

CSSD Policy

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Subject:	<b>REIMBURSEMENT FOR RETURNED PAYMENTS</b>	Number:	<b>2007-33</b>
Approval Date:	<b>O c t o b e r 5 , 2 0 0 7</b>	Pages:	
Approved By:	<b>Benidia A. Rice, Director</b>	Revision	<b>FINAL</b>

- I. **PURPOSE:** This policy sets out the process that the Child Support Services Division of the Office of the Attorney General (CSSD) and contractor Systems and Methods, Inc. (SMI) (operator of the D.C. Child Support Clearinghouse) will follow when a check or money order received for payment of a child support order is returned unpaid by the bank or other institution.
  
- II. **REFERENCES:** Title IV-D of the Social Security Act of 1935 (42 USC § 651 *et seq.*) (Child Support and Establishment of Paternity) and its enacting rules 45 CFR Part 301.0(State Plan Approval and Grant Proceedings); D.C. Official Code §§ 46-226.03 *et seq.*; 1-333.11 (Imposition of fee for delivery of bad check in payment of obligation due District of Columbia; amount of fee; manner of collection; exception); 1 DCMR § 108 (Dishonored Checks).
  
- III. **POLICY STATEMENT:** All payments of child support obligations (whether from the non-custodial parent or from the employer) are sent to and processed by CSSD contractor SMI (the Clearinghouse). The Clearinghouse deposits the payment in the District's account on the same day that the payment is received. So that the custodial parent receives the money without delay, payment is made to the custodial parent within two (2) business days of receipt of the payment. Payment is made from the District's account. As a result, if the payment is returned by the bank unpaid (for example, because there was not enough money in the account to cover the amount of the payment), the District's account, not the custodial parent's, is out the amount of the returned payment. It is the policy of the Child Support Services Division to seek reimbursement for every returned payment. This policy applies equally to payments made by the non-custodial parent and by an employer through wage-withholding. In rare circumstances, a money order is returned unpaid. This policy also shall be followed in that circumstance.