



County of El Dorado

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Legislation Text

File #: 13-0212, Version: 1

Child Support Services recommending that the Board authorize relief of accountability for debt in the amount of \$205 in identified bad debt unrecoverable disbursements.

BUDGET SUMMARY:	
Total Estimated Cost.....	\$205
Budgeted.....	
New Funding.....	
Savings.....	
Other - discharge debt.....	\$205
Total Funding Available.....	
Change To Net County Cost.....	

Fiscal Impact/Change to Net County Cost: None

Background

In 1986, in accordance with federal regulations (45 CFR, Section 303.72 (g)), the Department of Child Support Services established an Internal Revenue Service (IRS) Contingency Fund. The purpose of this trust account was to provide the ability to promptly refund tax payers when IRS refund monies were erroneously offset and subsequently advanced.

This trust account was initially established with \$5,000 from the County General Fund. Throughout the 1980s and 1990s funds from this account were used to refund tax payers timely while Child Support Services awaited the receipt of the tax intercept monies from the IRS. When the tax payments were received from the IRS, the trust fund was replenished in the amount of the tax advance that had been erroneously offset.

Since the development and implementation of the child support automated systems, there is no longer a need for this trust account as the State has established processes to cover these situations. This trust account has not been utilized since October 2003.

The current balance in this trust account is \$4,803.71. The difference between the current balance and the initial \$5,000 from the general fund that was used to establish the account is the result of a tax advance issued in 1987 in the amount of \$320. A portion of the \$320 was recouped in 1990 however, not the entire amount. The amount of \$205 which was not recouped is the amount for which the Department is requesting relief from accountability.

Reason for Recommendation

The Department would like to close this trust account that has not been utilized for the last 10 years and allow the Department the opportunity to return \$4,803.71 to the County General Fund.

Action(s) to be taken following Board approval

Child Support Services to request the Auditor's Office to close the trust account and return \$4,803.71 to the County General Fund.

Contact

Laura Roth, Director Child Support Services

Concurrences

Auditor's Office