

**CALIFORNIA DEPARTMENT OF CHILD SUPPORT SERVICES**

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

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

August 12, 2003

CSSIN LETTER: 03-09

ALL IV-D DIRECTORS  
 ALL COUNTY ADMINISTRATIVE OFFICERS  
 ALL BOARDS OF SUPERVISORS

SUBJECT: AUDIT NOTIFICATION

As you are aware, the Department of Child Support Services (DCSS) contracted with the Department of Finance (DOF) to conduct audits of county excess child support incentive funds pursuant to the requirements of Assembly Bill (AB) 150, Chapter 479, Statutes of 1999. The DOF began conducting excess child support incentive funds audits in 1999 and have now nearly completed the audits in all counties. As part of DCSS' continuing effort to improve Program performance and standards and to comply with the oversight responsibilities we are charged with by federal law, we have again contracted with DOF to conduct reviews of local child support agencies (LCSAs) administrative and Electronic Data Processing (EDP) expenditures claimed on the CS 356, including assets pre and post transition; internal controls; and policies and procedures.

The audit review period will begin with the date each LCSA transitioned from the County District Attorney's Office to a new LCSA. It is anticipated that each LCSA will be reviewed once every three years on a rotational basis. The order in which the LCSAs will be reviewed will be determined by the DCSS.

The objective of the review is to ensure compliance with requirements contained in 45 Code of Federal Regulations (CFR), Section 302.14 which requires maintenance of an accounting system and supporting fiscal records adequate to assure that claims for federal funds are in accord with applicable federal requirements, and 45 CFR, Section 302.10 which requires regular planned examinations and evaluations of operations in local offices by regularly assigned State staff, including regular visits by such staff; and through reports, controls, or other necessary methods.

DCSS-AD-2003-AUD-0025



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[www.childsup.cahwnet.gov](http://www.childsup.cahwnet.gov)

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Federal regulations at 45 CFR, Sections 74.53 and 302.15 require all financial records, supporting documents, statistical records and all other records pertinent to an award be retained until all audit findings involving the records have been resolved and final action taken. This letter serves to notify LCSAs that they must retain all records pertinent to this audit until the audit is closed.

DCSS will notify each LCSA in writing prior to their review. If you have any questions or concerns regarding this matter, please contact Mark Rodgers at (916) 464-5797.

Sincerely,

JAN SHERWOOD  
Deputy Director  
Administrative Services Division