

DCSE Policy & Procedures Unit
Policy Update
PPU 11-01-003
January 31, 2011
SUBJECT: Payments Held in SFTO

Please contact the Policy Unit if you have any questions regarding these or any other changes at
<http://dcsevf04/DCSE/PolicyQuestions> or (602) 771-8127.
The IV-D PARTNERS should send POLICY inquiries directly to DCSE-POLICYQUESTIONS@azdes.gov

Payments are held under the SFTO suspense code when an unpaid monthly amount exists on the DEDN screen and the child and spousal support arrears are zero. The decision regarding when to allow ATLAS to apply the amount in the following month or to refund the money in suspense depends upon the facts of the case.

Payments held under the SFTO suspense code will distribute to the case the following month when they are from employers that comply with the IWO, but send the payments to the SDU in 26 or 52 pay periods annually. In these cases the payments posted will be less than the monthly support amount in most months, but in other months an extra payment pays the arrears and current amount to zero and suspends the balance under the SFTO suspense code. The payments sent in equal the obligated amount over time as the amounts collected from the IWO are correct.

Payments held under the SFTO suspense code are refunded when we collect more than is correctly allowed from the IWO. An example may be where arrears are paid to zero but the employer is still sending in payments for current and arrears. When it is determined that payments held under the SFTO suspense code should be refunded, the case should be reviewed to see if a new IWO for current support and the Clearinghouse fee has been sent to the employer. The employer must be notified that a new IWO has been issued if the overpayment continues. Remember to verify the NCP address before refunding any payment. The payments held under the SFTO suspense code can be refunded with a SUPR or PAAR request. Use a SUPR request to when part of the payment has been distributed to the debt and part of the payment is in suspense. Use a PAAR request when the total amount of the payment is in suspense.

A CDE Broadcast will be issued that provide scenarios when a SFTO payment should be refunded or allowed to distribute the following month.

Staff are urged to view this information directly on OPPM and not create a separate personal file. Click on the link <http://dcsepc>. You will find this Policy Update in Policy Updates 2011.