

**MANAGING THE JUDICIARY'S
COOPERATIVE REIMBURSEMENT
AGREEMENT (CRA)**

[IV-D MASTERS]

**A MANUAL FOR ADMINISTRATIVE JUDGES, MASTERS AND
COURT ADMINISTRATORS**

October 2011

**Department of Family Administration
Administrative Office of the Courts
580 Taylor Avenue, 2nd floor
Annapolis, MD 21401
410-260-1580
Fax: 410-974-5577**

Table of Contents

| | |
|--|---|
| I. Basic Information About the Judiciary’s CRA..... | 3 |
| What is the CRA? | 3 |
| What are IV-D Activities? | 3 |
| How Much Money Does the Judiciary Receive Under the CRA?..... | 3 |
| Who Else Has CRAs? | 4 |
| Is the CRA a Grant or Contract?..... | 4 |
| What Rules Apply in Spending These Monies | 4 |
| What Happens If We Do Not Use These Funds in Accordance with the CRA or Federal Regulations? | 4 |
| II. Budget Planning with the CRA..... | 5 |
| The CRA Follows the Federal Fiscal Year | 5 |
| Project Your Needs for Two Fiscal Years | 5 |
| III. Managing CRA Positions and Expenditures..... | 5 |
| Use Masters as Designated in the CRA | 5 |
| Notify the AOC of any Terminations, Vacancies, New Hires or Substitutions Involving CRA Employees | 6 |
| Full-Time Employees Must Use the IV-D Employee Certification Form..... | 6 |
| Part-Time Employees Must Use the IV-D Project Timesheet..... | 6 |
| Appendix..... | 8 |
| IV-D Project Timesheet | |
| Federal Program Employee Certification Reporting Form | |

**MANAGING THE JUDICIARY'S
COOPERATIVE REIMBURSEMENT AGREEMENT (CRA)
[TITLE IV-D MASTERS]**

A MANUAL FOR ADMINISTRATIVE JUDGES, MASTERS AND COURT ADMINISTRATORS

I. BASIC INFORMATION ABOUT THE JUDICIARY'S CRA

What is the CRA?

Each year the Maryland Judiciary enters into a "Cooperative Reimbursement Agreement" or CRA with the Maryland Child Support Enforcement Administration (CSEA). The CSEA is the entity in our State designated to receive and administer federal funds for child support. Through our CRA the Maryland Judiciary receives federal funds to reimburse us for the work our courts do to establish, modify and enforce child support orders involving the local child support agency. Funds are for work that is authorized under Title IV-D of the Social Security Act.

What are IV-D Activities?

The Maryland Judiciary can be reimbursed for activities that qualify as "IV-D" activities. This "federal financial participation" is available to courts for certain key activities as defined in 45 CFR 304.20 (b)(2-8) and 45 CFR 304.21. This includes the establishment of paternity and the establishment and enforcement of support obligations to the extent that the case involves the local child support agency. In other words it includes those cases in which a party has assigned the right to establish and enforce orders and collect support through the child support agency. This includes cases in which the party has paid the \$25 for the agency to enforce support, or cases where the parties are receiving or previously received public assistance, foster care or medical assistance and have assigned to the State the right to collect support.

Note that IV-D activities do *not* include judicial salaries, or other expenses including training and travel costs associated with judges. Those types of expenses can be provided for non-judicial court staff including masters.

How Much Money Does the Judiciary Receive Under the CRA?

The Judiciary receives several million dollars each year under the CRA. Essentially we receive .66 cents for every dollar spent to support the child support system, excluding judges' salaries and related expenditures.

The Judiciary may include in the CRA costs associated with establishing, modifying and enforcing child support in cases involving the local child support agency. Those costs may include salaries and benefits for clerk's office staff, masters and non-judge employees. Note that federal child support funds may *not* be used to reimburse the State for judges' salaries, benefits, or judicial training and travel.

Who Else Has CRAs?

Any state entity that contributes to child support establishment, modification or enforcement can enter into a CRA with CSEA and be reimbursed for those expenditures. Each local child support office is funded by a CRA. Sheriff's Offices often have CRAs through which they are reimbursed for the costs of executing service. Finally, if the court has county employed support staff that assists masters with IV-D work, then the master's office or court administrator may manage a CRA through which the county is reimbursed for its costs in supporting those positions. Note that these county CRAs are *different* from the CRA entered into by the Judiciary. The Judiciary's CRA provides reimbursement for state positions and expenditures only.

Is the CRA a Grant or Contract?

The CRA has elements of both a grant and a contract. If we actually expend resources in activities that are covered by the relevant federal law, then the federal government, through the Maryland CSEA, must reimburse the State, so long as those items were included in the CRA.

What Rules Apply in Spending These Monies?

The Judiciary must agree to abide by certain federal regulations that govern what type of expenditures may be included. As with all federal grants, the Judiciary must follow its own procurement and personnel policies in expending those funds. When an expenditure is covered by the CRA, it becomes particularly important that we follow our regular policies.

What Happens If We Do Not Use These Funds in Accordance with the CRA or Federal Regulations?

If funds are spent in a manner differently than that intended by the CRA or prescribed by the federal regulations, then we cannot invoice CSEA and be reimbursed for those activities. The State loses federal money it anticipated receiving and funds that were included in the Judiciary's budget.

If we invoice CSEA for activities that later turn out to be incorrect, or if we did not follow our own policies or federal regulations in expending funds, those funds may have to be returned to the federal government. This may occur after an audit. As a recipient of federal funds through CSEA, we are subject to regular audits by the legislative auditors, and can also be subject to federal audits.

II. BUDGET PLANNING WITH THE CRA

The CRA Follows the Federal Fiscal Year

Each CRA follows the federal fiscal year cycle, which begins each year on October 1. This means that each CRA covers two state fiscal year cycles. For example, the CRA for the period October 1, 2011, through September 30, 2012, involves State Fiscal Years 2012 and 2013.

In negotiating the CRA the Administrative Office of the Courts must project positions and expenditures for each jurisdiction for both state fiscal years, even though we do not always know whether or not you will have new positions.

Project Your Needs for Two Fiscal Years

Each Spring, the Administrative Office of the Courts contacts Circuit Court Administrative Judges to determine which masters' positions you will need to include in the CRA for the federal fiscal year beginning the next October. You will need to be able to tell us at that time, how many masters' positions you have and how much time each will spend on Title IV-D activities during the next fiscal year, and the one following that. You can make changes in position usage when the fiscal year turns over.

Please provide information on both state- and county-employed masters. Because the Judiciary reimburses local governments for the costs of masters' salaries and benefits, we include those costs in our Judiciary CRA.

Be sure to notify Chief Judge Bell and Frank Broccolina of any requests for new masters positions for those years. The information you provide for the CRA is only used to generate the new CRA application. You must be sure to also request new positions and position changes from Chief Judge Bell and the State Court Administrator.

III. MANAGING CRA POSITIONS AND EXPENDITURES

Use Masters as Designated in the CRA

Once the CRA has been negotiated, it is essential that you assign masters to work on IV-D matters for at least as many hours as indicated for them in the CRA. Deviations from the work allocation listed in the CRA can have significant fiscal consequences for the Judiciary:

- ❖ *If IV-D employees work less than the number of hours indicated in the CRA, then the Judiciary actually loses real dollars.* The General Assembly reduces our state appropriation by the amount of federal IV-D funding we expect to be reimbursed under the CRA. If your employees work less than the time designated, then we cannot bill for those hours, and the state funds are not there to cover them.

- ❖ *If IV-D employees work **more** than the number of hours indicated in the CRA, then the State of Maryland loses potential federal funding.* If your office had anticipated using those additional hours, we could have included them in the CRA and captured additional federal funds for the State.

Please try to match as accurately as possible the number of hours and the actual personnel you will be assigning to handle IV-D matters.

Please note that expenditures or staff time not expended in one quarter cannot necessarily be made up in later quarters. Because the CRA covers two state fiscal years, we cannot always bill for additional time made up late in the contract period.

Notify the AOC of any Terminations, Vacancies, New Hires or Substitutions Involving CRA Employees

It is essential that your office notify the Administrative Office of the Courts any time there is a personnel change involving a master included on the CRA. This includes any terminations, vacancies, new hires or any time you request permission to substitute one master for another, even if only temporary. Notify **all** of the following individuals with any changes:

| | |
|---|--|
| Budget Supervisor (Finance) | ralph.sherrill@mdcourts.gov |
| HR Representative (Human Resources) | susan.hardisty@mdcourts.gov |
| Finance Officer (Dept. of Family Admin.) | mona.wilhelmy@mdcourts.gov |
| Accounting Associate (Dept. of Family Admin.) | cra@mdcourts.gov |

Full-Time Employees Must Use the IV-D Employee Certification Form (Form F)

Federal regulations require that all masters included on the CRA complete a timesheet that reflects their actual hours worked on IV-D matters.

- ❖ Employees who **do IV-D work 100% of the time** they are working (whether or not they are full-time or part-time employees) do **not** need to complete a separate timesheet. **These employees must complete and sign the Federal Program Employee Certification Reporting Form twice a year in April and October and submit to DFA.** The words “IV-D” should appear on their regular Judiciary timesheet. The Judiciary maintains copies of these timesheets and can make them available in the event we are audited.

Part-Time Employees Must Use the IV-D Project Timesheet (Form A)

- ❖ Employees who are only **doing IV-D work part of their work week** (whether or not they are full-time or part-time employees) must complete

the IV-D project timesheet, in addition to their regular Judiciary timesheet. You must use these project timesheets to report on the actual number of hours that employee worked on IV-D matters each quarter. *Court administrators should retain these project timesheets in their office as they are subject to audits by the state and federal auditors. You must also forward a signed copy by both the employee and supervisor to the AOC by the 10th day of each month prior. For June 30,2012 a signed copy must be submitted by July 6,2012.* Submit the IV-D project timesheets each pay period to:

Mona Wilhelmy or Erika Jefferson
Department of Family Administration
Administrative Office of the Courts
580 Taylor Avenue
Annapolis, MD 21401
Phone: 410-260-1580
Fax: 410-974-5577

APPENDIX

**IV-D PROJECT TIMESHEET
FEDERAL PROGRAM EMPLOYEE CERTIFICATION
REPORTING FORM**