



NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**
Division of Social Services

ROY COOPER • Governor
MANDY COHEN, MD, MPH • Secretary
WAYNE E. BLACK • Director

August 22, 2018

DEAR COUNTY DIRECTOR OF SOCIAL SERVICES
ATTENTION: Child Support Managers and Supervisors

SUBJECT: INFORMATION: Administrative Offset

Effective October 1, 2018, Child Support Services (CSS) will implement its Administrative Offset Program. Through this program, North Carolina CSS will be able to intercept certain federal payments to collect past-due child support. The Administrative Offset Program will provide the ability to intercept payments made to private vendors who perform work for a government agency, federal retirement payments, and relocation and travel reimbursements owed to federal employees for past-due support. When a collection is received, a fee of \$13.12 will be assessed to the counties for administrative offset payments.

The criteria and threshold for administrative offset will be the same as federal tax intercept. Noncustodial parents who owe non-public assistance arrears equal to or exceeding \$500 and public assistance arrears equal to or exceeding \$150 will be certified. However, noncustodial parents whose bankruptcy indicator is set to "Y" in the Automated Collection and Tracking System (ACTS) will not be submitted for administrative offset. Cases for administrative offset will be submitted to the US Department of Treasury Financial Management Service in conjunction with the Federal Tax Intercept submittal file. Noncustodial parents will be advised of administrative offset in this year's Notice of Intent (DSS-4495).

The following changes will be made in ACTS for the implementation of administrative offset:

- Screen FIB (05.13.01, 05.13.02) Update/Create Intercept Data will be modified to include the administrative offset delete flag.
- Screen FIK (05.13.04) Inquire Administrative Offset is a new screen and will allow users to view administrative offset certification date, certified amount, payment amount and tax year.
- Four new events:
 - ADEL- Admin Offset Manually Deleted
 - AFAO- Appeal Administrative Offset Intercept
 - ASUB- Submitted for Administrative Offset
 - FAOH- Fed Adm. Offset Audit Hold
- One new appeal hearing type
 - AFAO- Appeal Administrative Offset Intercept
- One new hold reason code "3" - Federal Administrative Offset

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AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER

Noncustodial parents who wish to contest administrative offset must follow the current process for contesting federal tax intercept by filing the Petition for A Contested Case and Certificate of Service (DSS-4659).

If you have any questions, please contact the Functional Team or Policy and Training Unit at (919) 855-4755 or contact your Regional Program Representative.

Sincerely,

A handwritten signature in cursive script that reads "Carla D. West".

Carla D. West, Section Chief
Child Support Services

Cc: Regional Program Representatives
Css_18_51