

**CALIFORNIA DEPARTMENT OF CHILD SUPPORT SERVICES**

P.O. Box 419064, Rancho Cordova, CA 95741-9064



August 30, 2010

LCSA LETTER: 10-09

ALL IV-D DIRECTORS

SUBJECT: TIME LIMIT TO EXPEND HEALTH INSURANCE  
INCENTIVES AND PERFORMANCE INCENTIVES  
EXPIRES JUNE 30, 2011

Reason for this Transmittal

- State Law or Regulation Change
- Federal Law or Regulation Change
- Court Order or Settlement Change
- Clarification requested by One or More Counties
- Initiated by DCSS

The purpose of this letter is for the Department of Child Support Service (DCSS) to provide Local Child Support Agencies (LCSAs) with notification that the time limit to expend previously awarded Health Insurance and Top Ten Performance Incentives programs will expire June 30, 2011. These programs are authorized under Welfare and Institutions Code, Section 14124.93 and Family Code, Section 17706. These programs were suspended beginning State Fiscal Year (SFY) 2002-03 due to state fiscal constraints.

LCSAs that choose to use their remaining incentive funds during the SFY 2010-11 must expend and claim these funds on the CS356 before June 30, 2011. LCSAs are permitted to expend these funds on activities not eligible for federal matching funds under Part D of Title IV of the Social Security Act. However, these funds must be spent on child support-related activities. LCSAs that choose to use their incentives on IV-D eligible activities can draw federal matching funds on these activities at the standard matching rate of 66 percent.

LCSAs that choose not to expend their remaining incentive funds should send a check for the remaining amount of funds to the following address by June 30, 2011:

California Department of Child Support Services  
Attn: Accounting Section  
P.O. Box 419064, M.S. 621  
Rancho Cordova, California 95741-9064

On an exception basis, DCSS will be reviewing requests to extend Health Insurance and Top Ten Performance Incentives for one additional year, SFY 2011-12. The requests must be for extraordinary needs of a one-time nature. Requests should be submitted to the attention of Linda Adams, Chief Financial Officer, California Department of Child Support Services, P.O. Box 419064, M.S. 621, Rancho Cordova, California 95741-9064. DCSS will promptly respond in writing as to whether the request has been approved or denied.

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If you have questions or concerns regarding your Health Insurance and/or Performance Incentive funds and accumulated interest, please contact your LCSA Budget Section Analyst or Donna Kruger at (916) 464-5015.

Sincerely,

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MARK BECKLEY

Deputy Director

Administrative Services Division

cc: David Oppenheim, Child Support Director's Association