

	INDIANA DEPARTMENT OF CHILD SERVICES TITLE IV-D POLICY MANUAL	
	Chapter 5: Department of Child Services (DCS) Child Welfare Cases	Effective Date: 07/29/2020
	Section 5: Distribution of Child Support Collections	Version: 1.2 Revision Date: 07/29/2020

BACKGROUND

N/A

POLICY

In a Title IV-D child welfare case in which the child is in a Title IV-E funded placement, monies collected through child support payments are distributed, per federal regulation, as follows:

1. Any amount collected in a month which represents payment on the required support obligation for that month shall be paid to the Department of Child Services (DCS) Child Welfare to repay Title IV-E maintenance payments.¹
2. If the amount collected is in excess of the monthly amount of Title IV-E maintenance payments, but not more than the monthly support obligation, the excess shall be paid to DCS Child Welfare.² This amount paid to DCS Child Welfare should be used in the following manner:
 - a. Setting aside amounts for the child’s future needs;³ or
 - b. Making all or part of the amount available to the person responsible for meeting the child’s daily needs to be used for the child’s benefit.⁴
3. If the amount collected in the month is greater than the current support obligation for the month and there is a child support arrearage, this amount will be paid to DCS Child Welfare up to the total amount of unreimbursed Title IV-E maintenance payments or to the Family and Social Services Administration (FSSA) up to the total amount of unreimbursed Title IV-A payments.⁵ This money reimburses the federal and State share of Title IV-E or Title IV-A payment.
4. Any amount collected in the month in excess of the current child support obligation and the amount of unreimbursed Title IV-E maintenance payments are paid to DCS Child Welfare or the amount of unreimbursed Title IV-A payments are paid to FSSA as described in number 2 above up to the amount of any arrearage owed to DCS Child Welfare as a result of court ordered child support.⁶

¹ 42 U.S.C. § 657(e)(1); 45 C.F.R. § 302.52(b)(1)

² 42 U.S.C. § 657(e)(2); 45 C.F.R. § 302.52(b)(2)

³ 42 U.S.C. § 657(e)(2); 45 C.F.R. § 302.52(b)(2)(i)

⁴ 42 U.S.C. § 657(e)(2); 45 C.F.R. § 302.52(b)(2)(ii)

⁵ 42 U.S.C. § 657(e)(3); 45 C.F.R. § 302.52(b)(3)

⁶ 42 U.S.C. § 657(e)(2); 45 C.F.R. § 302.52(b)(4)

5. If an amount is collected for payment of child support in a future month, the amount shall be applied to that future month. However, no amount shall be applied to a future month unless the child support obligation for the current month and all arrearage has been paid in full.⁷
6. When the State ceases making payments under the Title IV-E state plan, the assignment of support rights terminates except for any unpaid support that accrued during the assignment. The Title IV-D agency shall attempt to collect this unpaid support.⁸

For all amounts collected on cases in which the child is in Title IV-E funded placement, monies collected through child support payments are distributed to DCS Child Welfare for the appropriate share to be paid to the federal government to reimburse the Title IV-E funds. In a Title IV-D child welfare case in which the child is not in a Title IV-E funded placement, monies collected through child support payments are distributed to DCS Child Welfare with no federal share payment.

REFERENCES

- [42 U.S.C. § 657](#): Distribution of collected support
- [45 C.F.R. § 302.52](#): Distribution of support collected in Title IV-E foster care maintenance cases

PROCEDURE

N/A

FORMS AND TOOLS

N/A

FREQUENTLY ASKED QUESTIONS

N/A

RELATED INFORMATION

N/A

REVISION HISTORY

Version	Date	Description of Revision
Version 1	12/08/2015	Final approved version

⁷ 45 C.F.R. § 302.52(b)(5)

⁸ 45 C.F.R. § 302.52(c)

Version 1.1	09/17/2019	Removed FAQs
Version 1.2	07/29/2020	Updated hyperlinks; Reviewed for accuracy