



NATIONAL CENTER ON  
Subsidy Innovation and Accountability



# Error Rate Training for Year One States: Successfully Completing Reviews and the ACF-404 Report

May 28, 2020

# Introductions

## National Center on Subsidy Innovation and Accountability



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Error Rate Specialist,  
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Error Rate Specialist,  
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# Agenda



- Getting Started With the OLDC
- Completing the ACF-404 Report
- Next Steps for Year One States
- Questions

# Timeline for Year One States

## Year One States

Case review period Oct. 1, 2018 – Sept. 30, 2019

Last day to submit *Sampling Decisions, Assurances, and Fieldwork Preparation Plan* Oct. 31, 2019

Last day to submit customized *Record Review Worksheet* Dec. 31, 2019

Last day to submit *State Improper Payments Report* June 30, 2020

Last day to submit *Corrective Action Plan* (if applicable) Within 60 days of the deadline for submitting the final report



# Getting Started With the OLDC

# Logging into OLDC

Before you can log on, you will need OLDC access

- Contact the ACF Regional Office for access form (or see handouts for this webinar)
- At least **one** user that can certify/submit the final report
- Additional accounts may be requested for data entry or viewing only

To access, navigate to:

<https://home.grantsolutions.gov/home>

(Internet Explorer is recommended)

Two-factor authentication **may** be required



For login assistance (technical questions), email [app\\_support@acf.hhs.gov](mailto:app_support@acf.hhs.gov)

# Application Launch



TASK LIST ?

<input type="checkbox"/>	Task Description	Task Status	Module	Grant Number	Application #	Budget Code	Reporting Period
<p> You currently do not have any tasks assigned. </p>							

REPORTS ?

# OLDC Home Page

On-Line Data Collection

U.S. Department of Health & Human Services  
Administration for Children & Families  
Name: Katie Watts  
Last Login: 04/17/2019 10:33:57 AM  
Help / FAQ  
End OLDC

OLDC Home [Switch Home Page \(Enhanced\)](#)

[Report Form Entry](#)  
[User / System Settings](#)  
[End OLDC](#)  
[Privacy](#)  
[Accessibility](#)  
[Help / FAQ](#)  
[News & Tips](#)

**On-Line Data Collection**

For most users, this is the first step in the process of locating and working with your specific reports. The following screens present a series of questions to help you select the appropriate report form. This same process is used to check the status of any current or submitted report.

[Web Accessibility](#) | [Privacy and Security Notice](#) | [Freedom of Information Act](#) | [Disclaimers](#) | [Feedback](#)

HHS | ACF  
6.12.2  
04/08/2019

On-Line Data Collection

U.S. Department of Health & Human Services  
Administration for Children & Families  
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OLDC Home [Switch Home Page \(Regular\)](#)

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**On-Line Data Collection**

For most users, this is the first step in the process of locating and working with your specific reports. The following screens present a series of questions to help you select the appropriate report form. This same process is used to check the status of any current or submitted report.

Activity Report | Report Due | My Recent Activity

Program :

Grantee :

No items to display

[Page Help](#)

Choose from one of two home pages: Regular or Enhanced (no difference in features or functionality)

# Create or Edit ACF-404 Report

Click "Report Form Entry"



The Form Selection Page will open

**On-Line Data Collection** Administration for Children & Families  
Name: Katie Watts Last Login: 04/17/2019 11:31:51 AM Help / FAQ End OLDC

OLDC Home Form Selection

### Form Selection

**Program Name:**

**Grantee Name:**

**Report Name:**

[Page Help](#)

# Create or Edit ACF-404 Report (Continued)

1: Select program (Child Care and Development Fund Mandatory & Matching)

Program Name: **Child Care and Development Fund Mandatory & Matching**

Grantee Name:

Report Name: **Child Care and Development Fund Mandatory & Matching**

2: Select grantee

Program Name: **Child Care and Development Fund Mandatory & Matching**

Grantee Name: **Select a Grantee Name**

Report Name:

**Select a Grantee Name**

- AL [1 636000619 A6] (1996-2020) Alabama - No. 01
- AK [1 926001185 A5] (2001-2009) ALASKA - No. 01
- AK [1 926001185 A7] (1996-2020) Alaska - No. 01
- AZ [1 866004791 A9] (1996-2020) Arizona - No. 01
- AR [1 716007389 A2] (1996-2020) Arkansas - No. 01
- CA [1 946001347 A1] (1996-2015) California - No. 01

3: Select report (Program Performance Form ACF-404)

Program Name: **Child Care and Development Fund Mandatory & Matching**

Grantee Name: **CT [1 066000798 E4] (1996-2016) CONNECTICUT - No. 01**

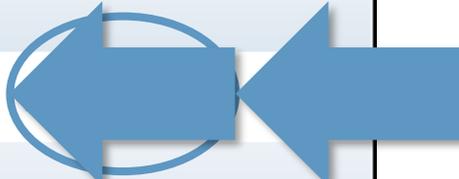
Report Name: **Program Performance Form (ACF-404)**

# Create or Edit ACF-404 Report (Continued)

Reporting Period ⚡	Type ⚡	Report Status ⚡	Actions ⚡
10/01/2019 - 09/30/2020	Annual		+
10/01/2018 - 09/30/2019	Annual		+
10/01/2017 - 09/30/2018	Annual		+
10/01/2016 - 09/30/2017	Annual		+
10/01/2015 - 09/30/2016	Annual	Submission Accepted by CO	   
10/01/2014 - 09/30/2015	Annual		+
10/01/2013 - 09/30/2014	Annual		+
10/01/2012 - 09/30/2013	Annual	Submission Accepted by CO	   

4: To start the report, click the Plus Sign for the correct reporting period (10/01/2018 – 09/30/2019)

# Create or Edit ACF-404 Report (Continued)

Reporting Period ⚡	Type ⚡	Report Status ⚡	Actions ⚡
10/01/2019 - 09/30/2020	Annual		+
10/01/2018 - 09/30/2019	Annual	Saved	 
10/01/2017 - 09/30/2018	Annual		+
10/01/2016 - 09/30/2017	Annual		+
10/01/2015 - 09/30/2016	Annual	Submission Accepted by CO	   
10/01/2014 - 09/30/2015	Annual		+
10/01/2013 - 09/30/2014	Annual		+
10/01/2012 - 09/30/2013	Annual	Submission Accepted by CO	   

5: To edit a saved report, click the “edit” icon (square/pencil). Can also see status/history, print, or view current report

# OLDC Tips

SAVE your work –  
save early and often!

Copy and paste  
*should* work...

If changes are needed  
after submission,  
designee will need to  
uncertify/unsubmit

Warnings versus errors:  
Report can be submitted  
with warnings, but cannot  
be submitted with errors





# Completing the ACF-404 Report

# ACF-404 *State Improper Payments Report*

The ACF-404 consists of three parts:

**Part I**

Program Assurances and Certifications

**Part II**

Error Measures

**Part III**

Narrative Responses

# ACF-404 Part I: Assurances and Certifications

Part I

Program Assurances and Certifications



# ACF-404 Part I: Assurances and Certifications

## Part I. Program Assurances and Certifications

The Lead Agency, named below, assures and certifies the following:

1. The data collection process, including sample selection and case record reviews, adhered to all requirements of the instructions and regulations for *Error Rate Reporting* at 45 CFR 98 Subpart K.
2. The reviews were not conducted by persons who make or approve eligibility determinations or who are under the supervision of persons responsible for eligibility determinations.
3. All reviewers have been trained to ensure that the review process is consistent with state policies and that there is consistency within the state in interpretation of what is an error.
4. The state agrees to retain *Record Review Worksheets*, the *State Improper Payments Report* and any revisions, and any other records pertinent to the case reviews and submission of error rate reports for five years from the date of submission of the *State Improper Payments Report* or final revision submitted, whichever date is later.
5. The state understands that this information, including the sampled case records and calculations are subject to federal review.

<b>Submission Date:</b>
<b>Name:</b>
<b>Signature:</b>
<b>Title:</b>
<b>State:</b>
<b>State Agency:</b>
<b>Phone Number:</b>
<b>E-mail:</b>
<b>Fiscal Year:</b>

# ACF-404 Part II: Error Measures

Part II

Error Measures



# Record Review Worksheet Element 500

The figures entered in RRW element 500 form the basis for many of the error measures in Part II

FINDINGS (1)	RESULTS (2)
<p><b>500 CASE SUMMARY</b></p>	<p><b>500 RESULTS</b></p> <ul style="list-style-type: none"> <li>1. No Error / Error</li> <li>2. Missing / Insufficient Documentation               <ul style="list-style-type: none"> <li>2A: Number of MID potential improper payment errors identified</li> <li>2B: Total amount of MID potential improper payment errors</li> <li>2C: Number of times an additional inquiry was used</li> <li>2D: Number of times the additional inquiry mitigated the potential improper payment error</li> <li>2E: Total amount of improper payments mitigated</li> </ul> </li> <li>3. Overpayment / Underpayment</li> <li>4. Total Amount of Improper Payment</li> <li>5. Total Payment Amount for Sample Month</li> </ul>

# ACF-404 Items 1-3

1.	Number of cases sampled	<b>276</b>
2.	Total number of cases with an error	<b>45</b>
3.	Percentage of cases with an error	<b>16.30%</b>

1. Number of cases sampled
2. Total number of cases with a “1” in Element 500 Column 2, #1 of RRWs
3.  $(\text{Item 2}/\text{Item 1}) \times 100$  [*auto-calculated in OLDC*]

# ACF-404 Items 4-6

4.	Total number of cases with an improper payment	<b>20</b>
5.	Percentage of cases with an improper payment	<b>7.25%</b>
6.	Total number of cases with an improper payment error due to missing or insufficient documentation (MID)	<b>8</b>

4. Total number of cases with a number other than zero in Element 500 Column 2 #4 of RRWs
5.  $(\text{Item 4}/\text{Item 1}) \times 100$  [*auto-calculated in OLDC*]
6. Total number of cases with a “Y” in Element 500 Column 2 #2 of RRWs and a number other than zero in #4

# ACF-404 Item 7

7A.	Total number of MID errors with identified potential improper payments	<b>13</b>
7B.	Total dollar amount of potential improper payments resulting from the MID errors	<b>\$3,440</b>

7A. Sum of the number of MID errors recorded in Element 500, Column 2, #2A

7B. Sum of the MID potential improper payments recorded in Element 500, Column 2, #2B.

Apply pooling factor if pooled funds were used

# ACF-404 Item 8

8A.	Total number of MID potential improper payment errors that were mitigated using an additional inquiry (AI)	<b>5</b>
8B.	Total dollar amount of MID potential improper payment errors that was mitigated using AI	<b>\$1,320</b>

8A. Sum of the times an AI mitigated the improper payment recorded in Element 500, Column 2, #2D

8B. Sum of the dollar amount of improper payments mitigated recorded in Element 500, Column 2, #2E.

Apply pooling factor if pooled funds were used

# ACF-404 Item 9

9A.	Total number of MID errors that, after an AI was considered and possibly used, still resulted in an improper payment	<b>8</b>
9B.	Total dollar amount of MID improper payments that resulted even after an AI was considered and possibly used	<b>\$2,120</b>

9A. Item 7A minus Item 8A [*auto-calculated in OLDC*]

9B. Item 7B minus Item 8B [*auto-calculated in OLDC*]

# ACF-404 Items 10-11

10.	Total amount of payments for the sampled cases	<b>\$124,850</b>
11.	Total amount of improper payments for the review period (gross amount of underpayments and overpayments)	<b>\$5,300</b>
11A.	Total amount of underpayments for the review period	<b>\$710</b>
11B.	Total amount of overpayments for the review period	<b>\$4,590</b>

10. Sum of amounts in Element 500 Column 2 #5 of RRWs. Apply pooling factor if pooled funds were used.

11. Sum of amounts in Element 500 Column 2 #4 of RRWs. [*auto-calculated in OLDC*]

11A. Sum of amounts in Element 500 Column 2 #4 of RRWs that have a “U” in Element 500 Column 2 #3. Apply pooling factor if pooled funds were used.

11B. Sum of amounts in Element 500 Column 2 #4 of RRWs that have a “O” in Element 500 Column 2 #3. Apply pooling factor if pooled funds were used.

# ACF-404 Items 12-14

12.	Percentage of the total amount of payments for the sampled cases that are improper payments	<b>4.25%</b>
13.	Average amount of improper payments	<b>\$265</b>
14A.	Total annual amount of CCDF subsidy payments	<b>\$54,250,320</b>
14B.	Estimated annual amount of improper payments	<b>\$2,305,638</b>

12.  $(\text{Item 11} / \text{Item 10}) \times 100$  [*auto-calculated in OLDC*]

13.  $(\text{Item 11} / \text{Item 4})$  [*auto-calculated in OLDC*]

14A. Total amount of subsidy payments made using CCDF funds

14B.  $\text{Item 12} \times \text{Item 14A}$  [*auto-calculated in OLDC*]

# ACF-404 Item 15

15.	<p>Check the appropriate response based on whether the state combines or pools funds, and conducted its reviews based on a sample drawn from a universe of cases served by these pooled funds. Check one of the following:</p> <p>a. <input checked="" type="checkbox"/> The review was not based on a sample drawn from pooled funds.</p> <p>b. <input checked="" type="checkbox"/> The review was based on a sample drawn from pooled funds, and the state applied pooling factor from the most recent ACF-800 reporting form.</p> <p>    b-i. <input type="checkbox"/> Indicate the number of sampled cases that used pooled funds.</p> <p>    b-ii. <input type="checkbox"/> Indicate the percentage of sampled cases that used pooled funds.</p> <p>c. <input checked="" type="checkbox"/> The review was based on a sample drawn from pooled funds, but the state did not apply the pooling factor found on the most recent ACF-800 reporting form.</p> <p>    c-i. <input type="checkbox"/> Provide the pooling factor.</p> <p>    c-ii. <input checked="" type="checkbox"/> Explain the derivation of this pooling factor.</p> <p>    c-iii. <input type="checkbox"/> Indicate the number of sampled cases that used pooled funds.</p> <p>    c-iv. <input type="checkbox"/> Indicate the percentage of sampled cases that used pooled funds.</p>
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# ACF-404 Item 16

16. Number of replacement cases used each month of the 12-month review period and reason for each replacement

Month	Reason(s) for Replacement Cases (please list)	# Times Reason Used
October	<b>No payment made in sample month</b>	<b>2</b>
November		

# ACF-404 Part III: Narrative Responses

Part III

Narrative Responses



# ACF-404 Item 17

17. Describe lessons learned or improvements made in implementation of the review process during the current review cycle.

# ACF-404 Item 18

18. For each potential improper payment error due to missing or insufficient documentation, enter the following:
- a) the Element number of the RRW where the error was identified;
  - b) a description of what documentation was missing or insufficient;
  - c) the dollar amount of the potential improper payment;
  - d) a description of the AI that was done or an explanation of why there was no appropriate AI;
  - e) (if an AI was used) the dollar amount (if any) that was able to be mitigated;
  - f) (if an AI was used) how the state determined whether or not the potential improper payment could be mitigated

# ACF-404 Item 18 (continued)

MID Table  
Column 2

MID Table  
Column 3

MID Table  
Column 4  
AND 5 or 6

MID Table  
Column 8

MID Table  
Column 9

a. Element #	b. What was the MID?	c. Dollar amount of potential IP	d. AI used? Describe why or why not	e. How much mitigated? (if AI was used)	f. Explain how state determined whether or not the potential IP could be mitigated (if AI was used)
330	Child citizenship verification	\$510	Yes – contacted vital records	\$510	Vital records provided birth certificate, which verified child is a citizen
400	Parent income information	\$130	No – parent does not participate in any other programs		

# ACF-404 Item 19

19. Identify all causes of improper payments (see Item 4 above). List each cause, the number of cases with an error due to this cause, an example of an error, and whether this cause involved missing or insufficient documentation.

Cause	# Cases	Example	MID (Y/N)
Income calculation	12	All sources of income were not included	N
Need for care	8	Work verification missing from file	Y
Need for care	7	Worker calculated need incorrectly	N

# ACF-404 Item 20

20. List the causes of improper payment errors identified in Item 19. For each cause, describe the action steps planned in between review cycles in order to reach the targeted reductions identified in item 23, the timeline for implementing the action steps, and method(s) that will be used to measure progress and the impact of the action steps.

# ACF-404 Item 20 (continued)

Will auto-populate based on response to previous item

Specific activities planned to help reduce error

When will the action steps be taken? When will they be complete?

How will you track completion of action steps, and whether they are effective?

Error	Cause of Error	Action Steps	Timeline	Progress Measurement
1	Income calculation			
2	Need for care			
3	Need for care			

# ACF-404 Item 21

21A. State the amount of improper payments the state expects to recover as a result of the review. If the amount is less than the total amount of overpayments (see Item 11B above), provide a summary of the reasons limiting the collections.

21B. State the amount of improper payments the state recovered as a result of the previous review. If the amount is less than the total amount expected to have been recovered according to the previous report, describe the reasons.



Item 18A on 2017 ACF-404

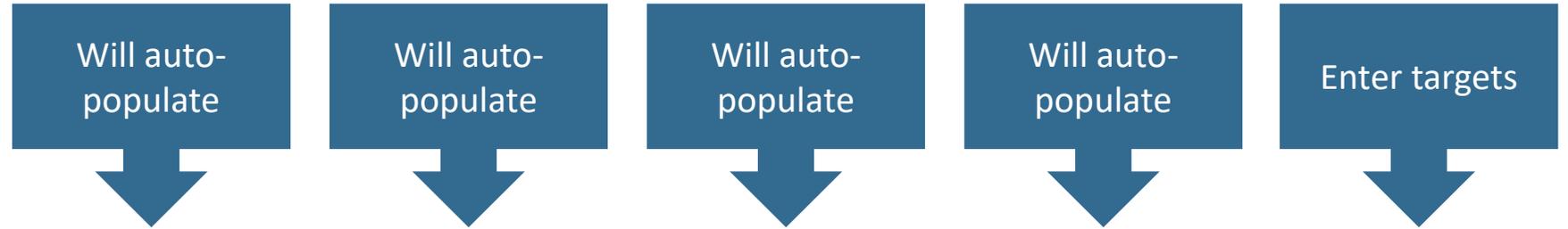
# ACF-404 Item 22

22. Describe the information systems and other infrastructure that assist the state in identifying and reducing improper payments. If the Lead Agency does not have these tools, describe actions to be taken to acquire the necessary information systems and other infrastructure.

# ACF-404 Item 23

23. Provide the findings for the current cycle, data and targets for the prior and current cycle, and targets for the next cycle for percentage of cases with an error, percentage of cases with an improper payment, percentage of improper payments, average amount of improper payments, and estimated annual amount of improper payments

# ACF-404 Item 23 (continued)



Error Measures	Prior Cycle Data	Prior Cycle Target	Current Cycle Data	Current Cycle Target	Target for Next Cycle
Percentage of cases with an error					
Percentage of cases with an improper payment					
Percentage of total amount of payments for the sample that are improper payments					
Average amount of improper payments					
Estimated annual amount of improper payments					

# ACF-404 Item 24

24. If any targets were not met, provide an explanation of why the state did not meet these targets and describe how the actions outlined in Item 20 will address these areas.

# ACF-404 Item 25

25. List the causes of improper payment errors identified in the previous cycle (Item 17 in the 2015 ACF-404) and for each cause, describe the action steps that were taken (including dates) to correct the cause, whether the action steps reduced the identified errors, and how any progress was measured. Discuss any barriers to the effectiveness of the action steps to reduce improper payments.

# ACF-404 Item 25 (continued)



Improper Payment Error	Action steps and dates when taken	Did the action steps reduce the identified errors?	How did you measure your progress in reducing the identified errors?	Barriers to reducing error
Missing case records				
Wrong copay applied				
Income miscalculation				



# Next Steps and Questions

# TA Support



Review of ACF-404 draft



OLDC “Just in Time” Training

- One-on-one TA session to discuss the ACF-404 and using the OLDC
- Report does NOT have to be ready to enter (although it can be) – can request this training any time (or multiple times!)



Reach out to your ACF Regional Office to request TA

# Next Steps for Year One States

1 Request OLDC logins from Regional Office

2 Complete ACF-404 report

3 Set up Just in Time Training, if desired

4 Submit ACF-404 by June 30, 2020

# Questions and Open Discussion





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# Thank you!

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