

# California Department of Child Support Services



## Program Performance and Statistical Report Annual Report

2001

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## EXECUTIVE SUMMARY

### Statutory Report Requirements

This report is submitted to meet the requirements of Family Code Sections 17600 and 17602 requiring the Department of Child Support Services (DCSS) to adopt and report on performance standards for local child support agencies. As required by statute, DCSS adopted 14 performance measures effective January 1, 2001, against which to evaluate statewide and local child support agency performance levels. In addition, also as required by statute, DCSS established data definitions and collected information in four local agency program administration areas. This report provides detailed State and local level information on the performance measures and program administration data elements, and represents the first annual program performance and statistical report submitted by DCSS.

### Organization of Report

The statutory construct for this report requires collection and presentation of extensive and detailed statewide and local child support agency level data. The report is organized into seven components. Part I states the statutory requirements and timeframes for this and subsequent annual and quarterly reports. Part II describes the child support program context within which simultaneous and interconnected activities are occurring to establish a performance measurement system and implement broader restructuring requirements. Part III reports on statewide and local agency performance on the five federally established measures, reported by all states to the federal government and providing the basis for national assessment and evaluation of the child support program. Part IV reports on the nine State performance measures delineated in State statute. Part V reports on various program administration and fiscal data elements related to program costs and staffing levels. Part VI reports on actions taken and planned to improve the performance of California's child support program as well as that of individual local child support agencies. And, finally, Part VII provides concluding statements. A brief description of the report contents follows.

### Child Support Program Context

The impetus for this report and its contents came from a lengthy history of child support program shortcomings that resulted in enactment of legislation in 1999 to fundamentally restructure California's child support program. During the first two years of operation under the new statutory construct, significant activities have been underway at the same time to fundamentally restructure the program and establish a performance-based measurement system.

Part II of the report provides the child support program context that led to establishing a performance-based system for California's child support program as well as requiring significant and fundamental program restructuring. While recounting major program shortcomings, the findings most relevant within the context of this report were those relating to the lack of meaningful oversight and statewide management of the program, particularly, the failure to effectively monitor county performance and assist poorly

performing counties to improve; ensure accuracy of data; and complete any analysis of program data to identify counties needing assistance or to give context to the State's performance. Moreover, effective management of the child support program was found greatly compromised by failure of the State to provide information to counties based on common denominators that would facilitate comparison of program performance and allow local officials to monitor their performance and make timely improvements.

It was with these shortcomings in mind that the child support reform legislation included as a major tenet the establishment and operation of a performance-based system to permit effective oversight and management of the child support program. The reform legislation requires DCSS to develop performance measures for local child support agencies, identify local agencies that are out of compliance with those measures, and work with those agencies to correct deficiencies and improve program performance.

In addition, the reform legislation initiated broader-based child support program restructuring believed necessary to remedy fundamental program design, operational, and performance issues. The broader program restructuring efforts were found necessary to achieve statewide program uniformity and consistency in the delivery of effective child support services. In fact, the broader program restructuring efforts were considered foundational to ultimately achieving an effective performance-based child support program. Thus, child support program restructuring is inextricably linked and must be in place and fully operational to achieve optimal benefits under a performance-based system.

Since January 2000, DCSS, in collaboration with local child support agencies and program stakeholders, has made significant progress in simultaneously implementing major child support program restructuring and establishing a performance-based measurement system. On the restructuring front, local program transitions from the offices of district attorneys to new local child support agencies have occurred ahead of schedule; local agency conversion to approved interim automation systems has been completed; data reliability protocols have been instituted; local agency funding allocation methods have been developed; major new customer service programs have been designed and implemented; statewide uniformity and consistency has been enhanced through significant new policy development and regulatory work; and progress in establishing a single statewide automation system is well underway.

Similarly, significant progress has been made in establishing a performance-based measurement system. State performance measures are in place, capturing federal and State performance requirements; related data reliability and reporting requirements are established; a major overhaul of the approach to program oversight and monitoring is in process through the Quality Assurance and Program Improvement (QAPI) initiative; and detailed analysis of federal and State performance measures, their inter-relationship, and outcomes is underway to identify actions leading to program improvement.

Part II of the report concludes that California's child support program has achieved a great deal during the initial two years of program restructuring; however, the program is

still in the very early stages of establishing a performance-based system and implementing broader program restructuring. As a result, the child support program is operating in a significantly changing environment, and will not begin to stabilize until the last local agencies transition and additional major policy development work are complete. Therefore, this first annual report represents an initial baseline evaluation of the program against the newly established performance measures. County comparisons at this point in time are questionable because of the wide divergence in prior local practices and the phased in approach to reform required by statute. Comparisons will be more reliable in the future as local programs become more uniform. Nevertheless, it is clear that establishing performance measures is an important first step; however, the work is just beginning to improve performance on the measures.

### **Performance on Federal Measures**

Part III of the report describes the recently enacted federal performance measurement and incentive funding system used to evaluate the performance of states in operating the child support program nationwide. The federal performance incentive and penalty system was enacted in 1998, with implementation phased in beginning in Federal Fiscal Year (FFY) 2000. The federal performance system consists of five measures: (1) paternity establishment; (2) child support order establishment; (3) current collections; (4) arrears collections (past-due support); (5) and cost-effectiveness. In addition, the federal incentive and penalty system sets immediate and high standards for data reliability, an area that has plagued California's child support program and that of other states. As required by State statute, DCSS adopted the five federal measures as part of the State performance measures effective January 1, 2001.

The report describes in detail California's performance on each of the five federal measures. California met the performance thresholds or minimum performance standards for all five federal performance measures during FFY 2001. Moreover, California performed near or above the FFY 2000 performance levels of the next eight largest caseload states as well as the national average on three out of the five measures—paternity establishment, cases with support orders, and cases with collections on arrears. California's performance on collections of current support and cost-effectiveness was well below nationwide average performance levels for these measures. However, performance on all five measures improved or, in the case of the cost-effectiveness measure, remained consistent with historical trends. California's overall performance level is notable given the tremendous restructuring and change experienced by the child support program during the last two years, and the expectations of many that this would result in an initial decrease in performance.

The report also identifies the performance level of each local child support agency, which continues to reflect the wide local divergence that led to the agreement to completely restructure the child support program in 1999. It is too early in the restructuring effort to expect full remedy of the long-standing and fundamental issues that make it difficult for local agencies to quickly and significantly improve individual performance. The same differences make accurate performance comparisons between



individual local agencies difficult. Nevertheless, it is clear that local child support agencies are now focused on the performance measures and working collaboratively with DCSS in determining how to improve performance.

Further, the effort to improve statewide and individual local agency performance has begun to reveal not only the inter-relationships between the measures but also the impact of existing case management policies and practices. There is a growing body of research showing that high performance on some measures may in fact lead to difficulty in achieving good outcomes on other measures. For example, this seems to be the case with the high rate of order establishment that may in fact be leading to inaccurate orders and thereby resulting in lower rates of collection of current support and higher arrears. There are implications for how orders are established, how current staffing resources are deployed, and the tasks and activities that have a direct link to improved performance on the measures. Moreover, and perhaps most importantly, for the first time data are available and being considered in a manner to permit informed business decisions and attention to statewide and local performance improvement.

### **Performance on State Measures**

Part IV of the report describes the nine additional measures that, together with the five federal performance measures, comprise the State performance measures adopted by DCSS effective January 1, 2001. While the federal performance measures are new with implementation beginning in FFY 2000, the State measures are even newer becoming effective in the middle of the 2000-01 State Fiscal Year (SFY) reporting period. The nine measures include: (1) cases with current support orders; (2) cases with current support collections; (3) average amount collected per case with collections; (4) cases with arrears due; (5) cases with arrears collections; (6) alleged fathers or obligors served with a Summons and Complaint to establish paternity and/or a support order; (7) annual paternity establishment rate; (8) annual support order establishment rate; and (9) total support collected per \$1.00 of expenditures. The State performance measures are reflective of and are intended to compliment the five federal program performance areas, as reported on a SFY versus a FFY basis.

Unlike the federal performance measures, DCSS has not yet established minimum performance standards or thresholds for the non-federal measures. In fact, given the newness of the measures, it is necessary to track performance to gather baseline information to be used in determining the effectiveness and efficiency of these measures. The report also notes that because significant federal incentive funding is linked to the federal measures only, the primary focus of initial State and local agency attention has been on impacting the five federal measures.

Pending the gathering of baseline data on the nine State measures, it is difficult to assess overall statewide performance. Further, because the nine State performance measures are California specific, establishing a frame of reference, by comparison to other states or national data, is not readily available. DCSS intends to seek to establish future performance reference points. There are, nevertheless, some general themes that seem to emerge, including: (1) despite exceptionally high performance on the



federal paternity establishment percentage measure, over 25 percent of IV-D cases still require paternity establishment; (2) the measures providing various views of support order establishment seems to support the importance of setting timely and accurate orders by showing a relatively low level of cases with orders for current support and a growing number of cases with orders for arrears; and (3) while the average amount collected per case with collections increased significantly, only slightly more than 50 percent of cases with either current support or arrears due actually received a payment.

As with the federal measures, performance of local agencies on the nine State measures reflects a great deal of variation, both within individual agencies and between agencies. Similarly, there is no individual or group of local agencies that perform equally well on all State measures. Further, there is no pattern of performance that would indicate that small caseload or large caseload local agencies are significantly advantaged or disadvantaged in performance achievement on individual measures or on all measures taken together. Instead, it is clear that performance on the State measures also reflects to a large degree past practices and funding histories.

Establishing the State measures is only the initial step in beginning to set performance expectations and monitor outcomes. Further consideration and refinement of the State measures will occur as part of the QAPI initiative which is currently underway. Again, because this is an initial step in implementation of a performance-based results oriented approach to California's child support program, caution is urged in using these data for statewide or local agency comparisons.

### **Report on Program Administration Data**

Part V of the report presents program administration and fiscal data in several statutorily required areas. The program administration and fiscal data requested are not established or presented as performance measures. Instead, the information is requested in recognition of the importance of appropriate resource allocation to support local agency and overall statewide child support program performance. Also, the detailed data reflect areas of particular concern at the time of enacting child support reform legislation. The statutory construct in the program administration and funding area clearly suggests the allocation of resources in a fair and equitable manner, taking into consideration caseworker to case and attorney to caseworker staffing ratios as well as other workload based measurements.

The program administration data presented in the report are derived from the DCSS budget planning and allocation system put in place beginning in SFY 2001-02. In 2000, soon after becoming a new department, DCSS developed the conceptual framework and implemented a budgeting method to fairly and equitably allocate resources to local child support agencies to meet expected performance standards. The allocation method uses uniform definitions and budget categories to capture local child support agency expenses, including core staffing, administrative support, targeted programs, operating expenses, direct services contracts, indirect expenses, automation, and agency-specific expenses. This is the first time that this information and level of detail has been collected.

Since the statute seeks data only, and not performance measures, statewide and local agency comparisons and analysis is difficult. In fact, the widely divergent allocation of resources between local agencies gives strong evidence of historical funding structures and differing program administration policy and practices. Achieving the desired fair and equitable caseload based allocation outcome will necessarily be incremental. Long-standing and fundamental resource allocation and practice differences between local agencies will take some time to remedy.

### **Performance Improvement Actions**

Part VI of the report describes a number of child support program performance improvement actions that have been taken or are underway. DCSS is committed to operating a first-rate child support program that promotes child well being and family self-sufficiency. To help achieve that goal, DCSS is required to identify local child support agencies that are out of compliance with the established performance measures and, jointly with those local programs, develop performance improvement plans. This was done for the six local agencies that failed to meet the federal minimum standard on the current support collection measure. However, overall and on-going program improvement requires a broader-based approach.

DCSS is seeking fundamental changes in the approach to child support program performance through the QAPI initiative. While existing program compliance and oversight processes contain valuable components, they were developed prior to the new federal and State performance measurement and incentive systems. The new child support program construct requires a broader-based approach, structure, and performance indicators, tasks, and activities necessary to guide the efforts of State and local staffs. The QAPI effort will provide the umbrella structure through which to focus child support program management and performance improvement efforts.

Pending design and implementation of the QAPI structure, DCSS in partnership with local child support agencies, have begun to implement a number of targeted program performance improvement efforts. These include, but are not limited to, a focused effort to improve current support collection in FFY 2002, strategic program planning to set upcoming performance goals, a "big five" local agency initiative, and special performance and "best practices" reviews. In addition, the use of research and data analysis to inform business decisions is also leading to new directions and approaches to improve child support program performance.

### **Conclusion**

Part VII of the report concludes by suggesting that California's child support program has made significant gains in positioning itself to greatly improve performance over the next few years. This has occurred simultaneously with the accomplishment of significant and fundamental program restructuring efforts. Despite these significant broader-based program reform efforts, California's overall performance as measured by the five federal performance measures, has improved or remained consistent with prior trends.

Moreover, as part of the effort to improve statewide and individual local agency performance it is becoming increasingly clear that better performance depends on a number of factors, including management, resources (budgets and staffing), automation, and case management strategies. DCSS must ensure that each local agency is fairly, equitably, and appropriately positioned to succeed. Once this has been achieved, a true evaluation of the program and accurate county comparisons can be completed.

## I. STATUTORY REPORT REQUIREMENTS

This report is submitted to meet the requirements of Family Code (FC) Sections 17600 and 17602 requiring the Department of Child Support Services (DCSS) to adopt and report on performance standards for local child support agencies. The requirements for performance standards are found in FC Section 17602(a) and require DCSS to adopt performance standards effective January 1, 2001.

In addition, FC Section 17602(e) requires DCSS to submit quarterly reports to the Legislature, Governor, and public on progress of all local child support agencies in each performance measure, including identification of local agencies that are out of compliance, the performance measures that they have failed to satisfy, and the performance improvement plan that is being implemented for each. FC Section 17600 sets forth the performance-based data and related criteria used to determine a local child support agency's performance measures for the quarter. The first quarterly report is due March 31, 2002 for the October—December 2001 quarter, and subsequent quarterly reports are due no later than three months after the end of each quarter.

Finally, FC Section 17600 (b)(1) requires annual fiscal year performance reports, with FC Section 17600(g) requiring DCSS to provide the information for all local child support agencies for SFY 2000-01 to the Legislature by December 31, 2001. The information also is to be made available to each member of a county board of supervisors, county executive officer, and local child support agency director. Subsequent annual reports are due by March 31<sup>st</sup>, no later than nine months after the end of the fiscal year.

DCSS notified the Legislature through letters dated January 7, 2002 and March 20, 2002 that the first annual report due December 31, 2001 would be delayed until May 1, 2002. The delay was necessary due to the timing of receipt of necessary local agency data, and to permit DCSS to compile and analyze the data. It is expected that subsequent annual reports will be available by the March 31<sup>st</sup> statutory due date. This first annual performance report is submitted to meet the first annual report requirement.

## II. CHILD SUPPORT PROGRAM CONTEXT

### A. Background

In 1999, after years of increasing scrutiny and criticism from the Legislature, child support advocates, oversight agencies, and families, the Legislature passed and Governor Davis signed legislation that set in motion a major restructuring of California's child support program.<sup>1</sup> All of these groups and individuals had charged that the program as structured did not effectively collect support for California's children. In particular, a program operated independently by 58 county district attorneys, without strong State leadership, was found not to be serving parents or children in a fair, uniform, or consistent manner. Further, the effectiveness of the program in terms of the amount collected in support of children was deemed to be unacceptable. Fundamental program design, operational, and performance issues were found at the root of these criticisms. In response, California's child support reform legislation provided the vision, direction, and structure to completely overhaul the way the program operates.

The goal of the legislation was to create a new model for delivery of child support services and collection activities, one in which high quality services are administered uniformly and equitably throughout the State. The reform legislation created the Department of Child Support Services with strong state leadership authority and responsibility for the statewide child support program, and moved responsibility for the program at the local level from the offices of district attorneys to new local child support agencies. It also required improved customer service through a uniform complaint resolution and State hearing process. The legislation also established a partnership between DCSS and the Franchise Tax Board (FTB) to procure, develop, implement, and maintain a single statewide automated system.

A Bureau of State Audits (BSA) study<sup>2</sup> conducted at the request of the Legislature's Joint Legislative Audit Committee provided input to the reform legislation, and also is helpful in understanding the background leading to the requirement for this report. The BSA evaluated the effectiveness of the child support program and identified impediments to its success. A central theme of the BSA findings was a state leadership void that permitted use of broad discretion in local program operations resulting in uneven and often ineffective service. But the findings most relevant within the context of this report were those relating to the lack of meaningful oversight and statewide management of the program. These findings included the failure to:

- Effectively monitor county performance and assist poorly performing counties to implement program improvements;

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<sup>1</sup> AB 196 (Kuehl) Chapter 478, Statutes of 1999; AB 150 (Aroner) Chapter 479, Statutes of 1999; SB 542 (Burton/Schiff) Chapter 480, Statutes of 1999; AB 1111 (Aroner) Chapter 147, Statutes of 1999; and AB 472 (Aroner) Chapter 803, Statutes of 1999.

<sup>2</sup> California State Auditor, *Child Support Enforcement Program: Without Strong Leadership, California's Child Support Program will Continue to Struggle* (August 1999).

- Ensure the accuracy of data received from counties, submitted to the federal government, and made available to the public; and
- Complete any analysis of program data to identify counties that need assistance or to give context to the State's performance.

The BSA study found that the State failed to monitor effectively county performance and use performance data as the basis upon which to base corrective action and performance improvements.

It is with these findings in mind that the child support reform legislation included as a major tenet, the establishment and operation of a performance-based system to permit effective oversight and management of the child support program. FC Section 17600(a)(3) finds and declares:

The state does not provide information to counties on child support enforcement programs, based on common denominators that would facilitate comparison of program performance. Providing this information would allow county officials to monitor program performance and to make appropriate modifications to improve program efficiency. This information is required for effective management of the child support program.

The reform legislation requires DCSS to develop performance measures for local child support agencies, identify local agencies that are out of compliance with those measures, and work with those agencies to correct deficiencies and improve program performance.<sup>3</sup>

## **B. Status of Performance Measurement System**

DCSS, in collaboration with local child support agencies and child support program stakeholders, has made significant progress in moving to a performance-based system for California's child support program. The child support reform legislation was effective January 2000 and since that time, putting the structure and components of a performance-based system in place has been a high priority for DCSS and local child support agencies. Progress has been made at the same time that other major program restructuring efforts have been underway. In fact, the broader program restructuring is foundational to establishing an effective performance-based child support program as envisioned in the reform legislation. The remainder of this section highlights the structure and components of the performance measurement system, while the subsequent section provides the broader context of the child support program restructuring effort.

### **1. State Performance Measures Established**

As required by FC Section 17602(a), DCSS adopted State performance standards effective January 1, 2001, after considerable discussion and input from child support program stakeholders. In early 2000, DCSS established the Performance Measures

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<sup>3</sup> Family Code Section 17602.



Workgroup as part of the Policies, Procedures & Practices Project, to assist in development of the State's performance measures. The Policies, Procedures & Practices Project, known as the P3 Project, brought together over 135 participants representing child support program stakeholders to make recommendations on key aspects of the child support program. The Performance Measures Workgroup recommended that DCSS initially adopt as performance measures those measures already required by federal and State law, and later adopt additional measures, particularly in the areas of health insurance and customer service.

Effective January 1, 2001, DCSS adopted the five mandated federal measures and the nine mandated State measures as the State's initial child support performance measures.<sup>4</sup> The five federal measures, developed by the federal Office of Child Support Enforcement (OCSE) and enacted in 1998 as the federal Child Support Performance and Incentive Act, increase federal oversight of, and performance expectations for, the child support program. The federal government measures the performance of all states on measures related to: (1) paternity establishment; (2) child support order establishment; (3) collection of current support; (4) collection of arrears (past-due child support); and (5) cost-effectiveness (collections compared to the cost of the program).<sup>5</sup> There is a threshold level of performance, or minimum standard, required for each performance measure. In addition, there are requirements related to the reliability of data as determined through annual federal data reliability audits.

In addition to the five federal measures, DCSS adopted the nine State measures mandated by Family Code Section 17602(a), which provide greater detail in the same general areas as the federal measures. The State performance measures include: (1) cases with current support orders; (2) cases with current support collections; (3) average amount collected per case with collections; (4) cases with arrears due; (5) cases with arrears collection; (6) alleged fathers or obligors served with a Summons and Complaint to establish paternity and/or a support order; (7) annual paternity establishment rate; (8) annual support order establishment rate; and (9) total support collected per \$1.00 of expenditures.

Also as required by statute, all 14 State performance measures were subsequently adopted as emergency regulations effective September 6, 2001 as Title 22, Chapter 11 of the California Code of Regulations. As provided for by FC Section 17602(a) and recommended by the P3 Project Performance Measures Workgroup, DCSS also adopted two additional State performance measures as part of the emergency regulations. The two additional performance measures address cases with medical support orders and medical support provided. However, these two measures were adopted after the reporting period covered by this annual report and, therefore, are not included in this report but will be included in subsequent reports.

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<sup>4</sup> DCSS CSS Letter No. 00-10 (December 21, 2000).

<sup>5</sup> 45 CFR Section 305 et seq.



## **2. Data Reliability and Reporting Enhanced**

A performance-based system can be effective only if the right measures are used and the measurement data collected are uniform, consistent, and accurate. Unfortunately, California's child support program has a long history of significant data reliability and reporting problems, as documented in the August 1999 Bureau of State Audits Report. In fact, the data reliability problems were a major contributor to the call for child support reform legislation in 1999. However, data reliability problems occurring in a very large case processing time and data driven program, that previously operated using more than 30 different local automated systems, do not lend themselves to simple or quick fixes. Nevertheless, DCSS, in cooperation with local child support agencies, has made significant progress to ensure uniform, consistent, and accurate data beginning with the mandated reporting data elements.

DCSS initiated a process to review and retool the key federal and State reporting forms to ensure consistent data elements, data definitions, and accurate data mapping and reporting. The Requirements Analysis Workgroup (RAW) was formed to ensure that local child support agency data submissions meet definitional and reliability criteria. The workgroup, consisting of key personnel from DCSS and local child support agencies responsible for data collection, are tasked to develop common data definitions to be implemented consistently across all local child support agencies and all six interim automated systems. In the past, the State did not issue data definitions and directives, leaving the many local automated systems to adopt differing interpretations. To date, work has been completed on the federal and State data elements used for performance measurement reporting.

In addition, data used to monitor and report on the performance measures have been converted to electronic data entry with submission from all local child support agencies beginning October 1, 2001. The old method of local agency reporting through paper submission and manual data entry and compilation contributed to the significant data reliability problems experienced by the child support program. The automation of data collection significantly increases data reliability using various systems edits and checks on data consistency.

Although it is obvious that performance measures must be accurate to be truly meaningful, data reliability is also a significant additional criterion upon which federal incentive funding is based. For purposes of receiving federal incentives and avoiding federal penalties, the required federal performance data must meet a 95 percent reliability standard beginning in Federal Fiscal Year (FFY) 2001. Pursuant to federal and State directives, local child support agencies submit required data, including that used to evaluate performance, to DCSS both quarterly and annually. DCSS, in turn, submits the data on the five federal performance measures to the federal government annually. Federal performance data must meet the accuracy standard to receive federal incentive funding that in the current SFY is budgeted at \$44 million, and is matched from the federal government by an additional \$85 million, for a total federal incentive funding stream of \$129 million.

Work is in progress now on additional federal and State data reports that provide mandated and/or key information in other areas. These necessary interim automated system changes were reflected in approved current year Electronic Data Processing (EDP) enhancement efforts, with additional changes to be addressed as appropriate in SFY 2002-03. DCSS and local child support agencies will continue the effort to improve data reliability and reporting to the extent changes to current interim systems are deemed necessary and cost-effective in the period prior to implementation of the single statewide automated system.

### **3. Program Oversight and Monitoring Changing**

The child support program oversight and monitoring approach requires significant retooling to permit the use of performance-based data to ensure that desired program results are achieved. The existing child support program oversight structure was developed prior to implementation of either the new federal or State performance-based and incentive funding systems. The current federal oversight structure is based on State self-assessment of compliance with case processing requirements and timeframes. While meeting these requirements and timeframes will remain important, there currently is no direct link to the five mandated federal performance measures and how to be successful in achieving these measures. The same can be said of the State level performance measures. Thus, California is breaking new ground in developing its approach to child support program oversight and monitoring.

DCSS has initiated in collaboration with local child support agencies a quality assurance and program improvement effort to define a statewide structure and data indicators that contribute to good results on the selected performance measures. The effort is titled the Quality Assurance and Program Improvement (QAPI) initiative and was begun by DCSS in early 2001. A workgroup of DCSS and local child support agency staff is studying, and will make recommendations relative to, the approach and structure of a quality assurance system. This will include extensive analysis of the federal and State measures to identify common data indicators and related necessary tasks and activities that contribute to success in achieving high levels of performance. This level of detail is critically important to ensure that local agencies and staff know how to impact performance and achieve desired results.

Considerable work on the QAPI initiative has been completed to date. DCSS solicited the assistance of a contractor to gather information and best practices from other states and in-state local child support agencies, as well as quality assurance and accreditation models used in other public and private service delivery areas. Further, the contractor is assisting the QAPI Workgroup in analyzing the federal performance measures to determine the interplay of the measures, e.g., how performance on one measure impacts the outcome on others, and the impact of various performance levels on State earned federal incentive funding. The QAPI Workgroup is considering all of this information in designing a statewide quality assurance structure that will be implemented locally, to ensure uniformity and consistency of approach in focusing on the same performance measures, indicators, and tasks and activities to achieve State established and agreed upon performance goals.

DCSS targeted funding in the current 2001-02 SFY allocation to local child support agencies to establish and/or enhance current capacity to support the quality assurance program. Initially local child support agencies were given general parameters and guidelines in establishing capacity for operating a local quality assurance program. As a result, local agencies have been building capacity for almost one year to establish a fully integrated quality assurance function as part of their daily operations. As additional requirements and guidance result from the QAPI effort, DCSS will issue further instructions to local agencies to fine-tune their current quality assurance operations within the overall statewide quality assurance program. While all new initiatives of this type take time to implement, the early focus on quality assurance has resulted in shifting local attention to the performance measures and efforts to improve performance.

The quality assurance and program improvement effort will become an integral part of California's child support program. DCSS anticipates implementation of the statewide QAPI structure and initial indicators of performance by July 1, 2002. It is expected that the measures and indicators will continue to evolve as the program becomes more sophisticated in determining the cause and effect relationship between actions and the performance measures. DCSS and local agencies are excited by the opportunity to shift to a performance-based approach.

#### **4. Performance Measure Fine-Tuning**

The federal and State performance measures will continue to evolve and will require fine-tuning as more operating experience is gained. The federal performance measures were only recently implemented and are likely to remain unchanged for some time. It is more likely, however, that additional measures will be added. An additional federal measure related to medical support has received recent attention and may become a sixth federal measure. The State measures, on the other hand, are even newer and operating experience is minimal. While DCSS and local child support agencies are collecting information on the State performance measures, it is not certain that these are the right measures or that they support and/or compliment the federal measures. DCSS will use the QAPI effort to assess the current State performance measures and determine the need for modification over the next two years.

In sum, establishment of a performance-based system for California's child support program is well underway, with statutory requirements met and significant quality assurance design work in progress. The efforts to date are already serving to focus attention on performance results. The Quality Assurance and Program Improvement effort will become the umbrella structure through which performance is assessed on an ongoing routine basis, and actions immediately taken to address performance weaknesses. An optimally functioning quality assurance effort will, however, take time to evolve and mature. DCSS has assumed a strong State leadership role and, in collaboration with local child support agencies, is moving the child support program to a statewide performance-based system.

### **C. Status of Collections**

Child support collections have been increasing steadily, with collections topping the two billion dollar mark for the first time ever in State Fiscal Year (SFY) 2000-01. Since the 1997-98 SFY, when \$1.39 billion was collected, child support collections have increased by 45 percent to a record \$2.02 billion in SFY 2000-01. This has occurred despite the expectation of many that collections likely would decline given the turmoil leading to the child support reform legislation in 1999 and the complete restructuring of the child support program undertaken by DCSS and the local programs since 2000. This substantial increase in collections means more support to families in California.

### **D. Status of Program Restructuring**

At the time of the 1999 reform legislation, California's child support program was found to be suffering from a number of problems, including fundamental program design, operational and performance issues, as well as disruption caused by the failed statewide automation attempt and the daunting task of starting again. The reform legislation provided a construct that completely restructured the entire child support program and required simultaneous execution of many significant and complex tasks. While rapid progress has been made in establishing a new performance-based approach to program operations, this has occurred at the same time that these other significant program restructuring tasks and activities have been underway.

Moreover, to a great extent, the broader child support program restructuring effort is foundational to and must be in place and fully operational to achieve optimal benefit from the envisioned performance-based system. In the past, the lack of State leadership and the fundamental construct of the program resulted in widely divergent local child support programs, with different approaches, support, and resource commitments. Establishing performance measures is only a first step. Program restructuring is necessary to achieve greater uniformity and consistency of approach, and to ensure that each local agency is fairly, equitably, and appropriately positioned to succeed in achieving the performance goals.

Therefore, it is useful to recount the more significant broader structural child support program changes that have been occurring during the first two years of operation, program changes that will continue to evolve and mature in subsequent years. Each of these broader restructuring efforts directly impacts the individual performance of, and the ability to make comparisons between, local child support agencies. It is extremely important to recognize the extent and significance of changes experienced within the child support program, as the context within which to consider statewide and local agency level performance. Further, as will be noted in Parts III and IV in reporting on performance on the federal and State measures, despite these changes performance was stable or slightly improved.

#### **1. Local Program Transitions**

All local programs are required to transition from the offices of district attorneys to new local child support agencies by January 1, 2003. A total of 27 counties representing over two-thirds of the statewide caseload had transitioned by the end of 2001, 12 of

these occurred during SFY 2000-01. The remaining 31 counties are scheduled to transition by mid-2002. This means that during the first two years of operation, significant DCSS and local attention has been required to plan, prepare, and execute transitions that have occurred without disruption of program services.

The transition process also revealed potential opportunities for regionalization of child support program operations to achieve additional economies and efficiencies. As will be noted for the cost-effectiveness measure, local agencies with smaller caseloads of 5000 cases or less generally have difficulty in achieving higher cost-effectiveness results. Therefore, DCSS initially identified small caseload counties that might benefit from such partnering. To date seven counties are moving forward to form three regional child support programs, providing greater staff access to resources that would not have been otherwise available and opportunities for improved service to customers. Four additional counties are actively planning for regionalization.

Completion of the required transitions to new local child support agencies is a key component of the envisioned program restructuring. Local programs will not be able to fully realize the benefits of program restructuring until transitioned.

## **2. Conversions to Approved Interim Automation Systems**

As an outcome of California's 1997 failed statewide automation attempt, all local programs were required to convert operations on one of six federally approved interim automation systems. This federal mandate has required conversion of 19 local programs from an existing system to a new approved interim system since the new DCSS was established in January 2000. DCSS has led with the support of local agency and contract staff the successful conversion of all 19 local agencies. Of these one occurred in the last six months of SFY 1999-00, 13 occurred during SFY 2000-01, and 6 conversions occurred in SFY 2001-02. Again, this has required significant attention and resources from both converting and consortia lead counties. Narrowing the number of consortia interim systems, pending implementation of a single statewide automated system, is important to gaining greater uniformity and consistency in child support program operations and reducing risk in movement to the single statewide system.

## **3. Data Reliability and Consistency of Consortia Operations**

Data reliability and consistency has been and will continue to be an area of great focus. DCSS initiated significant data cleansing and reliability activities in partnership with consortia system technical leads to develop standard data definitions and processing rules for program reporting—the first time any such effort has been undertaken. In addition, DCSS is conducting an assessment of existing data definitions across all six consortia systems to identify inconsistencies in key policy, procedure, and practice areas. Future consortia system enhancements will be focused on uniformity of data and processing rules to the extent this can be done cost-effectively prior to implementation of the single statewide system. And, DCSS is assessing local usage of legacy systems as well as IV-A Program interfaces in an effort to optimize current operations. Again, this is a major workload but one that is critical to ensuring comparability in measurement of performance across local agencies using different consortia systems.



#### **4. Implementation of Local Funding Allocation Methodology**

DCSS, in collaboration with local child support agencies, is implementing an entirely new local administration budget planning, allocation, and monitoring methodology. The new approach will result in allocation of resources based on statewide program priorities, standardized and predictable budgeting processes, fairness, and equity among local agencies, and optimum use of available resources. The budgeting and allocation methodology uses uniform definitions and budget categories to capture expenses including core staffing, administrative support, targeted programs, operating expenses, and other details. However, in order to not disrupt current local operations, full implementation of the new methodology must occur over time. This means that there cannot be full and accurate comparability between local child support agencies until this process is complete and resources are allocated fairly and equitably based on staffing ratios to caseloads and other standards deemed appropriate. Local agencies are adjusting to the new approach.

#### **5. Establishing New Customer Service Programs**

A major customer service initiative is being implemented in the child support program that includes a number of entirely new and major components necessary to address the significant concerns of program stakeholders. The major components include establishment of an Ombudsperson program, informal inquiry response timeframe, and local complaint resolution and State hearing processes, have been implemented statewide. These programs and procedures provide significant new avenues for customers to access the child support program. In addition, local customer service plans and quarterly progress reports have been put in place, and a statewide baseline survey of over 10,000 persons was conducted to assess customer service satisfaction. More is planned in determining the statewide approach to responding to customer inquiries through call centers and automated customer access to account information. All of these programs have significantly altered the approach to doing business and, in the near term, have required changes and adjustments for local agencies.

#### **6. Establishing Statewide Uniformity**

The process of securing statewide uniformity and consistency in policies, procedures and practices has made significant gains and continues through adoption of new regulations. DCSS used the P3 Project to assist in policy formulation in a number of key program areas. The P3 Project included over 135 child support stakeholder participants in 11 workgroups, and finished with input from the public and other involved groups through six public forums. The workgroups delivered over 300 recommendations for consideration of the DCSS Director in adopting regulations statewide. Recommendations were then incorporated into emergency regulations as required by the reform statute. The process continues and often requires significant adjustment to local level policies, procedures, and practices. Local child support agencies have responded well to these changes; however, the extent of these changes creates a less than routine or stable environment that, at least initially, has the potential to disrupt operations.

## 7. Developing Single Statewide Automated System

Significant progress has been made in securing a single statewide automated system for California's child support program. The FTB is the agent for planning, procuring, developing, implementing, and operating the California Child Support Automation System (CCSAS), and DCSS and FTB are working together on all aspects of the project. However, local programs have and will continue to contribute resources to actively participate in this effort, including defining business requirements, transition planning, staff training, and other activities. Local agency staff participation has occurred at the same time as the many other activities, again requiring an unusually high level of resource dedication.

## 8. New Directions

DCSS, in collaboration with local child support agencies, has accomplished many other activities that contribute to improving program performance and increasing collections. DCSS has focused on improving existing and identifying new databases to aide in locating persons and assets, such as the federal case registry and child support lien network. In addition, research is underway to better inform business decision-making and effective resource utilization to enhance child support collection results. It is expected that reports from the collectibility study and the default workgroup, described later in Part VI, will contribute to informed and structured business decision-making. And, standardizing policies and procedures for using available enforcement and intercept tools will ensure statewide consistency and optimize collections. Together all of these new directions require local child support agencies to participate in, adapt to, and/or institute new policies, procedures, and methods of doing business.

In sum, all of these broader restructuring activities are foundational to establishing the envisioned performance-based child support program. A fully operational and effective performance-based system requires that the described program components be in place. The child support program will not fully stabilize until the last local agencies transition and major policy development work is implemented. Once this has been achieved, a true evaluation of the program and more accurate county comparisons can be completed.

## E. Definitions

California's child support program operates within a complicated federal and State statutory and regulatory construct. There are many terms used within the program that have a specific meaning and are reflected in the federal and State performance measures. Terms commonly used in the performance measures are:

- **IV-D Program** – The State child support enforcement program, enacted under Title IV-D of the federal Social Security Act, locates noncustodial parents or putative fathers; establishes paternity; establishes, modifies, and enforces child support and medical support orders; and collects and distributes child support payments.



- **IV-D Case** - A parent (mother, father, or putative father) who is now, or eventually may be, obligated for the support of a child or children receiving services under the Title IV-D Program. A parent is reported as a separate IV-D case for each family with a dependent child or children that the parent may be obligated to support. If both parents are absent and liable or potentially liable for support of a child or children receiving services under the Title IV-D Program, each parent is considered a separate IV-D case.
- **Current Assistance Case** - A case where the children are: (1) recipients of California Work Opportunity and Responsibility to Kids (CalWORKs)/Temporary Assistance for Needy Families (TANF) under Title IV-A of the Social Security Act, or (2) entitled to Foster Care maintenance payments under Title IV-E of the Social Security Act. In these cases, the children's support rights have been assigned by a caretaker relative to the State and a referral to the State IV-D Program has been made. A case where at least one child is currently receiving assistance is reported as a "current assistance" case.
- **Former Assistance Case** - A case where the children *formerly* received Title IV-A benefits (Aid to Families with Dependent Children (AFDC), the former welfare program, or CalWORKs/TANF) or IV-E Foster Care services. A case where some children are former assistance and some are never assistance is reported as a "former assistance" case.
- **Never Assistance Case** - A case where the children are receiving services under the Title IV-D program, but do not and have not previously received assistance under Titles IV-A or IV-E of the Social Security Act.
- **Medical Support** - Medical support is the legal obligation of a parent to provide health coverage for a child or children. This includes: (1) payment of health insurance premiums, (2) payment of medical bills, or (3) cash payments for health insurance and/or medical bills. Either the custodial or the noncustodial parent may be ordered to provide medical support.
- **Support Order** - The legal establishment of: (1) an amount of money that is due and owed by a parent for the support of the parent's children, and/or (2) the responsibility to provide health insurance and/or medical support for those children. A support order is established through a court order, administrative process, or other legal process.
- **Paternity** - The legal establishment of fatherhood for a child born to unwed parents, either by court determination, administrative process, or voluntary acknowledgment. A voluntary acknowledgement of paternity is the legal establishment of fatherhood by a voluntary acknowledgement signed by both parents either at the hospital when the child is born or at other established locations.

Other terms that are specific to a section of the report are included within those sections.

#### **F. Organization of the Report**

The report is organized to present separately on the federal and State performance measures, program administration data, and performance improvement actions. Part I describes the statutory requirements for this report. Part II provides the child support program context, including the issues that led to the statutory requirements for a performance-based system and broader-based restructuring of the child support program. Part III reports on the five federally established performance measures. These measures are reported by all states to the federal OCSE and provide the basis for national assessment and evaluation of the child support program. Part IV reports on the nine State performance measures delineated in State statute. Part V reports on various program administration data required by State statute related to program costs and staffing levels. Part VI reports on actions taken and planned to improve the performance of California's child support program as well as that of individual local child support agencies. And finally, Part VII summarizes the report.

### III. FEDERAL PERFORMANCE MEASURES

#### A. Description of Federal Performance System

The federal Office of Child Support Enforcement oversees the operation of each State's child support enforcement program and funds two-thirds of its cost. The child support program operates under a complex statutory and regulatory scheme that includes a recently enacted performance-based incentive funding and penalty system. In 1998, the federal Child Support Performance and Incentive Act enacted significant changes in the way federal incentives are paid to states. The methodology for calculating incentive payments changed from being based on collections and cost-effectiveness only, to five program performance measures. The new performance-based incentive and penalty system is being phased in over a three-year period, with full implementation in FFY 2002.

The intent of the performance-based incentive funding system is to use specific performance indicators to measure the program's success in achieving its goals and objectives and to reward states for achieving intended results. This approach combines both incentives and penalties (rewards and risks) to boost state performance in defined and measurable areas. The child support incentive system measures the performance levels of states in five program areas: paternity establishment, child support order establishment, collection of current support, arrears collections (past-due support), and cost-effectiveness.

In addition, to obtain federal incentive payments, and avoid penalties, the performance data submitted by states to the federal government must be complete and reliable. OCSE conducts audits at least once every three years to assess data reliability. To qualify for incentives and avoid penalties, data must meet a 95 percent standard of reliability beginning with the FFY 2001 data submission due December 31, 2001.

Federal incentive payments are based on each state's earned share of a fixed amount incentive payment pool. Incentive payments to states are based on: (1) performance on the five measures, with the first three measures (paternity establishment, order establishment, and current collections) weighted heavier than the last two measures (collection of arrears and cost-effectiveness), (2) collections during the FFY, with collections on behalf of current and former assistance recipients weighted heavier than collections on behalf of families never on assistance, and (3) performance of all states. The federal incentive pool began at \$422 million for FFY 2000, increasing to \$429 million in FFY 2001 and \$450 million in FFY 2002, with subsequent yearly increases.

The federal penalty system is based on state performance in only three of the five program areas. States are penalized for performance falling below national standards for paternity establishment, child support order establishment, and collection of current support. Compliance with national goals in the remaining two performance areas, collection of arrears and cost-effectiveness, is supported through the incentive system

only, with states falling below specified thresholds ineligible for federal incentives paid on these measures.

The performance-based penalty system also provides for an automatic one-year corrective action period. If a state fails to meet the minimum performance thresholds and/or submit reliable data, a penalty is assessed only after failure to take corrective action during an automatic one-year corrective action period. For example, if a state fails the performance measure threshold in FFY 2001, it must have reliable data and meet the performance measure threshold in FFY 2002 (the corrective action year), or face a penalty in FFY 2003.

Federal penalties are assessed as a percentage of a state's Temporary Assistance for Needy Families (TANF) block grant. Penalties equate to one to two percent for the first finding of non-compliance, two to three percent for the second consecutive finding, and three to five percent for the third or subsequent consecutive finding. Total penalties imposed on the TANF block grant may not exceed 25 percent of a state's TANF block grant. Any penalty reduction to the TANF block grant would require an equivalent amount of State General Fund to replace the reduction. For California, the penalty would range from a low of approximately \$37 million (one percent) to a high of approximately \$186 million (five percent).

## **B. Current Status on Measures**

California and the other states are adjusting to the new federal performance-based measures and incentive funding system. While the indicators of program performance were carefully selected by OCSE in collaboration with many stakeholders, it will take operating experience and time for states to fully understand how to impact the measures to achieve the intended outcomes. Furthermore, the incentive and penalty system sets immediate and high standards for data reliability, an area that has plagued California's child support program and that of other states. As will be noted in the description of the first federal measure, California has already experienced data reliability issues in FFY 2000 with regard to one of the federal measures—paternity establishment.

In recognition of the time needed to move to an entirely new performance-based incentive system, federal statute provided for a phase-in period for the incentive funding system only. The phase-in began in FFY 2000 with incentive funding calculated using two-thirds of the old and one-third of the new methodology, one-third old and two-thirds new in FFY 2001, and 100 percent of the new methodology in FFY 2002. The full impact of the new federal incentive system on California will be felt in SFY 2001-02. It appears that California at least initially, until performance can be significantly improved, will receive less incentive monies under the new versus the previous federal incentive funding formula. To date, California has earned federal incentives amounting to \$80 million in FFY 2000, and is projecting \$58 million in FFY 2001 and \$39 million in FFY 2002.

It should also be noted that states are eligible to match federal incentive funds based on the IV-D Program federal funding two-thirds matching ratio. Thus, federal incentive funding will actually result in \$117 million in SFY 2002-03. The federal incentive and related matching funds must be spent on the child support program.

While it is more difficult to project the amount of incentive monies to be received, particularly because the amount is partly based on the performance of other states, DCSS and local child support agencies have focused attention on these measures in performance improvement actions.

### **C. The Federal Measures**

The federal child support incentive system measures State performance levels in five program areas that are delineated as follows:

#### **1. Paternity Establishment Percentage (PEP):**

States are given the choice of being evaluated on one of two measures—the IV-D or the statewide paternity establishment percentage—to determine performance in establishing paternity. California has opted to use the second method, the Statewide PEP, in FFY 2001.

The **“IV-D Paternity Establishment Percentage”** is the ratio that the total number of children in the IV-D caseload who have been born to unmarried parents and for whom paternity has been established or acknowledged during the FFY, compared to the total number of children in the IV-D caseload who were born to unmarried parents as of the end of the prior FFY.

**OR**

The **“Statewide Paternity Establishment Percentage”** is the ratio that the total number of children who have been born to unmarried parents in the State and for whom paternity has been established or acknowledged during the FFY, compared to the total number of children born to unmarried parents in the State during the prior FFY.

#### **2. Percent of Cases with a Child Support Order**

This measures the percent of open cases in the IV-D caseload with an order for support. Support orders include orders for medical support only and reserved or zero support orders.

#### **3. Percent of Collections on Current Support**

This measures the amount of current support collected as compared to the total amount of current support owed.

#### **4. Percent of Cases with Arrears Collections**

This measures the number of cases paying child support arrears (past-due support) compared to cases owing arrears.

## **5. Cost-Effectiveness**

This measure compares the total amount of IV-D distributed collections and fees retained by other states to the total amount of IV-D expenditures for the FFY.

### **D. Performance on Federal Measures**

The performance outcomes that follow reflect the performance of California's child support program for FFY 2001. While providing performance data for the State as a whole, the descriptions also highlight the performance of local child support agencies. In addition, a context for California's performance is provided through comparisons to the next eight states with the largest caseloads -- Florida, Illinois, Michigan, New Jersey, New York, Ohio, Pennsylvania, and Texas -- as well as to the nation as a whole. Although the most recent data available for the other states are for FFY 2000, they nevertheless provide a useful point of reference.

California met the standards for all five federal performance measures during FFY 2001. California also performed near or above the FFY 2000 performance levels of the next eight largest caseload States, as well as the national average on three out of the five measures—paternity establishment, cases with support orders, and cases with collections on arrears. California's performance on collections of current support and cost-effectiveness was well below nationwide average performance levels for these measures. However, performance on all five measures improved or, in the case of the cost-effectiveness measure, remained consistent with historical trends. This level of performance achievement is significant given the tremendous restructuring and change experienced by the child support program during the last two years.

The performance of local child support agencies continues to reflect the wide divergence that led to the bi-partisan agreement to completely restructure the program. It is too early in the restructuring effort to expect full remedy of the long-standing and fundamental issues that make it difficult for local agencies to quickly and significantly improve individual performance. The same can also be said of the difficulty in making accurate performance comparisons between individual local agencies. There is no pattern of performance that would indicate that small or large caseload local agencies are significantly advantaged or disadvantaged in performance achievement on individual or on all measures as a whole. Nevertheless, it is clear that local child support agencies are now focusing on the performance measures and working collaboratively with DCSS in determining how to improve performance.

The effort to improve statewide and individual local agency performance has begun to reveal not only the inter-relationships between the measures but also the impact of case management policies and practices. For example, analysis of the federal measures shows that high performance in some areas may in fact lead to difficulty in achieving high outcomes in other areas. This seems to be the case with the high rate of order establishment, that may in fact be leading to inaccurate orders and thereby resulting in lower rates of collection of current support and higher arrears. Similarly, this has further implications for how current staffing resources are deployed and the tasks and activities

that have a direct link to improved performance on the measures. The important point is that this is the first time that data are available in a manner to permit informed business decisions and attention to statewide and local performance improvement.



**1. Paternity Establishment Percentage**

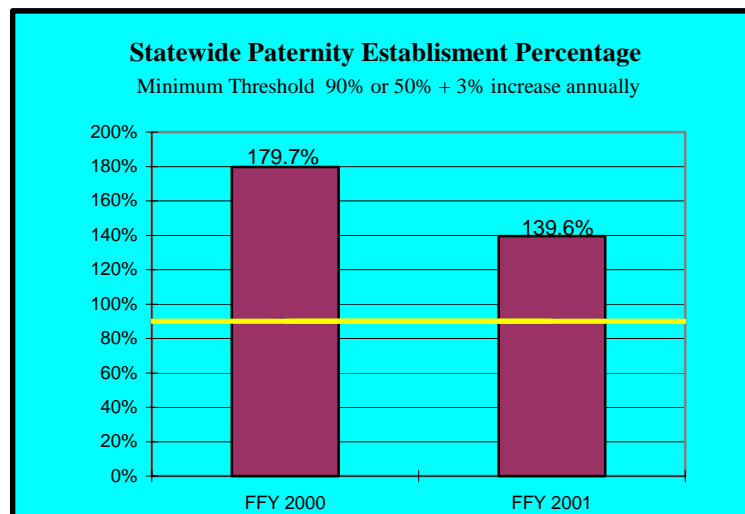
**Description of Data**

When children are born to unmarried parents, establishing paternity or legal fatherhood is the first step to obtaining a child support order. Paternity can be established by a court order or a voluntary acknowledgment signed by both parents either as part of an in-hospital or other acknowledgement program. In California, the voluntary paternity program is called the Paternity Opportunity Program (POP) and is administered by DCSS.

There are two methods of calculating the paternity establishment percentage—using unmarried births occurring within the IV-D caseload or occurring in the statewide population. The federal government gives states the choice of which method to use. California elected to use the Statewide PEP to measure its paternity establishment rate in FFY 2001. The Statewide PEP measures the total number of children in the State born to unmarried parents for whom paternity has been acknowledged or established in the FFY, compared to the total number of children born to unmarried parents in the State during the preceding FFY. This measure means that children are not necessarily within the IV-D caseload. A paternity can only be counted once either when a voluntary acknowledgement is obtained or when an order determining paternity is established.

**Performance Outcome**

**California achieved a performance level of 139.6 percent on the Statewide PEP in FFY 2001, well above the federal 90 percent minimum standard.**



**Analysis of Data—State Level**

California opted to use the Statewide PEP method in reporting to the federal OCSE for FFY 2001, achieving a performance level of 139.6 percent and far exceeding the federal

minimum standard of 90 percent. This represents the establishment of nearly 250,000 paternities, with roughly an even split of paternities established by the IV-D Program and by execution of voluntary acknowledgments. The majority of voluntary acknowledgments are executed through the Paternity Opportunity Program administered by DCSS in cooperation with local child support agencies and birthing hospitals. There were 174,106 births to unmarried parents in FFY 2000, which when divided into the total number of paternities established, results in the performance level of 139.6 percent.

The construct of this federal measure often results in the Statewide PEP exceeding 100 percent. This can result because the IV-D agency may establish paternity, or a voluntary acknowledgement may be entered, during the current FFY for a child not born in FFY 2000, the preceding FFY. Thus, the child would be counted in the numerator, but not in the denominator.

California opted not to use the Statewide PEP measure in FFY 2000, the first year of the new federal performance incentive system, instead using the IV-D PEP method. DCSS made this decision based on concerns about data reliability in the paternity establishment area, believing that there was a greater likelihood of passing federal data reliability requirements using the IV-D PEP measure. The reason for the data reliability concerns stemmed from California's failure to implement a 1998 federal policy directive defining the Statewide PEP measure to apply only to births to unmarried parents occurring in-State, excluding 18 year olds, and other technical clarifications. These federal clarifications required significant data and case count clean up that, when identified, could not be accomplished within the performance period.

Thus, although the Statewide PEP for FFY 2000 is reflected in the display, California did not use this measure during that year, making the accuracy of comparison limited due to data reliability issues. A better comparison would be to the performance of other states. In this regard, California performed well when compared to the FFY 2000 average of the next eight largest caseload States at 103.1 percent, and with the nationwide average at 101.2 percent.

Despite this measured decision by DCSS in selecting the PEP measure, California nevertheless experienced data reliability problems on the IV-D PEP measure for FFY 2000. The data reliability problems were found to be long-standing and related to fundamental child support data definitions and processing. California was among 23 states that also experienced data reliability problems. As a result, California did not receive approximately \$4 million in federal incentive funding for this measure; however, the relative performance of California in contrast to other states resulted in significantly more incentive funding coming to the State. In fact, California received almost \$80 million in federal incentive funds for FFY 2000, \$10 million more than anticipated in the SFY 2001-02 budget.

### Analysis of Data—Local Level

All local child support agencies, with the exception of one small county with a caseload of approximately 5,500, performed above the 90 percent federal minimum performance standard. However, even the county that failed to exceed the 90 percent minimum standard, exceeded the alternative minimum threshold of 50 percent plus an annual increase in performance of at least 3 percent. Twenty-seven local child support agencies exceeded the statewide average of 139.6 percent. The statewide performance level ranged from a high of 6600 percent to a low of 64 percent, with a median of 134.8 percent.

Caseload size appears to have little impact on the ability to perform above the 90 percent federal minimum standard. The five largest caseload local agencies accounted for 65 percent of all paternities established and 60 percent of all unwed births during the prior year, giving them an average Statewide PEP of 151 percent. The five smallest caseload local agencies accounted for less than one tenth of one percent of all paternities established and all unwed births, but achieved an average Statewide PEP of 497 percent.

The five highest performing local agencies accounted for very few paternities and unmarried births but achieved an average performance of almost 1100 percent. The five lowest performing local agencies accounted for 7.5 percent of all paternities established and 11 percent of all unwed births in the state. Their overall performance was 94.4 percent, slightly above the minimum federal standard, but substantially below the state average.

### Data Formula, Source, and Display

- The formula used to determine performance on the Statewide PEP measure is:

$$\frac{\text{Total number of children born to unmarried parents for whom paternity was acknowledged or established during the FFY}}{\text{Total number of children in the State born to unmarried parents during the preceding FFY}}$$

- The data source for this measure is the OCSE 157 and CS 457 reports, Paternity Opportunity Program declarations, and data on live births from the Office of Vital Statistics
- Table 1—Statewide Paternity Establishment Percentage FFY 2001 displays the following by county:
  - Column A=paternities established by the IV-D program (children)
  - Column B=voluntary acknowledgments executed
  - Column C=children born in another state and POP matches
  - Column D=all paternities established during year
  - Column E=births to unmarried parents during prior year
  - Column F=paternity establishment percentage
  - Formula=  $A+B-C=D$ ; Column D divided by  $E=F$  (Statewide PEP)

STATE OF CALIFORNIA - HEALTH AND HUMAN SERVICES AGENCY  
CHILD SUPPORT PROGRAM STATISTICS

DEPARTMENT OF CHILD SUPPORT SERVICES  
OCTOBER 2000 - SEPTEMBER 2001

**TABLE 1**  
**STATEWIDE PATERNITY ESTABLISHMENT PERCENTAGE**  
**FEDERAL FISCAL YEAR 2001**

	(A)	(B)	(C)	(D)	(E)	(F)
	Paternalities Established by the IV-D Program (Children)	Voluntary Acknowledgments Executed	Children Born in Another State & POP Match	All Paternalities Established During Year	Births to Unmarried Parents (Prior Year)	Paternity Establishment Percentage
STATEWIDE	144,347	132,960	34,224	243,083	174,106	139.6%
Alameda	3,025	4,247	415	6,857	6,542	104.8
Alpine	10	11	5	16	0	*
Amador	85	69	14	140	66	212.1
Butte	614	696	187	1,123	983	127.2
Calaveras	124	35	91	66	13	523.1
Colusa	58	44	21	81	63	128.6
Contra Costa	2,074	1,860	261	3,673	2,447	150.1
Del Norte	139	99	45	193	158	122.2
El Dorado	511	341	114	738	355	207.9
Fresno	1,938	5,226	290	6,874	6,207	110.7
Glenn	150	4	22	132	2	*
Humboldt	229	551	71	709	557	127.3
Imperial	871	690	376	1,185	1,098	107.9
Inyo	70	48	16	102	75	136.0
Kern	4,440	3,103	2,873	4,670	4,858	96.1
Kings	593	731	104	1,220	1,027	118.8
Lake	269	275	34	510	173	294.8
Lassen	45	53	14	84	35	240.0
Los Angeles	66,234	44,661	11,607	99,288	61,180	162.3
Madera	477	534	97	914	821	111.3
Marin	33	278	9	302	297	101.7
Mariposa	33	6	3	36	1	*
Mendocino	353	357	287	423	404	104.7
Merced	1,038	1,011	796	1,253	1,302	96.2
Modoc	55	13	24	44	13	338.5
Mono	34	34	9	59	18	327.8
Monterey	1,439	2,096	509	3,026	2,322	130.3
Napa	195	282	166	311	325	95.7
Nevada	35	244	13	266	256	103.9
Orange	5,906	10,335	878	15,363	12,496	122.9
Placer	1,073	463	257	1,279	532	240.4
Plumas	53	34	9	78	33	236.4
Riverside	10,976	6,662	2,043	15,595	8,918	174.9
Sacramento	2,219	4,409	531	6,097	6,474	94.2
San Benito	145	169	49	265	200	132.5
San Bernardino	9,341	8,408	1,506	16,243	9,842	165.0
San Diego	7,221	9,206	4,368	12,059	12,701	94.9
San Francisco	992	2,116	271	2,837	2,666	106.4
San Joaquin	2,511	2,605	1,516	3,600	3,670	98.1
San Luis Obispo	461	525	60	926	835	145.8
San Mateo	519	802	104	1,217	880	138.3
Santa Barbara	1,319	1,418	221	2,514	1,738	144.8
Santa Clara	3,520	5,386	851	8,055	6,767	119.0
Santa Cruz	432	1,035	239	1,228	1,134	108.3
Shasta	876	614	471	1,019	684	149.0
Sierra*	6	0	2	4	0	*
Siskiyou	158	76	58	176	117	150.4
Solano	1,684	1,332	301	2,695	1,841	148.4
Sonoma	982	1,437	161	2,258	1,508	149.7
Stanislaus	1,368	2,388	112	3,640	2,739	132.9
Sutter	573	551	110	1,014	694	146.1
Tehama	23	142	12	153	240	63.8
Trinity	63	25	8	80	17	470.6
Tulare	3,053	2,463	367	5,149	2,759	188.8
Tuolumne	161	131	30	262	166	156.0
Ventura	2,592	2,257	571	4,278	2,671	160.2
Yolo	688	370	413	645	483	133.5
Yuba	283	6	232	57	1	*

\*No birthing hospital, Statewide Paternity Establishment Percentage cannot be determined

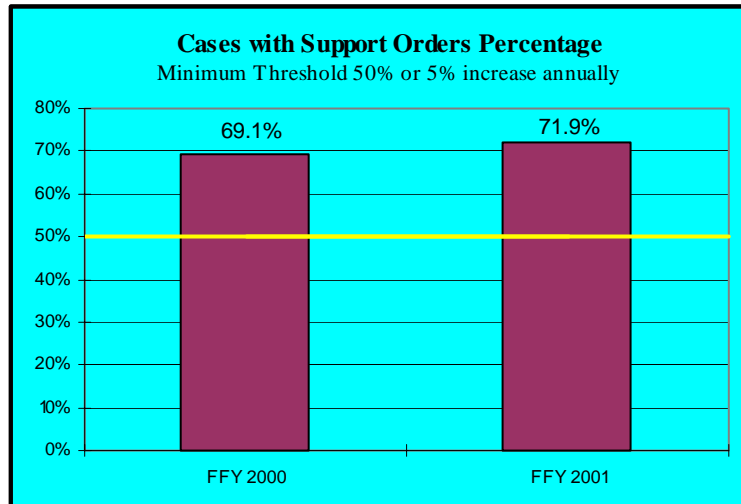
**2. Percent of Cases with a Support Order Established**

**Description of Data**

This performance measure determines the percent of open cases in the IV-D caseload with an order for support established. Support orders are defined as legally enforceable orders, including orders for medical support, and reserved or zero support orders. Establishment of a legal order for child support is a necessary step in enforcing the payment of child support.

**Performance Outcome**

California achieved a performance level of 71.9 percent of cases with a support order in FFY 2001, an increase of 4 percent over FFY 2000, and well above the federal minimum standard of 50 percent.



**Analysis of Data—State Level**

California achieved a performance level of 71.9 percent of cases with a support order established in FFY 2001, far exceeding the federal minimum standard of 50 percent. This performance level equates to 1.4 million cases with support orders established out of a total caseload of almost 2 million. In addition, California’s FFY 2001 performance exceeds by 4 percent the 69.1 percent performance level achieved in FFY 2000. The four percent performance improvement level represents the percentage rate increase; it cannot be calculated as a simple percentage point change between the two years. The same is true for the other measures that follow.

Further, California significantly exceeded the FFY 2000 average of 62.4 percent achieved by the next eight largest caseload states, as well as the nationwide average of 62.1 percent. In FFY 2000, California accounted for 14 percent of all cases with support orders established nationwide, highest in the nation.

Although California performs very well on this measure, there is a growing body of research to indicate that simply establishing support orders may not achieve the desired outcome—increasing collections. Obviously, establishing a support order is a mandatory step in the child support collection process. However, establishing upfront contact with the obligor and establishing accurate order amounts may be just as important to successful collection. California seems to establish a higher number of orders through default judgments, without the participation of the obligor parent and without information on income or assets. Once an order is established, it can only be modified prospectively and cannot be fixed retroactively. There are preliminary indications that California's high performance on this measure may negatively impact performance on other measures, particularly collections on current support and arrears.

### **Analysis of Data—Local Level**

All local child support agencies exceeded the federal minimum performance standard of 50 percent. A total of 48 local child support agencies performed above the statewide average performance level of 71.9 percent, with only ten performing between this level and a low of 54.2 percent. The performance level statewide ranged from a high of 94.2 percent to a low of 54.2 percent, with a median of 82.3 percent.

Caseload size appears to have some impact on the ability to achieve the federal minimum performance level. The five largest caseload local agencies had support orders established at an average rate of 66.1 percent of their cases, well above the federal minimum standard of 50 percent, but below the statewide level of 71.9 percent. The five smallest caseload local agencies had support orders established at an average rate of 80 percent.

The five highest performing local agencies had support orders established at an average rate of 92.5 percent. The five lowest performing local child support agencies established support orders for 60 percent of their cases on average, again above the minimum federal standard, but substantially below the state average of 71.9 percent. The five lowest performing local agencies include two with the largest caseloads and one exceeding 85,000 cases, impacting disproportionately the statewide performance level. Removing the five lowest performing local agencies would increase the average statewide performance level to 80 percent. Again, as previously noted, California is significantly above the average of all other states on this measure but performs lower on other measures, leading to the need for more careful analysis of the interaction between measures.

### **Data Formula, Source, and Display**

- The formula to determine the percentage of cases with a support order established is:

$$\frac{\text{Total number of cases with a support order at the end of FFY 2001}}{\text{Total number of cases open at the end of FFY 2001}}$$



- The source of data for this measure is the OCSE 157 report.
- Table 2—Cases with Support Orders Open at the End of FFY 2001 displays the following by county:
  - Column A=total IV-D cases
  - Column B=total IV-D cases with support orders
  - Column C=percentage of IV-D cases with orders established
  - Formula=Column B divided by Column A = Column C

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**TABLE 2**  
**PERCENT OF CASES WITH SUPPORT ORDERS ESTABLISHED**  
**AT THE END OF FEDERAL FISCAL YEAR 2001**

	(A)	(B)	(C)
	Total Cases	Cases With Support Orders	Percent of Cases with Orders
STATEWIDE	1,961,721	1,409,690	71.9%
Alameda	58,230	50,964	87.5
Alpine	164	135	82.3
Amador	1,957	1,738	88.8
Butte	21,035	14,265	67.8
Calaveras	2,634	2,141	81.3
Colusa	1,080	943	87.3
Contra Costa	50,154	35,609	71.0
Del Norte	3,995	3,470	86.9
El Dorado	9,774	8,688	88.9
Fresno	70,083	59,522	84.9
Glenn	2,224	1,880	84.5
Humboldt	9,306	8,503	91.4
Imperial	12,113	9,986	82.4
Inyo	1,819	1,666	91.6
Kern	59,335	44,558	75.1
Kings	10,687	8,942	83.7
Lake	6,468	4,630	71.6
Lassen	2,053	1,521	74.1
Los Angeles	549,155	342,576	62.4
Madera	8,269	6,107	73.9
Marin	3,977	3,104	78.0
Mariposa	1,035	912	88.1
Mendocino	6,230	5,324	85.5
Merced	17,797	15,780	88.7
Modoc	980	785	80.1
Mono	609	387	63.5
Monterey	23,395	17,763	75.9
Napa	6,125	4,976	81.2
Nevada	5,289	4,360	82.4
Orange	98,954	76,691	77.5
Placer	11,709	10,012	85.5
Plumas	1,581	1,445	92.6
Riverside	100,088	70,734	70.7
Sacramento	86,863	49,065	56.5
San Benito	3,937	2,664	67.7
San Bernardino	172,886	93,683	54.2
San Diego	127,553	109,788	86.1
San Francisco	27,947	24,446	87.5
San Joaquin	39,584	35,460	89.6
San Luis Obispo	7,590	7,153	94.2
San Mateo	15,678	12,645	80.7
Santa Barbara	17,145	13,324	77.7
Santa Clara	71,272	51,470	72.2
Santa Cruz	10,644	7,982	75.0
Shasta	17,664	15,186	86.0
Sierra	211	190	90.0
Siskiyou	4,915	4,393	89.4
Solano	24,679	20,744	84.1
Sonoma	20,806	18,069	86.8
Stanislaus	37,044	30,039	81.1
Sutter	8,528	6,345	74.4
Tehama	5,525	4,368	79.1
Trinity	1,347	1,100	81.7
Tulare	41,264	33,912	82.2
Tuolumne	4,363	3,552	81.4
Ventura	34,445	28,418	82.5
Yolo	11,488	9,575	83.3
Yuba	10,079	6,002	59.5

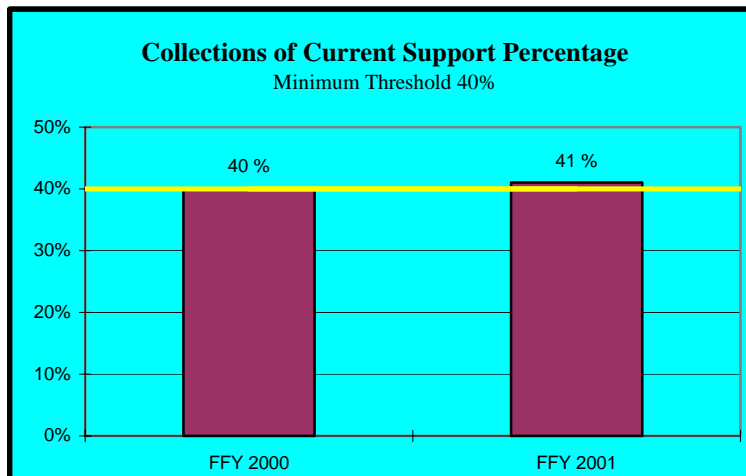
**3. Percent of Collections on Current Support**

**Description of Data**

This performance measure compares current distributed collections to the total amount of current support due during the FFY. Current Assistance, Former Assistance, and Never Assistance cases are included in the measure, along with cases with cash medical support payments and cases closed during the FFY that had current support due.

**Performance Outcome:**

**California achieved a performance level of 41 percent in collection of current support in FFY 2001, increasing slightly from 40 percent in FFY 2000, and exceeding the federal minimum performance standard of 40 percent.**



**Analysis of Data—State Level**

California achieved a performance level of 41 percent in collection of current support during FFY 2001, increasing slightly by 2.5 percent from 40 percent in FFY 2000, and exceeding the federal minimum standard of 40 percent. The total amount of current distributed collections was \$1.1 billion, out of almost \$2.7 billion in current collections owed. California’s performance in collecting current support has remained relatively steady since the federal performance measures were initiated beginning in FFY 1999.

Historically, California’s performance in collecting current support, measured as a percentage of support owed, has not kept pace with that of other states. In FFY 2000, the average performance level of the next eight largest caseload States was 61 percent and for the nation as a whole it was 56 percent. This is true despite California increasing the total amount of support collected by an average of 12 percent per year since SFY 1990-91, essentially doubling the average total dollar amount increase since SFY 1998-99.

Nevertheless, the failure to perform well in collecting current support was one of the primary factors leading to child support program reform in 1999. DCSS and local child support agencies are working in partnership in the current year on a major initiative to identify the specific reasons that contribute to lower performance, barriers to success, and take the actions necessary to improve performance on this measure. The details of this initiative are described later in Part VI; however, a few factors are captured here to assist in better understanding performance on this measure.

There are a number of factors that appear to contribute to California's lower performance level on the current support collected measure. As noted in the analysis of federal measure two (support order establishment), practices in obtaining support orders seem to negatively impact current collection success. Again, California has a higher rate of support orders established through default where, for the most part, there has been no contact with the obligor and the income of the obligor is unknown. The practices of local agencies differ greatly in upfront efforts to locate obligors and verify income prior to establishing support orders. In addition, State statute requires use of the CalWORKs Minimum Basic Standard of Adequate Care (MBSAC) as the income level in setting support orders through default when the local child support agency does not know the obligor's income or income history. Compared to the standards used by other states, the MBSAC amount tends to result in higher support orders. This also tends to result in setting orders at a higher relative percentage of income for lower income obligors. These factors together seem to contribute to California's lower performance in collecting current support relative to other states.

In addition, other differing case management practices seem to have a particular impact on this measure. For example, California previously chose not to secure compliance with federal case closure requirements, meaning that cases meeting closure guidelines are left open and often contribute negatively to performance levels. Further, differing, unclear and/or inefficient practices in other areas also may be negatively impacting current support, including timely access to new employee registry data and use of automatic wage assignments, optimum use of available locate tools, and others.

And, finally, collection and analysis of data on the characteristics of obligors, the debt, and their ability to pay have heretofore been absent and yet is fundamentally important to inform business decision-making in the child support program and collections arena. DCSS, under contract with The Urban Institute, is nearing completion of a study required by the reform legislation to consider the total amount of uncollected child support arrears that are realistically collectible. This will provide more information necessary to guide the child support program and the collections process.

While all of these factors and others are useful in explaining the performance history and status of California's child support program, their greatest value is in guiding and instructing current and future efforts to increase collections.

**Analysis of Data—Local Level**

A total of 52 local child support agencies met or exceeded the federal minimum performance standard of 40 percent. However, six local child support agencies did not meet the standard, with three of these making up 43 percent of the total statewide caseload and significantly impacting California’s overall performance level. All six local child support agencies have developed and are implementing Performance Improvement Plans described under Section VI. Thirty-nine local agencies showed improvement over FFY 2000. Performance levels ranged statewide from a high of 63.8 percent to a low of 31.2 percent, with a median of 48.7 percent.

Caseload size does appear to impact the ability to achieve the federal minimum performance standard, although a causal relationship is not established. In grouping local child support agencies by caseload size, on average, agencies with caseloads less than about 35,000 cases tended to achieve higher performance levels on this measure. The five local child support agencies with the largest caseloads accounted for approximately 53 percent of the statewide caseload and total amount of current support due, and 45.3 percent of current support. However, these five local agencies averaged 34.8 percent in distributed collections on their current support due. On the other hand, the five smallest caseload agencies accounted for a fraction of one percent of the statewide caseload and averaged 60.7 percent in distributed collections of their current support owed.

The five highest performing local child support agencies also accounted for a fraction of one percent of the statewide caseload and averaged 62.8 percent on collections on current support. The five lowest performing agencies accounted for almost 47 percent of the statewide caseload and averaged 32.7 percent on collections on current support, significantly impacting the statewide performance level.

**Data Formula, Source, and Display**

- The formula to determine current collections performance is:

$$\frac{\text{Amount of distributed current support in IV-D caseload}}{\text{Amount owed for current support in IV-D caseload}}$$

- The source of data for this measure is the OCSE 157 report.
- Table 3—Total Amount of Current Support During FFY 2001 displays the following by county:
  - Column A=total current support due
  - Column B=current support distributed
  - Column C=percent of current support due and distributed
  - Formula=Column B divided by Column A=Column C

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**TABLE 3  
PERCENT OF COLLECTIONS ON CURRENT SUPPORT  
DURING FEDERAL FISCAL YEAR 2001**

	(A)	(B)	(C)
	Total Current Support Due	Current Support Distributed	Percent of Current Support Distributed
STATEWIDE	\$2,698,457,378	\$1,107,085,869	41.0%
Alameda	106,145,012	57,030,388	53.7
Alpine	159,771	71,979	45.1
Amador	3,107,315	1,952,197	62.8
Butte	16,677,490	7,162,893	42.9
Calaveras	3,134,001	1,500,749	47.9
Colusa	1,812,721	1,131,358	62.4
Contra Costa	56,121,703	26,551,421	47.3
Del Norte	3,982,278	1,915,618	48.1
El Dorado	13,587,567	8,204,286	60.4
Fresno	101,288,457	42,853,627	42.3
Glenn	2,999,468	1,444,895	48.2
Humboldt	13,111,158	7,141,175	54.5
Imperial	19,114,583	7,738,098	40.5
Inyo	2,646,155	1,449,741	54.8
Kern	91,962,878	31,882,205	34.7
Kings	13,407,085	7,141,958	53.3
Lake	5,982,201	2,779,497	46.6
Lassen	2,697,151	1,572,297	58.3
Los Angeles	695,898,156	223,245,103	32.1
Madera	11,179,918	5,511,360	49.3
Marin	9,644,051	5,562,252	57.7
Mariposa	1,660,278	1,059,577	63.8
Mendocino	7,948,775	3,902,220	49.1
Merced	28,889,939	15,190,047	52.6
Modoc	717,731	392,339	54.7
Mono	778,140	478,117	61.4
Monterey	34,484,333	16,552,577	48.0
Napa	11,676,844	5,536,958	47.4
Nevada	8,313,938	3,565,208	42.9
Orange	187,060,830	83,754,898	44.8
Placer	15,975,094	8,945,017	56.0
Plumas	2,251,034	1,295,636	57.6
Riverside	136,167,321	54,479,658	40.0
Sacramento	93,924,645	42,662,084	45.4
San Benito	4,263,875	1,633,542	38.3
San Bernardino	172,109,648	61,899,589	36.0
San Diego	249,674,674	77,942,535	31.2
San Francisco	33,950,949	19,633,887	57.8
San Joaquin	51,424,387	23,040,792	44.8
San Luis Obispo	15,619,570	9,404,638	60.2
San Mateo	29,274,991	16,637,629	56.8
Santa Barbara	27,199,260	16,205,553	59.6
Santa Clara	105,178,253	50,068,033	47.6
Santa Cruz	17,117,547	8,464,608	49.4
Shasta	20,609,675	9,706,186	47.1
Sierra	319,311	202,438	63.4
Siskiyou	6,209,159	3,157,653	50.9
Solano	36,273,909	18,033,788	49.7
Sonoma	31,781,097	18,661,246	58.7
Stanislaus	50,285,071	23,305,481	46.3
Sutter	8,031,780	4,331,884	53.9
Tehama	5,482,047	2,701,371	49.3
Trinity	1,556,414	718,790	46.2
Tulare	43,573,500	19,250,008	44.2
Tuolumne	6,122,537	2,905,525	47.5
Ventura	59,059,647	29,233,656	49.5
Yolo	13,162,054	6,156,151	46.8
Yuba	5,690,001	2,135,657	37.5



**4. Percent of Cases with Arrears Collections**

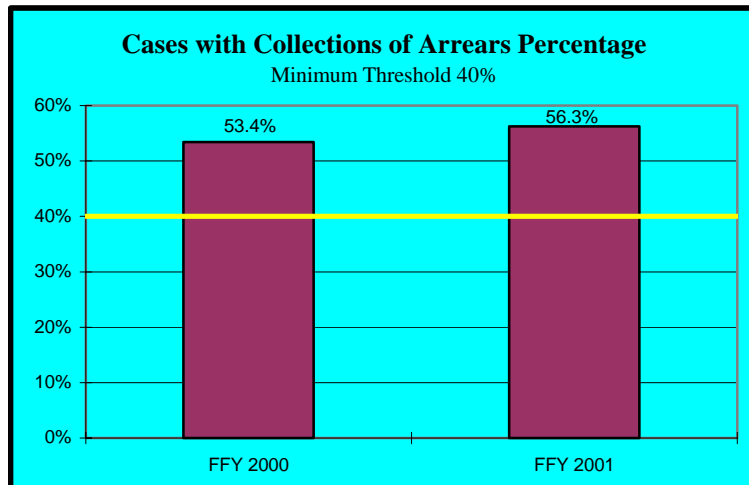
**Description of Data**

This performance measure determines the percentage of cases in the child support caseload that owe arrears (past-due child support) and made at least one payment towards the arrearage amount. An arrearage occurs any month a payment for current support is missed.

The performance level for this measure is determined by comparing the number of child support cases with arrears due during the FFY, with the number of child support cases for which at least one payment was made towards the arrears due during the year. The measure includes Current Assistance, Former Assistance, and Never Assistance cases, as well as cases closed during the FFY.

**Performance Outcome**

**California achieved a performance level of 56.3 percent of cases with a collection of arrears in FFY 2001, an increase of 5.4 percent from FFY 2000, and well above the federal minimum performance standard of 40 percent.**



**Analysis of Data—State Level**

California achieved a performance level of 56.3 percent of cases with collections on arrears in FFY 2001, up 5.4 percent from 53.4 percent in FFY 2000. This equates to 676,341 cases receiving at least one payment of arrears due, out of a total of 1.2 million cases with arrearages. California’s performance level significantly exceeds the federal minimum standard of 40 percent.

California’s performance level on this measure is comparable to that of other states. The nationwide average performance level for all states on this measure was 57 percent during FFY 2000. The next eight states with the largest caseloads reached an

average performance level of almost 62 percent in FFY 2000. California continues to increase the number of cases paying towards arrears owed. This increase is due, in part, to the success of the intercepts of tax rebates that noncustodial parents received in FFY 2001.

Despite improvement on the performance measure, California's historical trend continues with increasing total amounts of arrears owed. FC Section 17602(b) required DCSS to consider the total amount of uncollected child support arrears that are realistically collectible, which were \$14 billion in 2000 and now are nearing \$17 billion. DCSS was also charged with considering the factors that may influence collections, including demographic factors such as welfare caseload, levels of poverty and unemployment, rates of incarceration of obligors, and age of delinquencies. As previously noted, DCSS contracted with The Urban Institute to conduct this research, with the results now nearing completion. The Urban Institute study will break down the total amount of uncollected support by who holds the debt, their income level and current child support obligation, whether they have made any payments, and where they reside. There are State and local agency policies and practices that seem to contribute to growth in the total amount of arrears owed and these will be analyzed. Again, the factors identified in analysis of federal measures two and three seem to also impact the total amount of arrears and the ability to collect arrears. The study will be instructive to designing approaches to improved performance and in establishing realistic expectations of what can be collected on the arrears.

### **Analysis of Data—Local Level**

All local child support agencies exceeded the federal minimum performance standard of 40 percent in FFY 2001, representing an improvement over FFY 2000, when only 50 local agencies exceeded the standard. A total of 36 local agencies showed improvement over FFY 2000, with those improvements ranging from 0.5 percent to 124 percent. The performance level ranged statewide from a high of 72.8 percent to a low of 45.5 percent, with a median of 61 percent.

Caseload size appears to have some impact on the ability to achieve this performance standard. The five local child support agencies with the largest caseloads accounted for 48 percent of cases with arrears and 43.4 percent of all cases paying toward arrears. These five local agencies achieved an average of almost 51 percent of their cases with arrears collections, with only one failing to achieve a performance level above 51 percent. The five agencies with the smallest caseloads accounted for a fraction of one percent of all cases with arrears due and of all cases paying towards arrears, but averaged 66.3 percent of their cases paying towards arrears.

The five highest performing local agencies accounted for 1.5 percent of all cases with arrears and 1.9 percent of cases paying towards arrears, but averaged 72.1 percent of their cases paying towards arrears owed. The five lowest performing local child support agencies accounted for almost 32 percent of cases with arrears and 27.2 percent of cases paying towards arrears, achieving an average performance level of 48.1 percent of their cases paying towards arrears. It is interesting to note, however, that the five

lowest performers included both the largest and smallest caseload agencies, with almost 550,000 cases and less than 175 cases, respectively.

#### **Data Formula, Source, and Display**

- The formula to determine the performance level for collections on arrears is:

$$\frac{\text{Total number of IV-D cases paying toward arrears}}{\text{Total number of IV-D cases with arrears due}}$$

- The source of data for this measure is the OCSE 157 report
- Table 4—Cases with Arrears Due and Paying During FFY 2001 displays the following by county:
  - Column A=total cases with arrears due
  - Column B=cases paying towards arrears
  - Column C=percent of cases paying arrears
  - Formula=Column B divided by Column A=Column C

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**TABLE 4**  
**PERCENT OF CASES WITH ARREARS COLLECTIONS**  
**DURING FEDERAL FISCAL YEAR 2001**

	(A)	(B)	(C)
	Total Cases with Arrears Due	Cases Paying Toward Arrears	Percent of Cases Paying Arrears
STATEWIDE	1,202,258	676,341	56.3%
Alameda	45,798	31,374	68.5
Alpine	126	65	51.6
Amador	1,555	1,095	70.4
Butte	13,020	7,088	54.4
Calaveras	2,007	1,113	55.5
Colusa	875	594	67.9
Contra Costa	26,672	16,073	60.3
Del Norte	2,903	1,677	57.8
El Dorado	8,124	4,876	60.0
Fresno	54,247	33,594	61.9
Glenn	1,743	1,151	66.0
Humboldt	7,202	4,757	66.1
Imperial	8,984	4,618	51.4
Inyo	1,509	895	59.3
Kern	38,374	19,966	52.0
Kings	7,543	4,566	60.5
Lake	3,785	2,190	58.2
Lassen	1,592	1,090	68.5
Los Angeles	259,786	121,030	46.6
Madera	5,519	3,088	56.0
Marin	3,309	2,346	70.9
Mariposa	854	599	70.1
Mendocino	4,974	3,189	64.1
Merced	14,438	8,922	61.8
Modoc	634	398	62.8
Mono	296	203	68.6
Monterey	15,283	9,207	60.2
Napa	4,312	2,713	62.9
Nevada	4,309	2,318	53.8
Orange	72,222	41,295	57.2
Placer	8,788	5,523	62.8
Plumas	1,404	930	66.2
Riverside	68,824	38,431	55.8
Sacramento	44,007	27,900	63.4
San Benito	2,602	1,493	57.4
San Bernardino	66,575	36,345	54.6
San Diego	109,062	56,296	51.6
San Francisco	19,021	11,759	61.8
San Joaquin	26,842	16,033	59.7
San Luis Obispo	6,813	4,664	68.5
San Mateo	13,186	9,012	68.3
Santa Barbara	11,887	8,659	72.8
Santa Clara	46,412	28,334	61.0
Santa Cruz	6,992	4,415	63.1
Shasta	13,902	8,481	61.0
Sierra	178	120	67.4
Siskiyou	4,175	2,536	60.7
Solano	18,756	11,577	61.7
Sonoma	16,518	10,944	66.3
Stanislaus	24,509	15,500	63.2
Sutter	4,979	3,304	66.4
Tehama	4,055	2,210	54.5
Trinity	1,009	600	59.5
Tulare	27,668	15,701	56.7
Tuolumne	2,897	1,670	57.6
Ventura	25,858	14,737	57.0
Yolo	8,730	4,968	56.9
Yuba	4,634	2,108	45.5

**5. Cost-Effectiveness**

**Description of Data**

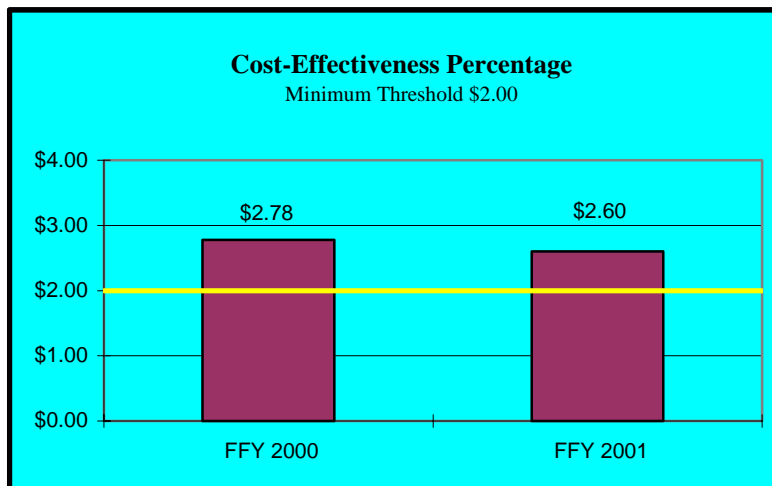
This performance measure is intended to provide a basic cost-benefit view of the child support program. The performance level is expressed as a ratio of total child support distributed collections and fees retained by other agencies during the FFY, to total administrative costs of the IV-D Program. This is a measure of administrative expenditures, not amounts budgeted or allocated. The total amount of distributed collections includes current support and arrears, interest, recoupment of aid paid, and fees retained by other states during the FFY.

The federal methodology used to determine cost-effectiveness at the State level was used to calculate local child support agency performance levels. The federal reporting method requires inclusion of all administrative costs, both State and local, in calculation of State cost-effectiveness. Therefore, it was necessary to distribute State administrative costs among all local agencies based on a proportionate share of State to local costs.

In addition, it was necessary to distribute the automation costs of each of the six consortium systems among their member local agencies. Distribution of consortia costs was necessary to ensure that consortia lead agencies were not disadvantaged since many costs for consortia system operation are included in their budgets. Consortia costs have been allocated based on the allocation method established by each of the consortium. While each consortium allocates expenses slightly differently, they use similar methodologies, including caseload, collections, and use of the system. DCSS will standardize consortia allocation methods across the six consortia systems in the future.

**Performance Outcome**

**California achieved a cost-effectiveness performance level of \$2.60 in FFY 2001, a decrease from \$2.78 reported in FFY 2000, but well above the federal minimum threshold of \$2.00.**



### **Analysis of Data-State Level**

California achieved a cost-effectiveness performance level of \$2.60 during FFY 2001, down from the \$2.78 reported for FFY 2000, but exceeding the federal minimum performance threshold of \$2.00. From FFY 1993 through FFY 1999, California's cost-effectiveness performance level averaged \$2.43, ranging from a high of \$2.66 to a low of \$2.17. The cost-effectiveness performance level remains consistent at an average of \$2.49 for the nine-year period from FFY 1993 through FFY 2001, with a high of \$2.78 and a low of \$2.17. Overall, despite recent investment in the child support program, the historical trend line for California on the federal cost-effectiveness measure has remained stable.

In initial reports to OCSE, DCSS reported a cost-effectiveness performance of \$3.23. This was due to a reporting error and has since been corrected. DCSS found the reporting error in FFY 2000 adjusting the quarter ending March 1999. When that reporting error is corrected, the performance level for FFY 2000 adjusted downward from \$3.23 to \$2.78. OCSE has noted this change in its 2001 data report.

California's performance level on the cost-effective measure, while above the federal minimum threshold, remains well below the national average of \$4.21 in FFY 2000, and the average for the next eight largest caseload states of \$4.59. Despite the less than strong showing when compared to the average performance levels of other states, California's child support program remains cost-effective when viewed by the return on investment. The federal cost-effectiveness measure is only one method of calculating a program's efficiency. California's child support program continues to provide a positive return on investment for the State's General Fund. Excluding child support automation penalties, the program is estimated to return \$43 million to the General Fund in the current 2001-02 SFY. For SFY 2002-03, the return on investment to the State General Fund is projected to increase by 51 percent to \$65 million.

### **Analysis of Data—Local Level**

A total of 45 local child support agencies exceed the federal minimum performance threshold, with 13 agencies falling below the \$2.00 federal minimum threshold level. A total of 20 local agencies achieved performance levels above the statewide average of \$2.60. The performance level ranged statewide from a high of \$3.91 to a low of \$0.99, with a median of \$2.41.

Caseload size appears to have an impact on the ability to achieve the federal minimum performance threshold, or to exceed that threshold significantly. With some exceptions, local child support agencies with very small caseloads under 5000 cases, have the greatest difficulty in achieving a high performance level on this measure, where economies of scale are difficult to achieve. On the other hand, some local child support agencies with large caseloads exceeding 100,000 cases achieve among the highest performance levels in the State. The five local agencies with the largest caseloads had an average cost-effectiveness performance level of \$2.82 for FFY 2001, well above the statewide average. The five local agencies with the smallest caseloads had an average cost-effectiveness level of \$1.79, below the federal minimum threshold of \$2.00. The



five local agencies with the highest cost-effectiveness level averaged \$3.34, while the five local agencies with the lowest cost-effectiveness level averaged \$1.42.

It is important to note that the federal methodology to calculate local agency cost-effectiveness levels was used, and includes a distributed share of State administrative and member consortia system costs for each agency. This is likely a new approach for most local agencies that in the past may not have included these amounts within their individual cost-effectiveness numbers.

At the local level, the cost-effectiveness performance measure is significantly impacted by the prior history in budgeting and allocating local administrative costs. As described in greater detail in Part V, prior to the 1999 child support reform legislation, federal and State incentive funding was distributed to counties based largely on historical funding patterns and a set percentage of local collections. The child support program was not structured to operate in a uniform and consistent manner statewide, resulting in great variation between counties in levels of administrative funding. With the establishment of DCSS in January of 2000, a new budget planning and allocation methodology is being implemented with the intent to fairly and equitably distribute funding between counties to achieve statewide program performance goals. In the near-term, prior funding history will continue to impact this measure, making accurate comparisons between local child support agencies on this measure difficult.

In addition, this reporting period reflects the first full fiscal year impact of child support reform legislation and the accompanying significant program restructuring. Of most significance is that all local child support agencies were preparing for and/or actually transitioning from the offices of district attorneys to new independent local departments, and many were doing the same to convert to new federally approved interim automation systems. These major restructuring tasks were occurring at the same time as other fundamental child support program operational changes described in Part II.

In conclusion, despite the significant changes underway in the program during this reporting period, local child support agencies managed to significantly increase collections while at the same time maintaining historical cost-effectiveness levels.

#### **Data Formula, Source, and Display**

- The formula to determine the cost-effectiveness performance measure is:

$$\frac{\text{Total IV-D dollars collected and distributed plus fees retained by other states}}{\text{Total IV-D dollars expended}}$$

- The sources of data for this measure are the OCSE 34A and 396A reports and related State CS 800 series and CS 356 reports.
- Table 5—Cost Effectiveness Performance Level for FFY 2001 displays cost-effectiveness by local child support agency performance levels.

STATE OF CALIFORNIA - HEALTH AND HUMAN SERVICES AGENCY  
CHILD SUPPORT PROGRAM STATISTICSDEPARTMENT OF CHILD SUPPORT SERVICES  
OCTOBER 2000 - SEPTEMBER 2001**TABLE 5  
COST-EFFECTIVENESS  
FOR FEDERAL FISCAL YEAR 2001**

	Total Distributed Collections	Total Expenditures	Cost-Effectiveness
STATEWIDE	\$2,098,665,726	\$806,709,518	\$2.60
Alameda	100,535,922	25,734,900	3.91
Alpine	116,610	118,410	0.99
Amador	3,248,422	1,340,430	2.42
Butte	16,510,786	9,312,959	1.77
Calaveras	2,706,770	973,240	2.78
Colusa	1,705,159	637,658	2.67
Contra Costa	50,854,545	22,025,405	2.31
Del Norte	3,476,351	2,310,328	1.50
El Dorado	13,235,090	5,632,805	2.35
Fresno	85,986,255	25,334,468	3.39
Glenn	2,355,120	942,363	2.50
Humboldt	12,432,551	5,549,044	2.24
Imperial	13,343,480	4,446,257	3.00
Inyo	2,497,161	904,540	2.76
Kern	59,010,415	24,495,053	2.41
Kings	11,421,618	5,540,712	2.06
Lake	5,412,144	2,803,317	1.93
Lassen	2,645,641	894,470	2.96
Los Angeles	463,566,546	174,707,645	2.65
Madera	10,666,674	3,931,777	2.71
Marin	9,572,440	5,368,133	1.78
Mariposa	1,662,202	714,017	2.36
Mendocino	7,541,502	3,148,049	2.40
Merced	25,863,054	10,833,673	2.39
Modoc	786,772	464,507	1.69
Mono	725,066	352,756	2.06
Monterey	30,112,496	10,827,504	2.78
Napa	8,842,075	4,266,429	2.07
Nevada	6,722,896	4,302,812	1.56
Orange	157,395,540	64,252,281	2.45
Placer	16,686,812	7,135,997	2.34
Plumas	2,238,198	1,038,301	2.16
Riverside	112,617,081	41,926,122	2.69
Sacramento	79,996,506	26,171,550	2.84
San Benito	3,612,261	1,459,901	2.47
San Bernardino	115,439,653	33,537,763	3.44
San Diego	141,243,742	49,345,430	2.86
San Francisco	33,106,788	11,828,738	2.80
San Joaquin	43,412,109	16,236,065	2.67
San Luis Obispo	14,362,963	5,374,939	2.67
San Mateo	31,182,081	13,046,763	2.39
Santa Barbara	27,263,249	10,652,682	2.56
Santa Clara	95,279,928	42,507,570	2.24
Santa Cruz	15,051,804	5,351,326	2.81
Shasta	20,839,649	6,472,435	2.46
Sierra	303,191	164,816	1.84
Siskiyou	5,851,553	3,394,312	1.72
Solano	31,902,977	12,701,496	2.51
Sonoma	32,013,012	17,173,875	1.86
Stanislaus	43,224,208	16,456,112	2.63
Sutter	7,773,463	3,489,186	2.23
Tehama	5,558,210	2,287,152	2.43
Trinity	1,335,359	595,950	2.24
Tulare	36,834,682	16,686,809	1.97
Tuolumne	5,049,551	1,787,106	2.83
Ventura	48,110,450	23,147,851	2.08
Yolo	12,432,736	6,958,195	1.79
Yuba	4,965,604	3,615,084	1.37

## IV. STATE PERFORMANCE MEASURES

### A. Description of State Performance System

The 1999 child support reform legislation required DCSS to adopt State performance measures for California's child support program. As noted previously, DCSS initiated in early 2000 a collaborative effort with child support program stakeholder involvement to identify the State performance measures. The P3 Project Performance Measures Workgroup reviewed the literature on program performance measures as well as the experiences of other states and programs. The effort provided important input to DCSS and permitted adoption of a beginning set of State performance measures by the January 1, 2001 statutory deadline.

DCSS issued CSS Letter 00-10 dated December 21, 2000 adopting and setting forth the specific State performance standards effective January 1, 2001. DCSS adopted the nine State measures outlined in FC Section 17602(a), as well the five federal measures outlined in Section 458 (A) of the Social Security Act. The nine measure include: (1) cases with current support orders; (2) cases with current support collections; (3) average amount collected per case with collections; (4) cases with arrears due; (5) cases with arrears collections; (6) alleged fathers or obligors served with a Summons and Complaint to establish paternity and/or a support order; (7) annual paternity establishment rate; (8) annual support order establishment rate; and (9) total support collected per \$1.00 of expenditures.

The State performance measures are reflective of and are intended to compliment the five federal program performance areas. Two State performance measures are exactly the same as the federal measures—cases with arrears collections and cost-effectiveness. The remaining State measures result in slightly different information and permit more detailed assessment of activities contributing to performance in the five federal program areas.

A key difference between the federal and State measures is the reporting period; the State measures request information for the preceding State Fiscal Year, while the federal measures are reported on a Federal Fiscal Year basis. The difference in reporting periods significantly complicates data collection and analysis. For example, some data elements are point in time measures and cannot be cumulated by simply mixing and matching the data from different quarters. In addition, differing reporting periods as well as federal and State budgeting and other related requirements make data comparison and reconciliation extremely complicated. DCSS is considering options to facilitate effective use and reporting on the State performance measures in the future. In the meantime, this first annual report reflects the ability to report on only five of the State performance measures on a SFY basis; the other four State measures are reported on a FFY basis.

Unlike the federal performance measures, DCSS has not yet established minimum performance standards or thresholds for the non-federal measures. In fact, given the newness of the measures, DCSS and local child support agencies are tracking performance to gather baseline information to be used in determining the effectiveness and efficiency of these measures.

### **B. Current Status on Measures**

A major part of an effective performance-based system is to ensure that attention is focused on achieving statewide performance goals and objectives, together with identification of the tasks and activities that lead to increasing performance. DCSS has initiated a Quality Assurance and Program Improvement effort to further drill down federal and State performance measures to identify actions that can be taken statewide to improve performance on existing measures. While the federal measures are firmly established, significant work is needed to better understand the inter-relationships of those measures. In addition, the effort must result in a complete understanding of the State measures to ensure that they capture the information necessary to focus attention in key performance areas and permit effective interface with the federal measures. DCSS and local child support agencies are gathering baseline data before moving towards setting minimum standards and linking performance incentive or penalty systems to the State measures.

California's child support program is moving to a performance-based and results oriented approach that carefully considers program data to achieve agreed upon outcomes. It is important to recognize that it will take some operating experience to fully establish and utilize an effective State performance-based system. This part reflects only the initial information on the newly established nine State performance measures.

### **C. The State Measures**

The nine State measures, that together with the five federal measures, comprise the overall State performance measurement system are as follows:

#### **1. Percent of Cases with a Court Order for Current Support**

This measures the number of cases with a court order for current support compared to the total number of cases open (excluding cases with orders for medical support only) during the report period.

#### **2. Percent of Cases with Collection of Current Support**

This measures the number of cases paying toward current support compared to the number of cases owing current support during the report period.

#### **3. Average Amount Collected Per Case for all Cases with Collections**

This measures the total amount of distributed collections compared to the total number of cases with collections during the report period.

#### **4. Percent of Cases with an Order for Arrears**

This measures the number of cases with arrears due compared to the total number of cases open (excluding medical support only cases) at the end of the report period.

**5. Percent of Cases with Arrears Collections**

This measures the number of cases paying towards arrears compared to the total number of cases with arrears due during the report period. This performance measure is identical to the fourth federal performance measure.

**6. Percent of Alleged Fathers or Obligor Served with a Summons and Complaint to Establish Paternity or a Support Order**

This measures the number of alleged fathers or obligors successfully served with a Summons and Complaint to establish paternity and/or a child support order during the report period, compared to the number of cases open at the end of the report period requiring services to establish such orders.

**7. Percent of Children for Whom Paternity Has Been Established During the Period**

This measures the number of children in the IV-D caseload for whom paternity was established or acknowledged during the period, compared to the number of children in the IV-D caseload requiring paternity establishment.

**8. Percent of Cases with a Support Order Established During the Period**

This measures the number of cases with a support order established during the period, compared to the number of cases open at the end of the period requiring establishment of a support order.

**9. Total Child Support Dollars Collected Per \$1.00 of Total Expenditure**

This measures the total amount of collections distributed compared to the total amount expended during the report period. This measure is identical to the fifth federal performance measure.

**D. Performance on State Measures**

The performance outcomes that follow provide information on the nine State performance measures on a statewide basis as well as for each local child support agency. Again, because this is an initial step in implementation of a performance-based, results oriented approach to California's child support program, caution is urged in using these data for statewide or local agency comparisons. Further, since these are California child support measures, comparison to other states or national data are not readily available. DCSS will seek to establish performance reference points through future efforts.

Pending more experience with these State measures, it is difficult to assess overall statewide performance. There are, nevertheless, some general themes that seem to emerge, including: (1) despite exceptionally high performance on the federal PEP measure, over 25 percent of IV-D cases still require paternity establishment; (2) the

measures providing various views of support order establishment seem to support the importance of setting timely and accurate orders by showing a relatively low level of cases with orders for current support and a growing number of cases with orders for arrears; and (3) while the average amount collected per case with collections increased significantly, only slightly more than 50 percent of cases with either current support or arrears due actually received a payment.

As with the federal measures, performance of local agencies on the nine State measures reflects a great deal of variation, both within individual agencies and between agencies. Similarly, there is no individual or group of local agencies that perform equally well on all State measures. Further, there is no pattern of performance that would indicate that local agencies with small or large caseloads are significantly advantaged or disadvantaged in performance achievement on individual measures or on all measures taken together. Instead, it is clear that performance on the State measures also reflects to a large degree past practices and funding histories.

While the federal measures are new with implementation beginning in FFY 1999, the State measures are even newer with adoption effective January 1, 2001, mid-year in the SFY 2000-01 reporting period. The mechanisms to ensure accurate data definitions and automated collection for the State measures were put into place early in the subsequent 2001-02 SFY. Thus, the ability and the focus to impact these measures, at the same time as the federal measures which result in significant funding incentives, has been very limited. It would be fair to characterize performance levels as reflecting raw data for measures that have yet to be validated.

Consideration and analysis of the State measures will occur as part of the Quality Assurance and Program Improvement initiative currently underway. The focus will be on drilling down the federal measures and determining if and how the State measures compliment and appropriately focus attention on tasks and activities that improve overall child support program performance. Thus, the analysis that follows is limited to explanations of the data and relative differences among local child support agencies.



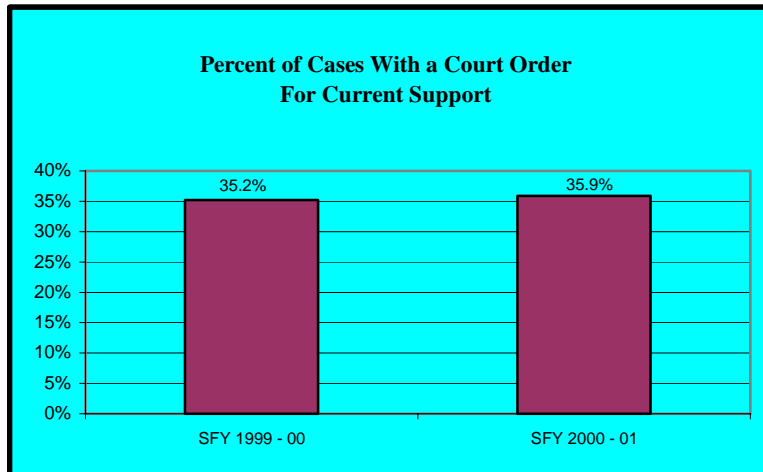
**1. Percent of Cases with an Order for Current Support**

**Description of Data**

This performance measure determines the percent of cases in the IV-D caseload with a court order for current support due compared to the total number of open cases in the IV-D caseload, excluding cases requiring medical support only. Unlike the second federal measure, this measure distinguishes orders for current support from the total number of all orders established. This measure is reported on a State Fiscal Year basis.

**Performance Outcome**

The State achieved a performance level of 35.9 percent of cases with court orders for current support during SFY 2000-01, a slight improvement over the 35.2 percent level in SFY 1999-00.



**Analysis of Data—State Level**

The State achieved a performance level of 35.9 percent of total cases with a support order for current support in SFY 2000-01, an increase of 2 percent over the 35.2 percent in SFY 1999-00. This performance level equates to almost 700,000 cases with current support orders out of a total caseload of just over 1.9 million, excluding medical support cases only. This measure, together with the second federal measure (cases with orders for support), and State measures 4 (cases with orders for arrears) and 8 (cases needing a support order established), provide a varied view of support order establishment. However, the measures seem to show that orders for current support are relatively low, while orders for arrears are high and increasing. Further, almost 600,000 cases, or almost one-third of the total caseload, need a support order established.

### Analysis of Data—Local Level

The performance level of local child support agencies ranged from a high of 57.6 percent to a low of 18.2 percent, with a median of just over 39 percent. Thirty-eight local child support agencies exceeded the average statewide performance level of 35.9 percent, with an additional 12 local agencies performing at or above 30 percent during SFY 2000-01. Fifty percent of local agencies showed improvement when compared to their previous years' current support order percentage.

Caseload size appears to have little impact on performance since there is fairly significant variation on this measurement among local agencies throughout the State. The five local agencies with the largest caseloads accounted for almost 53.5 percent of the total caseload and almost 52 percent of all current support orders in place, achieving an average performance level of 34.4 percent of their cases. The five local agencies with the smallest caseloads, while accounting for a fraction of one percent of the total caseload, achieved an average performance level of 39 percent of their cases with support orders in place.

The five highest performing local agencies with a total caseload of almost 7 percent, achieved an average performance level of almost 54 percent of their cases with orders for current support. The five lowest performing local agencies on this measure accounted for 13.2 percent of the total caseload, and had current support orders in place for 24.7 percent of their cases.

### Data Formula, Source, and Display

- The formula to determine the percentage of cases with an order for current support is:

$$\frac{\text{Cases with an order for current support due}}{\text{Total number of cases open at the end of the report period (excluding medical support only orders)}}$$

- The sources of data for this measure are the OCSE 157 and CS 457 reports
- Table 6--Cases with a Court Order for Current Support for SFY 2000-01 displays the following by county:
  - Column A=total cases, excluding medical support only
  - Column B=cases with an order for current support due
  - Column C=percent of cases with an order of current support
  - Formula=Column B divided by Column A=Column C

STATE OF CALIFORNIA - HEALTH AND HUMAN SERVICES AGENCY  
CHILD SUPPORT PROGRAM STATISTICSDEPARTMENT OF CHILD SUPPORT SERVICES  
JULY 2000 - JUNE 2001

**Table 6**  
**PERCENT OF CASES WITH A COURT ORDER FOR CURRENT SUPPORT**  
**AT THE END OF STATE FISCAL YEAR 2000-01**

	(A)	(B)	(C)
	Total Cases (excluding medical support only)	Cases with an Order for Current Support Due	Percent of Cases with an Order for Current Support
STATEWIDE	1,938,657	685,921	35.9%
Alameda	55,813	26,573	47.6
Alpine	159	54	34.0
Amador	1,835	867	47.2
Butte	20,795	5,065	24.4
Calaveras	2,651	972	36.7
Colusa	1,047	543	51.9
Contra Costa	51,046	13,033	25.5
Del Norte	4,000	1,252	31.3
El Dorado	8,786	3,350	38.1
Fresno	71,012	30,372	42.8
Glenn	2,181	925	42.4
Humboldt	8,824	4,231	47.9
Imperial	11,274	5,488	48.7
Inyo	1,728	765	44.3
Kern	56,605	24,828	43.9
Kings	10,004	4,278	42.8
Lake	6,640	1,770	26.7
Lassen	1,883	775	41.2
Los Angeles	560,076	179,185	32.0
Madera	7,936	3,484	43.9
Marin	3,907	1,847	47.3
Mariposa	949	483	50.9
Mendocino	6,035	2,705	44.8
Merced	18,535	8,527	46.0
Modoc	973	275	28.3
Mono	568	198	34.9
Monterey	23,227	8,853	38.1
Napa	5,915	2,392	40.4
Nevada	5,467	2,096	38.3
Orange	95,181	40,495	42.5
Placer	11,534	3,999	34.7
Plumas	1,518	695	45.8
Riverside	102,037	34,767	34.1
Sacramento	85,395	25,586	30.0
San Benito	3,900	1,020	26.2
San Bernardino	168,177	41,750	24.8
San Diego	118,405	63,061	53.3
San Francisco	27,715	8,988	32.4
San Joaquin	39,380	14,336	36.4
San Luis Obispo	7,301	4,204	57.6
San Mateo	15,101	6,782	44.8
Santa Barbara	16,309	7,546	46.3
Santa Clara	71,947	22,472	31.2
Santa Cruz	10,390	3,817	36.7
Shasta	17,285	6,362	36.8
Sierra	185	97	52.4
Siskiyou	4,774	1,954	40.9
Solano	24,447	9,755	39.9
Sonoma	20,636	7,984	38.7
Stanislaus	34,924	14,653	42.0
Sutter	8,352	2,339	28.0
Tehama	4,210	1,849	43.9
Trinity	1,272	480	37.7
Tulare	40,363	13,469	33.4
Tuolumne	4,498	1,527	33.9
Verdugo	32,215	15,051	46.7
Yolo	11,538	3,836	34.1
Yuba	9,797	1,781	18.2

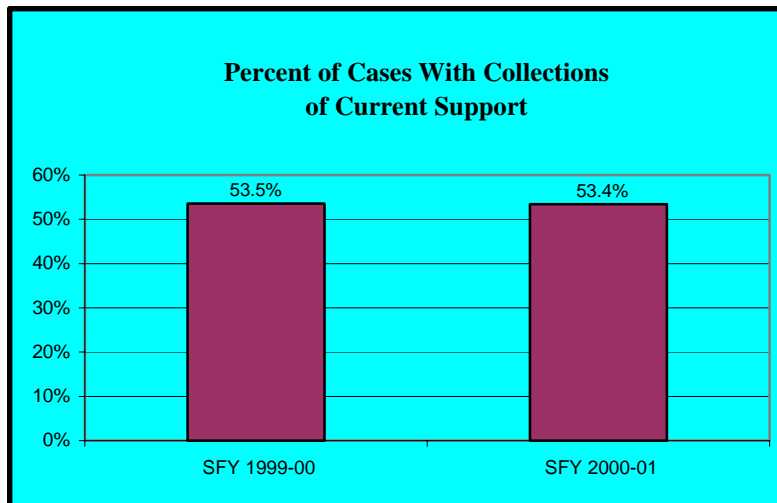
**2. Percent of Cases with Collections of Current Support**

**Description of Data**

This performance measure determines the percent of cases in the IV-D caseload receiving payment toward current support compared to the total number of cases with current support due. Unlike the third federal measure, this measure looks at the number of cases owed and receiving current support, not the total dollar amounts owed and received. Measurement of the number of cases with current collections reflects payments that go directly to families not currently receiving assistance. This measure uses cases open on the last day of the report period, which is a State Fiscal Year.

**Performance Outcome**

The State achieved a performance level of 53.4 percent of cases with current support due receiving payment in SFY 2000-01, essentially unchanged from the 53.5 percent level in SFY 1999-00.



**Analysis of Data—State Level**

The State achieved a performance level of 53.4 percent of cases with current support due receiving a payment in SFY 2000-01, essentially unchanged from 53.5 percent in SFY 1999-00. This performance level equates to almost 372,000 cases receiving current support out of 695,921 cases with an order for current support.

**Analysis of Data—Local Level**

Fifty-two local child support agencies exceeded the statewide average performance level of 53.4 percent in SFY 2000-01. The six local agencies that did not meet the statewide average included three agencies each with total caseloads exceeding 125,000 cases, one agency of approximately 60,000 cases, and two agencies with between 10,000 to 12,000 cases. These six local agencies represented 45 percent of

the statewide number of cases with an order for current support, achieving 37 percent of the statewide number of cases with collections on current support, and an average of 44 percent of their cases with collections. Removing these six local agencies from the statewide measure would raise the statewide average to well over 60 percent. Thirty-nine local agencies showed improvement compared to the prior SFY. The performance level of local child support agencies ranged from a high of 76.3 percent to a low of 40.3 percent, with a median of 61.8 percent.

Caseload size appears to impact the relative performance of local agencies on this measure, with large total caseload agencies generally finding it more difficult to achieve higher performance levels. However, three local agencies with caseloads of 50,000 to 100,000 cases were able to achieve a performance level above 60 percent, well above the statewide average of 53.4 percent. In general, local agencies with caseloads below 100,000 tended to perform higher on this measure. In fact, local agencies with very small caseloads of below 3,000 had the highest average performance level of 68 percent. This seems to indicate that although this currently is a difficult performance measure for some large caseload agencies, a high performance level is achievable.

**Data Formula, Source, and Display**

- The formula to determine the percent of cases with current support orders owed and received is:

$$\frac{\text{Number of cases paying toward current support}}{\text{Number of cases owed current support}}$$

- The sources of data for this measure are the OCSE 157 and CS 457 reports.
- Table 7—Percent of Cases with Collections of Current Support during SFY 2000-01 displays the following by county:
  - Column A=case with an order for current support
  - Column B=cases paying current support
  - Column C=percent of cases with collections of current support
  - Formula=Column B divided by Column A=Column C

STATE OF CALIFORNIA - HEALTH AND HUMAN SERVICES AGENCY  
CHILD SUPPORT PROGRAM STATISTICS

DEPARTMENT OF CHILD SUPPORT SERVICES  
JULY 2000 - JUNE 2001

**Table 7**  
**PERCENT OF CASES WITH COLLECTIONS OF CURRENT SUPPORT**  
**DURING STATE FISCAL YEAR 2000-01**

	(A)	(B)	(C)
	Cases with an Order for Current Support	Cases Paying Current Support	Percent of Cases with Collection of Current Support
STATEWIDE	695,921	371,914	53.4%
Alameda	26,573	17,272	65.0
Alpine	54	35	64.8
Amador	867	635	73.2
Butte	5,065	2,944	58.1
Calaveras	972	562	57.8
Colusa	543	413	76.1
Contra Costa	13,033	7,733	59.3
Del Norte	1,252	755	60.3
El Dorado	3,350	2,148	64.1
Fresno	30,372	16,652	54.8
Glenn	925	642	69.4
Humboldt	4,231	2,794	66.0
Imperial	5,488	2,595	47.3
Inyo	765	479	62.6
Kern	24,828	12,002	48.3
Kings	4,278	2,693	62.9
Lake	1,770	1,053	59.5
Lassen	775	557	71.9
Los Angeles	179,185	72,201	40.3
Madera	3,484	2,140	61.4
Marin	1,847	1,395	75.5
Mariposa	483	363	75.2
Mendocino	2,705	1,631	60.3
Merced	8,527	5,399	63.3
Modoc	275	181	65.8
Mono	198	151	76.3
Monterey	8,853	5,538	62.6
Napa	2,392	1,623	67.9
Nevada	2,096	1,224	58.4
Orange	40,495	26,965	66.6
Placer	3,999	2,729	68.2
Plumas	695	474	68.2
Riverside	34,767	18,815	54.1
Sacramento	25,586	15,093	59.0
San Benito	1,020	615	60.3
San Bernardino	41,750	20,866	50.0
San Diego	63,061	30,695	48.7
San Francisco	8,988	6,108	68.0
San Joaquin	14,336	7,760	54.1
San Luis Obispo	4,204	3,053	72.6
San Mateo	6,762	4,887	72.3
Santa Barbara	7,546	5,586	74.0
Santa Clara	22,472	13,870	61.7
Santa Cruz	3,817	2,390	62.6
Shasta	6,362	3,584	56.3
Sierra	97	69	71.1
Siskiyou	1,954	1,208	61.8
Solano	9,755	5,934	60.8
Sonoma	7,984	5,505	69.0
Stanislaus	14,653	8,487	57.9
Sutter	2,339	1,575	67.3
Tehama	1,849	1,081	58.5
Trinity	480	283	59.0
Tulare	13,469	7,831	58.1
Tuolumne	1,527	917	60.1
Ventura	15,051	8,836	58.7
Yolo	3,936	2,133	54.2
Yuba	1,781	755	42.4



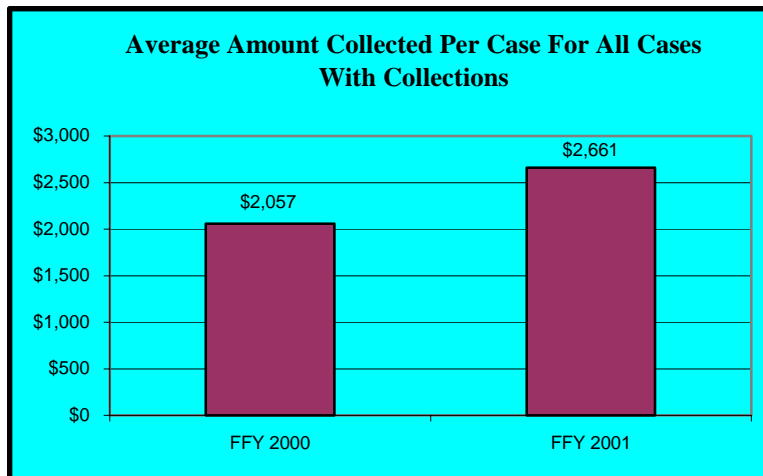
**3. Average Amount Collected Per Case for All Cases with Collections**

**Description of Data**

This performance measure determines the average amount collected per case for all cases with collections. The measure compares the unduplicated annual count of child support cases with at least one collection of support, to the total amount of distributed collections (current support and arrears) during the report period. Current Assistance, Former Assistance and Never Assistance cases are included, as well as cases where no support order is established but a voluntary payment was made. This measure is reported on a Federal Fiscal Year basis.

**Performance Outcome**

The State achieved an average collection per case of \$2,661 for all cases with a collection during FFY 2001, an increase of 29 percent or \$604 per case over the \$2,057 collected in FFY 2000.



**Analysis of Data—State Level**

The State achieved an average collection per case for all cases with collections of \$2,661 during FFY 2001, representing a significant \$604 increase per case from \$2,057 in FFY 2000. This is a 29 percent increase in the average amount collected per case with collections. A total of \$2.08 billion in collections was distributed to 781,260 cases during FFY 2001.

In addition, the measure (Table 9) breaks down the \$2.08 billion total child support collected and distributed for FFY 2001 by support collected on behalf of Current Assistance, Former Assistance, and Never Assistance families. Collections on behalf of Former and Never Assistance families comprise 86 percent of total collections, while collections on behalf of Current Assistance families comprise just 14 percent. All

current support collected on behalf of families never on assistance or formerly on assistance goes directly to those families.

### Analysis of Data—Local Level

The performance level of local child support agencies varied quite significantly during FFY 2001. Seventeen counties distributed more child support per case than the statewide average, averaging \$2,926 per case. Thirty-six counties showed an increase in the average amount of distributed collections during the report year compared to the previous year. The performance level ranged statewide from a high of \$3,576 per case to a low of \$1,588 per case, with a median of \$2,450 per case.

Caseload size does appear to impact the ability to achieve on this performance measure. With five exceptions, the 28 local agencies with less than 10,000 cases did not achieve the statewide average performance level. The 13 local agencies with less than 3000 cases achieved an average amount per case with collections of \$2,188, the lowest of all caseload size groupings. On the other hand, the five local agencies with the largest caseloads performed above the statewide average, distributing an average of \$2,795 per case with collections.

The five highest performing local agencies distributed an average of \$3,178 per case with collections, while the five lowest performing local agencies distributed an average of \$1,850 per case with collections.

### Data Formula, Source, and Display

- The formula to determine the average amount collected per case with collections is:

$$\frac{\text{Total amount of support collected}}{\text{Number of cases with collections}}$$

- The sources of data for this measure are the OCSE 157 and CS 457 reports.
- Table 8—Average Amount Collected Per Case with Collection during FFY 2001 displays the following by county:
  - Column A=total child support distributed
  - Column B=cases with collections
  - Column C=average amount distributed per case with collections
  - Formula=Column A divided by Column B=Column C
- Table 9—Total Amount of Child Support Collected and Distributed during FFY 2001 displays the following by county:
  - Column A=total distributed collections
  - Column B=Current Assistance distributed collections
  - Column C=Former Assistance distributed collections
  - Column D=Never Assistance distributed collections
  - Formula=Column B + Column C+ Column D= Column A

STATE OF CALIFORNIA - HEALTH AND HUMAN SERVICES AGENCY  
CHILD SUPPORT PROGRAM STATISTICSDEPARTMENT OF CHILD SUPPORT SERVICES  
OCTOBER 2000 - SEPTEMBER 2001**Table 8**  
**AVERAGE AMOUNT COLLECTED PER CASE WITH COLLECTIONS**  
**DURING FEDERAL FISCAL YEAR 2001**

	(A)	(B)	(C)
	Total Child Support Distributed	Cases With Collections	Average Amount Distributed per Case with Collections
STATEWIDE	\$2,076,756,271	761,260	\$2,661
Alameda	102,131,571	35,507	2,876
Alpine	117,508	74	1,588
Amador	3,263,247	1,279	2,551
Butte	17,184,010	7,827	2,195
Calaveras	2,548,495	1,305	1,953
Colusa	1,709,250	695	2,459
Contra Costa	52,314,688	18,544	2,821
Del Norte	3,487,027	1,939	1,798
El Dorado	15,092,298	5,290	2,853
Fresno	84,389,097	37,960	2,223
Glenn	2,401,787	1,311	1,832
Humboldt	12,441,314	5,457	2,280
Imperial	13,357,702	5,595	2,387
Inyo	2,520,008	1,047	2,407
Kern	58,981,333	24,832	2,375
Kings	11,679,718	5,256	2,222
Lake	5,448,023	2,425	2,247
Lassen	2,719,227	1,254	2,168
Los Angeles	432,940,971	146,162	2,962
Madera	9,678,400	3,709	2,609
Mann	9,314,751	2,605	3,576
Mariposa	1,698,977	703	2,417
Mendocino	7,548,532	3,610	2,091
Merced	25,853,595	10,385	2,490
Modoc	786,561	459	1,714
Mono	725,119	250	2,900
Monterey	30,221,156	10,643	2,840
Napa	8,893,288	3,174	2,802
Nevada	6,872,901	2,703	2,543
Orange	159,970,941	48,650	3,288
Placer	16,665,532	6,181	2,696
Plumas	2,249,409	1,031	2,182
Riverside	112,909,153	45,403	2,487
Sacramento	80,480,744	31,355	2,567
San Benito	3,622,634	1,653	2,192
San Bernardino	115,907,769	41,932	2,764
San Diego	145,766,023	64,061	2,275
San Francisco	33,141,141	13,477	2,459
San Joaquin	42,446,474	17,033	2,492
San Luis Obispo	14,719,854	5,481	2,696
San Mateo	30,328,548	9,885	3,068
Santa Barbara	27,510,992	9,846	2,794
Santa Clara	95,777,457	31,566	3,034
Santa Cruz	15,061,809	4,967	3,020
Shasta	20,123,497	9,294	2,165
Sierra	303,192	139	2,181
Siskiyou	5,879,537	2,867	2,051
Solano	32,199,966	13,196	2,440
Sonoma	32,144,749	12,347	2,603
Stanislaus	44,357,384	17,316	2,562
Sutter	7,822,003	3,651	2,142
Tehama	5,438,659	2,470	2,202
Trinity	1,351,017	687	1,967
Tulare	36,997,477	17,744	2,085
Tuolumne	4,954,097	1,892	2,618
Ventura	48,122,641	17,402	2,785
Yolo	11,029,164	5,038	2,189
Yuba	5,154,873	2,676	1,926

STATE OF CALIFORNIA - HEALTH AND HUMAN SERVICES AGENCY  
CHILD SUPPORT PROGRAM STATISTICSCALIFORNIA DEPARTMENT OF CHILD SUPPORT SERVICES  
OCTOBER 2000 - SEPTEMBER 2001**Table 9**  
**TOTAL AMOUNT OF DISTRIBUTED CHILD SUPPORT COLLECTIONS**  
**DURING FEDERAL FISCAL YEAR 2001**

	(A)	(B)	(C)	(D)
	Total	Current Assistance	Former Assistance	Never Assistance
STATEWIDE	\$2,078,756,271	\$291,663,784	\$1,134,716,883	\$652,373,604
Alameda	102,131,571	13,147,817	57,332,810	31,650,943
Alpine	117,508	21,504	53,361	42,644
Amador	3,263,247	243,545	1,810,595	1,209,107
Butte	17,184,010	2,755,913	10,652,238	3,775,859
Calaveras	2,548,495	337,269	1,368,263	842,963
Colusa	1,709,250	234,044	886,794	588,412
Contra Costa	52,314,688	6,237,592	28,489,090	17,608,005
Del Norte	3,487,027	563,178	2,177,901	745,948
El Dorado	15,092,296	1,399,595	8,043,692	5,648,809
Fresno	84,389,097	15,314,683	46,893,021	22,181,393
Glenn	2,401,787	450,492	1,269,417	681,878
Humboldt	12,441,314	2,357,890	6,408,900	3,674,524
Imperial	13,357,702	2,212,018	5,334,674	5,811,009
Inyo	2,520,008	251,424	1,369,106	899,477
Kern	58,981,333	9,728,459	34,204,149	15,048,726
Kings	11,679,718	2,057,360	6,747,207	2,875,151
Lake	5,448,023	1,076,993	3,400,769	970,240
Lassen	2,719,227	443,686	1,407,813	867,729
Los Angeles	432,940,971	61,771,817	221,944,592	149,224,562
Madera	8,678,400	2,063,947	5,711,032	1,903,422
Marin	9,314,751	569,328	3,498,650	5,246,772
Mariposa	1,698,977	186,339	1,043,772	468,867
Mendocino	7,548,532	1,343,213	4,196,954	2,008,365
Merced	25,853,595	5,004,727	13,713,295	7,135,572
Modoc	786,561	128,530	518,535	139,497
Mono	725,119	35,058	235,392	454,669
Monterey	30,221,158	3,335,570	17,247,066	9,638,501
Napa	8,893,268	608,854	4,684,801	3,619,813
Nevada	6,872,901	641,222	4,072,776	2,158,903
Orange	159,870,941	16,131,755	73,406,048	70,433,138
Placer	16,665,532	908,899	8,979,726	6,778,908
Plumas	2,249,409	289,594	1,507,710	452,106
Riverside	112,909,153	17,523,361	64,395,223	30,990,568
Sacramento	80,480,744	11,981,960	42,700,640	25,798,145
San Benito	3,622,634	430,938	2,335,600	856,096
San Bernardino	115,907,769	20,354,827	68,110,095	27,442,847
San Diego	145,766,023	22,034,272	98,719,367	25,012,384
San Francisco	33,141,141	4,559,663	17,180,444	11,421,035
San Joaquin	42,446,474	5,497,881	23,373,363	13,575,430
San Luis Obispo	14,719,854	1,855,354	7,269,794	5,594,706
San Mateo	30,328,548	1,853,281	14,174,310	14,300,857
Santa Barbara	27,510,992	4,126,219	14,126,151	9,258,622
Santa Clara	95,777,457	11,802,001	53,755,707	30,219,749
Santa Cruz	15,061,809	1,635,741	8,304,773	5,121,295
Shasta	20,123,497	3,084,390	8,980,110	8,058,997
Sierra	303,192	32,811	139,656	130,725
Siskiyou	5,879,537	821,488	3,686,549	1,371,490
Solano	32,198,966	3,798,908	18,408,923	9,991,135
Sonoma	32,144,749	3,491,167	17,998,391	10,655,191
Stanislaus	44,357,384	7,565,721	25,046,191	11,745,472
Sutter	7,822,003	1,177,318	4,665,874	1,978,811
Tehama	5,438,859	845,825	3,323,468	1,269,566
Trinity	1,351,017	198,432	905,804	246,782
Tulare	36,897,477	8,165,509	22,489,767	6,342,201
Tuolumne	4,954,097	527,676	2,885,069	1,561,352
Ventura	48,122,641	4,054,009	24,183,542	19,885,090
Yolo	11,029,164	1,446,028	6,016,249	3,566,887
Yuba	5,154,873	949,279	3,013,435	1,192,159

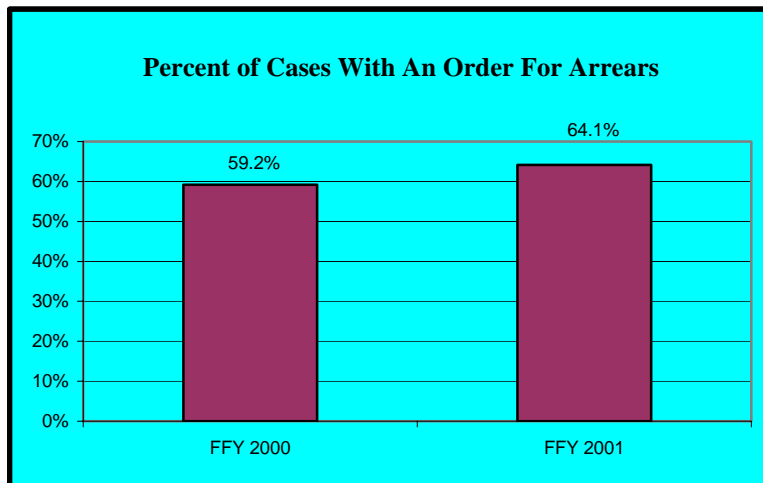
**4. Percent of Cases with an Order for Arrears**

**Description of Data**

This performance measure determines the percent of cases with an order for arrears. A case is considered as having an order for arrears when any past-due child support is owed in the case. The measure compares the total number of cases in the IV-D caseload with arrears, to the total number of IV-D cases. Cases with orders for medical support only are excluded from the count. The measure is of cases open on the last day of the report period, which is a FFY.

**Performance Outcome**

**The State had 64.1 percent of its child support caseload with arrears due in FFY 2001, an increase of 8.3 percent from 59.2 percent in FFY 2000.**



**Analysis of Data—State Level**

The State had 64.1 percent or 1.2 million cases with arrears due out of a total caseload of almost 1.9 million, excluding cases with orders for medical support only, in FFY 2001. This is an increase from the 59.2 percent of cases with arrears due in FFY 2000, representing a year-to-year increase of 8.3 percent. This means that the number of cases with arrears due is increasing, a longstanding trend in California that significantly increased beginning in 1993. As noted in the analysis of federal measure four, the growth in arrears owed was considered as part of the 1999 child support reform legislation. As a result, DCSS was required to conduct a study of the collectibility of arrears owed. The status of this effort and preliminary findings are addressed in Part VI.

**Analysis of Data—Local Level**

The performance level of local child support agencies varied quite significantly during FFY 2001. Eleven counties decreased their percent of cases with arrears due in FFY

2001 when compared to FFY 2000. The performance level of local child support agencies ranged statewide from an exceptionally high 93.7 percent of cases with an order for arrears, to a lower level of 39.9 percent of cases with arrears due, with a median of 78 percent.

Caseload size does not appear to impact the relative performance of local agencies on this measure, large and small caseload agencies performed above and below the statewide average of 64.1 percent. For example, the five local agencies with the largest total caseloads account for 53.5 percent of all cases, 48 percent of cases with arrears due, and an average of 57.8 percent of their cases with arrears due. Individual performance among these five agencies ranged from a low of 39.9 percent to a high of 93.7 percent of cases with arrears. On the other hand, the five smallest caseload agencies had an average of 75.5 percent of their cases with arrears due, ranging from a low of 58.6 percent to a high of 89 percent.

The five local agencies with the highest number of cases with an order for arrears averaged almost 94 percent of their cases. On the other hand, local agencies with the lowest level of cases with an order for arrears averaged 47 percent of their cases.

#### Data Formula, Source, and Display

- The formula to determine the percent of cases with an order for arrears is:

$$\frac{\text{Number of cases with arrears due}}{\text{Total number of cases, excluding medical support only cases}}$$

- The data sources for this information are the OCSE 157 and CS 457 reports.
- Table 10—Percent of Cases with an Order for Arrears during FFY 2001 displays the following by county:
  - Column A=total cases, excluding medical support only
  - Column B=cases with arrears due
  - Column C=percent of cases with arrears due
  - Formula=Column B divided by Column A= Column C



STATE OF CALIFORNIA - HEALTH AND HUMAN SERVICES AGENCY  
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DEPARTMENT OF CHILD SUPPORT SERVICES  
OCTOBER 2000 - SEPTEMBER 2001

**Table 10**  
**PERCENT OF CASES WITH AN ORDER FOR ARREARS**  
**DURING FEDERAL FISCAL YEAR 2001**

	(A) Total Cases (excluding medical support only)	(B) Cases with Arrears Due	(C) Percent of Cases with Arrears Due
STATEWIDE	1,874,931	1,202,258	64.1%
Alameda	55,861	45,798	82.0
Alpine	161	126	78.3
Amador	1,864	1,555	83.4
Butte	20,337	13,020	64.0
Calaveras	2,542	2,007	79.0
Colusa	1,034	875	84.6
Contra Costa	47,301	26,672	56.4
Del Norte	3,955	2,903	73.4
El Dorado	9,366	8,124	86.7
Fresno	69,169	54,247	78.4
Glenn	2,114	1,743	82.5
Humboldt	8,760	7,202	82.2
Imperial	11,153	8,984	80.6
Inyo	1,709	1,509	88.3
Kern	54,264	38,374	70.7
Kings	10,259	7,543	73.5
Lake	6,354	3,765	59.3
Lassen	2,020	1,592	78.8
Los Angeles	525,926	259,786	49.4
Madera	7,902	5,519	69.8
Marin	3,977	3,309	83.2
Mariposa	987	854	86.3
Mendocino	6,003	4,974	82.9
Merced	17,485	14,438	82.6
Modoc	932	634	68.0
Mono	505	296	58.6
Monterey	22,699	15,283	67.3
Napa	5,702	4,312	75.6
Nevada	5,277	4,309	81.7
Orange	92,922	72,222	77.7
Placer	11,112	8,788	79.1
Plumas	1,537	1,404	91.3
Riverside	95,363	68,824	72.2
Sacramento	84,844	44,007	51.9
San Benito	3,871	2,602	67.2
San Bernardino	166,777	66,575	39.9
San Diego	116,404	109,062	93.7
San Francisco	27,348	19,021	69.6
San Joaquin	37,716	26,842	71.2
San Luis Obispo	7,370	6,813	92.4
San Mateo	15,667	13,186	84.2
Santa Barbara	15,953	11,887	74.5
Santa Clara	68,986	46,412	67.3
Santa Cruz	10,204	6,992	68.5
Shasta	16,654	13,902	83.5
Sierra	200	178	89.0
Siskiyou	4,870	4,175	85.7
Solano	24,257	18,756	77.3
Sonoma	20,516	16,518	80.5
Stanislaus	34,946	24,509	70.1
Sutter	8,398	4,979	59.3
Tehama	5,341	4,055	75.9
Trinity	1,293	1,009	78.0
Tulare	40,696	27,668	68.0
Tuolumne	4,226	2,897	68.6
Ventura	31,223	25,858	82.8
Yolo	10,989	8,730	79.4
Yuba	9,650	4,634	48.0

**5. Percent of Cases with Arrears Collections**

**Description of Data**

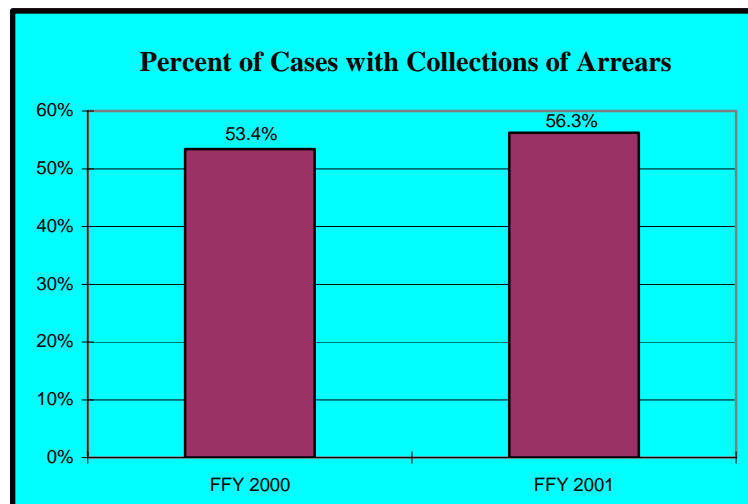
This performance measure, which is identical to the fourth federal measure, determines the percent of cases in the child support caseload that owe arrears (past-due child support) and made at least one payment towards the arrearage amount. An arrearage occurs in any month a payment for current support is missed.

The performance level for this measure is determined by comparing the number of child support cases with arrears due, to the number of child support cases for which at least one payment was made towards the arrears. The measure includes cases with a court ordered payment for arrears due and cases closed during the reporting period.

While this performance measure is identical to the fourth federal performance measure, it is intended that the reporting periods differ. Since this is a State measure the intent is to report on a State Fiscal Year basis. Unfortunately, during this first reporting period, the information is available only on a Federal Fiscal Year basis. This makes this measure identical in every way to federal performance measure four. The analysis of this measure thus is not repeated here.

**Performance Outcome**

**The State achieved a performance level of 56.3 percent of cases with a collection of arrears in FFY 2001, an increase of 5.4 percent from 53.4 percent in FFY 2000.**



**6. Percent of Alleged Fathers or Obligor Served with A Summons and Complaint to Establish a Paternity or Support Order**

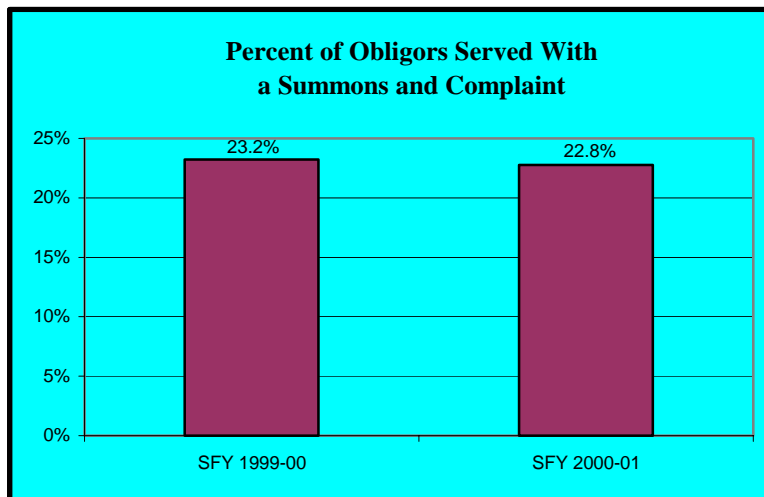
**Description of Data**

This performance measure determines the percent of alleged fathers or obligors served with a Summons and Complaint to establish paternity or a support order. Serving a Summons and Complaint starts the process to establish paternity in court or to establish an order for child support. The court process requires that the alleged father or obligor first must be served with a Summons and Complaint.

The performance level for this measure is determined by comparing the number of alleged fathers or obligors served with a Summons and Complaint to establish paternity and/or an order for child support, compared to the number of cases requiring service to establish a court order for paternity and/or child support. The reporting period for this measure is the State Fiscal Year.

**Performance Outcome**

The State served 22.8 percent of alleged fathers or obligors requiring a court order to establish paternity and/or child support with a Summons and Complaint during SFY 2000-01, virtually unchanged from the prior SFY when 23.2 percent were served.



**Analysis of Data—State Level**

The State served a Summons and Complaint to establish paternity and/or a child support order in 22.8 percent of cases requiring service during SFY 2000-01. This equates to serving almost 175,000 Summons and Complaints, compared to 766,754 cases requiring an order to establish paternity and/or a child support order.

### Analysis of Data—Local Level

The performance level of local child support agencies varied quite significantly during SFY 2000-01. Forty-two counties exceeded the State performance of 22.8 percent, and 22 counties showed an increase compared to SFY 1999-00. The performance level ranged statewide from a high of 62 percent to a low of 7.5 percent of cases requiring service being served, with a median of 32.9 percent.

Caseload size appears to have little impact on the ability to achieve on this performance measure. Local agencies of all caseload sizes demonstrated the ability to achieve higher and lower levels of performance in serving Summons and Complaints. The five largest caseload agencies accounted for 482,837 cases requiring services and 97,973 obligors served, an average performance level of 20.3 percent. The performance of the same five largest caseload agencies ranged from 35.9 percent to 7.5 percent. The five smallest caseload agencies achieved an average performance level of 30.1 percent, with a range of 55.3 percent to 12.9 percent.

The five highest performing local agencies served Summons and Complaints in 60 percent of cases requiring such service, while the five lowest performing agencies served Summons and Complaints in less than 9 percent of cases.

### Data Formula, Source, and Display

- The formula to determine the percent of service of Summons and Complaint is:

$$\frac{\text{Number of alleged fathers and/or obligors successfully served with a Summons and Complaint}}{\text{Number of cases requiring service to establish paternity and/or a child support order}}$$

- The source of data for this measure is the CS 457 report.
- Table 11—Percent of Alleged Fathers and Obligor Served with Summons and Complaint to Establish Orders during SFY 2000-01 displays the following by county:
  - Column A=cases requiring an order for paternity and/or child support
  - Column B=alleged fathers or obligors served with Summons and Complaint
  - Column C=percent of alleged fathers or obligors served with Summons and Complaint
  - Formula=Column B divided by Column A=Column C

**Table 11**  
**PERCENT OF ALLEGED FATHERS OR OBLIGORS SERVED**  
**WITH SUMMONS AND COMPLAINT TO ESTABLISH ORDERS**  
**DURING STATE FISCAL YEAR 2000-01**

	(A)	(B)	(C)
	Cases Requiring an Order for Paternity and/or Child Support	Alleged Fathers or Obligor Served With Summons & Complaint	Percent of Alleged Fathers or Obligor Served with Summons & Complaint
STATEWIDE	766,754	174,558	22.8%
Alameda	11,478	4,147	36.1
Alpine	31	4	12.9
Amador	434	204	47.0
Butte	9,034	1,630	18.0
Calaveras	745	181	24.3
Colusa	263	120	42.4
Contra Costa	20,230	3,299	16.3
Del Norte	1,123	380	33.8
El Dorado	566	203	35.9
Fresno	7,735	4,786	61.9
Glenn	639	255	39.9
Humboldt	1,861	891	47.4
Imperial	3,204	955	29.8
Inyo	368	173	47.0
Kern	23,413	6,307	26.9
Kings	3,380	1,311	38.8
Lake	3,095	763	24.7
Lassen	621	170	27.4
Los Angeles	276,167	52,058	18.9
Madera	2,613	660	25.3
Mann	910	167	18.4
Mariposa	197	86	43.7
Mendocino	1,620	673	41.5
Merced	4,695	1,777	37.8
Modoc	366	122	33.3
Mono	293	45	15.4
Monterey	9,820	3,105	31.6
Napa	1,661	438	26.1
Nevada	1,162	216	18.3
Orange	33,093	9,358	28.3
Placer	3,439	1,069	31.1
Plumas	331	162	55.0
Riverside	54,756	19,649	35.9
Sacramento	42,831	4,613	10.8
San Benito	1,536	230	15.0
San Bernardino	88,211	6,576	7.5
San Diego	30,610	10,332	33.8
San Francisco	5,968	2,079	34.7
San Joaquin	6,335	2,862	45.2
San Luis Obispo	1,346	834	62.0
San Mateo	3,607	1,249	34.6
Santa Barbara	6,246	2,138	34.2
Santa Clara	29,866	5,089	17.0
Santa Cruz	3,674	850	23.1
Shasta	4,674	1,752	37.5
Sierra	38	21	55.3
Siskiyou	1,169	612	52.4
Solano	6,427	3,908	46.4
Sonoma	4,997	1,656	33.1
Stanislaus	10,407	3,397	32.6
Sutter	3,568	924	25.9
Tehama	867	231	26.6
Trinity	425	141	33.2
Tulare	13,092	4,924	37.6
Tuolumne	1,385	328	23.7
Ventura	10,398	3,355	32.3
Yolo	2,956	670	22.7
Yuba	4,678	423	9.0

**7. Percent of Children for Whom Paternity was Established during the State Fiscal Year**

**Description of Data**

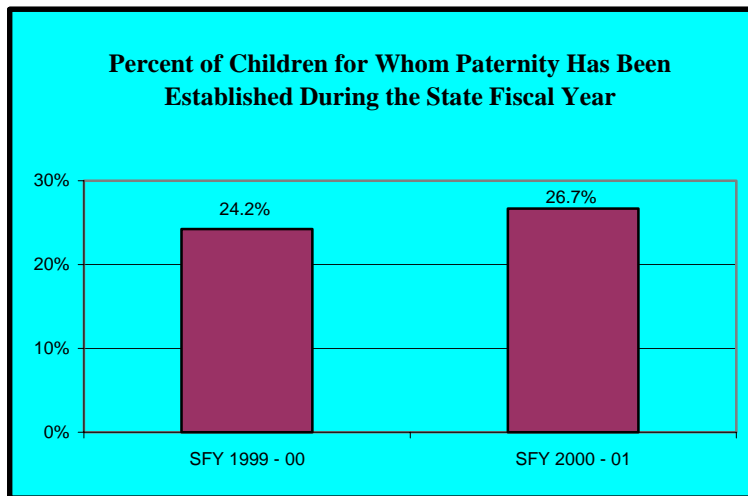
This performance measure determines the percent of children for whom paternity has been established during the SFY. When children are born to unmarried parents, establishing paternity is the first step for obtaining an order for support. Paternity establishment involves the legal establishment of fatherhood for a child. Paternity can be established either by court order or by a voluntary acknowledgment signed by both parents either as part of an in-hospital or other acknowledgement program.

The performance level for this measure is determined by comparing the total number of children requiring paternity determination services in the IV-D caseload, to the number of children for whom paternity has been established. This measure is based on the number of children and not the number of cases. Excluded from this calculation are paternities established by voluntary acknowledgments outside the local child support agency. This measure is reported on a State Fiscal Year basis.

This measure is distinguished from the first federal performance measure because it is limited to paternities established within the report period as compared to total need in the caseload, not just need in the prior year, and is reported on a State Fiscal Year versus a Federal Fiscal Year basis.

**Performance Outcome**

**The State established paternity for 26.7 percent of children requiring a paternity determination during SFY 2000-01, an increase of 10.3 percent from 24.2 percent in SFY 1999-00.**





### Analysis of Data—State Level

The State established paternity for 26.7 percent of children in the IV-D caseload requiring paternity establishment during SFY 2000-01, an increase of 10.3 percent over 24.2 percent in the prior SFY. This equates to establishing paternity for 193,516 children out of almost 725,000 children in the IV-D caseload requiring paternity establishment.

### Analysis of Data—Local Level

The performance level of local child support agencies varied quite significantly during SFY 2000-01. Forty-three local child support agencies exceeded the statewide paternity establishment percentage. The performance level ranged from a high of 79.4 percent to a low of 6.4 percent of children for whom paternity was established during the SFY, with a median of 34.4 percent.

Caseload size appears to have little impact on the ability to achieve higher levels of performance on this measure. Local agencies of all caseload sizes demonstrated higher and lower levels of performance in establishing paternity. For example, the highest and lowest performance levels are found in local agencies each with less than 10,000 cases. Further, the five local agencies with the largest caseloads had an average paternity establishment rate of 25.3 percent, near the statewide average, with a range from 47.4 percent to 21.3 percent. As a group, local agencies with caseloads of less than 3,000 cases tended to perform slightly better, with an average paternity establishment rate of 35.1 percent, than groupings of other similar sized caseload agencies.

The five highest performing local agencies achieved an average paternity establishment rate during the SFY of 57 percent, compared to an average of 13.2 percent for the five lowest performing local agencies.

### Data Formula, Source, and Display

- The formula to determine the number of children with paternity established is:

$$\frac{\text{Number of children in the caseload with paternity established during the SFY}}{\text{Number of children requiring paternity determination services}}$$

- The sources of this information are the OCSE 157 and CS 457 reports.
- Table 12—Percent of Children for whom Paternity has been Established during SFY 2000-01 displays the following by county:
  - Column A=children requiring paternity services at the end of the SFY
  - Column B=total number of children requiring paternity services during the SFY
  - Column C=number of children for who paternity was established during the year
  - Column D=paternity establishment percentage
  - Formula=Column C divided by Column B=Column D

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**TABLE 12**  
**PERCENT OF CHILDREN FOR WHOM PATERNITY**  
**HAS BEEN ESTABLISHED DURING STATE FISCAL YEAR 2000-01**

	(A)	(B)	(C)	(D)
	Children Requiring Paternity Services at end of SFY	Total Number of Children Requiring Paternity Services During the SFY	Paternity Established During Year (Children)	Paternity Establishment Percentage
STATEWIDE	531,448	725,264	193,816	26.7%
Alameda	7,589	11,877	4,308	36.3
Alpine	19	32	13	40.6
Amador	74	181	107	59.1
Butte	4,980	6,675	1,695	25.4
Calaveras	349	518	169	32.6
Colusa	104	175	71	40.6
Contra Costa	11,590	14,773	3,183	21.5
Del Norte	381	565	184	32.6
El Dorado	185	802	637	79.4
Fresno	5,024	11,085	6,061	54.7
Glenn	253	389	136	35.0
Humboldt	508	898	388	43.3
Imperial	2,483	3,897	1,414	36.3
Inyo	118	203	85	41.9
Kern	14,693	21,894	7,201	32.9
Kings	1,506	2,361	855	36.2
Lake	1,420	1,893	473	25.0
Lassen	370	471	101	21.4
Los Angeles	246,770	313,795	67,025	21.4
Madera	1,376	1,881	505	26.8
Marin	933	1,287	354	27.5
Mariposa	46	91	45	49.5
Mendocino	1,193	1,933	740	38.3
Merced	2,394	3,817	1,423	37.3
Modoc	173	239	66	27.6
Mono	189	213	44	20.7
Monterey	5,573	8,555	2,982	34.9
Napa	748	922	174	18.9
Nevada	1,457	1,557	100	6.4
Orange	17,465	26,185	8,720	33.3
Placer	1,527	2,907	1,380	47.5
Plumas	71	162	91	56.2
Riverside	28,125	42,165	14,040	33.3
Sacramento	30,845	34,943	4,098	11.7
San Benito	1,109	1,248	137	11.0
San Bernardino	52,857	74,324	21,467	28.9
San Diego	10,847	20,616	9,769	47.4
San Francisco	2,735	4,066	1,331	32.7
San Joaquin	10,391	12,757	2,366	18.5
San Luis Obispo	325	893	568	63.6
San Mateo	3,824	4,756	932	19.6
Santa Barbara	2,853	5,179	2,326	44.9
Santa Clara	19,454	24,008	4,554	19.0
Santa Cruz	2,207	3,061	854	27.9
Shasta	2,006	3,278	1,272	38.8
Sierra	7	15	8	53.3
Siskiyou	388	624	236	37.8
Solano	3,329	5,230	1,901	36.3
Sonoma	2,829	6,182	3,353	54.2
Stanislaus	5,133	7,526	2,393	31.8
Sutter	1,693	2,529	836	33.1
Tehama	277	568	291	51.2
Trinity	135	220	85	38.6
Tulare	7,191	11,121	3,930	35.3
Tuolumne	623	802	179	22.3
Ventura	5,090	9,608	4,518	47.0
Yolo	2,334	3,526	1,192	33.8
Yuba	3,340	3,790	450	11.9

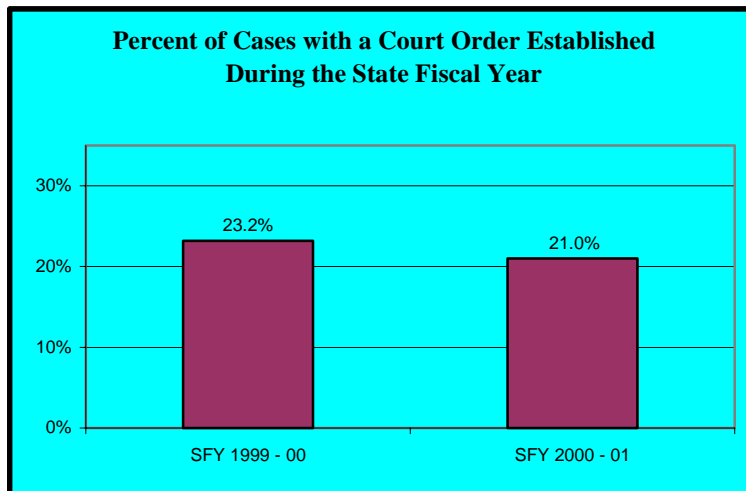
**8. Percent of Cases with a Support Order Established During the State Fiscal Year**

**Description of Data**

This performance measure determines the percent of cases that had a child support order established during the SFY. The performance level for this measure is determined by comparing the total number of open cases in the IV-D caseload requiring services to establish an order for support, to the total number of support orders established during the SFY. The count of cases requiring an order established is a point in time measure (the end of the SFY), which includes cases needing an order from prior years. Conversely, the number of support orders established counts only those established during the SFY. This measure is reported on a State Fiscal Year basis. This measure is distinguished from the second federal performance measure because it is limited to court orders established within the SFY.

**Performance Outcome**

**The State established support orders for 21 percent of cases needing an order established in SFY 2000-01, a decrease of 9.5 percent from 23.2 percent in SFY 1999-00.**



**Analysis of Data—State Level**

The State established support orders in 21 percent of cases needing an order during SFY 2000-01, a decline of 9.5 percent from 23.2 percent in SFY 1999-00. This equates to the establishment of almost 158,000 support orders during SFY 2000-01, out of almost 750,000 cases needing a support order established. California significantly exceeds the federal standard and other states on the rate of support order establishment when measured as a percentage of the total caseload. However, this

State measure indicates almost 600,000 cases still required a support order established at the end of SFY 2000-01.

### Analysis of Data—Local Level

The performance level of local child support agencies varied quite significantly on this measure during SFY 2000-01. Forty-six counties met or exceeded the statewide average in SFY 2000-01, while 22 counties increased their percent of support orders established compared to the previous year. The performance level ranged statewide from a high of 64.9 percent to a low of 3.3 percent, with a median of 31.7 percent.

Caseload size appears to have some impact on the ability to achieve higher levels of performance on this measure. The five local child support agencies with the largest caseloads had an average performance level of 18.6 percent, ranging from a high of 33.4 percent to a low of 9.9 percent. However, these same five local agencies accounted for 63 percent of total cases requiring establishment of a support order and 56 percent of cases with orders established. Local agencies with very small caseloads of less than 3,000 cases tended to perform better, all but one exceeded the statewide average quite significantly.

The five local agencies with the highest performance on this measure established orders in almost 60 percent of their cases needing orders, whereas the five local agencies with the lowest performance levels established support orders at an average rate of 8.9 percent of their cases needing orders. The poorer performing agencies however accounted for almost 20 percent of cases requiring a court order, and included total caseloads that ranged in size from almost 175,000 to less than 4,000 cases.

### Data Formula, Source, and Display

- The formula to determine the percent of cases with order established during the year is:

$$\frac{\text{Number of cases with a support order established during the SFY}}{\text{Number of cases open at the end of the SFY requiring services to establish a support order}}$$

- The sources of data for this measure are the OCSE 157 and CS 457 reports.
- Table 13—Percent of Cases with a Court Order Established during SFY 2000-01 displays the following by county:
  - Column A=cases needing court orders established at the end of the SFY
  - Column B=cases with court orders established during the SFY
  - Column C=cases needing court orders established during the SFY
  - Column D= percent of cases with an order established during the SFY
  - Formula= A+ B=Column C; Column B divided by Column C=Column D

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**Table 13**  
**PERCENT OF CASES WITH A COURT ORDER ESTABLISHED**  
**DURING STATE FISCAL YEAR 2000-01**

	(A)	(B)	(C)	(D)
	Cases Needing Court Order Established at the End of the SFY	Cases with Court Orders Established During the SFY	Cases Needing Court Orders Established During the SFY	Percent of Cases with an Order Established During the SFY
STATEWIDE	582,196	157,662	749,858	21.0%
Alameda	7,331	3,882	11,213	34.6
Alpine	27	13	40	32.5
Amador	230	146	376	38.8
Butte	7,404	715	8,119	8.8
Calaveras	564	229	793	28.9
Colusa	163	122	285	42.8
Contra Costa	16,931	5,044	21,975	23.0
Del Norte	743	384	1,127	34.1
El Dorado	363	672	1,035	64.9
Fresno	2,949	3,949	6,898	57.2
Glenn	384	252	636	39.6
Humboldt	990	1,252	2,242	55.8
Imperial	2,249	1,025	3,274	31.3
Inyo	195	159	354	44.9
Kern	17,106	4,237	21,343	19.9
Kings	2,069	1,079	3,148	34.3
Lake	2,332	519	2,851	18.2
Lassen	451	202	653	30.9
Los Angeles	224,109	47,340	271,349	17.4
Madera	1,953	489	2,442	20.0
Mann	743	359	1,102	32.6
Mariposa	111	85	196	43.4
Mendocino	947	756	1,703	44.4
Merced	2,918	1,477	4,395	33.6
Modoc	344	120	464	33.0
Mono	248	57	305	18.7
Monterey	6,715	2,206	8,921	24.7
Napa	1,243	293	1,536	19.1
Nevada	966	320	1,286	24.9
Orange	23,735	7,909	31,644	25.0
Placer	2,370	1,122	3,492	32.1
Plumas	149	177	326	54.3
Riverside	35,107	13,787	48,894	28.2
Sacramento	38,218	2,945	41,163	7.2
San Benito	1,306	188	1,494	12.6
San Bernardino	81,835	8,935	90,770	9.9
San Diego	20,278	10,165	30,443	33.4
San Francisco	3,909	1,818	5,727	31.7
San Joaquin	3,473	5,217	8,690	60.0
San Luis Obispo	512	620	1,132	61.6
San Mateo	2,358	1,232	3,590	34.3
Santa Barbara	4,108	1,895	6,003	31.6
Santa Clara	24,797	4,461	29,258	15.2
Santa Cruz	2,824	790	3,614	21.9
Shasta	2,922	1,418	4,340	32.7
Sierra	17	23	40	57.5
Siskiyou	557	433	990	43.7
Solano	4,519	2,405	6,924	34.7
Sonoma	3,341	1,255	4,596	27.3
Stanislaus	7,010	3,099	10,109	30.7
Sutter	2,644	1,130	3,774	29.9
Tehama	636	488	1,124	43.4
Trinity	284	124	408	30.4
Tulare	8,168	4,431	12,599	35.2
Tuolumne	1,057	289	1,346	21.5
Ventura	7,043	2,676	9,719	27.5
Yolo	2,266	1,002	3,268	30.5
Yuba	4,255	145	4,400	3.3

**9. Total Child Support Dollars Collected per \$1.00 of Total Expenditures**

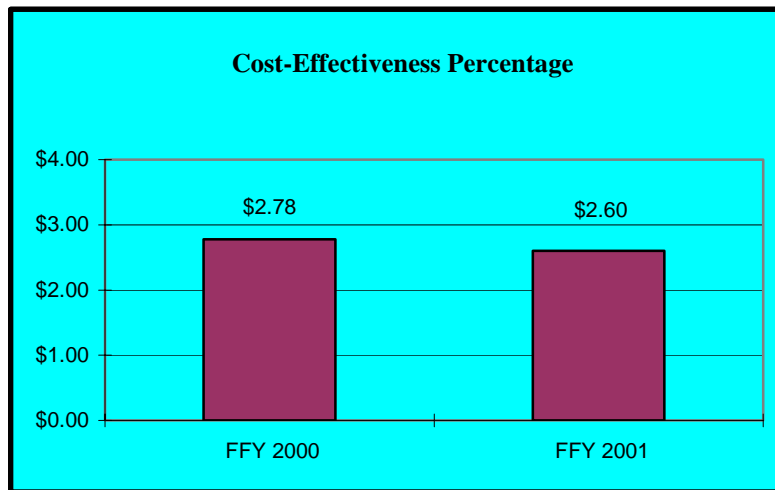
**Description of Data**

This performance measure, which is identical to the fifth federal performance measure, determines the ratio of collections to program costs. The measure is determined by comparing total collections distributed to the total administrative cost of the IV-D program. This measure is of administrative expenditures, not amounts budgeted or allocated. The total amount of child support collected and distributed includes current support and arrears, interest and recoupment of aid paid during the report period.

This State measure is distinguishable from the fifth federal performance measure only in the level of detail provided and the intended reporting period. The State performance measure provides the cost-effectiveness level for each local child support agency. In contrast, the information required for submission to the federal OCSE reports only State level information. The intended reporting period is the SFY; however, this measure is currently only available on a FFY basis. Therefore, since detailed information for this measure is included under part III, federal measure 5, it will not be repeated here.

**Performance Outcome**

**The State’s cost-effectiveness was \$2.60 during FFY 2001, a decrease from \$2.78 reported in FFY 2000.**





## V. PROGRAM ADMINISTRATION

### A. Description of Program Administration

DCSS is responsible for direct oversight, supervision, and funding of local child support agency operations to ensure an efficient and effective statewide child support program. A sound methodology and process to appropriately allocate administrative funds to local child support agencies to support their efforts in administering the program is critical to overall program success. A precise local agency administrative funding method is also fundamental to the performance-based program envisioned in the 1999 child support reform legislation. The appropriateness of resource allocation in support of local child support agency operations impacts greatly the ability to accurately assess relative local agency and overall statewide child support program performance.

Child support reform legislation recognized the importance of a sound local agency funding allocation process and the shortcomings of the approach in place at the time. Until SFY 1999-00, there had not been a county administrative allocation process in the child support program. The program was previously funded with 66 percent federal funds that were passed through to match the 34 percent county funds spent on program administration. Each county was responsible for determining how much to spend to administer the child support program at the local level. The statewide budget for child support administrative costs was based largely on historical expenditures. In addition, counties received federal and State incentive payments based on each county's share of distributed collections, which were used to offset the county share of administrative costs. This funding approach contributed to widely differing levels of local program support, investment, and effectiveness, as well as a lack of uniformity, efficiency, and effectiveness in operation of the statewide child support program.

It is within this context that DCSS was given specific statutory direction with regard to the local child support agency budget allocation and oversight process. The statute:

- Defines the total amount of funding to be made available to local child support agencies;
- Requires DCSS review and approval of annual budgets submitted by local child support agencies to ensure that each agency operates an effective and efficient program that complies with federal and State laws, regulations, and directives, including the directive to hire sufficient staff;
- Requires DCSS to develop uniform forms, policies, and procedures in specified program areas to be employed statewide by all local child support agencies;
- Requires DCSS to develop program compliance and performance measurement standards to permit statewide program performance assessments and local child support agency performance comparisons; and

- Requires DCSS to implement a performance-based fiscal incentive program for local child support agencies.

The statutory direction also included several specific program areas deemed important to achieving program uniformity and overall program effectiveness that also directly influence budget and allocation development. These areas include the intent to establish standard caseworker-to-case and attorney-to-caseworker staffing ratios, adjusted as appropriate to meet the varying needs of local programs; best practices for case management and case closure, including priorities for caseload processing and use of specific enforcement mechanisms to target efforts and services to maximize collections and avoid welfare dependency; management structures and practices that result in the highest possible performance outcomes; uniform training protocols that require periodic training of all child support staff; and county outreach programs to inform the public that services are available.

In addition, the statutory direction relative to performance comparison requirements specifically recognizes that the lack of consistent data upon which to base such comparisons was a major program deficiency. It is for this reason that local agencies were required to submit quarterly and annual reports on the performance-based data described so far in this report, but also on the program administration components addressed in this Part. The program administration components are not performance measures; however, such data will eventually provide a useful frame of reference and are closely related to local agency performance.

In sum, the statutory scheme for the child support program recognizes the importance of and provides direction for establishing a budget allocation method and process to fund local child support agency administrative costs. It also recognizes that the fair, equitable, and appropriate allocation of funding in support of local child support agency operations is foundational to performance as well as the ability to make accurate comparisons of performance. The process to fairly and equitably allocate local administrative funding is well underway.

## **B. Current Status of Program Administration Data**

Reform legislation and accompanying budget trailer bill language established the new funding structure for the child support program beginning in SFY 1999-00. At that time, initial steps were taken to implement a State process to allocate local administrative funding for SFY 1999-00 and SFY 2000-01. However, the development and implementation of an entirely new budget allocation approach and methodology only began with formation of DCSS.

In 2000, soon after becoming a new Department, DCSS identified the conceptual framework for the development of a budget allocation methodology that is rational, standardized, and appropriately reflects the costs of doing business in an efficient and effective manner. At that time, DCSS also identified the framework for related budget planning, monitoring, and oversight processes. As part of the framework, DCSS

identified guiding principles to provide an overall context for the local child support agency budget allocation methodology and process. These principles also reflect the DCSS direction and approach in terms of what the methodology is intended to accomplish and how it will be implemented. The guiding principles are:

- The budget allocation methodology will allocate necessary resources between local agencies in a standardized, equitable, and fair manner that considers the needs of the statewide program as a whole.
- The budget allocation methodology will be developed and implemented over time—it will be an incremental process of change.
- Local child support agencies will be given adequate time to adjust to the budget allocation methodology, thereby protecting against possible harmful effects to current staff or operations.
- The budget allocation methodology will be refined and become more sophisticated over time as California's child support program evolves and as a single, statewide-automated system is implemented.

To begin the process to develop an allocation method, DCSS reviewed numerous allocation methods and processes used in other states and by other State agencies. While there was useful information and lessons learned from this review, an existing model that could simply be adopted for use in California's child support program was not found. In addition, DCSS reviewed local agency budgeting information available from initial implementation of the new child support program funding structure and pioneer county transition planning efforts. As a result, DCSS was able to develop a conceptual budget allocation methodology, including preliminary identification of the components that form the basis for construct of an individual local child support agency budget.

Over a period of several months, DCSS, in collaboration with representatives of local child support agencies, led a workgroup to arrive at a final allocation methodology to distribute local agency funding beginning in SFY 2001-02. Using the DCSS conceptual design as the starting point, the workgroup refined the budget categories that make up local agency budgets, defined each budget component including staffing functions, and field tested prototype budget template documents. The workgroup process resulted in the desired fair and equitable allocation approach necessary to distribute resources to each local child support agency to meet expected performance standards.

Implementation of the new allocation method began in SFY 2001-02, but will take several years to fully achieve the desired equity and fairness in funding among local agencies. For the first time ever, the allocation method uses uniform definitions and budget categories to capture local child support agency expenses, including core staffing, administrative support, targeted programs, operating expenses, direct services contracts, indirect expenses, automation, and local agency-specific expenses.

However, over the years prior funding methodologies have contributed to widely varying funding and staffing levels among local child support agencies that will take time to correct.

Similarly, differing policies, practices, and procedures have contributed to differences in resource utilization and caseload composition, the latter largely resulting from differing case closure and transfer practices. Greater analyses of caseload composition in terms of level of effort (staffing) required for efficient and effective case processing also may lead to more informed business decisions and caseload stratification. Thus, ensuring consistency of policy and practice in fundamental program areas is essential before moving to allocation of resources based on staff-to-case ratios.

Nevertheless, the roadmap for the appropriate allocation of resources to local agencies is in place and implementation has begun. Achieving the desired fair, equitable, and caseload-based allocation outcome will necessarily be incremental. Long-standing and fundamental resource and practice differences will take some time to remedy.

### **C. The Program Administration Data**

Family Code Section 17600(b)(5) requires DCSS to report various program fiscal and administrative data for local child support agencies. The required State program data elements are as follows:

#### **1. Total Costs of Program Administration**

The total cost of administering the local child support agencies, including the federal, state, and county share of the costs, and the federal and state incentives received by each county.

#### **2. Total Direct Program Costs**

The direct costs of the program broken down further by total employee salaries and benefits; contractor costs; space charges; and payments to other county agencies.

#### **3. Total Full-Time Equivalent Employees**

The number of employees broken down into at least the following categories: attorneys, administrators, caseworkers, investigators, and clerical support.

#### **4. Total Indirect Program Costs**

The indirect costs of the program showing all overhead charges.

### **D. Report on Program Administration Data**

The administrative and fiscal data requested are not established or presented as performance measures. Instead, the data reflect overall program administration information, with detail in several areas that were of particular concern at the time of enacting the reform legislation. This is the first time that this type of information and level of detail has been available. It is cautioned that accurate comparisons between local child support agencies still cannot be made due to historical program administrative practices and funding structures that led to widely divergent resource

allocation between local agencies. The resource allocation differences between local agencies will take several years to remedy. The data elements that follow, displayed by local child support agency, give strong evidence of historical resource and practice differences.

## 1. Total Costs of Program Administration

### Description of Data

This data element identifies the total costs of administering each local child support agency, including the federal and non-federal shares, for SFY 2000-01. These costs are displayed on Table 14 and reflect actual expenditures for the direct and indirect costs of program administration, including automation costs. The automation costs of the six consortium systems have been distributed among their member local agencies. Consortia costs have been allocated based on the allocation method established by each of the consortium. State administration costs are excluded from this data element.

The total statewide actual administrative cost for operation of all local child support agencies was \$657.2 million in SFY 2000-01. The child support administrative costs are primarily funded 66 percent federal financial participation and 34 percent non-federal match. Pursuant to FC Section 17704(b)(2)(B)(i), the non-federal match in SFY 2000-01 is comprised of \$63,272,000 federal incentives and the balance of \$165,169,791 is State General Fund.

The total administrative cost for individual local child support agencies ranges from a high of \$142.4 million to a low of \$111,385, reflecting among other factors a caseload size range of almost 550,000 cases to less than 175 cases, respectively.

As noted previously, the data do not allow for accurate comparisons between local child support agencies, but they do serve to highlight the wide differences in local operating costs that appear to occur for reasons other than simply caseload size. In fact, DCSS has cautioned about use of caseload numbers that at this time may reflect divergent case management policies and practices, particularly related to case closure and transfer. Nevertheless, even when viewed broadly, it is clear that historical funding patterns have contributed to divergent funding levels between local agencies of seemingly similar caseload size.

### Data Formula, Source, and Display

- The source for Table 14 is the monthly CS 356 reports.
- Table 14—Total Costs of Program Administration during SFY 2000-01 displays the following by county:
  - Column A=total
  - Column B=federal share
  - Column C=non-federal share
  - Formula=Column B + Column C=Column A



STATE OF CALIFORNIA - HEALTH AND HUMAN SERVICES AGENCY  
CHILD SUPPORT PROGRAM STATISTICSDEPARTMENT OF CHILD SUPPORT SERVICES  
JULY 2000 - JUNE 2001**TABLE 14**  
**TOTAL COSTS OF PROGRAM ADMINISTRATION**  
**DURING STATE FISCAL YEAR 2000 - 01**

	(A)	(B)	(C)
	Total	Federal Share	Non-Federal Share
STATEWIDE	\$657,232,889	\$428,791,098	\$228,441,791
Alameda	21,619,985	14,008,705	7,611,280
Alpine	111,385	72,921	38,464
Amador	1,078,398	712,339	366,059
Butte	7,466,135	4,779,756	2,686,379
Calaveras	788,720	520,875	265,845
Colusa	518,510	343,010	175,500
Contra Costa	16,608,551	10,976,404	5,632,147
Del Norte	1,534,400	1,015,836	518,564
El Dorado	4,758,710	3,138,104	1,620,606
Fresno	21,880,567	14,425,269	7,455,278
Glenn	753,036	495,550	257,486
Humboldt	4,761,790	2,979,865	1,781,925
Imperial	3,805,765	2,502,607	1,303,158
Inyo	683,080	452,188	230,892
Kern	22,196,090	13,109,580	9,096,510
Kings	4,624,722	3,058,027	1,566,695
Lake	2,283,833	1,496,635	787,198
Lassen	760,344	502,546	257,798
Los Angeles	142,425,702	94,023,358	48,402,344
Madera	3,256,062	2,149,209	1,106,853
Marin	4,290,517	2,674,344	1,616,173
Mariposa	579,064	381,196	197,868
Mendocino	2,590,155	1,705,431	884,724
Merced	8,818,496	5,781,624	3,036,872
Modoc	390,441	258,172	132,269
Mono	300,661	198,650	102,011
Monterey	9,393,977	6,172,204	3,211,773
Napa	3,572,659	2,359,625	1,213,034
Nevada	3,251,493	2,141,079	1,110,414
Orange	49,607,941	32,772,133	16,835,808
Placer	5,702,772	3,751,558	1,951,214
Plumas	854,465	564,776	289,689
Riverside	33,496,489	21,966,188	11,530,301
Sacramento	20,876,037	13,790,595	7,085,442
San Benito	1,211,806	780,578	431,228
San Bernardino	27,424,612	18,110,729	9,313,883
San Diego	40,544,645	25,187,186	15,357,459
San Francisco	10,037,008	6,624,006	3,413,002
San Joaquin	13,549,186	8,542,950	5,006,236
San Luis Obispo	4,382,737	2,897,967	1,484,770
San Mateo	10,750,957	7,110,631	3,640,326
Santa Barbara	8,383,263	5,508,942	2,874,341
Santa Clara	32,037,075	21,114,257	10,922,818
Santa Cruz	5,224,227	3,450,333	1,773,894
Shasta	7,242,564	4,591,182	2,651,382
Sierra	141,238	92,314	48,924
Siskiyou	2,672,779	1,765,867	906,912
Solano	10,568,969	6,988,088	3,530,861
Sonoma	14,279,155	9,293,637	4,985,518
Stanislaus	13,431,015	8,877,358	4,553,657
Sutter	2,920,068	1,903,779	1,016,269
Tehama	1,786,126	1,174,922	611,204
Trinity	491,278	324,541	166,737
Tulare	16,132,494	10,659,385	5,473,109
Tuolumne	1,220,685	793,298	427,387
Ventura	18,661,818	12,193,367	6,468,451
Yolo	5,662,058	3,659,512	2,002,546
Yuba	2,848,154	1,865,890	982,264

## 2. Total Direct Program Costs

### Description of Data

This data element identifies the direct costs of local child support agencies broken down by total employee salaries, direct service contracts, space, payments to other county agencies, and other direct costs for SFY 2000-01. Other direct costs include automation, travel, and operating expenses. These costs are displayed on Table 15 and reflect amounts budgeted by local child support agencies for SFY 2000-01. The automation consortium costs of the six systems have not been allocated among the member local agencies.

The data presented come from the CS 921 Local Child Support Agency IV-D Program SFY 2000-01 Budget Display report, a budgeting tool for use by local agencies in reporting administrative expenses and staffing levels in conformance with federal and State guidelines. The CS 921 was first developed for use in SFY 2000-01. Fifty-six counties submitted reports, with Nevada and Sierra Counties submitting a joint report. The CS 921 report is used by DCSS to collect baseline information and to assist in preparation of annual allocations for local child support agencies. Data reported represent costs and staff as approved in local county budgets and not tied to specific county allocations or expenditures. The information is reported by local agencies once per year.

Therefore, the reported budgeted costs reflected here in Table 15 for direct costs and later in Table 17 for indirect costs, will not add up to the actual expenditures/costs reported in Table 14.

The total direct costs budgeted for individual local child support agencies ranges from a high of \$199.5 million to a low of \$396,000, reflecting among other factors a caseload size range of almost 550,000 cases to less than 175 cases, respectively.

### Data Source and Display

- The source for Table 15 is the CS 921 report.
  
- Table 15—Direct Costs during SFY 2000-01 displays the following by county:
  - Column A=total direct costs
  - Column B=total salaries and benefits
  - Column C=total direct services contracts
  - Column D=space charges
  - Column E=payments to other county agencies
  - Column F=other direct costs
  - Formula=Column B + Column C + Column D + Column E + Column F= Column A

STATE OF CALIFORNIA - HEALTH AND HUMAN SERVICES AGENCY  
CHILD SUPPORT PROGRAM STATISTICS

DEPARTMENT OF CHILD SUPPORT SERVICES  
JULY 2000 - JUNE 2001

**TABLE 15**  
**TOTAL DIRECT COSTS**  
**DURING STATE FISCAL YEAR 2000 - 01**

	(A) Total Direct Costs	(B) Total Salaries and Wages	(C) Total Direct Services Contracts	(D) Space	(E) Payments to Other County Agencies	(F) Other Direct Costs
STATEWIDE	\$823,465,428	\$560,457,829	\$35,959,852	\$26,222,927	\$32,897,878	\$218,837,834
Alameda	24,958,138	17,388,152	285,900	283,504	0	6,982,474
Alpine *	0	0	0	0	0	0
Amador	1,195,107	775,947	26,100	0	0	383,060
Butte	3,142,647	6,832,132	141,800	153,424	0	2,216,891
Calaveras	1,098,702	736,555	6,800	0	0	248,147
Colusa	679,422	348,964	42,979	8,550	0	278,929
Contra Costa	20,181,958	14,794,945	480,259	1,384,284	0	3,592,470
Del Norte	2,495,622	1,432,875	25,800	65,600	16,000	862,947
El Dorado	4,297,595	3,220,837	243,571	224,830	24,742	1,573,505
Fresno	28,604,003	13,552,297	1,812,202	80,600	0	11,859,504
Glenn	889,879	570,346	19,216	0	0	291,217
Humboldt	5,798,011	3,384,609	388,880	325,458	3,000	1,757,864
Imperial *	0	0	0	0	0	0
Inyo	821,441	510,850	10,500	24,800	8,000	287,091
Kern	30,333,886	22,070,833	1,522,866	1,890,600	18,708	5,840,287
Kings	4,872,666	2,872,451	116,839	142,250	0	1,741,726
Lake	2,685,414	1,886,811	46,328	84,372	8,000	870,703
Lassen	887,281	885,260	74,800	13,850	0	174,181
Los Angeles	199,542,642	185,894,802	16,445,465	10,482,972	25,702,284	41,817,898
Madera	2,511,414	1,545,813	211,500	82,128	0	672,773
Mariposa	5,772,911	3,884,107	50,500	175,700	0	2,482,804
Mariposa	671,448	486,983	26,848	29,670	0	208,159
Mendocino	2,774,624	2,982,324	45,500	0	22,000	823,790
Merced	8,285,054	5,878,948	382,400	510,000	0	2,513,606
Modoc	521,878	355,878	3,500	0	0	163,292
Mono	298,092	288,192	3,400	11,800	0	91,700
Monterey	11,684,512	8,556,217	381,948	460,718	315,978	2,830,950
Napa	4,608,307	2,815,853	120,800	475,800	46,000	1,349,454
Nevada **	4,077,532	2,278,853	116,502	265,800	0	1,419,177
Orange	62,482,288	33,780,203	450,800	3,885,800	2,193,045	23,803,241
Placer	8,534,481	4,722,974	220,384	318,421	72,287	1,188,805
Plumas	818,244	584,531	25,500	6,872	0	203,141
Riverside	42,234,358	21,520,868	2,080,729	2,829,371	1,323,502	14,470,680
Sacramento	29,901,774	22,858,536	234,578	888,800	448,218	5,853,542
San Benito	1,738,188	1,121,832	112,800	89,720	0	398,608
San Bernardino	42,467,701	26,484,802	2,080,800	2,372,960	1,299,400	10,251,239
San Diego	47,712,796	31,324,883	2,815,800	890,959	485,000	12,196,954
San Francisco	18,138,801	9,388,861	185,800	587,820	0	9,839,120
San Joaquin	18,218,844	10,118,153	858,950	280,882	0	5,258,259
San Luis Obispo	4,628,838	2,888,822	418,777	204,660	28,274	1,295,206
San Mateo	11,327,788	7,821,731	220,800	802,183	138,000	2,343,786
Santa Barbara	9,973,833	6,578,707	311,540	428,300	93,000	2,562,288
Santa Clara	33,888,883	21,848,753	317,265	2,824,205	188,000	8,400,580
Santa Cruz	4,428,188	4,217,738	80,800	228,600	0	1,802,769
Shasta	7,426,577	4,870,880	340,804	218,246	0	2,196,727
Sierra **	0	0	0	0	0	0
Siskiyou	3,073,194	2,872,871	138,800	182,527	28,000	859,898
Solano	12,991,485	7,987,181	270,800	588,800	0	4,254,324
Sonoma	17,158,287	11,125,982	261,212	801,156	0	4,858,837
Stanislaus	15,685,755	9,580,458	386,926	337,160	4,530	5,516,680
Subito	3,888,411	2,588,531	38,400	74,800	0	377,480
Tehama	2,042,294	1,258,588	165,824	87,843	125,285	403,554
Terry	578,885	338,188	4,800	12,744	0	222,332
Tulare	18,023,697	12,185,872	340,800	547,541	348,000	4,601,084
Tuolumne	1,537,383	934,949	77,800	71,688	0	453,745
Ventura	18,215,081	13,811,801	543,520	312,500	0	3,547,440
Yolo	5,888,288	3,887,945	226,187	262,957	72,001	1,411,870
Yuba	2,797,454	1,320,531	80,873	74,800	88,000	1,292,250

\* County did not report

\*\* Nevada and Sierra Counties are consolidated

### 3. Total Full-Time Equivalent Employees

#### Description of Data

This data element identifies the authorized full-time equivalent (FTE) positions in local child support agencies for SFY 2000-01, broken down by attorneys, administrators, caseworkers, investigators, clerical support, and other staff. Other staff includes automation staff and staff for targeted programs such as customer service, ombudsperson program, and training programs. The authorized positions reported here have been approved in local child support program budgets.

As with the prior element, the data presented come from the CS 921 Local Child Support Agency IV-D Program SFY 2000-01 Budget Display report. Fifty-six counties submitted the required report that was intended to provide baseline information and was not tied to specific county allocations. The data reported represent authorized FTE positions as approved in local county budgets.

The breakout of FTE positions by type is now part of the new budgeting and allocation method for local child support agency administration. The CS 921 budget template form includes definitions to delineate the functions performed by child support staff in each of the staffing categories. This is an important and necessary step that permits for the first time consideration of staffing needs based on function. Previous reporting lacked such definitions and allowed judgment and job titles to dictate the assignment of staff by job category. The following provides highlights of the detailed functional definitions by job category:

- **Attorneys** – Staff licensed and performing specific duties in direct support of the child support program, including, but not limited to court appearances, filing motions, order modifications, lien releases, and legal advice on program policy and procedures. Although legal functions are further delineated through the budget template process, all legal functions, including those performed by law clerks and paralegals, are included here.
- **Administrators** – Administrators include directors, program managers, administrator/business managers, fiscal managers, and human resources managers.
- **Caseworkers** – Caseworkers include all staff that is responsible for activities directly related to casework including, but not limited to, interviewing case participants, maintaining and updating case control logs, performing notary duties, and negotiating child support payments. Caseworker Supervisors also are included in this category.
- **Investigators** – Staff performing non-criminal investigation activities in direct support of casework (non-sworn peace officer duties) are considered investigators. Investigator Supervisors also are included in this category.

- **Clerical Support** – Clerical support includes all local agency staff performing clerical duties such as filing and word processing. This includes administrative support, such as executive secretaries, secretaries, PBX/mail/file clerks, and account clerks.
- **Other Staff**—Other staff includes all staff performing targeted program functions such as automation, customer service, ombudsperson, quality assurance, program improvement, compliance reviews, complaint resolution and state hearing processes, training, and customer and community outreach. These functions are considered special programs and/or non-core staffing and administrative activities.

The total authorized FTE positions as approved in local child support agency budgets range from a high of 2,016 to a low of 6 positions, reflecting among other factors a wide range of caseload sizes.

#### **Data Source and Display**

- The source for Table 16 is the CS 921 report.
- Table 16—Total Full Time Equivalent Authorized Positions (FTE's) at the End of SFY 2000-01 displays the following by county:
  - Column A=total staffing
  - Column B=attorneys
  - Column C=administrators
  - Column D=caseworkers
  - Column E=investigators
  - Column F=clerical support
  - Column G=other staff
  - Formula=Column B + Column C + Column D + Column E + Column F + Column G=Column A



STATE OF CALIFORNIA - HEALTH AND HUMAN SERVICES AGENCY  
CHILD SUPPORT PROGRAM STATISTICS

DEPARTMENT OF CHILD SUPPORT SERVICES  
JULY 2000 - JUNE 2001

**Table 16**  
**TOTAL FULL TIME EQUIVALENT AUTHORIZED POSITIONS (FTE'S)**  
**AT THE END OF STATE FISCAL YEAR 2000 - 01**

	(A) Total Staffing	(B) Attorneys	(C) Administrators	(D) Caseworkers	(E) Investigators	(F) Clerical Support	(G) Other Staff
STATEWIDE	10,545.0	568.4	152.5	4,896.9	153.5	1,990.7	2782.9
Alameda	279.0	16.0	2.0	127.0	6.0	43.0	85.0
Alpine *	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amador	16.0	1.0	1.0	7.0	0.0	3.0	6.0
Butte	178.5	7.0	5.0	75.0	5.5	18.0	68.0
Calaveras	17.0	0.5	1.0	6.0	0.5	2.0	7.0
Colusa	9.0	0.0	1.0	3.0	0.0	3.0	2.0
Contra Costa	271.0	7.0	4.0	93.0	1.0	90.0	76.0
Del Norte	35.5	1.0	2.0	21.0	0.5	5.0	6.0
El Dorado	71.0	4.0	1.0	30.0	3.0	13.0	20.0
Fresno	349.0	25.0	14.0	129.0	0.0	81.5	99.5
Glenn	11.5	2.5	1.0	3.0	1.0	1.0	3.0
Humboldt	91.0	5.0	3.0	36.0	0.0	25.0	22.0
Imperial *	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Inyo	9.4	0.5	0.8	4.7	0.0	0.0	3.4
Kern	314.8	16.0	2.0	182.0	5.0	21.0	88.8
Kings	89.0	4.0	1.5	39.0	2.0	12.0	30.5
Lake	51.5	2.0	2.0	26.5	1.5	5.0	14.5
Lassen	13.3	0.5	1.0	5.0	0.5	1.0	5.3
Los Angeles	2,016.0	128.0	6.0	975.0	28.0	362.0	517.0
Madera	51.0	2.0	3.5	21.0	1.0	10.5	13.0
Marin	45.0	4.0	1.0	16.0	1.0	9.0	14.0
Margosa	10.0	1.0	1.0	3.0	0.0	2.0	3.0
Mendocino	44.5	2.0	1.0	18.5	2.0	9.0	12.0
Merced	145.0	8.0	2.0	69.0	0.0	17.0	30.0
Modoc	10.0	0.3	1.2	4.0	1.0	0.0	3.5
Mon	6.0	0.5	0.5	2.0	0.0	1.0	2.0
Monterey	198.3	10.0	3.0	69.0	7.0	30.0	39.3
Napa	46.0	7.0	2.0	17.0	1.0	11.0	8.0
Nevada **	51.0	2.0	1.0	14.0	0.0	12.5	21.5
Orange	795.0	38.0	7.0	339.0	13.0	150.0	238.0
Placer	93.0	8.0	5.0	37.0	0.0	11.0	32.0
Plumas	14.0	1.0	1.0	5.0	0.0	3.0	4.0
Riverdale	582.0	26.0	5.0	333.0	6.0	124.0	88.0
Sacramento	430.8	17.3	5.0	211.0	13.0	87.0	97.5
San Benito	30.0	1.0	1.0	9.0	0.0	7.0	12.0
San Bernardino	672.0	16.0	5.0	304.0	17.0	184.0	146.0
San Diego	686.5	58.0	6.0	230.0	2.0	118.0	270.5
San Francisco	147.0	8.0	3.0	90.0	0.0	11.0	35.0
San Joaquin	242.2	12.0	4.0	113.0	2.0	40.0	71.2
San Luis Obispo	54.5	4.5	2.5	27.0	0.0	1.0	19.5
San Mateo	122.9	6.0	1.0	60.2	1.0	15.8	18.9
Santa Barbara	120.8	5.0	5.0	59.8	5.0	23.0	23.0
Santa Clara	411.5	20.0	1.0	273.0	7.0	44.0	66.5
Santa Cruz	80.8	4.0	3.0	42.8	1.0	14.0	16.0
Shasta	134.0	8.0	2.0	54.0	0.0	25.0	45.0
Sierra **	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Siskiyou	52.0	3.0	3.0	23.0	1.0	14.0	8.0
Solano	157.0	11.0	2.0	89.0	0.0	23.0	32.0
Sonoma	184.0	12.0	2.0	83.0	0.0	26.0	61.0
Stanislaus	213.5	17.0	4.0	75.0	3.0	45.0	69.5
Sutter	60.5	4.0	3.0	20.0	1.0	13.0	19.5
Tehama	36.0	2.0	1.0	11.0	0.0	17.5	6.5
Trinity	11.3	0.3	0.5	3.0	0.0	2.0	5.5
Tulare	342.5	9.5	4.0	175.0	7.0	71.0	76.0
Tuolumne	26.0	1.0	1.0	14.0	0.0	6.0	6.0
Ventura	309.0	11.0	6.0	129.5	5.0	74.0	83.5
Yolo	103.0	5.0	2.0	32.0	2.0	41.0	21.0
Yuba	47.0	3.0	1.0	19.0	0.0	13.0	11.0

\* County did not report

\*\* Nevada and Sierra Counties are consolidated



#### 4. Total Indirect Program Costs

##### Description of Data

This data element identifies the indirect costs of local child support agencies for SFY 2000-01. Table 17 reflects total indirect costs, as authorized in local budgets, for local child support agencies broken down by the countywide overhead costs (A-87) and, where applicable, the district attorney indirect costs. While most counties have established a countywide overhead (OMB A-87) indirect cost rate, not all counties claimed an indirect cost rate for their office of the district attorney. Table 17 reflects a total of 20 counties that show no indirect charges for the offices of the district attorney, 12 of these transitioned from these offices to new local child support agencies during SFY 2000-01. As programs transition out of the offices of district attorney, this portion of total indirect costs is halted. Depending upon the timing of local transitions, there may be partial year charges that are reflected for some local agencies that transitioned in SFY 2000-01.

As a result of the 12 transitions from the offices of the district attorney to local child support agencies during the SFY 2000-01, DCSS was able to save \$1.2 million annually for reinvestment in the child support program. The next 15 transitions save nearly \$3 million in additional annual funds. Thus, with less than half the transitions completed, DCSS has been able to reinvest over \$4 million annually into the child support program.

Tables 17 and 15 break down the total administrative costs of the local child support agencies by indirect and direct costs. However, Table 17 and 15 report local agency authorized budget costs, not the actual costs reported in Table 14, and will therefore not add up to Table 14.

The total indirect costs budgeted for individual local child support agencies range from a high of \$4.5 million to a low of \$10,000, reflecting among other factors a wide range of caseload sizes.

##### Data Source and Display

- The source for Table 17 is the CS 921 report.
- Table 17—Indirect Expenses during SFY 2000-01 displays the following by county:
  - Column A=total indirect expenses
  - Column B=district attorney indirect cost rate
  - Column C=countywide overhead (OMB A-87)
  - Formula=Column B + Column C=Column A

STATE OF CALIFORNIA - HEALTH AND HUMAN SERVICES AGENCY  
CHILD SUPPORT PROGRAM STATISTICS

DEPARTMENT OF CHILD SUPPORT SERVICES  
JULY 2000 - JUNE 2001

**TABLE 17  
TOTAL INDIRECT EXPENSES  
DURING STATE FISCAL YEAR 2000/01**

	(A)	(B)	(C)
	Total Indirect Expenses	District Attorney Indirect Cost Rate	Countywide Overhead (OMB A-87)
STATEWIDE	\$20,249,598	\$15,778,598	\$12,471,002
Alameda	848,884	657,996	190,988
Alpine *	0	0	0
Amador	92,788	68,000	36,798
Butte	518,146	348,585	171,561
Calaveras	62,657	0	62,657
Colusa	41,714	0	41,714
Contra Costa	407,722	0	407,722
Del Norte	156,494	90,000	66,494
El Dorado	474,505	46,269	428,236
Fresno	719,699	104,000	615,699
Glass	73,673	37,679	36,294
Humboldt	694,206	572,000	122,206
Imperial *	0	0	0
Inyo	86,613	24,600	61,213
Kern	127,660	0	127,660
Kings	262,388	194,100	68,188
Lake	246,131	159,670	86,261
Lassen	12,692	0	12,692
Los Angeles	2,324,813	3,699,000	(1,374,187)
Madera	260,024	120,300	139,724
Marin	508,175	501,000	7,175
Mariposa	57,299	0	57,299
Mendocino	300,259	63,615	248,644
Mendoc	832,149	690,000	142,149
Mojave	24,123	0	24,123
Mono	10,700	0	10,700
Monterey	414,063	0	414,063
Napa	278,896	0	278,896
Nevada **	465,917	323,480	142,437
Orange	4,547,788	2,046,383	2,501,405
Placer	292,750	120,328	172,422
Plumas	34,831	0	34,831
Riverside	929,173	300,000	629,173
Sacramento	727,663	472,598	255,065
San Benito	50,488	8,000	42,488
San Bernardino	539,619	0	539,619
San Diego	1,020,594	665,220	1,355,374
San Francisco	224,828	0	224,828
San Joaquin	530,629	382,562	148,267
San Luis Obispo	556,701	342,601	215,900
San Mateo	352,000	152,000	200,000
Santa Barbara	550,352	272,800	277,452
Santa Clara	764,909	473,154	291,755
Santa Cruz	457,509	244,490	213,019
Shasta	638,521	319,592	318,929
Sierra **	0	0	0
Siskiyou	240,456	120,000	120,456
Solano	313,058	0	313,058
Sonoma	1,173,678	579,335	593,743
Stanislaus	459,840	396,793	103,047
Sutter	185,911	0	185,911
Tehama	76,624	0	76,624
Trinity	41,764	12,000	29,764
Tulare	641,652	424,403	217,449
Tuolumne	141,661	22,999	118,661
Ventura	1,049,626	635,600	414,026
Yalo	232,433	150,753	81,680
Yuba	73,389	0	73,389

\* County did not report

\*\* Nevada and Sierra Counties are consolidated

## VI. PERFORMANCE IMPROVEMENT ACTIONS

DCSS is committed to operating a first-rate child support program that promotes child well being and family self-sufficiency. To help achieve that goal, DCSS is required to identify local child support agencies that are out of compliance with the established performance measures and, jointly with those local programs, develop performance improvement plans. Ongoing program improvement, however, requires much more than episodic assistance for low-performing local agencies. It requires continually monitoring and assessing program strengths and weaknesses and focusing effort and resources to build on strengths and correct deficiencies. Thus, while DCSS directed corrective action for six local child support agencies not meeting the federal minimum standard on collection of current child support, overall and on-going program improvement requires a broader-based approach.

DCSS is seeking fundamental changes in the approach to child support program quality assurance and program improvement. As noted in Part II, bringing about fundamental changes requires both broader program restructuring that is foundational to establishing an effective performance-based system, and an approach to quality assurance and program improvement that is fully integrated within child support business operations. The following describes the program improvement actions focused on the six local child support agencies that failed to meet federal minimum standards on the current support measure, existing program compliance and oversight processes, and DCSS and local agency performance improvement initiatives.

### A. Focused Performance Improvement Plans

The child support reform statutes envision a three-phase process to be used statewide beginning July 1, 2001 when a local child support agency is found out of compliance with adopted performance standards or other requirements of the program. The process involves joint DCSS and local agency development of a performance improvement plan, with requirements for measurement of progress and improvements. The plan is intended to provide performance expectations, goals, and timeframes for achieving compliance. Compliance involvement progresses from plan implementation largely by local agencies, to on-site DCSS monitoring teams, to State assumption of local program operations. The intent is for ongoing local level monitoring to ensure that program performance goals are met and program improvements implemented.

DCSS began early an initial performance improvement plan process based on review of local agency FFY 2001 quarterly reports of performance on the five federal measures. By the second quarter of FFY 2001, there were several local agencies that were nearing or falling below federal minimum performance levels for current support and/or cases with collections on arrears. By the end of the FFY 2001 third quarter, six local child support agencies did not meet the 40 percent federal minimum performance standard on collection of current child support and were required to develop performance improvement plans. The six local child support agencies were Kern, Los Angeles, San Benito, San Bernardino, San Diego, and Yuba.

Each of the six local child support agencies prepared Performance Improvement Plans in September 2001 that revealed not only common issues and problems but also, to a great extent, the same fundamental business practices that seemed to be contributing to inaccurate orders, lower current collections, and higher arrears. These are the same issues that are described within the analyses of measures within this report that seem to apply to performance statewide, not just to these six local agencies.

First, the six local agencies established a large number of child support orders by default, without the participation of the obligor parent and without information on the parent's income or assets. In these cases when no income information is available, the child support order amount is statutorily established at the rate of the Minimum Basic Standard of Adequate Care, which is currently \$402 per month for one child and \$652 for two children. These high orders, which bear no relationship to the obligor's ability to pay, do little to help get support to children. They simply drive up the amount of uncollected support each month.

All six local agencies are implementing special projects to minimize the use of default orders and imputed income. These efforts focus on improved use of data to locate noncustodial parents and their earnings and assets before establishing an order. Additionally, some agencies are monitoring existing default orders closely to enable modification of those orders when actual income information is discovered. One agency had in the past served noncustodial parents "by publication," that is through publication in a newspaper. This practice resulted in a significant increase in the number of orders established by default and has been terminated.

Second, sufficient time had not elapsed to permit full implementation of the DCSS policy directive in compliance with federal case closure requirements set out in CSS Letter 01-16 dated June 25, 2001. This resulted in leaving open unworkable cases that should be closed, which can have a significant effect on current support collections. There are 14 case closure criteria that include cases where the noncustodial parent is deceased and has no assets, or cases where despite diligent efforts the noncustodial parent has not been located for at least three years. Closing appropriate cases focuses limited resources on workable cases and removes un-collectable support from the current support performance measure calculation. And, should new information become available, cases can and should be re-opened. Local agencies that had not fully implemented the DCSS case closure policy are reviewing their caseloads to identify cases that meet the criteria and closing them.

Finally, the six local child support agencies seemed to experience to some degree high staff vacancy rates, increased workload due to conversion to a new interim automated system, and data reporting difficulties (one agency only). Staffing vacancies are being filled, with one chronically understaffed county nearing staffing levels commensurate with the rest of the State. Four of the six agencies had recently converted to an approved, interim automation system. Working with an unfamiliar system required ongoing training, which temporarily drained staff resources from casework. In addition,

data clean up, business process redesign, and other automation-related activities delayed staff from normal caseload management. All six agencies are now successfully operating on one of the approved, interim automation systems. Staff has been trained and continues to become more familiar and proficient on the systems. The local agency with the data reporting errors has corrected the problems.

While these six local child support agencies continue to make performance improvements, the broader statewide approach to performance oversight and improvement is developing. In addition, a number of additional special initiatives have been implemented to bring a statewide focus on shared performance goals. These initiatives and actions are described in the following, beginning with a brief overview of existing program compliance and oversight processes.

## **B. Existing Program Compliance and Oversight Processes**

The existing federal and State construct for child support program compliance and oversight has been retained pending development of a statewide performance-based measurement structure. The current approach consists of annual compliance reviews and State required program reviews of local agencies in the bottom quartile on performance. Each of these processes is described below.

### **1. Annual Compliance Reviews**

Family Code Section 17702 requires assessment at least on an annual basis of each local agency's compliance with federal and State child support laws and regulations in effect during the review period. The requirements for these reviews are heavily governed by federal statute and regulation requiring review of a statistically valid sample of cases for any compliance issue reviewed. The federal regulations require state self-assessment of compliance, with California using a local review process validated by DCSS staff. Each year a handful of smaller caseload size agencies opt for use of external DCSS compliance reviews instead of using a self-assessment process. The compliance reviews focus primarily on processing rules and timeframes in each case management area, including among others case initiation, establishment, enforcement, and closure. DCSS has developed an automated system to remotely perform individual case reviews, validations, and audits of local level self-assessments.

Local agency compliance is based on achievement of required levels of performance on each case management area equating to an overall performance rating. Failure to meet acceptable performance levels results in a formalized corrective action plan process, with assessment quarterly by DCSS until compliance is achieved.

For compliance reviews conducted in early 2002, DCSS included special review areas in which important policy changes were made during calendar year 2001. For example, DCSS added sample reviews pertinent to case closure policy implementation. DCSS is currently reviewing all major policy and procedure directives initiated during its first two years of operation to identify any necessary additional program compliance follow-up needs. As defined, these area will likely be added as a supplemental performance

assessment process. This would provide an interim process that begins to move from a strict compliance focus to a quality assurance assessment.

## **2. Selected Program Reviews**

Beginning October 1, 1999, FC Section 17704 (c) requires DCSS to conduct management reviews of local agencies that perform in the bottom quartile of all agencies and fail to meet specified rates of performance improvement. The reviews include consideration of the local agency's management practices as well as technical assistance. Local agencies are required to comply with any DCSS recommended actions in order to continue to receive State incentive funds. To date, DCSS has conducted two sets of reviews and is beginning its third.

Together these two existing annual compliance and selected program review processes constitute a significant effort for both DCSS and local child support agency staff. Integration of these requirements within the broader approach to quality assurance, management oversight and performance improvement is being considered as part of the Quality Assurance and Program Improvement initiative.

## **C. Performance Improvement Initiatives**

To continually monitor and improve program performance for the families of California, DCSS has undertaken major program initiatives to improve performance. The following highlight the program initiatives that are currently underway to ensure first-rate child support services are provided to families throughout the State.

### **1. Job #1 in FFY 2002—Collection of Current Support**

Collection of current child support directly affects child well being and family self-sufficiency. It is also the federal performance measure in which six local agencies performed below the federal minimum performance level and in which the State, as a whole, does not perform strongly in comparison to other states. Therefore, DCSS established the goal to improve collection of current support as the highest priority of the child support program in FFY 2002.

DCSS and local child support agency directors held a daylong retreat to identify the reasons for and barriers to improving collection of current support, and to reach consensus on actions to be taken by each local agency. This was the first time that the State and local agencies had come together as partners to discuss and agree upon shared statewide performance goals and actions. It was also the first partnership forum to focus on the federal performance measures, identifying factors that contribute to good and bad performance outcomes and sharing ideas for improved results. After much discussion and brainstorming on ways to improve current support collection, each local agency agreed to implement appropriate actions in support of this statewide goal.

It is important to note that the forum served once again to identify and highlight past policies and practices that now seem to have negative consequences and impacts on performance on the federal measures. These policies and practices have been identified in the analyses sections of this report, but include high rates of orders



established by default, case closure and transfer practices, funding structures and resource allocation practices, and less than optimum effectiveness in key interfaces and enforcement approaches. All of these issues are being addressed as part of the overall performance measurement system and/or fundamental program restructuring efforts.

In addition, various studies and research are beginning to inform the child support program decision-making and will impact future strategies and approaches. These are discussed further below under 7. New Directions—Informed Business Decisions.

## **2. Strategic Planning**

DCSS, in collaboration with local child support agencies and program stakeholders, is embarking on a strategic planning process for the statewide child support program. This formalized process will memorialize initial program goals, objectives, and strategies as reflected in the child support reform legislation and executed by DCSS. Moreover, it will establish the structure and process for conducting an annual review and update process necessary to establish specific objectives and strategies for the coming FFY. While the current year focus to improve current support collection is in place, the strategic planning process will institutionalize a yearly effort to set program objectives for the coming year. Yearly objectives and strategies will be identified within the broader context of the child support program strategic plan.

## **3. Big Five Local Agency Initiative**

DCSS and the five local agencies with the largest caseloads have partnered to focus and coordinate efforts aimed at improving child support program performance. The counties of Los Angeles, Orange, Riverside, San Bernardino, and San Diego constitute 53.5 percent of the total statewide caseload, ranging in size from 100,000 to 550,000 cases. The efforts of these five local agencies not only significantly impact the lives of a large number of children and families, but also the overall performance level of the State. Implementation of policy and practices changes are often complicated and made more difficult by the size of these local programs. All five local agencies were quick to partner in sharing best practices and assisting each other in their individual and statewide efforts to improve performance and services to families.

The Big Five Initiative is providing an additional and focused forum for DCSS and these five local agencies to work closely on performance improvement actions. The focus of initial efforts is on the FFY 2002 objective to increase collection of current support. The sharing of best practices and review of specific strategies and actions has occupied discussions to date.

## **4. Special Performance Reviews**

In SFY 2000-01, DCSS initiated special performance reviews of five local agencies as part of a special effort to assess program and management practices that contribute to and/or detract from good performance. DCSS selected and contracted with Policy Studies, Inc., a nationally respected firm with extensive child support program experience, to conduct the reviews. DCSS selected the five local agencies from those that have experienced long-standing performance difficulties and that are representative

of differing caseload sizes. The local agencies included in the review are Butte, Los Angeles, San Bernardino, San Diego, and Yuba.

To date, field reviews and reports have been completed for Butte and Los Angeles. Work is underway or soon will be for the remaining three local agencies. It is expected that reports on all efforts will be available to DCSS in May 2002. Findings to date confirm many of the often long-standing policies and practices, noted in this report, that contribute to lower performance on the federal measures. Each of the local agencies involved in the special performance reviews will prepare an action plan in response to report recommendations.

### **5. Best Practices Reviews**

During calendar year 2001, DCSS conducted reviews of four local child support agencies that achieved overall high performance levels as measured by the five federal measures. The purpose of the review was to identify practices that seemed to contribute to high levels of performance. Reviews focused on a number of factors including performance management, staff training and development, communication, customer service, and case management functions such as intake, paternity and order establishment, locate, enforcement, and case closure. The findings were analyzed to determine the need for DCSS initiated changes to policies, procedures, and practices, as well as to share with all local child support agencies for adoption as deemed appropriate. The “best practices” visit findings were shared with all local child support agencies via DCSS LCSA Letter 02-01 dated January 30, 2002.

### **6. Quality Assurance and Program Improvement Initiative**

Beginning in SFY 2000-01, DCSS initiated in collaboration with local child support agencies the Quality Assurance and Program Improvement (QAPI) initiative to define a statewide structure and data indicators that contribute to good results on selected performance measures. As described previously under Part II of this report, the existing child support program oversight and monitoring approach requires significant retooling; the structure was developed prior to implementation of either the new federal or State performance-based and incentive funding systems. In recognition of new program directions and approaches, the QAPI effort is breaking new ground to incorporate elements that ensure compliance, effective quality assurance oversight, and sound management practices.

Perhaps the most interesting aspects of this work have been the efforts to drill down the federal and State measures to identify the underlying tasks and activities that lead to desired program results, and to determine the inter-play between the federal measures. The performance-based child support program construct requires a detailed understanding of base business concepts and the inter-relationships of actions to outcomes. The federal and State measures as presented do not provide specific directions or identify actions that will lead to improved performance. Therefore, it is incumbent upon DCSS and local child support agencies to develop this roadmap through the QAPI initiative. Moreover, there is increasing evidence that the federal measures may offer trade-offs in performance—high performance on one measure may

negatively impact performance on others. And finally, there is much to be learned about optimum levels of performance and the link to federal incentive funding and collections for families.

The QAPI effort will provide the overall framework for routine, focused, and coordinated attention to tasks and activities that will result in desired program outcomes—the central structure to organize and focus child support program operations and decision-making.

## **7. New Directions—Informed Business Decisions**

DCSS has initiated the use of key research and data to make informed business decisions regarding where and how best to allocate resources to ensure that child support services achieve desired outcomes. This is the first time that the statewide child support program has sought out and used research and data to guide policy and practice. The information necessary to make informed business decisions includes data about the characteristics of the child support caseload, characteristics of those with a child support debt as well as the debt itself, potential revenue or collections sources, and overall cost-effectiveness or return on investment. DCSS has initiated a number of activities that will lead to an informed business approach to effective child support collection and enforcement. A few highlights follow.

DCSS is analyzing the current amount of uncollected child support arrears statewide and determining the amount that is realistically collectible. DCSS contracted with The Urban Institute to conduct the Collectibility Study. A draft of one of the Collectibility Study's deliverables, *Estimating How Much Of California's Child Support Arrears Are Collectible Using State-Wide Data Bases*, was presented to DCSS in October 2001. The draft examines four characteristics thought to influence collectibility – the amount of income most recently reported for each individual, the length of time the individual has held the debt, whether the individual lives in California, and whether the individual has made recent intercept payments on their debt.

Key statistics from this draft report reveal that 70 percent of California's arrears are held by individuals who have no recent income or have net incomes below \$10,000; and nearly 200,000 debtors have recent net incomes below \$5,000 yet their median child support award is \$285 a month, higher than their median net income. Half of California's arrears are held by individuals who have held it for at least two and one-half years and have not made any intercept payments to reduce their debt during that time. Between SFY 1992 and SFY 1999, California's child support arrears increased nearly five fold, from \$2.5 billion to \$14.1 billion. If nothing is done to improve the collectibility of California's child support debt, arrears could more than double in the next ten years.

Completion of this work will lead to consideration of new approaches and strategies in collecting child support. The final data report is expected Spring 2002. Once the analysis is finalized, DCSS will convene a workgroup to develop recommendations based on the study findings.

Another DCSS effort, the Default Workgroup formed in late 2000, is complimenting the findings of researchers and practitioners in other states. California establishes support orders 68 percent of the time by default, that is, the noncustodial parent fails to participate in the setting of the order. If no income information is available at the time the order is set, it is set at the MBSAC level, which is \$402 per month for one child, \$658 for two. Thus, a majority of the child support program's orders may have little relationship to the ability of the obligor to support his or her children. This has led to an escalating amount of child support arrears and has pushed down California's performance on a key performance measure—collection of current support.

The DCSS Default Workgroup, comprised of stakeholders in the child support community including advocates, the Judicial Council, and local agency staff, was formed to examine the factors contributing to the high rate of orders established by default and to reevaluate current practices. The workgroup surveyed local practices, identified opportunities for improvement, and developed preliminary recommendations. The recommendations will be considered within the overall framework to consider new approaches to informed business decision-making.

Closely related to the research, DCSS has initiated efforts to coordinate and thoughtfully approach the use of enforcement mechanisms through informed decisions based on the relationships between case characteristics and the ordered use of selected enforcement mechanisms. Child support reform legislation requires DCSS to evaluate and create priorities for the use of the wide array of enforcement tools. DCSS enforcement regulations will begin to structure enforcement approaches to ensure statewide uniformity and best outcomes considering the circumstances of the obligor and the debt.

In addition, the DCSS data reliability, reporting, and analysis efforts are providing new links between databases and data elements that are instructive to optimum collection efforts. For example, DCSS is gaining access to new interfaces and locate tools, and using collection database information to identify effective sources of collections and trends. All of this assists in making informed decisions.

And, finally, the link between good customer service, improving voluntary participation and compliance, and improved collections is becoming increasingly evident. Effective child support collection is related to improving customer service. Studies from other states have found a link between how customers are treated and the amount of child support collected. DCSS and local child support agencies initiated a major new customer service initiative in 2000 that is now making the direct linkages of customer interactions and relationships to improved collections.

In sum, DCSS, in partnership with local child support agencies, is nearing completion of the many immediate administrative tasks required by child support reform legislation and focusing on how to significantly improve collections and the lives of children and families that depend on this program. Significant new approaches to quality assurance and program improvement, together with development and use of a growing body of research, are helping to inform and structure business decisions. California's child

support program is well positioned to achieve significant program improvements and increase collections.

## VII. CONCLUSION

California's child support program has made significant gains in positioning itself to greatly improve performance over the next few years. The first two years of child support program restructuring have required significant efforts to accomplish major program administration tasks including transitioning from offices of district attorneys to new local child support agencies, converting 19 agencies to new approved interim automation systems, completing major policy and regulatory development work, and establishing major new customer service programs, among many others. The program restructuring efforts are foundational to support the performance-based system envisioned under by the child support program reform statute, one that permits local agency performance assessment and comparison. DCSS and local child support agencies have simultaneously accomplished major restructuring and establishment of a new performance-based approach to program management.

Despite these significant and disruptive broader-based program reform efforts, California's overall performance as measured by the five federal performance measures, has improved or remained consistent with prior trends. This level of overall program performance was achieved during the reporting period in contrast to the expectations of many that performance would likely decline in the near term. This is a noteworthy accomplishment given the environment of change and the long-standing fundamental program and performance problems that were the impetus for the child support program reform legislation. The optimal benefits from the restructured child support program and performance-based system will not be derived, however, until historic funding structures, policies, and practices are remedied over the next few years.

While the federal and State measures have provided an initial focus, they represent only a first step in implementing a performance-based child support program. An overall structure and approach to ensure routine ongoing attention to performance management and improvement is necessary. DCSS, in partnership with local child support agencies, is designing an approach and structure, as well as identifying indicators, tasks, and activities necessary to focus State and local agency staff efforts on child support program performance. In addition, a growing body of research and data analysis is leading to informed business decisions in the child support program focusing attention on desired results. All of these actions taken together have quickly positioned California's child support program to excel and to help promote child well being and family self-sufficiency.



## APPENDIX

### Required Data Reporting

In addition to reporting on the federal and State performance measures, Family Code Section 17600 requires DCSS to report specific child support data. This appendix lists where each data element may be found.

Required Data Element	Statutory Reference	Table
Total amount of child support dollars collected and distributed on behalf of Current Assistance, Former Assistance and Never Assistance Cases	17600(b)(1)(F)	9
Number of cases with an order for current support	17600(c)(1)(A)	7(A)
Number of cases with collections of current support	17600(c)(1)(B)	7(B)
Number of cases with an order for arrears	17600(c)(1)(C)	4(A)
Number of cases with arrears collections	17600(c)(1)(D)	4(B)
Number of alleged fathers or obligors served with a Summons & Complaint	17600(c)(2)	11(B)
Number of children requiring paternity establishment during the report period	17600(c)(3)	12(B)
Number of children for whom paternity was established during the report period	17600(c)(3)	12(C)
Number of cases requiring a support order to be established during the report period	17600(c)(4)	13(C)
Number of cases with a support order established during the report period	17600(c)(4)	13(B)
Total cost of administering the local child support agency by federal and state share	17600(c)(5)	14

<b>Required Data Element</b>	<b>Statutory Reference</b>	<b>Table</b>
Direct costs of the program	17600(c)(5)(A)	15(A)
Total employee salaries and benefits	17600(c)(5)(A)	15(B)
List of the number of employees broken down into the following categories: attorneys, administrators, caseworkers, investigators, and clerical support	17600(c)(5)(A)	16
Contractor costs	17600(c)(5)(A)	15(C)
Space charges	17600(c)(5)(A)	15(D)
Payments to other county agencies	17600(c)(5)(A)	15(E)
Indirect costs, showing all overhead charges	17600(c)(5)(B)	17