

## **B. GLOSSARY OF TERMS**

ACCRUAL. The sum of child support payments that is due or overdue.

ACTION TRANSMITTAL. A document sent out as needed, which instructs State child support programs about the actions they must take to comply with new and amended Federal laws. This has its basis in Federal law and regulation.

ADMINISTRATION FOR CHILDREN AND FAMILIES (ACF). The agency in the Department of Health and Human Services (DHHS) that houses the Office of Child Support Enforcement (OCSE).

ADJUSTMENT. See REVERSALS.

AID TO FAMILIES WITH DEPENDENT CHILDREN (AFDC). The former entitlement program that made public assistance payments on behalf of children who did not have the financial support of one of their parents by reason of death, disability, or continued absence from the home. This is known in many States as ADC (Aid to Dependent Children). It was replaced by the Temporary Assistance for Needy Families (TANF) under the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA). (See also: PRWORA of 1996)

ARREARAGE. The past due, unpaid child support that is owed by the NCP. If the parent has arrearages, s/he is said to be “in arrears”.

ASSIGNMENT OF SUPPORT RIGHTS. The legal procedure by which a person receiving public assistance agrees to turn over to the State any right to child support, including arrearages, paid by the NCP in exchange for receipt of a cash assistance grant and other benefits. States can then use a portion of said child support to defray or recoup the public assistance expenditure.

CASE. A Child Support Enforcement case, or a Non IV-D support order, that is registered in the FCR with at least one custodial party, NCP or putative father.

CHILD SUPPORT. The financial support paid by a parent to help support a child or children of whom they do not have custody. Child support can be entered into voluntarily or ordered by a court, or a properly empowered administrative agency, depending on each State’s laws.

CHILD SUPPORT ENFORCEMENT (CSE) AGENCY. The agency that exists in every State that locates NCPs or putative fathers, establishes, enforces, and modifies child support, and collects and distributes child support money.

CLAIM. See REVERSALS.

**CLIENT.** A term often used to refer to the recipient of a TANF grant or IV-D services.

**CONDITIONALLY REQUIRED.** This refers to a data element on a file whose presence and value depends on the values in one or more other fields. For example, in the Federal Offset Program “Case Submission and Update Record Layout,” the Local Code field is conditionally required because it is only used for Transaction Type ‘L’.

**CONNECT:Direct (C:D).** This software is used by SSA to support the closed network for data transmission.

**COURT ORDER.** A legally binding edict issued by a court of law. This is issued by a magistrate, judge, or properly empowered administrative officer. A court order related to child support can dictate how often, how much, what kind of support a NCP is to pay, how long he or she is to pay it and whether an employer must withhold support from their wages.

**CUSTODIAL PARTY (CP).** A CP is the person who has primary care, custody and control over the child.

**DATA ELEMENT.** The smallest item of meaningful information on the Federal Offset Program, such as Submitting State Code, SSN or Case Type Indicator.

**DEPENDENT.** A child who is under the care of someone else. Most children who are eligible to receive child support must be a dependent. The child ceases to be a dependent when they reach the “age of emancipation” as determined by State law, but depending on the State’s provisions, may remain eligible for child support for a period after they are emancipated.

**ELECTRONIC FUNDS TRANSFER.** This is the process by which money is transmitted electronically from one bank account to another.

**FEDERAL OFFSET PROGRAM.** This is the program that collects past due child support amounts from NCPs through the interception of their Federal income tax refund, or an administrative payment, such as Federal retirement benefits. This program also incorporates the Passport Denial Program, which denies U.S. passports at the time of application.

**FEDERAL TAX REFUND OFFSET PROGRAM.** This is the program that collects past due child support amounts from NCPs through the interception of their Federal income tax refund.

**FIPS CODES.** The Federal Information Processing Standards are tables of standardized codes that are published by the U.S. Department of Commerce. These codes assign letter or numeric codes to countries, States, territories, counties, Federal agencies and other entities.

**FOSTER CARE AGENCY.** The single and separate organizational unit in the State that has the responsibility for administering or supervising the administration of the State plan under

Title IV-E of the Act. When this agency has care, custody and control of a child, there will not be a custodial party. See also CUSTODIAL PARTY.

IV-A CASE. A case in which the State is providing public assistance under the State's IV-A program which is funded under Title IV-A of the Social Security Act.

IV-D CASE. IV-D cases are those where the State is currently providing child support services as directed by the State's IV-D program which is authorized by Title IV-D of the Social Security Act. A IV-D case is composed of a custodial party and a child(ren), NCP or putative father.

IV-E CASE. A case in which the State is currently providing benefits or services for foster care maintenance under the State IV-E program authorized under Title IV-E of the Social Security Act. These cases are eligible for IV-D services.

INCOME. As defined by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), income is any periodic form of payment to an individual, regardless of source, including wages, salaries, commissions, bonuses, workers' compensation, disability, pension, or retirement program payments and interest.

INTERCEPT. A method of securing child support by taking a portion of non-wage payments made to an NCP. Non-wage payments that are subject to interception include Federal tax refunds, State tax refunds, unemployment benefits, and disability benefits.

INTERSTATE CASES. Cases in which the dependent child and the NCP live in different States, or where two or more States are involved in some case activity, such as enforcement.

MEDICAL SUPPORT. A form of child support where medical or denial insurance coverage is paid by the NCP. Depending on the court order, medical support can be an NCP's sole financial obligation, or it can be one of several obligations, including child and/or spousal support.

MULTISTATE FINANCIAL INSTITUTION DATA MATCH (MSFIDM). The process created by the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996 by which delinquent child support obligors are matched with accounts held in Financial Institutions (FI) that do business in more than one State. States submit data to the OCSE about an NCP and their arrearage amount, and indicate whether the NCP should be submitted for MSFIDM. (See also: PRWORA of 1996)

NON-CUSTODIAL PARENT (NCP). The parent who does not have primary care, custody or control of the child, and has a duty to support a child.

OBLIGATED. A term meaning that an NCP is required to meet the financial terms of a court or administrative order.

**OBLIGATION.** The amount of money to be paid as support by an NCP. This can take the form of financial support for the child, medical support, or spousal support. An obligation is a recurring ongoing obligation, not a one-time debt such as an assessment.

**OBLIGEE.** The person, State agency, or other institution to which child support is owed, also referred to as custodial party when the money is owed to the person with primary custody of the child.

**OBLIGOR.** The person who is obliged to pay child support, also referred to as an NCP.

**OFFICE OF CHILD SUPPORT ENFORCEMENT (OCSE).** The Federal agency responsible for the administration of the child support program. Created by Title IV-D of the Social Security Act in 1975, OCSE is responsible for the development of child support policy; oversight, evaluation, and audits of State child support enforcement programs; and providing technical assistance and training to the State programs. OCSE operates the Federal Parent Locator Service, which includes the National Directory of New Hires (NDNH) and the Federal Case Registry (FCR). OCSE is part of the Administration for Children and Families (ACF), which is within the Department of Health and Human Services (DHHS).

**OFFICE OF PERSONNEL MANAGEMENT.** The Federal Government's "Human Resources Agency".

**OFFSET.** The amount of money intercepted from a parent's State or Federal income tax refund, or from an administrative payment such as Federal retirement benefits, in order to satisfy a child support debt.

**ORDER.** See SUPPORT ORDER.

**PASSPORT DENIAL PROGRAM.** A program created by the PRWORA of 1996 that is operated under the auspices of the Federal Tax Refund Offset Program. Under the Passport Denial Program, obligors with child support arrearages of at least \$5000 that are submitted to OCSE for Tax Refund Offset are forwarded to the U.S. Department of State, which refuses to issue a passport upon application.

**PATERNITY.** The legal determination of fatherhood. Paternity must be established before child or medical support can be ordered.

**PAYEE.** A person or organization in whose name child support money is paid.

**PAYOR.** A person who makes a payment, usually the NCP or someone acting on their behalf, or a custodial party who is repaying a receivable.

**PERSONAL RESPONSIBILITY AND WORK OPPORTUNITY RECONCILIATION ACT OF 1996 (PRWORA).** The legislation that provides a number of requirements for employers, public licensing agencies, financial institutions, as well as State and Federal child

support agencies, to assist in the location of NCPs and the establishment, enforcement, and collection of child support.

**PRE-OFFSET-NOTICE.** A written notification sent to an NCP advising the NCP that their case is being submitted to the Treasury Financial Management Services (FMS) for collection of unpaid child support from the Federal income tax refund, or from an administrative payment program.

**PUBLIC ASSISTANCE.** Benefits that are granted by State or Federal programs to aid eligible recipients. Applicants for certain types of public assistance (e.g., TANF) are automatically referred to their State IV-D agency to identify and locate the NCP, establish paternity, and/or obtain child support payments.

**REVERSAL.** An action taken by the Treasury Financial Management Services (FMS), for cases that were certified in the year 1999 and greater or by the IRS for certified cases prior to 1999, to take back monies that were sent to States through the Federal Tax Offset Program. Reversals are not performed due to child support issues. Some examples are:

- monies returned due to the filing of an Injured Spouse Claim,
- a person's tax filing being reworked and the amount of the refund was actually incorrect,
- additional money being refunded to the taxpayer was returned to FMS because of an incorrect address and therefore FMS recalls all money until a new address is identified.

**REVIEW AND ADJUSTMENT.** The process in which current financial information is obtained from both parties in a child support case and evaluated to decide if the support needs to be adjusted.

**SPOUSAL SUPPORT.** A court ordered support of a spouse or ex-spouse, also referred to as maintenance or alimony.

**STATE.** When used in this document, State refers to one of the fifty States, the District of Columbia, or the territories that interface with the Federal Tax Refund Offset Program: Puerto Rico, Guam and the United States Virgin Islands.

**STATE PAYMENT.** A refund to a taxpayer due to an erroneous offset.

**SUPPORT ORDER.** A judgement, decree, or order, whether temporary, final, or subject to modification, issued by a court or an administrative agency of a competent jurisdiction, for the support and maintenance of a child or of the parent with whom the child is living. Support orders can incorporate the provision of monetary support, health care, payment of arrearages, or reimbursement of costs and fees, interest.

**TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF).** Time-limited public assistance payments made to poor families, based on Title IV-A of the Social Security Act.

TANF replaced Aid to Families with Dependent Children (AFDC) when the Personal Responsibility and Work Opportunity Reconciliation Act was signed into law in 1996.

TITLE IV-A. A public assistance program of the Social Security Act, formerly known as Aid to Families with Dependent Children (AFDC), and currently known as Temporary Assistance for Needy Families (TANF).

TITLE IV-B. The part of the Social Security Act that contains the requirements of the Federal Child and Family Services programs.

TITLE IV-E. The foster care program of the Social Security Act, which is operated in each State in accordance with the Code of Federal Regulations and operated under an approved State Plan. See also IV-E CASE.

UNIFORM INTERSTATE FAMILY SUPPORT ACT (UIFSA) and UNIFORM RECIPROCAL ENFORCEMENT OF SUPPORT ACT (URES). Laws enacted at the State level, which provide mechanisms for establishing and enforcing support obligations when the NCP or putative father lives in one State and the custodial party and child(ren) live in another State.