

SUPPORTING STATEMENT

August 2007

Financial Reporting Forms Child Support Enforcement Program

Form OCSE-34A: Quarterly Report of Collections
Form OCSE-396A: Quarterly Report of Expenditures

A. Justification

1. Legal or Administrative Requirements to Collect Information.

The authorities to collect and report the information requested on these forms are found in the following sections of the Social Security Act (Act): 452(a)(6), 452(a)(10)(A), and 454(10).

State agencies administering State Plans approved under Title IV-D of the Act are required by statute in section 454(10) to maintain complete records and a system to report: (a) the amounts expended to administer and operate the program, (b) and amounts collected as child support payments from non-custodial parents, and (c) the child support payments distributed either to the custodial parents or to the appropriate Federal or State agency in accordance with section 457.

2. Purpose for Which Information Will Be Used

The information collected through the use of these forms is used to:

- a. Monitor program operations and prepare technical assistance and guidance as needed and in accordance with section 452(a)(7) of the Act;
- b. Compute the quarterly grant awards pursuant to section 455(b) of the Act;
- c. Determine that proper disposition of collections is being made according to the process set forth in section 457 of the Act;
- d. Enable OCSE to obtain data prior to the start of the fiscal year to estimate the incentive payments to be retained by each State. Also, to permit OCSE to calculate the actual amount of incentive payment due each State following the end of the fiscal year;
- f. Produce an annual financial and statistical report, when combined with information collected on Form OCSE-157, the "Annual Data Report." This report is available to the general public and includes a complete record of financial, statistical and programmatic information for the fiscal year.

3. Use of Technological Collection Techniques

Collection of this data is accomplished substantially through electronic means. All States have the opportunity to submit this information electronically, through the Internet-based “On-Line Data Collection” (OLDC) system maintained by ACF. A few States have elected to continue with paper submissions and in those cases the data is entered into OLDC by Federal staff in the Regional office.

Information from OLDC is transferred to the in-house “Grants Administration Tracking and Evaluation System” (GATES) for final approval by Federal staff, production of management reports and issuance of grant awards.

4. Efforts to Identify Duplication

Information collected in these reports is not available through any other Federal source.

5. Impact on Small Businesses

This form applies only to State governments. Small businesses are not involved.

6. Impact of Less Frequent Collection

This data is used quarterly by OCSE to compute grant awards. Failure to collect expenditure, estimate and collection data on a quarterly basis would preclude the Department from accurately calculating these quarterly awards.

7. Explanation of Special Circumstances of Information Collection

Collection of State financial data is consistent with guidelines. The information requested is necessary to satisfy statutory requirements.

8. Outside Consultation Regarding Data Collection

A Federal-State work group, with members representing each Federal region, was organized to review all aspects of the collection of financial data and to recommend revisions to these forms. Through a working partnership with the National Council of Child Support Directors (NCCSD), comments were solicited specifically from the program directors of every State’s child support enforcement agency. Interested members of the general public were also offered opportunities to comment on these forms with the publication of Federal Register notices on December 4, 2006 (71 FR 70407 et. seq.) and July 24, 2007 (72 FR 40207 et. seq.).

In general, comments received from individual States were compiled by staff of NCCSD and forwarded to ACF with recommendations; some comments were received directly from the State agency. Comments that provided useful recommendations for revisions that would improve or clarify the form or the instructions, the revisions were incorporated into the form design or the wording instructions. In a few other instances, including a recent submission from Colorado, the commenter provided inaccurate interpretations of Federal statute or regulations and the comments could not be used as part of the reporting requirements.

9. Payment or Gifts to Respondents

No member of the Federal-State Task Force or any respondent to our requests for comments received any remuneration for their participation.

10. Assurance of Confidentiality

There are no data collected that require confidentiality.

11. Questions of a Sensitive Nature

Data collected are not of a sensitive nature.

12. Burden Hour/Cost Estimate

34A	Form OCSE-396A	Form OCSE-
No. of Respondents	54	54
Responses Per Respondent	4	4
Burden Hours Per Response	6	14
Total Burden Hours	1,296	3,024
Aggregate Total Burden Hours	4,320	

Assuming the average value of respondents' time at \$20.00 per hour, the estimated annual cost to the State for both forms will be \$86,400 (4,320 hours x \$20).

13. Estimated Annual Cost Burden to Respondents

We estimate an annual aggregate cost burden of approximately \$4.7 million per year, or approximately \$86,400 per respondent (State agency) per year. This includes the marginal costs of the time needed for information collection,

recordkeeping and reporting plus some incidental costs of maintenance of those computer programs directly related to this effort.

14. Estimate of Federal Government Cost

Estimate average cost to the Federal government is \$50,000 per year. This includes the initial cost of developing and distributing forms, tabulating and analyzing collected data, and publishing aggregate information in an annual report.

15. Program Changes or Adjustments

Summaries of changes made to both forms are included in Attachments 1 and 2. Changes were made to comply with changes in law and regulations, to eliminate information no longer needed and to eliminate redundancy.

16. Analytical Techniques Needed For Publication of Information

Information on these forms is published in aggregate and State-by-State formats and in combination with other data collected by this Agency. The data are published following each fiscal year as received from the States in an annual report available to the general public. No complex analytical techniques are required.

17. Approval to Not Display Expiration Date

Such approval is not being sought; the expiration date will be shown as needed.

18. Exception to Certification Statement

None.

B. Collection of Information Employing Statistical Methods

Statistical methods are not used in collecting this financial information. The information supplied by the States must be auditable and in conformance with generally accepted accounting principles and cannot be reported using sampling, estimating or other statistical methodologies.

Form OCSE-396A
Revisions 2007

Attachment 1

1. New Title “Child Support Enforcement Program Expenditure Report”
(formerly, “Child Support Enforcement Program Financial Report”)
2. Added Line 1a, “Administrative Costs” Using Incentive Payments
3. Added Line 8, “Estimated Incentive Payments” (relocated from
Form OCSE-34A)
4. Added Line 9, “Federal Share of IV-A Collections”
5. Added Cols B and C, Lines 1b, 1c, 2a, 2b
6. Deleted Former Line 8, “Laboratory Paternity Costs (@90% FFP)”
7. Deleted Former Line 10, “Quarterly Grant Adjustment”
8. Renumbered Lines 1b and 1c (formerly 1a and 1b)
9. Renumbered Line 7 (formerly Line 9)
10. Renumbered Lines 9 through 15 (formerly Lines 10 through 16)
11. Revised Title Dates, “Current (*Claiming*) Quarter Ended,” Next
(*Estimating*) Quarter Ended”
12. Revised Title Part 2: “*Federal* Audit Number”
13. Deleted Part 3 in its entirety

Form OCSE-34A
Revisions 2007

Attachment 2

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| 1. New Title | <u>PART 1, “Quarterly Report of Collections”</u>
(formerly not titled) |
| 2. Added | Line 2g, “From Other Countries” |
| 3. Added | Line 4, “Collections Sent During the Quarter Outside the IV-D Program.” |
| 4. Added | Line 4c, “Collections Sent to Other Countries.” |
| 5. Added | Line 5, “(Reserved)” |
| 6. Added | Line 7a, “Passed Through” |
| 7. Added | Line 7e, “Fees Retained by State” |
| 8. Renumbered | Line 2h (formerly Line 2g) |
| 9. Renumbered | Lines 4a, 4b, (formerly Lines 4, 5) |
| 10. Renumbered | Lines 7b, 7c, 7d (formerly Lines 7a, 7b, 7c) |
| 11. Renumbered | Line 11 (formerly Line 13) |
| 12. Deleted | Lines 9c, 9d |
| 13. Deleted | Line 11 (relocated to Form OCSE-396A) |
| 14. Deleted | Line 12 |
| 15. Edit Check | Line 2 = Sum of Lines 2a through 2h. |
| 16. Edit Check | Line 4 = Sum of Lines 4a + 4b + 4c |
| 17. Edit Check | Line 6 = Line 1 + Line 2 +/- Line 3 – Line 4 |
| 18. Edit Check | Line 8 = Line 7a + 7b + 7c + 7d |
| 19. New Title | <u>PART 2, “Itemized Undistributed Collections”</u>
(formerly Schedule UDC) |
| 20. Added | Line 1, “Net Undistributed Collections” |
| 21. Renumbered | Lines 2 through 13 (formerly Lines 1 through 12) |

22. Deleted

Line 13

23. Edit Check

Line 1 = Line 2 + Line 8

24. Edit Check

Line 1 = Sum of Line 14-20

25. Edit Check

Line 2 = Sum of Lines 3-7

26. Edit Check

Line 8 = Sum of Lines 9-13