



CSSD Policy			
Subject:	Credits On Active Obligations: Refunding Monies To Obligors	Number:	2008-17
Approval Date:	April 4, 2008	Pages:	
Approved by:	Benidia A. Rice, Director	Revision	AMENDED FINAL VERSION

- I. **PURPOSE:** To formalize the procedures that are implemented when money is returned to noncustodial parents; to stipulate instances when money shall be returned to a noncustodial parent (obligor).
- II. **REFERENCES:** 45 CFR § 302.51, Distribution of support collections; OCSE AT-97-17, Instructions for the distribution of child support under Section 457 of the Social Security Act.
- III. **POLICY:** CSSD will only refund money to noncustodial parents in very limited circumstances. The policy for refunding payments is as follows:
- 1) Enforcement Actions
Monies are refunded in cases where payment was received through enforcement actions. Enforcement actions consist of:
- Federal/State Tax intercept,
 - Financial Institution Data Match (FIDM),
 - Income/Wage withholding,
 - Unemployment Insurance,
 - Lottery Intercept,
 - Administrative Offset,
 - Workmen's Compensation,
 - Out-of-State Payments.
- 2) Voluntary Payments
Voluntary Payments are not refundable in cases where an ongoing support obligation exists; they are automatically disbursed to the payee. Voluntary payments consist of:
- Cash,
 - Personal check,
 - Money order.
- Voluntary payments are refundable in arrears only cases once all arrears have been paid in full.
- 3) Distribution of Funds
Monies will be refunded to an obligor if all of the following conditions apply:
- a. All applicable funds have been disbursed to payee for current support;
 - b. Any applicable funds have been applied to arrears: TANF and Non TANF;

- c. Any remaining funds after arrears distribution have been applied to outstanding balances for Medicaid, medical support, or genetic testing fees; and,
- d. The obligor has a credit equaling to or exceeding two (2) months of current support.

4) Application of Future Payments

- a. In Non-TANF cases, future payments shall be disbursed to the payee immediately upon receipt.
- b. In TANF cases, future payments are placed on hold and are not disbursed until the due date of the payment.

5) Manual Refund Procedure

Although DCCSES is equipped with an automatic refund component; it is currently disabled. It has been determined that processing refunds manually is more reliable and better prevents the occurrence of erroneous refunding. All refunds are implemented manually by a staff person in the Fiscal Operations Section based on the Application Problem Report (APR) that is received daily through DCCSES batch processing.