing payment processing staff to use the digital images to complete payment processing.

The imaging system provides a “modeling” feature that increases the accuracy and speed of payment processing. Here’s how it works. In January, NCP John Smith makes his first child support payment by personal check. The payment processor identifies and processes the payment using the NCP’s bank account number. In February, John Smith again pays by personal check. When the February check is imaged, the worker imports modeling information, which includes the complete history of payments made by this payor. The payment processor is presented with the information from January and need only confirm that this is a check from the same payor. There is no need for the worker to input any identifying information.

The modeling feature can also reduce the number of “unidentified” payments. For example, in Washington, approximately 35% of the payments processed are received without proper identification. Under Washington’s old payment processing system, these payments would be set aside for research each month. This would require the worker to request copies of the microfilm as soon as it was developed (one to five days later).

Under the new imaging system, research is only necessary the first time such a payment is received from a payor. The model will identify any subsequent payments from the same payor.

Results

Washington estimates that they have a 99.8% accuracy rate in payment processing. Images of the payments are immediately accessible to all staff. This allows “real-time” tools to be available to staff for payment-related troubleshooting and for locating NCP assets.

Other benefits realized by Washington:

- ✓ SDU transaction costs are \$1.07 per payment (based on calculation done Fall 1999).
- ✓ State’s Client Relations Unit staff report a significant drop in payment-related complaint calls since installation of the imaging system.
- ✓ State’s SDU staff report a reduction in phone calls from field staff due to the immediate availability of images to case workers.

Location

The imaging process is managed by Washington’s SDU, located in Olympia.

Funding

Funding is state general funds and any applicable federal matching funds.

Replication Advice

Management should conduct a Workflow Analysis prior to design, and implement re-engineering of the entire process at the same time as the new technology.

Other recommendations:

- ✓ Use 21-inch computer monitors.
- ✓ Staff should have experience using a Windows application.
- ✓ Use a local area network infrastructure capable of accommodating the transmission and storage of the digital images.

For more information

Washington State Department of Social and Health Services, Division of Child Support

Lynnie Larsen: (360) 664-5360 llarsen@dshs.wa.gov

Steve Spitzer: (360) 664-5361 sspitzer@dshs.wa.gov

Appendix I. Project Team Member Contact Information

OCSE

Name & Address	E-mail address	Phone Numbers
Gaile Maller	gmaller@acf.dhhs.gov	Wrk: 202-401-5368
Nina Campbell	nicampbell@acf.dhhs.gov	Wrk: 202-401-5049
Miles Schlank	mkschlank@acf.dhhs.gov	Wrk: 202-401-9329
Keith Bassett	kbassett@scf.dhhs.gov	Wrk: 202-401-9387

The Center

Name & Address	E-mail address	Phone Numbers
Vernon Drew 8516 Milford Ave Silver Spring MD 20910	vdrew@csfmail.org	Wrk: 301-587-9622 fax: 301-587-9620
Kathy Sokolik 1311 Oxford Ave Centralia WA 98531	ksokolik@csfmail.org	Wrk: 360-736-2112 Fax: 360-736-2108
Elizabeth Morgan 2436 85 th Ave NE Olympia WA 98506	emorgan@csfmail.org	Wrk: 360-705-2843 Fax: 360-705-2853
Patty Keefe Durso 21 Hillside Ave Mahwah NJ 07430	pdurso@csfmail.org	Wrk: 201-512-1646 Fax: 201-512-9410