



STATE OF MICHIGAN
DEPARTMENT OF HUMAN SERVICES
LANSING

RICK SNYDER
GOVERNOR

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DIRECTOR

IV-D MEMORANDUM 2012-021

TO: All Friend of the Court (FOC) Staff

FROM: Marilyn F. Stephen, Director
Office of Child Support

DATE: September 28, 2012

UPDATE(S):

Manual

Form(s)

SUBJECT: Foster Care Refunds – Disbursement of *Support Collection Payment Request* (DHS-820) Refunds Via Electronic Funds Transfer (EFT)

RESPONSE DUE: None

POLICY EFFECTIVE DATE: Upon receipt

PURPOSE:

When the Department of Human Services (DHS) Payment Processing Unit staff began remitting foster care DHS-820 refunds to FOC offices via EFT, foster care refunds for FOCs were disbursed to the incorrect bank account. In response, the Payment Processing Unit temporarily stopped issuing EFT foster care refunds. This IV-D Memorandum explains actions that FOC staff must take to prevent incorrect disbursement issues when EFT of foster care refunds resumes.

Updates to Section 5.85, “Foster Care – Financial” of the *Michigan IV-D Child Support Manual* for electronic foster care refunds will be provided in a future publication.

DISCUSSION:

1. Background

1.1 Foster Care DHS-820 Refunds Disbursement

In 2011, the Payment Processing Unit staff began remitting DHS-820 refunds to FOC offices via EFT. Soon after this, Office of Child Support (OCS) staff

became aware that the Michigan Administrative Information Network (MAIN)¹ was disbursing FOC foster care DHS-820 refunds to the county's primary bank account, rather than to the FOC's bank account.² As of April 6, 2012, the Payment Processing Unit staff stopped disbursing foster care DHS-820 refunds electronically and reverted back to issuing paper warrants. This was done to prevent additional FOC foster care DHS-820 refunds being disbursed to incorrect bank accounts.

The Payment Processing Unit staff agreed to disburse paper warrants only on a temporary basis. In order for the refunds to be disbursed to the correct bank account when EFT resumes, accurate FOC bank information must be entered in MAIN. Therefore, OCS requests that FOC staff update their bank account and mail information in MAIN by **October 31, 2012**.

1.2 Bank Account Information and Mail Codes for FOC Offices

MAIN stores addresses and EFT information for all entities that receive payments through MAIN, including FOC offices. Each county has a MAIN contact person who has access to update address and bank account EFT information for entities in his/her county. The county MAIN contact person updates MAIN through the Contract & Payment Express (C&PE) Web site (www.michigan.gov/cpexpress). In most counties, the county MAIN contact person is located within the county treasurer's office.

The Payment Processing Unit staff have provided OCS a spreadsheet³ that lists FOC information currently stored in MAIN. On or around October 1, 2012, the Michigan Child Support Enforcement System (MiCSES) Help Desk will email this spreadsheet in an encrypted file to the three IV-D workers at each FOC office who are designated to receive confidential information via email. A password for opening the spreadsheet will be sent in a separate email.

The spreadsheet includes the following FOC information:

- **County Code:** The number associated to the county;
- **County Name:** The name of the county;
- **Mail Code:** A code associated to an FOC's office address in MAIN;
- **EFT Code:** A code that identifies an EFT disbursement. Because no EFT code was established for the FOC mail codes, the county's primary bank account, which uses an EFT code of "001," was established for the FOC.

¹ MAIN is the computer program used by the Department of Technology, Management & Budget (DTMB). It is used to issue foster care DHS-820 refunds.

² It is recommended that the MAIN bank account for the FOC office be the same bank account used for processing the FOC child support payments.

³ This spreadsheet is titled *Friend of Court MAIN Account Mail Codes Used by Reconciliation and Recoupment for Foster Care Funds*.

Since “001” is tied to the county bank account, MAIN will create and associate a new EFT code for the FOC bank account;

- **Federal ID:** This is the FOC federal employer identification number;
- **Notes:** This may provide additional information that may be needed when setting up the FOC bank account for EFT. Most often, this lists mail codes associated to additional addresses for the FOC office;
- **County MAIN Contact Person:** The name of the individual who will assist FOC staff in setting up a bank account for EFT in MAIN;⁴ and
- **County MAIN Contact Phone Number:** The telephone number for the county MAIN contact person.

2. FOC Actions

FOC staff must review the spreadsheet and provide information for updates in MAIN as identified below. If FOC staff fail to correct the inaccurate EFT information or provide new EFT information in MAIN, the foster care DHS-820 refund payment will be issued to an incorrect bank account once EFT disbursement resumes.

Each FOC office must have a designated staff member follow the actions below to ensure future foster care DHS-820 refunds will be deposited into the FOC bank account.

2.1 Determine Information and Request Updates

2.1.1 Determine EFT Email Contact and Mail Code

Before requesting the FOC information be updated on MAIN, the designated FOC staff member must determine who will be notified (via email) of an EFT foster care refund disbursement. In addition, if more than one mail code exists in MAIN for the FOC office, the designated FOC staff member must determine which mail code will remain active.

A. EFT Email Contact

FOC staff must provide an email address (either on the EFT form,⁵ or to the county MAIN contact person) to be associated to the FOC bank account information. The Payment Processing Unit staff and DTMB staff recommend the email address be that of the person who has access to the C&PE Web site.

Before EFT disbursement, DTMB will send this person an email notification (from DAFR317@michigan.gov) notifying him/her of foster

⁴ Dawn Guilford, DHS Payment Processing Unit Supervisor, is the default contact person for counties that do not have a county MAIN contact person specified by DTMB.

⁵ The EFT form is the *State of Michigan Electronic Funds Transfer (Direct Deposit) Authorization for Vendor Payments* (Michigan Department of Treasury 3636A), which is attached to this memorandum.

care DHS-820 refund payments. This notification will only indicate the date the payment is being disbursed; it will not provide remittance information. (Ref: Subsection 2.3, "EFT Foster Care DHS-820 Remittance Information" of this memorandum for obtaining foster care DHS-820 refund remittance information.)

B. Mail Code

Several FOC offices have more than one mail code (address) registered to their office; this may cause errors when disbursing FOC foster care DHS-820 refunds. To prevent errors, OCS recommends each FOC office have only **one** active mail code designated for their office. The MAIN contact person will assist in getting this changed if needed. If the FOC office decides to keep additional FOC mail codes, the bank account information for the FOC will need to be added to each mail code. Each of the county government offices within a county has its own mail code; this memorandum only refers to the FOC mail code.

2.1.2 Request Updates to FOC information on MAIN

The designated FOC staff member may request FOC information on MAIN to be updated by:

- Completing the EFT form⁶ and sending it to DTMB at the fax number or address specified on the form. Staff from each FOC office must write at the top of the form, "EFT and address update for FOC mail code **only**," to prevent DTMB staff from associating information on the form to another office within the county; or
- Coordinating with the county MAIN contact person, listed on the spreadsheet, to update the FOC address and bank account information through the C&PE Web site. FOC staff must ensure the county MAIN contact person only updates information corresponding with the FOC mail code(s), and not mail codes for other offices within the county.

2.2 Confirm Updates Are Complete

When the above actions have been completed, FOC staff must send a confirmation email to Dawn Guilford (GuilfordD@michigan.gov) and Kerry Page (PageK@michigan.gov), OCS Financial Policy Analyst, stating one of the following:

⁶ Ref: the attached Michigan Department of Treasury 3636A form and [Exhibit 2012-021E1, Instructions for Completing the Michigan Department of Treasury 3636A.](#)

- (Name) County FOC has updated the mail code and EFT information in MAIN. Information was faxed to DTMB;
- (Name) County FOC has updated the mail code and EFT information in MAIN. Information was mailed to DTMB;
- (Name) County FOC has updated the mail code and EFT information in MAIN. Information was updated through a coordinated effort with the county MAIN contact person; or
- (Name) County FOC has updated the mail code and EFT information in MAIN. Information was updated through a coordinated effort with Ms. Guilford.

2.3 EFT Foster Care DHS-820 Remittance Information

FOC staff must coordinate with the county MAIN contact person to ensure EFT foster care DHS-820 remittance information will be accessible to the FOC office after EFT disbursements begin. Remittance information is available on the C&PE Web site for only 45 days after disbursement. The county MAIN contact person has access to view the remittance information. OCS suggests that FOC staff work with the county MAIN contact person to obtain copies of the remittance information. Some county MAIN contact persons may be authorized to provide FOC staff with a secondary C&PE Web site ID by which FOC staff may gain read-only access to the payment remittance information.

Note: FOC staff may also choose to coordinate with the county MAIN contact person to communicate when a DHS-820 request is submitted during the initial implementation of foster care DHS-820 EFT disbursements. This may help both the FOC and the county MAIN contact person identify foster care DHS-820 EFT payments that are deposited into the county bank before the FOC's bank account information is processed.

NECESSARY ACTION:

Until further notice, retain this IV-D Memorandum as a supplement to manual section 5.85 of the *Michigan IV-D Child Support Manual*. Section 5.85 will be updated with the information in this memorandum in a future publication.

REVIEW PARTICIPANTS:

Financial Work Improvement Team
Program Leadership Group

CONTACT PERSON:

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CC:

All Prosecuting Attorney Staff
All OCS Staff

SUPPORTING REFERENCES:

Federal
None

State
None

ATTACHMENTS:

2012-021E1: *Instructions for Completing the Michigan Department
of Treasury 3636A*

Michigan Department
of Treasury 3636A: *State of Michigan Electronic Funds Transfer (Direct
Deposit) Authorization for Vendor Payments*

MFS/KP