

2014-2016 BUDGET WORKSHOP

Child Support Services

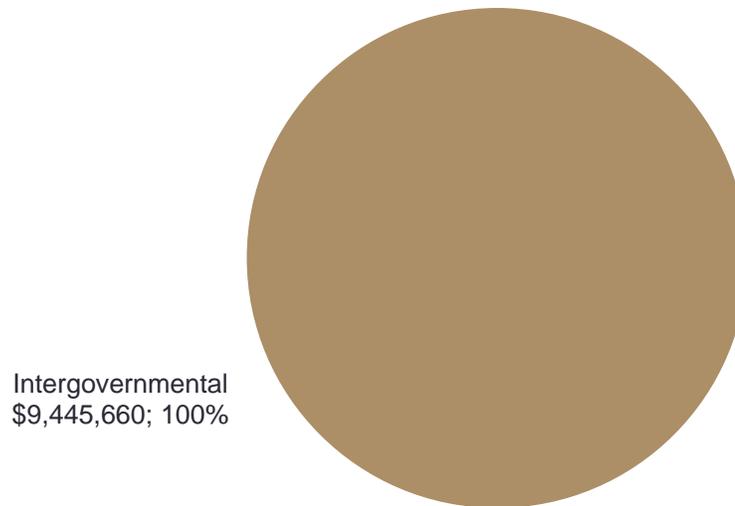


Child Support Services Summary

- ∂ Total Budget: \$9,445,660
- ∂ Operating: \$9,445,660
- ∂ Capital: \$ -0-
- ∂ FTE's: 78.6
- ∂ No General Fund Contribution
- ∂ No One-Time Use of Funds
- ∂ No Budget Expansion Requests
- ∂ Service Level Reductions: 2.2 FTE's

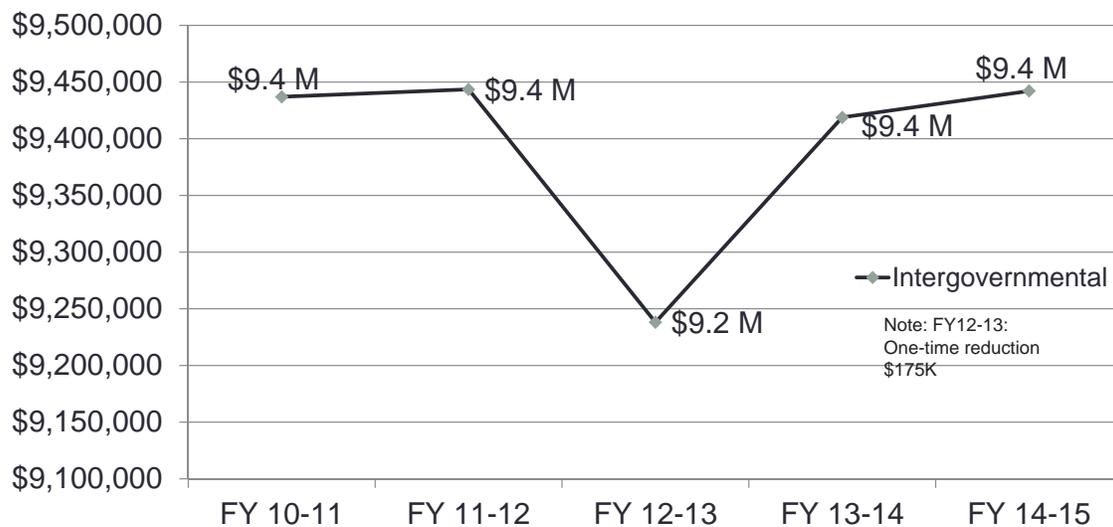
Child Support Services

FY 14-15 Source of Funds



Child Support Services

Revenues - 5 Year Summary



Child Support Services

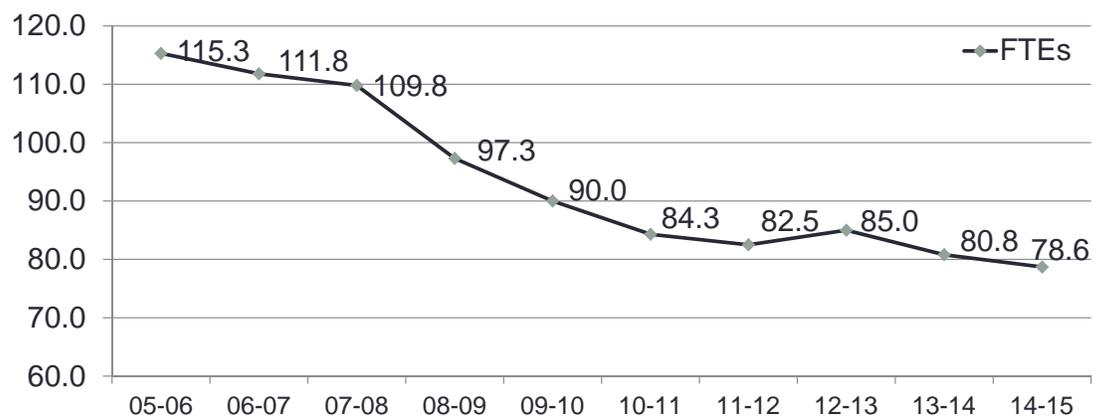
5 Year Summary Use of One-Time

NONE

Child Support Services

Staffing Summary

- ∂ 80.8 FTE FY 13-14 Adopted
- ∂ 78.6 FTE FY 14-15 Recommended



Child Support Services

FY 2013-14 Anticipated

Accomplishments

- Exceeded State goals in all five Federal Performance Measures
- Collected/distributed over \$28.3 million
- Returned \$4.7 million to Federal, State and Local Governments to reimburse expenditures for public assistance grants
- Embarked on Order of Examination Process (OEX) to discover non-custodial parent's assets and information to help cases process properly

Child Support Services

FY 2013-14 Anticipated

Accomplishments

- Participated in educational outreach to help clients who do not have medical insurance understand resources available to them through the Affordable Care Act
- Shared with other counties processes that enable Santa Barbara to conduct paperless court appearances
- Process Improvement Team solicited ideas from front-line staff, evaluated current business processes, and made improvements in how Department does business

Child Support Services

FY 2014-15 Objectives

- Continue to meet/exceed State goals for Federal Performance Measures despite staffing reductions
- Continue to identify and employ technology solutions to enhance workforce productivity
- Outreach to employers to improve communication and enhance speed of processing wage assignments, which are approximately \$19 million per year in child support collections
- Achieve cost savings/efficiencies in the management of process service

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FY 2015-16 Objectives

- Continue to meet/exceed State goals for Federal Performance Measures despite staffing reductions
- Continue to work with the Courts and Clerk-Recorder-Assessor to develop electronic file sharing protocols
- Assess options for alternate cash collection procedures

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Performance Measures

Description	FY 12-13 Actual	FY 13-14 Est Actual	FY14-15 Recommended
% cases with court-established orders	90.3%	93.1%	94.1%
% current court ordered payments collected and distributed	62.4%	65.2%	67.2%
% cases with arrears that have past due payments collected/distributed	66.5%	68.8%	70.8%
% paternity established for children born out-of-wedlock	102.3%	102.4%	100%
Dollars in distributed collections divided by dollars expended	\$2.98	\$3.06	\$3.00
Dollars collected/distributed for Child Support	\$28.1 M	\$28.3 M	\$29.5 M
Dollars collected/distributed to Federal, State and Local Governments as reimbursement for public assistance	\$4.9 M	\$4.7 M	\$4.9 M

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FY 14-15 Financial Changes & Related Service Level Reductions

Financial Changes Causing SLR:

Description	\$ Amount	Ongoing?
Flat funding from State/Federal Government coupled with increased salary and benefits costs	\$210,000	Yes

Service Level Reductions:

Program	FTEs	\$ Amount	Service Level Reduction
Case Management and Collections	1.8*	\$165,000	Increased ratio of casework per caseworker
Case Management and Collections	0.4*	\$ 45,000	Legal work in support of casework spread amongst fewer LOP's

*Reductions through attrition

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FT 14-15 Efficiency Changes

- Work with parents to agree on child support amounts and have stipulations signed, which saves time in court
- Conduct more in-house process service which saves time and money by not requiring paid process service
- Improve DNA testing processes
- Enhance use of technology to create efficiencies in the workplace

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Key Challenges and Emerging Issues

- What are primary challenges facing the department next year?
 - Maintain high level of performance with fewer staff as retirements occur and the inability to replace staff due to flat funding and increased costs
- What issues are on the horizon for the department?
 - Ongoing Information Security requirements from State, as well as local initiatives, to ensure privacy of data
 - Collaboration with Courts on how to improve processes between Courts and Child Support to help move cases forward and improve backlog of document processing resulting from Court's budget challenges
 - Use of technology to enhance productivity

Child Support Services Summary

- Flat revenue from the State coupled with increasing costs:
 - Increasingly challenging for Department to meet Federal and State performance goals
 - Department works to enhance productivity through technology and process improvement initiatives but this is not sustainable for the long term
 - Staffing levels have dramatically reduced over the past 10 years to stay within mandated budget allocations
- It's all about the KIDS! Child Support makes a difference.

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Budget & Full-Time Equivalents (FTEs) Summary

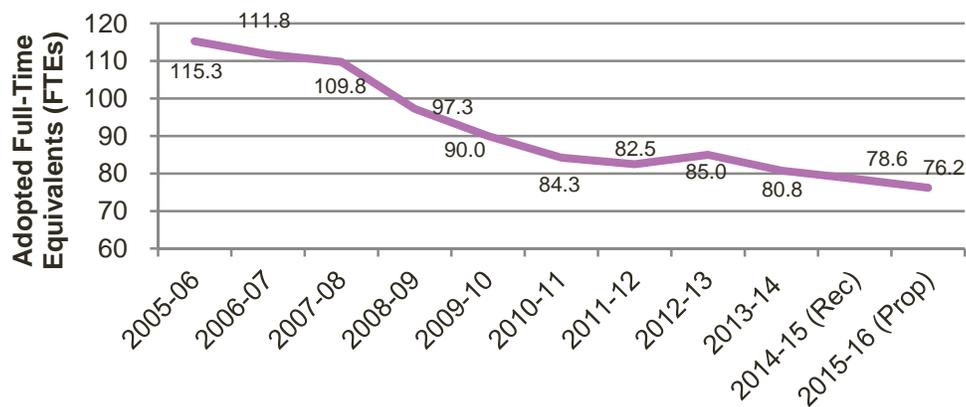
Operating	\$	9,445,660
Capital	\$	-
FTEs		78.6

Budget Programs Chart



Staffing Trend

The staffing trend values will differ from prior year budget books in order to show amounts without the impact of any vacancy factors.



Child Support Services

Mission Statement

To serve children and families by establishing parentage and enforcing support orders in a fair and equitable manner.

Department Description

The Child Support Services Department (CSS) is the local agency responsible for administering the Federal and State Title IV-D child support program. CSS provides County residents with services such as establishing paternity, establishing and enforcing financial and medical support orders, and facilitating the collection and disbursement of child and spousal support payments through the State Disbursement Unit. Federal and State law governs the Department with oversight by the California Department of Child Support Services.

2013-14 Anticipated Accomplishments

Case Management & Collections

Exceeded State goals in all five Federal Performance Measures which include: paternity establishment, order establishment, current support, collections on cases with arrears, and cost effectiveness ratio (amount of dollars expended compared with dollars distributed). Also, the overall statewide ranking was increased from 31 last year to 23 this year. This was achieved by instituting efficiency measures such as re-organizing workload processes and increasing staff utilization of technology. Technology utilization included use of the recently developed Case Management Tool (CMT) that interfaces with the statewide electronic Child Support Enforcement (CSE) system and helps caseworkers manage and prioritize their casework. Technology enhancements such as Fox-it, an electronic tool that eliminates the need for a typewriter to fill in computer generated forms, are becoming embedded in the work environment to help the department become more efficient.

Collected and distributed over \$28.3 million in the Federal Fiscal Year ending September 30, 2013, for child support. Of this amount, \$23.6 million (83.3%) went directly to families; \$12.8 million of these funds went to families who previously were, but no longer are, in receipt of public assistance. Collected and returned \$4.7 million (16.7% of dollars distributed) to the Federal, State and Local Governments to reimburse expenditures for public assistance grants.

Embarked on Order of Examination Process (OEX) to discover non-custodial parent assets and information to help cases process properly.

Participated in educational outreach to help clients who do not have medical insurance understand resources available to them through the Affordable Care Act.

Shared processes with other counties that enable Santa Barbara to conduct paperless court appearances.

A framework for evaluating current business processes was created utilizing a cross-functional process improvement team ("PIT). The team solicits input from front-line staff that includes ideas such as: improving front desk sign in, customer surveys, correspondence with clients, court processes, and caseworker task performance improvement.

Achieved a major milestone by becoming a "paperless" work environment. Since 2009 the Department has purged 18,820 closed files and scanned about 15,800 open and closed cases. In addition to aiding the environment, having files scanned and uploaded enhances the Department's productivity by having on-line access to cases.

Continued outreach activities to high schools and penitentiaries, as well as participating in annual Veterans Stand Down Day, and providing information on local Spanish speaking radio stations.

Child Support Services

2014-16 Objectives

Case Management & Collections

Continue to improve in Federal Performance Measures by exceeding goals set by the State. This will be accomplished by continuing ongoing efforts to analyze impediments to performance and prioritizing efforts on Federal Performance Measures where the greatest impact can be achieved; as well as assessing annual State goals while setting higher internal goals when feasible.

Continue to identify emerging trends in technology developments and work organization, and then assess how these changes can be employed to improve the organization's performance.

Outreach to employers to improve information and enhance speed of processing wage assignments, which account for about \$19 million (67%) of child support collections annually.

Achieve cost savings and efficiencies in the management of process service.

Continue to work with the Courts and Clerk-Recorder-Assessor to develop electronic file sharing protocols.

Assess options for alternate cash collection procedures.

Changes & Operational Impact:
2013-14 Adopted to
2014-15 Recommended

Staffing

- Decrease of 2.2 FTEs through retirements and conversion to part-time.
- Department is reducing staff and not filling vacancies due to increased salaries & benefits costs; primarily the result of recent labor agreements.

Expenditures

- Net operating expenditure increase of \$16,000:
 - Salaries and Employee Benefits - Increase of \$14,000 due to increased costs attributed to recent labor agreements (\$308,000), offset by a reduction of 2.2 FTE's and anticipated increased salary savings (\$135,000).
 - Services and Supplies – Decrease of \$37,000 due primarily to decreased volume of process service (\$27,000); decreased lease cost of Santa Maria branch office (\$28,000); offset by increased miscellaneous increases (\$18,000).
 - Other Charges – increase of \$39,000 due to increased Data Processing charges (\$24,000) and liability insurance (\$18,000).

These changes result in recommended operating expenditures and total expenditures of \$9,445,660.

Revenues

- Net operating revenue increase of \$16,000:
 - State and Federal revenues mirror claimed expenditures. Department's revenues cannot exceed expenditures and adjust based on projected expenditures.

These changes result in recommended operating revenues and total revenues of \$9,445,660.

Child Support Services

Changes & Operational Impact: 2014-15 Recommended to 2015-16 Proposed

Overall, costs are expected to increase by \$17,000. The Department does not receive general fund contribution. Therefore, any increased costs must be absorbed within the existing budget allocation from the State, which is expected to remain the same as FY 2014-15. The Department is projecting a reduction of 2.3 FTE's in FY 2015-16 due to known retirements.

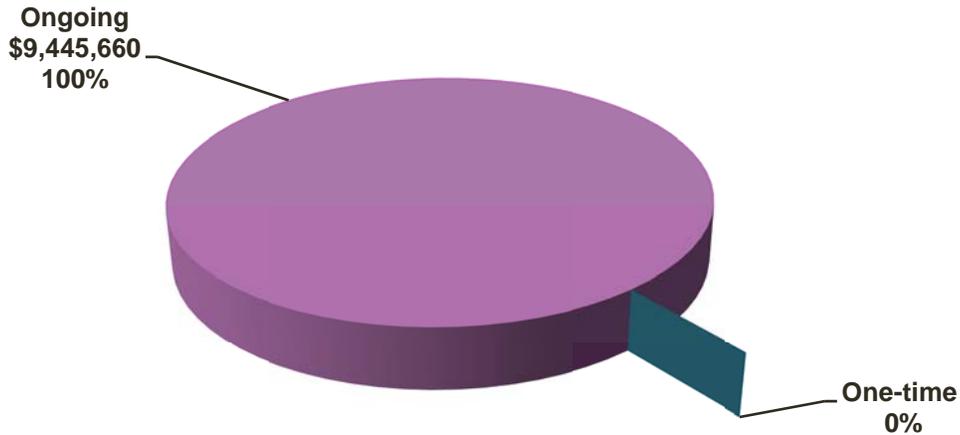
Related Links

For more information on the Child Support Services Department, refer to the Web site at <http://www.countyofsb.org/dcsc/index.asp>.

Child Support Services

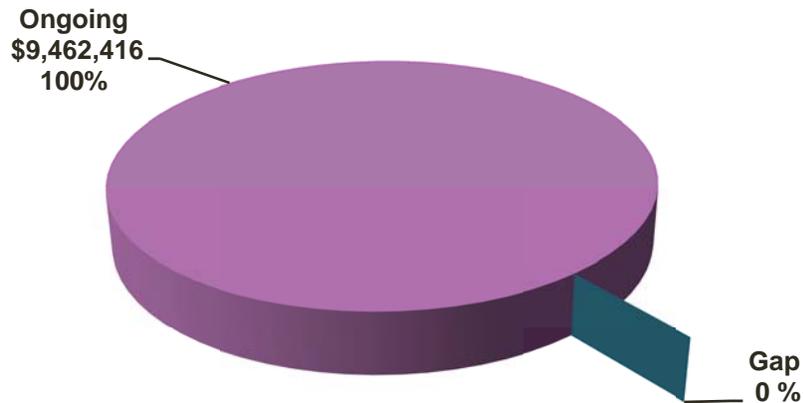
Gap Charts

FY 2014-15 Recommended Budget



The FY 2014-15 Recommended Budget is balanced and does not rely on any one-time sources to fund the Department's ongoing operations.

FY 2015-16 Proposed Budget



The FY 2015-16 Recommended Budget is balanced and does not rely on any one-time sources to fund the Department's ongoing operations.

Child Support Services

Performance Measures

<u>Description</u>	<u>FY 2011-12 Actual</u>	<u>FY 2012-13 Actual</u>	<u>FY 2013-14 YTD Actual</u>	<u>FY 2014-15 Recommended</u>	<u>FY 2015-16 Proposed</u>
Budget Program 1:					
Percent of child support cases with court-established orders.	88.9%	90.3%	93.1%	94.1%	95.1%
Percent of current court ordered child support payments collected and distributed.	59.4%	62.4%	65.2%	67.2%	68.7%
Percent of cases with arrears that have past-due payments collected and distributed.	63.8%	66.5%	68.8%	70.8%	71.8%
Percent of paternity establishment for children born out-of-wedlock. Note: Compares prior year open to current year resolved in caseload.	97.7%	102.3%	102.4%	100%	100%
Dollars in distributed collections divided by dollars expended	\$2.89	\$2.98	\$3.06	\$3.00	\$3.00
Child support payment dollars collected and distributed.	\$27,000,000	\$28,100,000	\$28,300,000	\$29,500,000	\$29,500,000
Dollars collected and distributed to Federal, State and Local Governments for reimbursement of public assistance expended.	\$4,700,000	\$4,900,000	\$4,700,000	\$4,900,000	\$4,900,000

Child Support Services

Budget Overview

	2012-13 Actual	2013-14 Adopted	Change from FY13-14 Ado to FY14-15 Rec	2014-15 Recommended	2015-16 Proposed
Staffing By Budget Program					
Case Management & Collections	80.82	80.75	(2.19)	78.56	76.25
Unallocated	0.35	-	-	-	-
Total	<u>81.17</u>	<u>80.75</u>	<u>(2.19)</u>	<u>78.56</u>	<u>76.25</u>
Budget By Budget Program					
Case Management & Collections	\$ 9,186,208	\$ 9,430,091	\$ 15,569	\$ 9,445,660	\$ 9,462,416
Unallocated	8,687	-	-	-	-
Total	<u>\$ 9,194,896</u>	<u>\$ 9,430,091</u>	<u>\$ 15,569</u>	<u>\$ 9,445,660</u>	<u>\$ 9,462,416</u>
Budget By Categories of Expenditures					
Salaries and Employee Benefits	\$ 7,723,672	\$ 7,942,890	\$ 13,930	\$ 7,956,820	\$ 7,953,058
Services and Supplies	1,175,561	1,200,827	(37,251)	1,163,576	1,176,360
Other Charges	295,662	286,374	38,890	325,264	332,998
Total Operating Expenditures	<u>9,194,896</u>	<u>9,430,091</u>	<u>15,569</u>	<u>9,445,660</u>	<u>9,462,416</u>
Capital Assets	21,491	-	-	-	-
Increases to Fund Balances	33	-	-	-	-
Fund Balance Impact (+)	-	33,594	(33,594)	-	-
Total	<u>\$ 9,216,420</u>	<u>\$ 9,463,685</u>	<u>\$ (18,025)</u>	<u>\$ 9,445,660</u>	<u>\$ 9,462,416</u>
Budget By Categories of Revenues					
Use of Money and Property	\$ (652)	\$ 4,000	\$ (500)	\$ 3,500	\$ 3,500
Intergovernmental Revenue	9,182,479	9,426,093	16,067	9,442,160	9,458,916
Miscellaneous Revenue	27	-	-	-	-
Total Operating Revenues	<u>9,181,854</u>	<u>9,430,093</u>	<u>15,567</u>	<u>9,445,660</u>	<u>9,462,416</u>
Other Financing Sources	-	-	-	-	-
Decreases to Fund Balances	33,607	33,592	(33,592)	-	-
Fund Balance Impact (-)	959	-	-	-	-
Total	<u>\$ 9,216,420</u>	<u>\$ 9,463,685</u>	<u>\$ (18,025)</u>	<u>\$ 9,445,660</u>	<u>\$ 9,462,416</u>

Child Support Services

Staffing Detail

Staffing Detail By Budget Program	2012-13 Actual	2013-14 Adopted	Change from FY13-14 Ado to FY14-15 Rec	2014-15 Recommended	2015-16 Proposed
Case Management & Collections					
CHILD SUPPORT ATTY SUPV	1.00	1.00	-	1.00	1.00
DIRECTOR	1.00	1.00	-	1.00	1.00
ASST DIRECTOR	1.00	1.00	-	1.00	1.00
BUSINESS MANAGER	1.00	1.00	-	1.00	1.00
CHILD SUPPORT ATTY	2.00	2.00	-	2.00	2.00
ADMIN OFFICE PRO	5.88	5.75	-	5.75	5.75
FINANCIAL OFFICE PRO	8.00	8.00	-	8.00	8.00
LEGAL OFFICE PRO	5.00	5.00	(0.42)	4.58	4.00
CHILD SUPPORT MANAGER	3.00	3.00	-	3.00	3.00
COMPUTER SYSTEMS SPEC	2.00	2.00	-	2.00	2.00
CHILD SUPPORT OFFICER SUPV	5.42	5.00	-	5.00	5.00
CHILD SUPPORT OFFICER SR	6.33	6.75	1.00	7.75	7.25
CHILD SUPPORT INVEST SPEC	2.00	2.00	-	2.00	2.00
CHILD SUPPORT OFFICER	36.91	37.00	(2.52)	34.48	33.25
EXTRA HELP	0.28	0.25	(0.25)	-	-
Case Management & Collections Total	80.82	80.75	(2.19)	78.56	76.25
Unallocated					
CHILD SUPPORT OFFICER SR	0.35	-	-	-	-
Unallocated Total	0.35	-	-	-	-
Department Total	81.17	80.75	(2.19)	78.56	76.25