**NATIONAL COUNCIL OF CHILD SUPPORT DIRECTORS**

**May 2014 Executive Committee Meeting**

May 15, 2014

Present:

Laurie McGrath – President

Jim Fleming - Treasurer

Carol Eaton – Secretary

Benidia Rice – Past President

Region 1 – Jerry Joy

Region 2 – Eileen Stack

Region 3 – Craig Burshem

Region 4 – Charles Bryson

Region 5 - Jackie Scharping

Region 6 – Dan McDonald

Region 7 – Melissa Johnson and Trisha Thomas

Region 8 – Liesa Stockdale

Region 10 – Kate Richardson

Committee Chairs:

Alisha Griffin, Medical Support

Ann Coffin, IRS Fraud

OCSE Representatives:

Donna Bonar, Joe Bodmer, Sheila Drake, Linda Diemeke

President McGrath welcomed directors and OCSE representatives and called the meeting to order at 3:30 PM ET.

**DISCUSSION WITH OCSE ON CS SYSTEMS VIRTUAL SYMPOSIUM**

Donna Bonar indicated OCSE is interested in holding a state/federal system symposium and is interested in getting feedback from directors in regard to topics they would like to see addressed at the symposium. She noted the average child support system is 20 years old. They had originally planned to hold an in-person meeting in conjunction with NCSEA, but since that is not going to work; they are now looking at a series of system symposium webinars so that more states can participate.

Sheila Drake asked what topics would be of interest during the webinars. Suggestions included discussions on best practices from others who have gone through system replacement; however, several commented specific topics or more targeted discussions would be of interest as opposed to over-arching topics. There was a suggestion to discuss how you approach system replacement without having the funding. OCSE asked if there was interest in re-doing the new director training and they were interested in hearing more from states about the role of the portal. It was suggested that there be break-outs of the new director training at the mid-year conference.

Donna commented not a lot of directors signed up for the systems white paper as part of the strategic plan. She asked how much could the webinar discussions be used to get direction on technology and FPLS? Alisha indicated there is a lot of interest in understanding where OCSE is going and there could be an entire session on this topic.

Sheila asked if there would be interest in talking about IT trends, i.e. cloud, mobile apps, either a general session, or one focused on this topic alone? Donna indicated at the new director training there was a lot of interest in what states are doing to communicate with customers around social media. Alisha indicated security around social media is a hot topic and we do not have a great toolkit around how to manage this issue. In regard to the cloud, there are questions about what does it mean and how do we sell it to others as something we should do? Joe Bodmer indicated there should be a separate session on this topic.

Laurie asked what would be the best way for those considering a system replacement to approach it, i.e. incremental, big bang, task order, and pros/cons of each would be a good topic for discussion. Donna indicated 48 states have systems over 20 years old. This feedback will be helpful as they move forward with ideas for the webinars.

**APPROVAL OF MINUTES**

There was a review of the April 2014 minutes. No changes were made.

**TREASURER’S REPORT**

Jim Fleming reported the balance as of the end of April was $85,768.17. He stated there are 10 sponsorships already for the annual conference. There were a total of 17 last year, so we are in a good position for this point in time. See copy of the April 1, 2014 – April 30, 2014 Treasurer’s Report at the end of this document.

**MONTHLY CALL WITH OCSE**

**Idea of System Symposium –** see earlier discussion

**Strategic Plan** – OCSE indicated they would be reaching out to states soon. 47 directors have responded with areas they are interested in, as well as 23 of the 61 tribes. There may be fewer than 10 groups in the end as some of the topics were not selected. There may be an orientation webinar before the group discussions get started.

**Changes to the 157 Report**  – OCSE indicated there will not be any changes this year as many of the changes they were looking at would require system changes and there would not be enough time for states to implement.

**COMMITTEE REPORTS**

**Medical Support** – Alisha Griffin indicated a survey was sent to states this week. Directors were asked to respond by May 23. The responses will be compiled and serve as the template for the discussion with OCSE at the annual meeting in June.

**NCCSD Website** – Kate Richardson advised she will be sending an email to states to ensure access will not be an issue if we move to a SharePoint format to house NCCSD information.

**Finance Committee** – Jim Fleming advised he participated in a webinar recently regarding whether the NCCSD should have insurance, and if so, what type. He will compare information obtained during the meeting to the quote he has already received and will follow-up with Laurie on how to proceed. He stated the biggest need for officer insurance is if you get sued by your employees. Most of the coverage would appear to be for liability that our organization would not face. However, he indicated we should look into getting coverage for bodily injury for the annual conference. The NCCSD and hotel would be joint defendants in the event something happened. Jim stated we may need to look at obtaining event insurance.

He also indicated there was discussion about whether the NCCSD should cover some of the costs for the NCCSD president and staff of the host state to be able to attend the annual conference, at the option of the current president. Jim made a motion that a registration fee for the NCCSD annual conference is not necessary for the NCCSD president and a small number of staff from the host state who are attending the conference predominantly to assist with conference logistics rather than to attend meetings. Motion was seconded by Carol Eaton. Motion carried.

**IRS Fraud Committee** – Ann Coffin stated the next meeting will be June 2.   She indicated there was a recent meeting with OCSE, IRS and Treasury where they ended in agreement that the states are not responsible for losses due to fraudulent returns.  She stated they all got a better understanding of what their constraints were, and the fact that they need a pathway to recover the loss.  IRS/Treasury will be setting up internal workgroups to talk about how to operationalize.  There are two different approaches; states hold or IRS holds the funds.  She stated IRS/Treasury has a lot of rules about setting up advisory committees, and unfortunately, states will not be on the group.  However, they are trying to facilitate some meetings with states to get a better understanding on our processes and impacts that this issue is causing states.

Ann indicated they will be setting up a call with states to gather feedback.  MA and FL have been asked to provide feedback, and they will be seeking feedback from other states as well.  Will likely look at states that have sent letters to Treasury, such as Kansas and Michigan.  There is a possibility that an in-person meeting may be set up with the IRS and some directors at the NCCSD meeting in June.

Ann advised that FL sent a letter to the general counsel at IRS and Treasury regarding the impact this is having on FL and received a follow-up response to schedule a meeting to discuss.  They are starting to appear to pay attention to the issues states are facing.  The recent response from IRS that the offsets that were in error would not be reversed was a good indication of that as well.

OCSE has asked to be on the agenda for the next meeting of the committee.

**OLD BUSINESS**

**Conference update –** We currently have 120 registered to attend, which includes 34 directors. We are working on the agenda for the meeting with OCSE so they can decide who to send. They already have 14 staff approved to attend to the conference.

**NEW BUSINESS**

**Verification of Employment –** Laurie McGrath asked if others received notice from The Work # that they will no longer do verifications unless we comply with FCRA and sign agreements with them? Jim Fleming indicated the response from OCSE did not understand the point we were making that simply seeking a verification of employment does not need permission under FCRA. There was discussion that states will likely start sending income withholding orders directly to employers if we cannot get employment verified. It was suggested that we make sure those attending the Employer Symposium are aware of the impact that the recent response from OCSE will have on the employer community. It was also suggested that we contact the American Payroll Association regarding this issue.

Laurie indicated this will be on the agenda for the annual meeting so we can determine next steps.

**Latest Offset Problems –** Craig Burshem indicated this is the third time there has been an issue with Fiscal and Treasury, and we are still not clear on what happened the last time? He asked if there was going to be any accountability for the issues they are causing the states? Alisha indicated it goes back to the hold harmless issue they are standing on. Craig stated they either need to hold states harmless or we need to be able to hold offsets longer? Ann indicated the IRS has always indicated they are required to reverse the offsets; however, the law is actually permissive. She stated we are starting to get traction on this issue. We are unclear how often this happened in the past as they did not notify us, but now they do.

**Executive Committee Meeting in June** – Laurie asked if there was a need for a meeting in June since it was so close to the annual meeting. All agreed it would be ok to cancel the June meeting.

**Meeting adjourned.**

**NATIONAL COUNCIL OF CHILD SUPPORT DIRECTORS**

**TREASURER'S REPORT**

**Activity April 1, 2014 – April 30, 2014**

Bank of America

Checking Account Balance as of 4/1/13 $ 288.49

**Deposits (electronic and check)**

 Total Deposits $ 0.00

**Checks Written & Electronic Debit**

 Transfer to Wells Fargo $ 200.00

Merchant Services monthly fee $ 20.00

Monthly account fee $ 13.00

Final Transfer to Wells Fargo $ 55.49

 Total Debits $ 288.49

Bank of America Balance as of 4/30/14 $ 0.00

**Pending Items:**

Wells Fargo

Checking Account Balance as of 4/1/14 $ 77,061.02

**Deposits/Credits**

4/1 Deposit ($400 x 3) $ 1,200.00

4/7 Deposit ($200 transfer from Wells Fargo, $400 x 1) $ 600.00

4/10 Electronic deposit ($1500 x 1, $400 x 1) $ 1,900.00

4/16 Electronic deposit ($400 x 1) $ 400.00

4/16 Deposit ($400 x 1) $ 400.00

4/17 Electronic deposit ($400 x 1) $ 400.00

4/23 Deposit ($55.49 transfer from Wells Fargo, $400 x 1, $500 x 1) $ 955.49

4/28 Electronic deposit ($400 x 6) $ 2,400.00

4/30 Electronic deposit ($400 x 2) $ 800.00

4/30 Interest Payment $ 2.29

 Total Deposits $ 9,057.78

**Debits**

Credit Card fees and charges for March $ 350.63

 Total Debits $ 350.63

Wells Fargo Balance as of 4/30/14 $ 85,768.17

**Pending Items:**

Credit Card fees and charges for April $ 239.86