

SHEBOYGAN COUNTY

James J. Graf

Child Support Enforcement Director

February 19, 2010

Sheboygan County Board of Supervisors
c/o Julie Glancy, County Clerk

Adam N. Payne
Administrator

Dear County Board of Supervisors
and Administrator, Adam N. Payne;

Attached for your review per Chapter 3 of the Sheboygan County Ordinance Book, is the 2009 Child Support Annual Report. This report will be available for the County Board Supervisors to review in the County Clerk's office.

I and my staff thank you for the cooperation and support you gave us during 2009 which helped us to meet three of the four State performance standards. The performance standards we met were: paternity establishment, court order establishment and arrears cases with collections.

We look forward to working with you during 2010 and beyond.

Sincerely,

James J. Graf
Child Support Enforcement Program
Director

Enclosure

CHILD SUPPORT 2009 ANNUAL REPORT

MISSION STATEMENT AND SUMMARY OF RESPONSIBILITIES

To ensure adequate financial and medical support for families through an aggressive approach in locating obligors, establishing and enforcing court-ordered child support and medical coverage and in the establishment of paternity and child support collection for non-marital children, so that all families can reduce their reliance on public assistance, and achieve financial independence.

The Sheboygan County Child Support Enforcement Agency is responsible for the operation of the county's IV-D Program known as Child Support Enforcement. In Wisconsin, the Bureau of Child Support (BCS) located in the State Department of Children and Families (DCF), Division of Family and Economic Security (DFEC) oversees the administration of the 72 county child support agencies. The Child Support Enforcement Program is authorized by Title IV, Part D of the Social Security Act, that is why it is referred to as the IV-D Program.

The Child Support Enforcement Agency is operated through the cooperative efforts of Federal, State and local government. In Sheboygan County, we have Cooperative Agreements with the following agencies or departments: Corporation Counsel, Sheriff's Department, Family Court Commissioner, and the District Attorney's Department.

The Child Support Enforcement Program is designed to:

1. Establish paternity on behalf of children whose parents were not married to each other at the time of the child's birth;
2. Establish court orders obligating parents to pay child support and provide health care for their children, including health insurance coverage;
3. Collect support payments including: (1) child support; (2) family support (combined support for both the children and the custodial person in a child support case; and (3) in cases where there is an order to make separate child support and spousal maintenance payments (alimony), to collect both child support and spousal maintenance;
4. Take administrative and legal actions necessary to enforce a support order when parents fail to pay the support they've been ordered to pay; and
5. Find parents who are not paying support, and locate their income and assets, when necessary to establish or enforce a child support order.

The Child Support Enforcement Program encourages parental responsibility and offers social, economic and medical benefits to families. The IV-D Program benefits not only the children and families who are directly affected, but the general public as well. Some tangible benefits include: financial security for children, children gain multiple advantages from paternity

establishment, reduced W-2 taxpayer costs, and reduced health care costs.

The Management and Staff of the Sheboygan County Child Support Enforcement Agency accept as their mission the responsibility to perform the above services for the citizens of Sheboygan County in an efficient, effective manner and within the budget approved by the Sheboygan County Board of Supervisors.

GOALS AND OBJECTIVES ACHIEVED IN 2009

During 2009, the Child Support Enforcement Agency and staff did meet the new incentive productivity requirements which resulted in our performance-based award for the contract year 2009 being \$153,113, an increase of \$1,171 over 2008. Also, we were eligible to receive \$132,110 of American Recovery and Reinvestment Act of 2009 (ARRA) funding. These funds reinstated the 66% Federal Financial Participation (FFP) on federal performance incentives through September 30, 2010. These funds were put into place to secure items not included in an agency's annual budget to help them meet performance standards.

Additional Administrative Enforcement tools automated through the lien docket during 2009 were as follows:

55 liens in limited enforcement	\$ 166,620
1754 liens in full enforcement	\$10,614,267
1508 cases eligible for Bank Account Seizure	
1508 cases eligible for Professional License Suspension	
2696 individuals eligible for Passport Denial	
147 active cases with lien bars	
65 Alternative Payment Plans in place	

2009 again saw an increase in collections over 2008. We obtained this increase by utilization of the KIDS (Kids Information Data System) system to closely monitor court orders to ensure timely payments of child support and arrears. Also, during 2009, we continued the early intervention program where one specialist contacts new payers to ensure that they start paying and continue to pay as per their court order. Increasing the number of IV-D cases which have collections is one way we increased incentives received by the County from the State. Also, we review cases quarterly to maintain case counts at or near 625 per specialist, in order to allow them more time to work on obtaining court orders and modifications. This also contributed to our collection increase.

In 2009, Sheboygan County Child Support obtained the following Federal Fiscal Year final performance targets:

	<u>State Target</u>	<u>Sheboygan Co. Rate</u>
Paternity Rate	90%	111.09%
Arrears Collections Rate	78.90%	80.06%
Court Order Rate	80%	92.73%
Current Support Collection Rate	76.40%	76.07%

Sheboygan County Child Support Enforcement Agency qualified in three categories to receive 100% performance based funding for those categories.

In addition to continuing to streamline the various procedures and processes during 2009,

we also accomplished the following goals which were listed in our 2008 Annual Report.

1. Continue to offer suggestions for staff to improve their performance standards and incentive productivity requirements and to learn how to standardize work processes.
2. Distribute new and updated information weekly and encourage feedback on agency issues.
3. Offer enhanced training by the State to encourage interest and participation by all staff, if available.
4. Comply with State policy as it relates to program changes and directives.
5. Enhance and develop the Administrative Process for usage in the Sheboygan County Child Support Agency
6. Continue to improve communication throughout the agency and with other departments.
7. Prepare for and adjust the proposed 2008-2010 budget reductions to ensure continued quality service to the residents of Sheboygan County.
8. Prepared the 2009 Child Support Budget within the parameters set forth by the Sheboygan County Board of Supervisors.

BUDGET

The budget status of the Child Support Enforcement Agency was exceptional during the past year, as well as being consistent with the guideline outlined by the Finance Committee.

Overall, during 2009 the Child Support Enforcement Agency's revenue was more than the budgeted amount by approximately \$120,700 and expenses were more than budgeted by approximately \$109,000. Both the increase in revenue and the increase in expenditures was due mostly to the American Recovery and Reinvestment Act (ARRA) funding, which we used in 2009 and will continue to use through September 30, 2010. The remaining increase in revenue was due to more collections of laboratory fees, health insurance, and restitution from prisoners.

The 2010 budget for Child Support was extremely difficult to put together, but we did comply with all the budget targets which were approved by the Finance Committee. Overall, the final results of our 2010 budget projection were as follows: Budgeted revenue is projected as being 2.27% above the 2009 budgeted revenue amount, total expense is projected to be 2.05% over the 2009 total expense, and Capital Outlay Expense is projected to be \$0 in 2010. Tax levy needed to support the Child Support Agency during 2010 is projected to be \$53,658 which is \$1,531 or 2.77% less than the 2009 adopted tax levy.

ISSUES, CONCERNS AND/OR CHALLENGES AHEAD

In the Child Support Enforcement Agency, there are concerns which could substantially affect how we will be able to perform our duties in the future. The concerns include the high stress and demand levels of all positions in the agency. Factors which contribute to the above levels include: 1) having competent staff to meet customer expectations; 2) keeping staff and management trained and informed of the constantly changing rules and regulations in child support enforcement; 3) maintaining staff productivity levels at levels equal to or above the State average. As in all other Departments, Child Support is also concerned about funding and how we can continue to do more and more with so many new mandates and less time and dollars to devote to them.

During the next 12 months we may be adding about 1,000 cases to our present caseload of 5,000 cases. This is due to the private cases or Non-IV-D cases being converted to regular child support cases or IV-D cases. It is necessary to convert these cases because the Federal Office of Child Support has said we will no longer receive 66% reimbursement for these cases. We may be setting up a fee schedule to cover the cost of working these cases. Also, another issue that concerns staff is the recommendations of the Baker/Tilly Operational Review of the Child Support Enforcement Program Study. I will be addressing these recommendations during the next 12 months.

GOALS AND OBJECTIVES FOR 2010

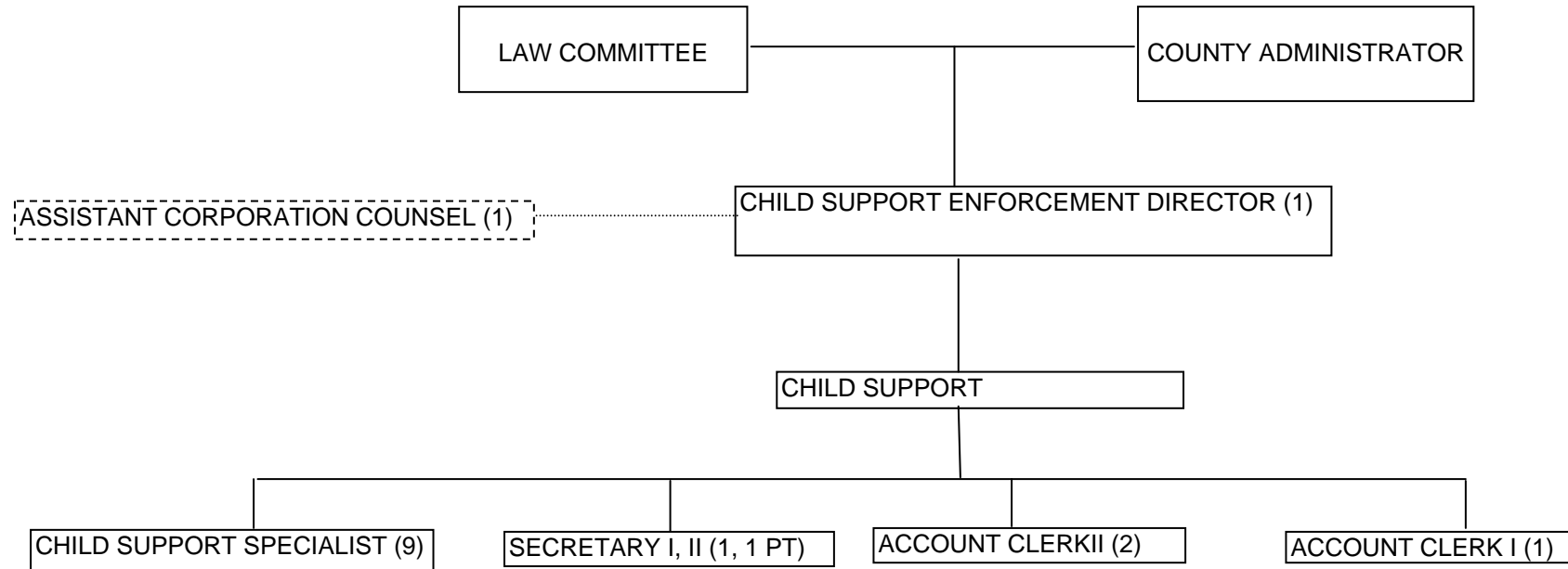
The next 12 months will be very busy and present a number of changes and challenges for the Child Support Enforcement Agency. Following is a listing of primary goals, objectives and issues which are planned to be addressed in 2010:

1. Continue to offer suggestions for staff to improve their performance standards and incentive productivity requirements and to learn how to standardize work processes.
2. Distribute new and updated information weekly and encourage feedback on agency issues.
3. Offer enhanced training by the State to encourage interest and participation by all staff, if available.
4. Comply with State policy as it relates to program changes and directives.
5. Enhance and develop the Administrative Process for usage in the Sheboygan County Child Support Agency
6. Continue to improve communication throughout the agency and with other departments.
7. Prepare for and adjust to the proposed 2011-2012 budget reductions to ensure continued quality service to the residents of Sheboygan County.
8. Prepare the 2011 Child Support Budget within the parameters set forth by the County Administrator and by the County Board of Supervisors.

Respectfully submitted,

James J. Graf
Director, Child Support Enforcement Program

**SHEBOYGAN COUNTY
CHILD SUPPORT ENFORCEMENT AGENCY**



----WORKS OUT OF THIS DEPARTMENT BUT ON THE T/O FOR CORPORATION COUNSEL