

# 2020300000—Child Support Services

## Law & Justice

Lori Cruz, *Child Support Services Director*

Special Revenue Fund	2017-2018 Actual	2018-2019 Adjusted	2019-2020 Requested	2019-2020 Recommended	Increase/ (Decrease)
<b>Expenditures</b>					
<i>Salaries &amp; Benefits</i>	\$12,461,796	\$13,075,085	\$15,848,706	\$15,848,706	\$2,773,621
<i>Services &amp; Supplies</i>	1,490,082	1,983,809	2,087,203	2,087,203	103,394
<i>Centrally-Budgeted Expenses</i>	1,044,184	1,112,737	724,524	724,524	(388,213)
<i>Fixed Assets</i>	96,751	0	176,880	176,880	176,880
<i>Operating Transfers Out</i>	447,165	0	0	0	0
<i>Total Expenditures</i>	\$15,539,978	\$16,171,631	\$18,837,313	\$18,837,313	\$2,665,682
<i>Expenditure Reimbursements</i>	(1,242)	(1,500)	(1,500)	(1,500)	0
<i>Total Appropriations</i>	\$15,538,736	\$16,170,131	\$18,835,813	\$18,835,813	\$2,665,682
<b>Earned Revenues By Source</b>					
<i>Interest/Rents</i>	\$20,358	\$20,000	\$26,500	\$26,500	\$6,500
<i>Aid From Other Governments</i>	14,932,346	15,883,340	18,599,651	18,599,651	2,716,311
<i>Miscellaneous Revenues</i>	119,504	126,791	209,662	209,662	82,871
<i>Operating Transfers In</i>	0	140,000	0	0	(140,000)
<i>Fund Balance</i>	466,528	0	0	0	0
<i>Total Revenues</i>	\$15,538,736	\$16,170,131	\$18,835,813	\$18,835,813	\$2,665,682
<b>Net County Cost</b>	\$0	\$0	\$0	\$0	\$0
<b>Staffing</b>					
<i>Allocated Positions</i>	144.0	133.0	159.0	159.0	26.0
<i>Temporary (Full-Time Equivalent)</i>	0.0	0.0	2.5	2.5	2.5
<i>Total Staffing</i>	144.0	133.0	161.5	161.5	28.5

## Purpose

The Department of Child Support Services (DCSS) works with parents to establish financial support orders for the benefit of children. The DCSS also works with parents and other caretakers when a child's needs require that a support order be adjusted. Additionally, the DCSS collects, disburses, and accounts for child support payments under the Title IV-D Child Support Enforcement Program.

## Board Strategic Priorities 2019-2020 through 2021-2022

The 2019-2020 recommended budget for the DCSS focuses on the implementation of the Board Strategic Priorities as adopted by the Board on April 9, 2019. The Board Strategic Priorities for fiscal year 2019-2020 through 2021-2022 are a continuation of the Board's original five key priorities

established in 2015. The Board has updated and augmented the goals associated with these strategic priorities to reflect the Board's direction related to water issues, health, collaboration, and homelessness. These Priorities will be used as a guide when bringing new programs or initiatives to the Board. The following highlights provide an overview of several projects, programs, and activities administered by the DCSS.

### Ensure Fiscal Responsibility

The DCSS strongly supports the goal to ensure the fiscal responsibility of the County. The Department uses State and Federal grant funding as its only revenue sources and does not request additional funds from the County.

However, State funding remained static from 2000 through 2017, making it difficult to offer the same level of services that families receive throughout California. Therefore, in 2017, at the direction of the Board of Supervisors, the DCSS

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executive managers assembled a coalition of child support Directors to collectively request an appropriate amount of funding to enable each county to offer uniform and consistent child support services to the State's children and families. The coalition asked the State to support a \$38.8 million annual increase from the State General Fund to be appropriated to the 19 underfunded counties. The request was pared down to \$3.0 million State General Funds and distributed to 19 under parity counties for 2018-2019. The County funding efforts continued during the fall of 2018, in collaboration with the State DCSS and the Child Support Directors Association (CSDA). In the Governor's January budget address, \$19.1 million State General Fund dollars (a total of \$56 million with the Federal match of \$36.9 million) was allocated to 21 underfunded Local Child Support Agencies (LCSAs). The DCSS executive managers are working with the CSDA to support the Governor's budget and educate legislators regarding the need to make the child support funding a part of the Governor's final budget.

### **Promote Good Governance and Increase Organizational Capabilities**

October 2019 will mark the conclusion of the Department's Behavioral Interventions for Child Support (BICS) grant project. The DCSS has made a Statewide impact with its improvement to the summons and complaint package, by focusing on what is important to the customer and reordering documents to make it easier for the customer to understand. The Department will now use what it has learned and apply behavioral interventions to all aspects of its program, as well as to administrative procedures.

The Department continues to offer technology to staff that will help them work more efficiently. In 2017, Lobby Central was implemented. Lobby Central provides staff a tool to track appointments and statistics electronically rather than manually. Lobby Central is a fully automated check-in system that securely captures the customer's name, reason for visit, time in, and other relevant information. To assist with delivering timely service, it reminds employees when a customer has waited beyond the customized maximum five-minute time limit. This has reduced the average wait time for walk-in customers from four minutes to one minute. In 2019-2020, the Department will be implementing a self-check-in process where customers will enter their information into Lobby Central via an electronic tablet, automatically entering them into the appointment queue. This will eliminate the need for customers to stand in line to check in with the lobby front desk, making the check-in process more efficient. Plans are also underway to link a text messaging system to Lobby Central so that customers with court hearings can wait in other areas and receive a text message when it is time for their appointment. The Department monitors the wait time, in

addition to the service period, wherein a complete picture is captured of the customer's visit to the office. Statistical reports are generated from Lobby Central, which allow management to analyze staffing and training needs.

The DCSS recently implemented a same-day court order initiative. In the past, customers had to wait up to 10 days before receiving a copy of their filed court order. The new initiative will allow most customers to leave court with a copy of their order in hand. Not only does this shorten the time frame for customers to receive their orders, but it allows the DCSS to save resources by reducing time and materials spent on mailing filed orders to customers.

The DCSS plans to re-implement a local call center to provide case information to customers by January 2020. The implementation of a call center and the provision of excellent case management will now be possible after the allocation of additional funding as provided in the State Budget for the 2019/2020 fiscal year. Calls have been answered by the Butte County Local Child Support Agency since 2015.

### **Improve Public Safety and Enhance Overall Criminal Justice System**

In a joint effort with the District Attorney's Office, the DCSS is providing services to survivors of domestic violence and human trafficking at the San Joaquin County Family Justice Center. A trained Child Support Officer (CSO) is located on-site to assist clients with child support case-related matters. The CSO is also responsible for overseeing cases where family violence has been identified and an active restraining order is in place.

### **Promote Economic Development**

In 2018, the DCSS began collaborating with the Superior Court and San Joaquin County WorkNet on a new referral program. The Court Commissioner and caseworkers refer DCSS customers to WorkNet to utilize the valuable employment services it offers. The program is also being used as an alternative to Contempt action. This holistic approach helps customers address barriers to complying with their court orders.

The Department will collaborate with approximately 50 community agencies for its fourth Annual Block Party, scheduled for July 30, 2019. The Block Party is a fun event for families to learn about the resources available to promote self-sufficiency and reduce childhood poverty. The DCSS will also co-host two job fairs with WorkNet in 2019-2020. E-mail invitations will be sent to unemployed and underemployed DCSS customers. Additionally, the job fairs and employment opportunities will be advertised via social media, at outreach events, and in the DCSS customer lobby.

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### Major Budget Changes

#### Salaries & Employee Benefits

- \$497,371 Salary and benefits adjustments.
- \$1,519,848 Add 20 Child Support Officer positions.
- \$259,468 Add four Office Assistants.
- \$176,722 Add an Administrative Secretary and an Administrative Assistant.
- \$173,541 Adjustments to fund long-term leaves unfunded in 2018-2019.
- \$105,000 Funding for partial-year cost of proposed new position.
- \$92,234 Add a Child Support Supervisor.
- \$91,875 Add an Accountant.
- (\$158,829) Delete an Office Assistant Specialist and a Legal Technician.
- \$16,391 Increase in extra-help for department-wide clerical support.

#### Services & Supplies

- \$936,225 Increase in rent due to new lease.
- \$25,000 Increase in training expense.
- \$22,000 Increase in communications costs due to phone service for new staff.
- \$14,478 Increase in office supplies costs.
- (\$525,680) Decrease in utilities, janitorial, and maintenance costs due to relocation.
- (\$244,537) Decrease in capital facilities project expenses due to end of debt service payments.
- (\$112,500) Decrease in professional services due to completion of relocation.
- (\$15,000) Decrease in printing expenses due to completion of orders related to Department relocation.

#### Centrally-Budgeted Expenses

- (\$17,137) Decrease in data processing charges.

➤ (\$12,402) Decrease in Workers' Compensation and Casualty insurance costs.

➤ (\$356,030) Cost Allocation Plan adjustment.

#### Revenues

➤ \$1,753,039 Increase in Federal Child Support Enforcement Program funding.

➤ \$1,047,322 Increase in State Child Support funding.

➤ \$82,871 Increase in revenue due to extension of inter-jurisdictional contract with State DCSS.

➤ \$6,500 Increase in interest income.

➤ (\$140,000) Decrease in Child Support County recoupment funds.

➤ (\$84,050) Decrease in Federal grant funding for Behavioral Interventions for Child Support Demonstration Program.

### Fixed Assets/Capital Improvement

➤ \$176,880 Modular workstations (20).

### Program Discussion

The 2019-2020 recommended budget for the DCSS totals \$18,837,313, which is an increase of \$2,665,682 from the 2018-2019 adjusted budget. The change is primarily due to the addition of 28 new permanent positions, 2.5 full-time equivalent extra-help positions, and costs related to the new facility lease, offset with the deletion of an Office Assistant Specialist and a Legal Technician II, and decreases in utilities, building maintenance, professional services, data processing charges, Cost Allocation Plan adjustments, and the completion of debt service payments. The recommended 2019-2020 budget includes \$3.1 million in additional Child Support Enforcement formula funds, based on the Governor's Budget released in January 2019. If any change is made in the DCSS allocation in the Adopted State Budget, the Department will return to the Board of Supervisors for midyear budget adjustments.

All but one of the proposed new positions are casework staff. The Department is also requesting a new position to act as a Chief Child Support Attorney. This position would be a new classification to the County and would report to the Director. This position would be responsible for planning, organizing,

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directing, and evaluating the legal work and policies of the Department. Human Resources (HR) is currently conducting an evaluation of the Department's classification study request. Once the evaluation is complete and if an additional classification is appropriate, HR will prepare an item for Board consideration and approval.

The Governor's proposed budget includes an increase of \$56 million (\$36.9 million Federal funds and \$19.1 million State General Fund) for LCSA administrative costs. This increase represents the first year of a three-year, phased-in implementation of a new funding methodology. This new funding will be allocated to the 21 LCSAs with the highest case-to-employee ratios in the State. The LCSAs include: Alameda, Contra Costa, Fresno, Glenn, Imperial, Kern, Kings, Los Angeles, Madera, Merced, Monterey, Placer, Riverside, Sacramento, San Bernardino, San Diego, San Joaquin, Solano, Stanislaus, Tehama, and Ventura. At full phase-in, the County's allocation would be \$25.1 million, approximately \$9.6 million or 62% more than its 2018-2019 Child Support Enforcement base allocation, finally bringing San Joaquin County into parity with other LCSAs. The addition of these long-needed funds will enable the Department to enhance and increase the level of services it provides to the children and families of San Joaquin County.

San Joaquin County DCSS serves over 36,000 children, representing 17.8% of the children in the County. In 2017-2018, DCSS collected over \$61 million, where 86% of in-state collections went directly to families. Steady, reliable child support payments contribute to the stability of families, leading to less poverty, increased likelihood of children attending college, greater parental involvement, and a decreased use of public assistance programs.

Beginning in October 2018, DCSS launched the enhancement to its Family Involvement Team (FIT) business model - Forward-Above-Beyond (FAB). FAB builds on the original FIT model by utilizing best practices and focusing on improving the customer experience.

Department managers have established a goal of a 3% increase in collections for 2019-2020 and will manage approximately 36,000 active cases.

### Department Relocation

The Department will be relocating to 405 E. Market Street in downtown Stockton in late spring 2019. The move will

alleviate staff safety concerns, provide more work area, and will be in closer proximity to the Superior Court and other County departments, improving overall efficiencies. The DCSS will lease 46,405 square feet of space for a 10-year term. The monthly rental is \$1.76 per rentable square foot and annual increases shall be no more than 3% of the basic monthly rent.

### Child Support Services Fund

Child Support Services Fund (#20038) serves as the operating fund for Department expenditures. The Child Support Enforcement Fund (#20381) serves as the depository for State DCSS funding advances. Actual costs are reconciled on a quarterly basis through the CS356 Local Child Support Agency Administrative Expense Claim Schedule and Certification, and funds are transferred from Fund #20381 to Fund #20038 to cover Department expenditures. Unspent funds received in Fund #20381 are returned to the State DCSS after finalization of the fiscal year activities. Any remaining fund balance in Fund #20038 at the end of the fiscal year primarily exists due to unreconciled program expenses for the fiscal year and unspent incentive funds. Unspent incentive funds serve as a reserve for unanticipated costs. For 2018-2019, the beginning fund balance in Fund #20038 was \$97,388.

In addition to Fund #20038, the Department also has additional reserves in Fund #81452 and Fund #81453. The balance in Fund #81452 is from a dormant fund that was created to transfer funds to the San Joaquin County Human Services Agency and the State for Title IV-A assistance recoupment, and to forward monies to families that were collected above what was due to the County and State. As of March 31, 2019, the fund balance was \$150,615.

The balance in Fund #81453 exists from General Fund contributions and a General Fund Revolving Fund closeout retained prior to 2008-2009. As of March 31, 2019, the fund balance was \$447,165. This fund has remained stagnant since 2014-2015. If the 2019-2020 State adopted budget includes additional funding for DCSS as expected, the Department will work with the Auditor-Controller's Office to transfer half of the fund balance in Fund #81453 (\$223,582) to the Undesignated/Unreserved in the General Fund by the 2018-2019 fiscal year-end. The remaining funds will be transferred to the General fund during the 2019-2020 fiscal year-end close.

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	<b>Workload Data</b>			<b>Est./Act. 2018-2019</b>	<b>Projected 2019-2020</b>
	<b>-----Actual-----</b>				
	<b>2015-2016</b>	<b>2016-2017</b>	<b>2017-2018</b>		
<i>Total Collections</i>	\$60,406,947	\$61,326,945	\$61,549,250	\$62,164,743	\$64,029,685
<i>Distribution to Families</i>	\$49,185,894	\$49,539,472	\$50,453,175	\$51,198,454	\$52,734,408
<i>Individuals Served</i>	N/A	N/A	N/A	102,488	105,563
<i>Percentage of County Population</i>	N/A	N/A	N/A	13.7%	14.2%
<i>Percent of Cases Paying at Least 75% of Monthly Child Support</i>	51.22%	51.38%	50.35%	51.36%	53.00%
<i>Lobby Visitors</i>	N/A	N/A	15,817	19,771	24,714
<i>Case Opening to Court Order (days)</i>	167	173	183	180	167
<i>Applications to Reduce Arrears</i>	114	41	13	26	40
<i>Caseload per Caseworker</i>	518	556	565	572	537
<i>Public Outreach Events</i>	6	30	107	132	155
<i>N/A - Data not available</i>					