

*oppaga*

# Justification Review

---

## Child Support Enforcement Program Florida Department of Revenue

Report No. 00-24 December 2000



*Office of Program Policy Analysis  
and Government Accountability*

*an office of the Florida Legislature*

*OPPAGA provides objective, independent, professional analyses of state policies and services to assist the Florida Legislature in decision making, to ensure government accountability, and to recommend the best use of public resources. This project was conducted in accordance with applicable evaluation standards. Copies of this report in print or alternate accessible format may be obtained by telephone (850/488-0021 or 800/531-2477), by FAX (850/487-3804), in person (Claude Pepper Building, Room 312, 111 W. Madison St.), or by mail (OPPAGA Report Production, 111 W. Madison St., Tallahassee, FL 32399-1475).*

***The Florida Monitor:*** <http://www.oppaga.state.fl.us/>

*Project supervised by Debbie Gilreath (850/487-9278)*

*Project conducted by Chuck Hefren, Bill Howard, Rich Woerner, and Kira Honse (850/487-9249)*

*John W. Turcotte, OPPAGA Director*



# The Florida Legislature

## OFFICE OF PROGRAM POLICY ANALYSIS AND GOVERNMENT ACCOUNTABILITY



John W. Turcotte, Director

December 2000

The President of the Senate,  
the Speaker of the House of Representatives,  
and the Joint Legislative Auditing Committee

I have directed that a program evaluation and justification review be made of the Child Support Enforcement Program administered by the Florida Department of Revenue. The results of this review are presented to you in this report. This review was made as a part of a series of justification reviews to be conducted by OPPAGA under the Government Performance and Accountability Act of 1994. This review was conducted by Chuck Hefren, Bill Howard, Rich Woerner, and Kira Honse under the supervision of Debbie Gilreath.

We wish to express our appreciation to the staff of the Florida Department of Revenue for their assistance.

Sincerely,

John W. Turcotte  
Director



# Table of Contents

<b>Executive Summary .....</b>	<b>i</b>
<b>Chapter 1: Introduction.....</b>	<b>1</b>
Purpose .....	1
Background .....	1
Program Clients .....	7
Program Resources.....	8
<b>Chapter 2: General Conclusions and Recommendations .....</b>	<b>10</b>
Introduction .....	10
Program Need.....	10
Potential for Privatization.....	11
Organizational Placement.....	11
Program Performance.....	12
Options for Improvement .....	13
<b>Chapter 3: Program Is Performing Well; New Legislative, Internal Measures Needed .....</b>	<b>15</b>
Performance .....	15
Performance Measures .....	17
Recommendations.....	20
<b>Chapter 4: Reduce Reliance on General Revenue by Maximizing Other Funding Sources .....</b>	<b>21</b>
Federal Incentive Funding.....	21
Increased Recovery of Expenses.....	26
Recommendations.....	29
<b>Chapter 5: Efficiency and Cost-Effectiveness of Program Operations Can Be Improved .....</b>	<b>30</b>
Support Order Establishment Process.....	30
Enforcement Process.....	37
Undistributed Funds.....	43
Recommendations.....	45
<b>Appendix A: Statutory Requirements for Program Evaluation and Justification Review.....</b>	<b>47</b>
<b>Appendix B: Child Support Enforcement Activities.....</b>	<b>49</b>
<b>Appendix C: Program Funding Sources .....</b>	<b>51</b>
<b>Appendix D: Program Performance Measures.....</b>	<b>53</b>
<b>Appendix E: Response from the Department of Revenue.....</b>	<b>54</b>



# Justification Review of the Child Support Enforcement Program

## Purpose

---

This report presents the results of OPPAGA's Program Evaluation and Justification Review of the Department of Revenue's Child Support Enforcement Program. The Government Performance and Accountability Act of 1994 directs OPPAGA to conduct justification reviews of each program during its second year of operating under a performance-based program budget. Justification reviews assess agency performance measures and standards, evaluate program performance, and identify policy alternatives for improving services and reducing costs. Appendix A summarizes our conclusions regarding the nine issue areas the law requires to be considered in a program evaluation and justification review.

## Background

---

*The Child Support Enforcement Program helps ensure that children are supported by both parents*

The involvement of the state in the collection of child support helps to ensure that both parents support their dependent children. As a cost benefit to taxpayers, child support payments collected by the state on the behalf of public assistance recipients offset costs of welfare programs and provide additional revenue to the state by earning federal incentive funds based on collections. Government involvement is necessary because enforcement is needed to get many parents to fulfill their continuing obligation to support their children.

*The Department of Revenue administers Florida's Child Support Enforcement Program*

The Department of Revenue is responsible for administering Florida's Child Support Enforcement Program. Activities performed by the program include case intake; paternity establishment; and child support order establishment, modification, collection, and enforcement. The program also provides parent locator and customer services.

*Approximately one-half of the program expenditures are used for contracted services* The program works with many partners to provide the required child support enforcement services. In Fiscal Year 1999-2000, the program used over half of the \$211 million dollars expended for contracted services. Program contracts include service for legal activities associated with the establishment of support orders, the operation and maintenance of the State Disbursement Unit, State Case Registry, and child support enforcement operations in Dade and Manatee Counties.

For Fiscal Year 2000-01, the Legislature appropriated \$213.1 million to administer Florida's Child Support Enforcement Program, of which approximately \$40.7 million was derived from the state's general revenue fund. The federal government and the states share administrative costs to operate the program at the rate of 66% and 34%, respectively, and also share any recovered costs and fees. In addition, the federal government awards incentive payments to states. In June 2000, the program had a staff of 2,477 authorized full-time equivalent positions, 2,098 of which were located in area service centers.

## Program Need, Placement, and Performance

---

As a condition of receiving federal public assistance funds, states are required to operate child support enforcement programs that are approved by the federal Office of Child Support Enforcement within the Department of Health and Human Services. Florida would lose eligibility for federal Temporary Assistance to Needy Families (TANF) funds if the Child Support Enforcement Program were abolished, as well as matching federal funds that are used to help support program operations.

The involvement of the state in the establishment and collection of child support helps to ensure that both parents support their dependent children. In Fiscal Year 1999-2000, the program distributed \$562.1 million in child support payments to children in Florida. The amount of support provided to children would decrease if the program did not provide its services, which could result in more families needing public assistance services. In Fiscal Year 1999-2000, the program also collected \$76.2 million in child support payments on the behalf of public assistance recipients in Florida, which were used to offset costs of welfare programs. Accordingly, we concluded that the program is needed and should be continued.

In July 1994, the Child Support Program was transferred from the Department of Health and Rehabilitative Services to the Department of Revenue with a charge by the Governor and Legislature to improve the



rate of collection of child support orders. Child support collections have consistently improved since the program was transferred to the Department of Revenue. In Fiscal Year 1999-2000, child support collections in Florida for welfare and non-welfare families participating in the child support program totaled \$735 million. This represents an increase of 73% from Fiscal Year 1994-95 collections. Although only 57% of the child support that was due during the fiscal year is currently being collected, the organizational transfer appears to have had a positive impact on the performance of the program. Given the increase in performance of the Child Support Enforcement Program under the Department of Revenue, OPPAGA found no compelling benefit to transferring the program to another state agency.

The program performed well in achieving its goals during Fiscal Year 1999-2000. The program met the standards established for its legislative measures as well as several key internal measures. In addition, the program improved its performance on all of their internal measures from the previous year. The cost-effectiveness of the program is better than that of other comparable states.

## Options for Improvement

---

To strengthen the program's accountability system, we recommend that the Legislature adopt the new federal incentive measures as the program's performance-based program budgeting measures. The federal measures would enable the Legislature to directly compare Florida's program outcomes to those of other states, as well as to monitor the department's progress towards earning federal incentive funds. The program should also establish internal performance measures and standards for its key business processes, which should include unit cost data. This would enable the department to identify best practices used by the area service centers that have the strongest performance and apply these best practices statewide.

To reduce the need for additional funding from the state's general revenue, the program should increase its efforts to maximize available funding, by increasing its eligibility for federal incentive funding and improving the recovery of administrative expenses.

- The program can increase its eligibility for federal incentive funding by closing all eligible cases and initiating efforts to expand its caseload.
- The program can increase the amount of administrative expenses recovered from non-custodial parents by updating the administrative cost schedule to reflect changes in operations, increasing the amount of costs that are assessed by the courts, and increasing the collection of costs that have been assessed.

## *Executive Summary*

We identified several opportunities for the department to reduce the costs and improve the process for establishing child support cases.

- Statewide implementation of the new sanctioning process for public assistance recipients who fail to cooperate with the program, which was recently piloted with the Department of Children and Families, could save over \$10 million per year in welfare costs.
- Increased monitoring of interstate case processing can improve performance by helping to ensure that all required information is accurate and requested activities are completed in a timely manner.
- An evaluation of alternatives to the current use of regional call centers to address customer concerns could result in improved customer service. Alternatives to be considered should include centralization into a single statewide call center and the use of a private contractor to perform this program service.
- Pursuing legislative approval to allow private attorneys to compete with the Attorney General's Office to provide legal services could result in cost savings.
- Working with the Office of State Courts Administrator to evaluate whether improvements to judicial activities can be realized by performing these activities through an administrative process.

The collection of child support could be increased and the cost of enforcement reduced by

- implementing adaptive enforcement strategies based on a non-custodial parent's readiness, willingness and ability to pay child support;
- promoting the use of work release and electronic monitoring programs for non-custodial parents held in contempt of court and incarcerated for non-payment of child support; and
- working with the various entities in the child support system to pursue the use of unspent federal TANF funds for family mediation and job training of non-custodial parents to improve their ability to pay child support.

## Agency Response

---

The executive director of the Department of Revenue provided a written response to our preliminary and tentative findings and recommendations. (See Appendix E, page 55, for his response and OPPAGA's comments.)

# Introduction

## Purpose

---

This report presents the results of OPPAGA's Program Evaluation and Justification Review of the Department of Revenue's Child Support Enforcement Program. The Government Performance and Accountability Act of 1994 directs OPPAGA to conduct justification reviews of each program during its second year of operating under a performance-based program budget.<sup>1</sup> Justification reviews assess agency performance measures and standards, evaluate program performance, and identify policy alternatives for improving services and reducing costs. Appendix A summarizes our conclusions regarding the nine issue areas the law requires to be considered in a program evaluation and justification review.

## Background

---

The involvement of the state in the collection of child support helps to ensure that both parents support their dependent children. As a cost-benefit to taxpayers, child support payments collected by the state on the behalf of public assistance recipients offset costs of welfare programs and provide additional revenue to the state by earning federal incentive funds based on collections. Government involvement is necessary because enforcement is needed to get many parents to fulfill their continuing obligation to support their children.

*The Child Support Enforcement Program helps ensure that both parents support their children*

In response to growing concerns regarding the escalating cost of welfare programs and the realization that many non-custodial parents were not doing their part to help support their children, the United States Congress created the federal Child Support Enforcement Program as Title IV-D of the Social Security Act in 1975. The Child Support Enforcement Program is a federal-state partnership, which was designed to

- promote parental responsibility for children in welfare and non-welfare families,

---

<sup>1</sup> The Child Support Enforcement Program began operating under a performance-based program budget in Fiscal Year 1998-99.

## *Introduction*

- help the federal government and states recover their welfare payments to needy families by allowing these entities to retain the child support payments they collect from non-custodial parents who owe support, and
- keep families currently not on welfare from becoming welfare recipients by helping them collect child support payments owed to them.

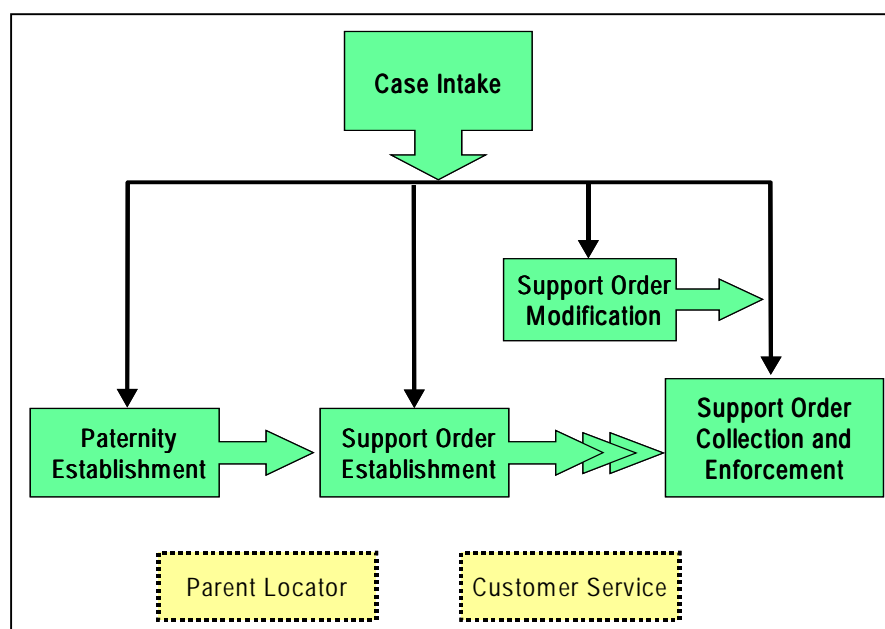
### *The Department of Revenue administers Florida's Child Support Enforcement Program*

As a condition of receiving federal public assistance funds, states are required to operate child support enforcement programs that are approved by the federal Office of Child Support Enforcement within the Department of Health and Human Services. Families receiving welfare benefits are required to participate in the Child Support Enforcement Program. Families that do not receive federal public assistance may request Child Support Enforcement Program services, for which they are charged a fee of \$25 in Florida. The Department of Revenue is responsible for administering Florida's Child Support Enforcement Program. Activities performed by the program include case intake; paternity establishment; and child support order establishment, modification, collection, and enforcement. The program also provides parent locator and customer services.

As shown in Exhibit 1, case intake is the initial activity in the child support enforcement process. Case intake includes collecting basic case data and determining which subsequent activity is needed. Case intake directs cases to the paternity establishment, support order establishment, support order modification, or support order collection and enforcement activity. After completing the initially assigned activity, the case is then transferred to the next activity in the child support enforcement process. For example, a custodial parent applying for the program's child support services when the non-custodial parent is known but no court order for support has been established will be referred to the support order establishment activity. When the child support order is established, the case is then transferred to the support order collection and enforcement activity where the program helps to ensure that payments are collected and promptly distributed.

The two other program activities, parent locator and customer service, provide assistance to the child support enforcement process, as required. For example, a custodial parent applying for child support order enforcement services may not know the location of the non-custodial parent. Thus, parent locator activity staff would be responsible for identifying the necessary personal identification and asset information of the non-custodial parent before any enforcement actions could be taken. A more detailed description of each major program activity is provided in Appendix B.

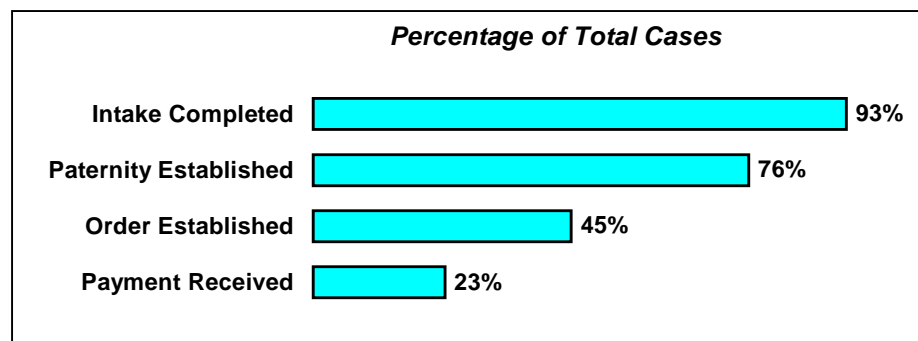
**Exhibit 1**  
**The Program Performs Several Activities**



Source: Department of Revenue and OPPAGA analysis.

At the end of Fiscal Year 1999-2000, the program had 822,938 active cases involving 1,086,685 children. These cases resided in different activity areas of the program. As shown in Exhibit 2, 45% of the program's caseload had a child support order in place. Of those cases with a support order, 186,203 of the non-custodial parents made a payment (either partial or full) in June 2000, which represents only 23% of the program's total caseload.

**Exhibit 2**  
**Less Than Half of Child Support Cases Have Support Orders, and Payments Were Received on Less Than One-Fourth of the Cases**



Source: Florida Department of Revenue data for period ending June 30, 2000.

## Introduction

### *Program activities are organized by process*

Florida's Child Support Enforcement Program activities are organized into six processes. The establishment, compliance enforcement, central operations, and regional administration processes have overall responsibility for the program's activities. The System Support and Resource Management processes provide administrative services to area service centers. As of June 30, 2000, program activities were performed in 49 area service centers throughout the state. Each service center is organized so that staff members are responsible for a specific program activity such as opening a case, locating the non-custodial parent, establishing paternity, getting a court order for support or enforcing the order. Exhibit 3 identifies the program activities and administrative services associated with each of the processes.

### Exhibit 3

#### The Program Is Organized by Processes and Activities

Process	Program Activities and Administrative Services
Establishment	<ul style="list-style-type: none"><li>▪ Case Intake Activity</li><li>▪ Paternity Establishment Activity</li><li>▪ Support Order Establishment Activity</li></ul>
Compliance Enforcement	<ul style="list-style-type: none"><li>▪ Parent Locator Activity</li><li>▪ Support Order Enforcement Activity</li></ul>
Central Operations	<ul style="list-style-type: none"><li>▪ Support Order Collection Activity</li></ul>
Systems Support	<ul style="list-style-type: none"><li>▪ Child Support Enforcement Automated Information System Service</li></ul>
Resource Management	<ul style="list-style-type: none"><li>▪ Program Development Service</li><li>▪ Program Evaluation Service</li><li>▪ Financial Management Service</li></ul>
Regional Administration	<ul style="list-style-type: none"><li>▪ Customer Assistance Activity</li><li>▪ Area Service Center Support Service</li></ul>

Source: Florida Department of Revenue and OPPAGA analysis.

### *Approximately one-half of the program's resources are allocated for contracted services*

As shown in Exhibit 4, the program works with many partners to provide the required child support enforcement services. In Fiscal Year 1999-2000, the program expended \$106.4 million for contracted services, which represented 52% of the total amount spent by the program.

The Department of Children and Families assists the program by providing automated information services and by referring custodial parents receiving public assistance. To assist states in administering their child support enforcement programs, the federal government required states to develop a statewide-automated child support computer system. Florida's automated child support enforcement system is maintained through the Department of Children and Families' social services computer system known as the FLORIDA System. In addition, the

system is used by the Department of Children and Families to refer any custodial parent who has been approved for public assistance or Medicaid payments on behalf of a minor.

Florida's judicial system has an important role in the program because child support orders can be established and modified only by a court order. To assist the judicial system in providing these child support services, the Department of Revenue contracts with the Office of State Courts Administrator and counties to provide hearing officers for child support cases. In addition, the program has contracted with the Department of Legal Affairs, State Attorney's Office and private legal service providers to represent the department before the court. In Fiscal Year 1999-2000, the program expended \$16.2 million for these services.

Local governments also contribute to the program by providing the services of process and hearing officers and paying for court filing fees for child support enforcement-related judicial activities. In addition, local clerks of the court serve as the official record keepers of all parties involved in child support orders. In Fiscal Year 1999-2000, \$26.7 million was expended for these services provided to the program's clients, of which \$9.1 million was borne by local governments and \$17.6 million reimbursed by the federal government. Local governments also are responsible for the costs associated with the incarceration of custodial parents convicted for nonpayment of child support.<sup>2</sup>

In 1998, the Department of Revenue was directed by the Legislature to contract with the Florida Association of Court Clerks and Comptroller to develop and implement the State Case Registry for private child support orders and State Disbursement Unit.<sup>3</sup> The State Case Registry is a centralized electronic depository for all child support cases that are administered by the program, as well as for private child support orders established or modified on or after October 1, 1998.<sup>4</sup> The State Disbursement Unit provides a central address for receipt and disbursement for all program-administered child support payments and for all private orders initially issued on or after January 1, 1994, with an

---

<sup>2</sup> Based on an OPPAGA survey of sheriffs and directors of county jails, we estimate that in Fiscal Year 1998-99, local governments expended \$16.9 million to incarcerate these individuals. Survey results are based on the information from 62 of 67 counties surveyed. The total cost includes costs associated with incarceration of non-custodial parents held in contempt for nonpayment of child support, including private cases.

<sup>3</sup> The Florida Association of Court Clerks and Comptroller is a voluntary, nonprofit, statewide association established to serve the clerks of the circuit court and county comptrollers of the State of Florida.

<sup>4</sup> Pursuant to s. 61.1826(5), *F.S.*, OPPAGA conducted a separate review of the State Case Registry. See *Child Support Enforcement State Case Registry Is Operational, But Several Issues Should Be Resolved*, [Report No. 99-10](#), September 1999, for the results of this review.

income deduction order.<sup>5</sup> In Fiscal Year 1999-2000, the program expended \$19.3 million for the contracted services with the clerk's association.

In Fiscal Year 1999-2000, the program also contracted with several private vendors, at a cost of \$8.9 million per year, to perform various program activities such as genetic testing to establish paternity, location of non-custodial parents, and child support collection services. In addition, the contracts with Dade and Manatee counties for child support services accounted for \$18.4 million of the state's Fiscal Year 1999-2000 Child Support Enforcement Program costs.

#### Exhibit 4

#### The Program Works With Many Partners to Provide Required Child Support Enforcement Services

Partner	Service Provided	Fiscal Year 1999-2000 Expenditures (in millions)
Department of Children and Families	Child Support Enforcement Automation, Custodial Parent Referrals	\$16.9
Office of State Courts Administrator	Hearing Officers	1.1
Private attorneys	Legal Services	12.2
Attorney General's Office and State Attorneys' Office	Legal Services	2.9
Florida counties	Service of Process, Hearing Officers, Filing Fees, Record keeping	26.7
Florida Association of Court Clerks and Comptroller	State Disbursement Unit, State Case Registry, CLERC System	19.3
Private contractors	Paternity Testing, New Hire Directory	1.4
Private contractors	Parent Locator and Support Order Collection	7.5
Dade and Manatee counties	Child Support Enforcement	18.4
<b>Total</b>		<b>\$106.4</b>

Source: Florida Department of Revenue.

<sup>5</sup> Pursuant to s. 61.1826(5), *F.S.*, OPPAGA conducted a separate review of the State Disbursement Unit. See *Establishment of the State Disbursement Unit Raises Cost to Process Child Support Payments, Report No. 00-11*, September 2000, for the results of this review.



# Program Clients

---

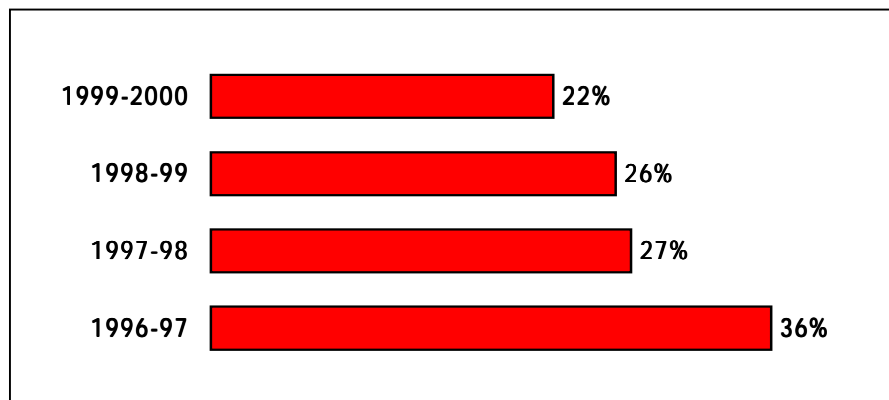
The Florida Child Support Enforcement Program works with three main client groups: custodial parents, non-custodial parents, and children. The custodial parent is the parent who receives the child support on behalf of the child; the non-custodial parent is the parent who is obligated to pay child support.

*Fewer parents are receiving public assistance, but many are still poor*

The percentage of cases in which the custodial parent is on welfare has been declining. In 1996 Congress passed the Personal Responsibility and Work Opportunity Reconciliation Act, which changed welfare law to help families become less dependent on welfare and move them toward self-sufficiency, in part, by improving child support collections and limiting to five years the length of time families can receive welfare payments. Since this law was enacted, the number of cases where the custodial parent is receiving public assistance has declined from 316,144 to 181,136. As shown in Exhibit 5, only 22% of the custodial parents in the program were receiving welfare benefits at the end of Fiscal Year 1999-2000.

## Exhibit 5

**At the End of Fiscal Year 1999-2000, Less Than One-Fourth of the Program's Custodial Parents Were Receiving Public Assistance**



Source: Florida Department of Revenue.

Many non-custodial parents are delinquent in their child support payments because they are unwilling to pay support. However, a federal study estimated that 60% of non-custodial parents who do not pay child support have a limited ability to pay.<sup>6</sup> We were unable to obtain information regarding the income levels of Florida's Child Support Enforcement Program's clients. However, based on the amount of child

<sup>6</sup> *The Establishment of Child Support Orders for Low Income Non-custodial Parents*, Department of Health and Human Service, Office of the Inspector General, July 2000.

support ordered by the courts, we estimate that 44% of the program's cases with support orders involve parents with combined reported incomes of less than \$10,800 per year.

Child support enforcement cases can also be categorized according to their intrastate or interstate status. A case is defined as interstate when either another state requests that Florida take a child support action or when Florida requests that another state take a child support action on a Florida case. All other cases are intrastate. In April 2000, 28% of the program's caseload was interstate.

## Program Resources

---

Florida's Child Support Enforcement Program is financed through several funding sources. Funds to operate the program are received through grants and incentives from the federal government, local governments, fees and expenses collected from individuals served by the program, interest earned on collections, and from the state's general revenue. Exhibit 6 provides a breakdown of the funding received from each of the six principal sources. A description of each of the program's sources of funding is provided in Appendix C. In addition, the state retains a portion of the child support payments received when a custodial parent is receiving public assistance. In Fiscal Year 1999-2000, the program transferred \$32.9 million of these retained collections to the state's General Revenue Fund.

### Exhibit 6

#### The Program Is Funded from Several Sources

Funding Source	Fiscal Year 1999-2000 Funding (in millions)
Federal Reimbursement Grants	\$133.9
Federal Incentives	11.6 <sup>1</sup>
Local Government	9.1
Fees and Cost Recovery from individuals	1.5
Other	7.3
State General Revenue	44.8
<b>Total Funding</b>	<b>\$208.2</b>

<sup>1</sup> This amount reflects the amount of federal incentive funding earned in state Fiscal Year 1998-99. Beginning October 1, 1999, federal incentive eligibility is based, in part, on Florida's end of federal Fiscal Year 2000 performance data relative to other states for five measures. Therefore, the amount of federal incentive funding earned in state Fiscal Year 1999-2000 was not available.

Source: Florida Department of Revenue and OPPAGA analysis.

For Fiscal Year 2000-01, the Legislature appropriated \$213.1 million to administer Florida's Child Support Enforcement Program, of which approximately \$40.7 million was derived from the state's General Revenue Fund. The federal government and the states share administrative costs to operate the program at the rate of 66% and 34%, respectively, and also share any recovered costs and fees.<sup>7</sup> In addition, the federal government awards incentive payments to states. In June 2000, the program had a staff of 2,477 authorized full-time equivalent positions, 2,098 of which were located in area service centers. These staffing levels do not include positions required to perform child support enforcement services in Dade and Manatee counties, which separately administer their own programs as authorized by the Legislature in 1985.<sup>8</sup>

---

<sup>7</sup> The federal government also provides an 80% matching rate (up to a cap of \$21.6 million for Florida) for approved state expenditures made prior to October 1, 2001, on developing and improving federally required automated systems) and 90% for laboratory costs of blood tests required to establish paternity.

<sup>8</sup> For more information on the Dade and Manatee County Demonstration projects, see *Child Support Enforcement Demonstration Projects Show Mixed Results, But Should Be Continued*, [Report No. 98-39](#), January 1999 and *Child Support Enforcement Demonstration Projects Continue to Show Mixed Results*, [Report No. 00-19](#), November 2000.

# General Conclusions and Recommendations

## Introduction

---

The Child Support Enforcement Program began operating under a performance-based program budget in Fiscal Year 1998-99. The strategic objective of Florida's Child Support Program is to help ensure that parents fulfill their obligation to support their children. To ensure that this strategic objective is achieved, the program focuses on establishing all possible paternities, obtaining all possible support orders, and distributing all collectible dollars in a timely manner.

## Program Need

---

As a condition of receiving federal public assistance funds, states are required to operate child support enforcement programs that are approved by the federal Office of Child Support Enforcement within the Department of Health and Human Services. Florida would lose eligibility for federal Temporary Assistance to Needy Families (TANF) funds if the Child Support Enforcement Program were abolished, as well as matching federal funds that are used to help support program operations.<sup>9</sup>

The involvement of the state in establishing and collecting child support helps to ensure that both parents support their dependent children. In Fiscal Year 1999-2000, the program distributed \$562.1 million in child support payments to children in Florida. The amount of support provided would decrease if the program did not provide its services, which could result in more families needing public assistance services. In Fiscal Year 1999-2000, the program collected \$76.2 million in child support payments on the behalf of public assistance recipients in Florida, which were used to offset costs of welfare programs. Accordingly, we concluded that the program is needed and should be continued.

---

<sup>9</sup> In Fiscal Year 1999-2000, the program received \$133.9 million in federal matching funds.

## Potential for Privatization

---

Although the Department of Revenue has primary administrative responsibility for the Child Support Enforcement Program in Florida, many activities are carried out by other entities through contracts between the department and private providers. The department contracts with the Florida Association of Court Clerks and Comptroller to operate the State Disbursement Unit and the private support order component of the State Case Registry. It also has contracts with private legal service providers and with local sheriffs to help administer the program's judicial activities. In addition, the program contracted with several private vendors to perform various program activities such as genetic testing to establish paternity, location of custodial parents, and child support collection services. In Fiscal Year 1999-2000, the program spent \$40.4 million for these services. The program should consider using a private contractor to provide services currently performed by its regional call centers (discussed on page 34).

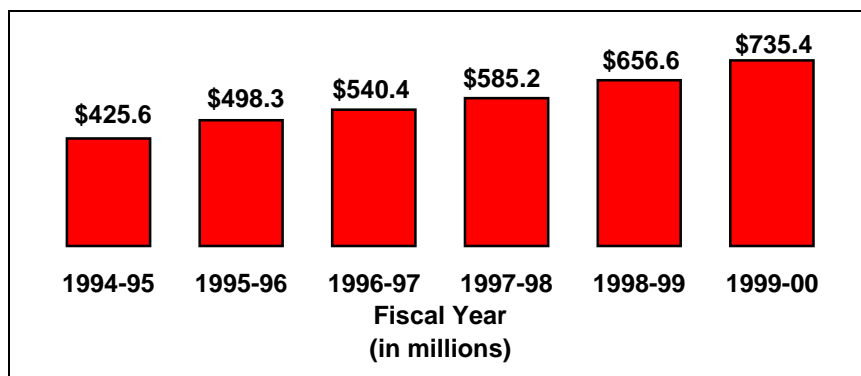
## Organizational Placement

---

In July 1994, the Child Support Program was transferred from the Department of Health and Rehabilitative Services to the Department of Revenue, with a charge by the Governor and Legislature to improve the rate of collection of child support orders. As shown in Exhibit 7, child support collections have consistently improved since the program was transferred to the Department of Revenue. In Fiscal Year 1999-2000, child support collections in Florida for welfare and non-welfare families participating in the child support program totaled \$735.4 million. This represents an increase of 73% from Fiscal Year 1994-95 collections, but still represents only 57% of the child support that was owed during the fiscal year. The organizational transfer appears to have had a positive impact on the performance of the program. Given this increase in performance under the Department of Revenue, OPPAGA found no compelling benefit to transferring the program to another state agency.

**Exhibit 7**

**Child Support Collections Have Steadily Improved  
Since the Program Was Transferred to the Department of Revenue**



Source: Florida Department of Revenue.

## Program Performance

---

The program performed well in achieving its goals during Fiscal Year 1999-2000. The program met the standards established for its legislative measures as well as several key internal measures. In Fiscal Year 1999-2000, the program improved its performance on all of its internal measures from the previous year. The cost-effectiveness of the program is similar to that of programs in other comparable states.

However, the current legislative performance measures are not the same as the federal performance measures that will be used to determine the amount of federal incentive funds received. To provide the Legislature with more useful information regarding program performance, OPPAGA recommends that the current legislative measures be modified to reflect the new federal incentive measures. To ensure that historical program performance is available, OPPAGA also recommends that the program continue to monitor the performance of the current legislative measures.

In addition, we concluded that neither the legislative measures nor internal measures can be used to evaluate program activities. To facilitate comparison among service centers, evaluations regarding centralization and privatization, and decisions regarding the allocation of resources, OPPAGA recommends that the program identify objectives and establish internal performance measures and standards for each activity. These measures should include the cost per unit of activity. To ensure that the program can determine the impact of the performance of its partners on overall performance, OPPAGA also recommends that objectives and outcomes be established for the activities performed by its partners. In addition, OPPAGA recommends that the program establish measures to

help ensure that the department's mission of promoting voluntary compliance is achieved.

## Options for Improvement ---

To reduce the need for additional funding from the state's general revenue, the program should increase its efforts to maximize available funding by increasing its eligibility for federal incentive funding and improving the recovery of administrative expenses.

- The program can increase its federal incentive funding by closing all eligible cases.
- The program can also increase its federal incentive funding by initiating efforts to expand its caseload to include private child support orders.
- The program can increase the amount of administrative expenses recovered from non-custodial parents by updating the administrative cost schedule to reflect changes in operations, increasing the amount of costs that are assessed by the courts, and increasing the collection of costs that have been assessed.

We identified several opportunities for the department to reduce the costs and improve the process for establishing child support cases.

- Statewide implementation of the new sanctioning process for public assistance recipients who fail to cooperate with the program, which was recently piloted with the Department of Children and Families, could save over \$10 million per year in welfare costs.
- Increased monitoring of interstate case processing can improve performance by helping to ensure that all required information is accurate and requested activities are completed in a timely manner.
- An expanded evaluation of alternatives to the current use of regional call centers to address customer concerns could result in improved customer service. Alternatives to be considered should include centralization into a single statewide call center and the use of a private contractor to perform this program service.
- The program should continue to work with the Office of State Courts Administrator to evaluate whether improvements to judicial activities can be realized by performing these activities through an administrative process.

## *General Conclusions and Recommendations*

The collection of child support could be increased and the cost of enforcement reduced, by

- implementing adaptive enforcement strategies based on a non-custodial parent's readiness, willingness, and ability to pay child support;
- promoting the use of work release and electronic monitoring programs for non-custodial parents held in contempt of court and incarcerated for non-payment of child support; and
- working with the various entities in the child support system to pursue the use of unspent federal TANF funds for family mediation and job training of non-custodial parents to improve their ability to pay child support.

These potential improvements are discussed in Chapters 3, 4, and 5 of this report.



# Program Is Performing Well; New Legislative, Internal Measures Needed

The objectives of the Child Support Enforcement Program are to ensure that all possible paternities are established, all possible support orders are obtained, and all owed child support is collected and distributed in a timely manner.

The program met its legislative performance standards for Fiscal Year 1999-2000 and its performance has improved over time. In addition, its cost-effectiveness is better than that of programs in comparable states. While the program's current performance measures provide meaningful information, they could be strengthened by adopting the federal incentive measures and by establishing internal measures that assess key program activities.

## Performance

---

### The program performed well against performance standards established for its legislative measures

The Child Support Enforcement Program began operating under a performance-based program budget in Fiscal Year 1998-99. Exhibit 8 shows that the Legislature established six program measures and standards for the program for Fiscal Year 1999-2000. The program met its performance standard for each of these measures. The program's performance has also improved over time, as its performance was higher than the prior year for four of these measures.

#### *The program also performed well against internal measures*

In addition to its legislative performance measures, the Child Support Enforcement Program has several internal performance measures that assist management in ensuring that the program's objectives are accomplished.<sup>10</sup> Exhibit 8 shows that during Fiscal Year 1999-2000, the 12-month average for each of the internal measures improved over the previous year's performance. One of the most important of these internal

---

<sup>10</sup> The Fiscal Year 2000-01 internal performance measures are the number of support orders established during the month, the percentage of cases with an order for support, the percentage of cases with paternity, and the percentage of child support collected that were due during the month.

*Program Is Performing Well; New Legislative,  
Internal Measures Needed*

measures is the percentage of child support collected that was due during the month. This measure directly assesses the program's ability to ensure that children receive financial support in a timely manner. The program's performance increased from collecting 44.4% of the child support due each month in Fiscal Year 1997-98 to collecting 47.9% of the amount due each month in Fiscal Year 1999-2000. Chapter 5 of this report discusses several opportunities to further improve the program's ability to collect child support.

**Exhibit 8**

**In Fiscal Year 1999-2000, the Program Exceeded the Performance Standard for All of Its Legislative Measures**

Performance Measure	Fiscal Year 1998-99 Actual	Fiscal Year 1999-2000 Actual	Fiscal Year 1999-2000 Legislative Standard
<b>Legislative Measures</b>			
Number of children with a newly-established court order	55,037	61,166	58,800
Percentage of children with a court order for support	49.5%	48.9%	47.0%
Percentage of children with paternity established	81.4%	82.1%	81.0%
Percentage of cases with child support due in a month that received a payment during the month	51.9%	54.0%	53.0%
Percentage of child support collected that was due during the fiscal year	54.5%	57.0%	51.0%
Total child support dollars collected per \$1 of total expenditures	\$3.59	\$3.57	\$3.08
<b>Internal Measures</b>			
Number of support orders established during the month	3,295	3,661	N/A
Percentage of child support collected that was due during the month	46.3%	47.9%	N/A
Percentage of cases with an order for support	42.6%	42.9%	N/A
Percentage of cases with paternity	72.4%	74.3%	N/A

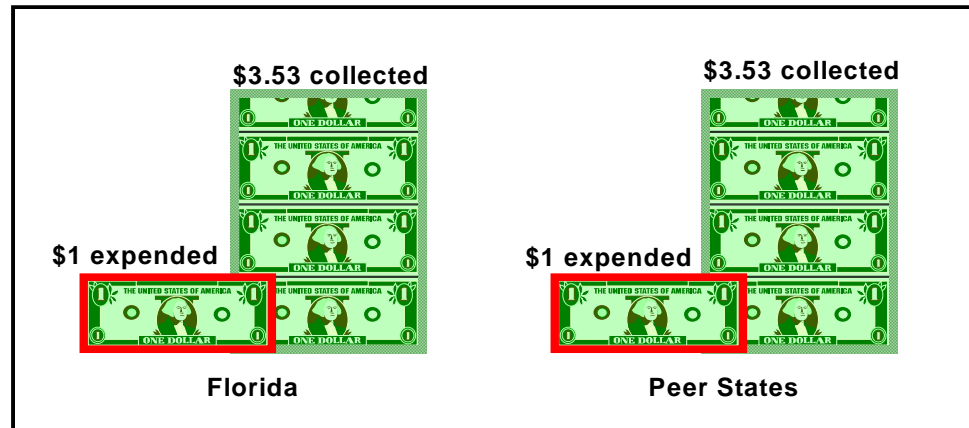
Source: Florida Department of Revenue.

## The program's cost-effectiveness is similar to that of comparable states

The cost-effectiveness of Florida's Child Support Enforcement Program, as measured by the ratio of child support collections to program operating costs, is similar to that of other comparable states. As shown in Exhibit 9, Florida collected \$3.53 in child support for every \$1 in program costs during federal Fiscal Year 1999, which was similar to the \$3.53 collected by the peer states.<sup>11</sup>

<sup>11</sup> Peer states include California, Texas, New York, and Illinois. These child support enforcement programs, along with Florida's, are among the eight largest programs, as defined by caseload size, in the nation. We excluded states that have "universal programs" that are responsible for collecting both Title IV-D and private child support payments; however, the option of having all support orders that are established in Florida included in the program's caseload is discussed on page 24.

**Exhibit 9**  
**Federal Fiscal Year 1999 Data Shows That**  
**Florida's Cost-Effectiveness Is Similar to Peer States**



Note: Cost-effectiveness data is for federal Fiscal Year 1999.

Source: Florida Department of Revenue.

## Performance Measures

The Legislature and the department could strengthen the program's performance accountability system in three ways.

- The Legislature should modify the current state performance measures by adopting the nationwide performance measures that the federal government will begin using to award incentive funds to states.
- The program should continue to develop internal performance measures that assess its key activities.
- The department should establish performance measures and targets for the program activities that are conducted by its contractors and program partners.

### The program should adopt federal incentive measures

The federal government has developed a set of performance measures to assess state child support programs and award incentive funding. The new federal measures are similar, but not identical, to the current legislative performance measures for the child support program. A comparison of the program's legislative performance measures and the federal incentive measures is provided in Appendix D.

## *Program Is Performing Well; New Legislative, Internal Measures Needed*

Adopting the new federal measures as the program's legislative measures would benefit the Legislature. It would enable the Legislature to compare Florida's program outcomes to those of other states, as well as to monitor the department's progress towards earning federal incentive funds. To provide historical performance information, the program should continue to collect information on its current measures until sufficient data is available to identify performance trends using the federal incentive measures.

## **Objectives and internal performance measures for each child support enforcement activity should be established**

The program has initiated a project to establish performance output standards for each key activity. However, it would be enhanced if the program also established specific objectives, outcomes, and unit costs for each of these key activities. Identification of activity objectives would help correlate each activity performed by area service center staff to the program's strategic goals. Activity outcome measures will allow management to more effectively evaluate program performance and ensure that the most effective policies and procedures are employed. Unit cost measures would facilitate evaluations regarding the centralization and privatization of specific program activities and decisions regarding the allocation of program resources. Establishment of these objectives and internal measures will enable the program to identify best practices used by the area service centers and apply these best practices statewide.

## **Objectives and measures should also be established for activities performed by the program's partners**

Finally, the program should develop performance measures and targets for activities that are performed by its contractors and program partners. The program has included performance measures and standards in some of its contracts for services. For example, the program has worked with the Florida Association of Court Clerks and the Comptroller to develop and implement performance measures associated with the operation of the State Disbursement Unit and the State Case Registry.<sup>12</sup> It has also

---

<sup>12</sup> For more information on the State Disbursement Unit and the State Case Registry, see *Performance Review: Establishment of the State Disbursement Unit Raises Cost to Process Child Support Payments*, OPPAGA [Report No. 00-11](#), September 2000; and *Child Support Enforcement State Case Registry*, OPPAGA [Report No. 99-10](#), September 1999.

*Program Is Performing Well; New Legislative,  
Internal Measures Needed*

established performance contracts with pilot projects that are operated in Dade and Manatee counties for child support enforcement services.<sup>13</sup> These contracts established performance targets for each fiscal year and specify that, if the identified performance targets are not achieved, a performance improvement plan must be developed and submitted to the Department of Revenue for approval.

The program has established limited performance standards for its contracts with private attorneys and the state attorney for legal services. These contracts include 14 performance accountability measures. However, these performance measures are process rather than outcome measures. For example, the contract includes measures and standards such as:

- deliver all valid cases to the clerk of court within at least 12 business days from receipt,
- provide local child support enforcement offices with a listing of all cases docketed at least 10 business days prior to the hearing date; and
- provide quarterly reports by the fifteenth of the month following each quarter.

While these measures are useful for monitoring specific program activities and contract requirements, they do not directly correlate to achievement of desired outcomes, such as enabling the program to maximize federal incentive funding by increasing the percentage of cases with support orders established. The program should establish performance measures and standards with its legal service providers that promote desired outcomes. Performance measures should include the number of cases with orders established and the number of cases that are dismissed along with the cause for each dismissal. This information will improve the program's ability to monitor the activities of legal service providers and to assess their impact on program performance.

The program lacks performance measures in its cooperative agreements with the hearing officers and sheriffs. Establishing performance measures for the services provided by these program partners would allow the department to determine their impact on child support enforcement. For example, the department could establish measures and standards that assess how long cases are on the docket before being addressed by hearing officers, as well as how long it takes sheriffs to deliver court summons (service of process) to defendants. Such measures are important, because, although many of the program's partners are

---

<sup>13</sup>For more information on the Dade and Manatee County Demonstration Projects, see *Child Support Enforcement Demonstration Projects Show Mixed Results, But Should Be Continued*, OPPAGA [Report No. 98-39](#), January 1999, and *Child Support Enforcement Demonstration Projects Continue to Show Mixed Results*, [Report No. 00-19](#), November 2000.

independent governmental agencies their performance has a direct impact on the program's eligibility for federal incentive funding.

## Recommendations

---

To strengthen the program's accountability system, we recommend that the Legislature adopt the new federal incentive measures as the program's performance-based program budgeting measures. The federal measures would enable the Legislature to directly compare Florida's program outcomes to those of other states, as well as to monitor the department's progress towards earning federal incentive funds. To provide historical performance information, the program should continue to collect information on its current measures until sufficient data are available to identify performance trends using the federal incentive measures.

We also recommend that the department establish internal performance measures and standards for its key business processes. These internal measures should include unit cost data. They would supplement the legislative performance measures and would enable the department and the Legislature to gauge the efficiency of the business processes and compare the performance of the program's area service centers. They would also enable the department to identify best practices used by the area service centers that have the strongest performance and apply these best practices statewide.

To ensure that the program can determine the impact of the performance of its partners on overall performance, we also recommend that the department work with its program partners to establish performance measures and standards for the activities performed by its partners, including private attorneys, the Attorney General, sheriffs, and hearing officers.

# Reduce Reliance on General Revenue by Maximizing Other Funding Sources

In Fiscal Year 2000-01, the Child Support Enforcement Program was appropriated \$213.1 million, of which \$40.7 million was general revenue. The program could reduce its need for general revenue by taking steps to maximize available federal incentive funding and improving its recovery of administrative expenses incurred when parents fail to pay support.

- The program could increase its federal incentive funding in federal Fiscal Year 2001 by an estimated \$2 million by closing inactive cases. Furthermore, the program could potentially earn at least an additional \$1 million per year in federal incentive funding by serving all of Florida's child support recipients, although this option should be carefully assessed by the department.
- The program can increase its recovery of administrative expenses from non-custodial parents by an estimated \$4.5 million annually by updating its administrative cost schedule to reflect increases in program activity costs, increasing efforts to obtain court orders that assess these costs, and increasing efforts to collect costs that have been assessed by the court.

## Federal Incentive Funding

---

The federal government provides funding to state child support programs in two ways. First, it reimburses states for 66% of their eligible costs for administering the program. Second, states may receive incentive funds based on their performance. In Fiscal Year 1999-2000, Florida received \$133.9 million in federal reimbursement funding. In federal Fiscal Year 1999, the program received \$11.6 million in federal incentive funds.

The federal government has recently changed how it awards incentive payments to states based on child support program performance. Prior to federal Fiscal Year 2000, the federal government awarded incentive payments to states based on each state's total collections and their cost-efficiency in collecting child support. In 1998, Congress expanded the criteria for federal incentive payments. Beginning in federal Fiscal Year 2000, a new incentive funding formula will be phased in. The formula is based on the relative performance of each state in establishing and collecting child support. Florida's share of federal incentive funding will

*Reduce Reliance on General Revenue  
by Maximizing Other Funding Sources*

be based on collections and on performance in five areas, as shown in Exhibit 10. This new incentive funding formula will be used to determine one-third of the incentive payments made to states in federal Fiscal Year 2000, two-thirds of the incentive payments made in federal Fiscal Year 2001, and all incentive payments in subsequent years. The total amount of nationwide incentive funding available is fixed each fiscal year, with \$422 million available in federal Fiscal Year 2000.

**Exhibit 10**  
**Florida's Share of Federal Incentive Funding Will Be Based**  
**on Collections and on Performance in Five Areas**

Title	Description
Paternity Establishment	The ratio of the number of children with paternity established to the total number of children born out of wedlock in the state
Child Support Order Establishment	The percentage of cases in which there is a support order during the fiscal year
Collections on Current Child Support Due	The total amount of current support collected during the fiscal year divided by the current support owed during the fiscal year in all cases
Collections on Child Support Arrearages	The total number of cases in which payments of past due child support were received during the fiscal year and part or all of the payments were distributed
Cost-Effectiveness	The total amount collected during the fiscal year divided by the total amount expended during the fiscal year

Source: 45 *CFR*, Sec 305.

**Federal incentive funding can be increased  
by closing inactive cases**

The first action the department could take to maximize federal incentive funding would be to close inactive cases in accordance with federal case closure criteria. This would be beneficial because one of the primary factors that the federal government will use to award incentive funds to states will be the ratio of the program's child support cases to those cases in which specified actions (such as child support order establishment) has been completed. Accordingly, having a large number of cases in which no progress can occur will reduce the amount of federal incentive funding that Florida will receive. Retaining such cases also hinders the department's ability to concentrate its efforts on those cases in which it can effectively pursue child support collections.



*Reduce Reliance on General Revenue  
by Maximizing Other Funding Sources*

In 1999, recognizing that under certain circumstances states are not able to proceed with a case, the federal government issued revised regulations that identified new criteria that may be used to close child support cases. (See Exhibit 11.) For example, states are now authorized to initiate case closure activity when child support programs have been unable to locate non-custodial parents for a year, and they lack the missing parents' Social Security numbers or dates of birth (these data are critical to locating parents). Our analysis identified 41,699 cases that meet this criteria. Under the new federal case closure criteria, the program can also close cases in which another state files a petition for assistance (i.e., interstate cases in which the absent parent is thought to be in Florida, but fails to provide all necessary information to proceed with the case). We identified 4,120 cases which meet this condition.<sup>14</sup>

Florida should also attempt to close cases when neither of the parents live in the state by transferring the case to the state in which the parent originally applying for assistance currently lives. In addition, the program should close cases in which a public assistance recipient refuses to cooperate in providing information needed to identify and locate the non-custodial parent, as well as cases in which the non-custodial parent is not a U.S. citizen or living in the nation and no reciprocity agreement exists with the foreign country (and thus the program cannot proceed with the case).<sup>15</sup>

***Approximately  
\$2 million in additional  
federal incentive  
funding can be realized  
in Fiscal Year 2001 by  
closing unworkable  
cases***

We concluded that Florida could close up to 92,646 cases and increase its eligibility for incentive funding by approximately \$2 million in federal Fiscal Year 2001 by applying the federal case closure criteria. To implement this change, the program should modify its automated database system that identifies cases that meet specified closure criteria and apply the federal criteria for closure. The program should review the identified cases and make a final determination of whether each case should be closed.

---

<sup>14</sup> This action would not hurt families, as the department is currently unable to make progress in these cases due to the lack of critical information.

<sup>15</sup> It should be noted that some of these cases may fall into more than one federal case closure category, and thus the final number of cases closed may be somewhat smaller.

*Reduce Reliance on General Revenue  
by Maximizing Other Funding Sources*

**Exhibit 11**  
**The Program Could Close Up to 92,646 Inactive Cases by  
Adopting Federal Closure Criteria**

Criteria	Number of Cases Meeting Criteria
Cases in a locate status for more than one year and in which there is no Social Security number for the non-custodial parent <sup>1</sup>	41,699
Cases in which the address of both the non-custodial and custodial parent are not in Florida	11,370
Interstate cases received from other states that cannot be processed due to lack of cooperation by the initiating state <sup>1</sup>	4,120
Cases that list the same child and non-custodial parent	16,260
Cases with public assistance sanction requests that have been outstanding for more than 90 days	19,197
Number of cases where the non-custodial parent is not a U.S. citizen or resident, and Florida does not have a reciprocity agreement	Not available
<b>Total</b>	<b>92,646</b>

<sup>1</sup> Represents new federal case closure criteria as identified in *Action Transmittal 99-04*, March 11, 1999, Federal Office of Child Support Enforcement.

Source: Florida Department of Revenue data for period ending April 2000.

## Researching the option of including all child support orders in the program's caseload

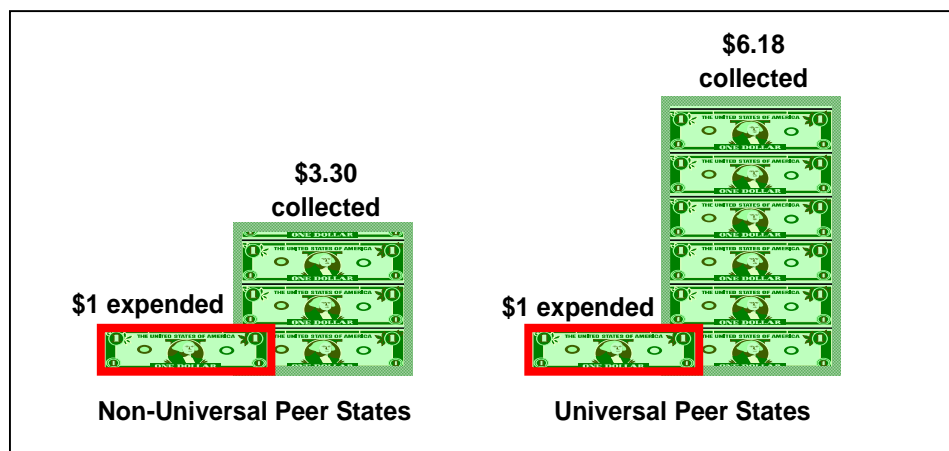
Another way that the department could potentially increase federal incentive funding would be to serve all of Florida's child support recipients. However, this option would require the department to conduct an extensive caseload analysis to determine whether it would be desirable in Florida.

Like child support programs in most states, Florida serves only child support enforcement cases for public assistance recipients and other families who have specifically requested state assistance in collecting child support. However, some states actively promote all parents with child support orders to participate in their state program. These "universal" states typically show substantially higher collections per case because non-contested child support cases generally have better payment histories and often require little enforcement action. As shown in Exhibit 12, universal program states collected nearly twice as much per \$1 in program costs in federal Fiscal Year 1999 than did comparable non-universal states. By including these uncontested support orders in its caseload, these states are able to substantially increase the amount of federal incentive funding received because of the associated improvement in the measure for

*Reduce Reliance on General Revenue  
by Maximizing Other Funding Sources*

program cost-effectiveness. If Florida obtained similar collection rates by adding these uncontested child support orders to its caseload, we project it will receive an additional \$1 million in federal funding for federal Fiscal Year 2001 and \$1.5 million for each succeeding year.<sup>16</sup>

**Exhibit 12  
States That Include All Child Support Orders in the Caseload  
Are More Cost-Effective**



Source: Federal Office of Child Support Enforcement, *Child Support Enforcement FY 1999 Preliminary Data Report as of August 29, 2000*.

However, there are several factors that should be considered before this option is approved. There are an estimated 220,000 private child support orders in Florida. Adding these cases to the current program would represent a 26% increase in caseload. The department would need to determine if its computer systems have the capacity to serve these additional cases, what additional workload these cases would generate, and the estimated cost of any needed computer or staffing upgrades. Such a change could also affect clerks of court, as several clerks have developed their own local programs to serve such cases. We believe that Florida should become a universal state only if it is clearly cost-beneficial to do so. The department should study this issue and report its results and recommendations to the Legislature.

<sup>16</sup> Our estimate of increased funding assumes that Florida's performance will remain constant relative to other states' performance through federal Fiscal Year 2001.

## Increased Recovery of Expenses ---

The program could also reduce its need for general revenue by increasing its efforts to recover administrative costs for enforcement actions. Florida law (s. 409.2567, *Florida Statutes*) provides that non-custodial parents may be assessed the program's administrative costs of court actions. These costs may include attorney's fees, clerk's filing fees, recording fees, and related department administrative expenses. The court may order that non-custodial parents pay these administrative costs in addition to their unpaid child support if the judge determines that they have the ability to pay. As the federal government reimburses the state for 66% of its eligible child support administrative costs, the department may retain 34% of any administrative cost recoveries with the remainder submitted to the federal government.

The Child Support Enforcement Program could increase its recovery of administrative costs by an estimated \$4.4 million per year by taking three actions:

- updating its administrative cost schedule that was developed in 1995 to reflect its current costs could increase recovery of costs by \$1.8 million;
- increasing its efforts to obtain court orders assessing administrative costs could increase cost recovery by \$0.5 million; and
- increasing its efforts to collect costs that have been assessed could increase revenues by \$2.1 million.

### Administrative expenses are being assessed based on an outdated cost schedule

The program currently seeks to recover administrative costs using an outdated fee schedule that no longer reflects its actual expenses. The current cost schedule is based on a 1995 department study in which caseworkers identified the time required to perform specific activities, such as location, support order establishment, administrative enforcement, and judicial enforcement.<sup>17</sup> However, since that time the program has implemented significant changes in its operations. The program has reorganized its operations and has implemented several new automated systems including the State Case Registry, the State Disbursement Unit, and a statewide database of new hires. As a result, the current cost schedule likely understates the program's current costs to

---

<sup>17</sup> The federal government must approve the methodology used to identify recoverable administrative costs. The methodology used for the current schedule was approved in 1996.

*Reduce Reliance on General Revenue  
by Maximizing Other Funding Sources*

initiate enforcement actions. Program costs have increased by 66% since the current cost schedule was developed. Based on this increase in the overall cost to operate the program, we estimate that an updated cost schedule could produce an additional \$1.8 million in administrative cost collections.<sup>18</sup>

The program has recently conducted an extensive examination of its operations that could be used to update its administrative cost schedule. This examination identified 15 business processes and activities within the child support program that the program will focus upon. As part of this effort, the program should develop a method to identify the unit costs of these activities and seek federal approval for a new cost methodology and schedule. The program should then use this updated cost schedule to pursue recovery of administrative fees in future court actions.

## **Administrative costs are not included in all judicial enforcement proceedings**

The program also does not seek recovery of administrative costs for all of the activities performed. Appropriately, the program does not seek recovery of administrative costs for cases in which program staff can successfully collect child support without using judicial enforcement remedies because it is not cost-efficient to initiate a court action solely for cost recovery. However, the program should include cost recovery in each of the judicial enforcement activities that are initiated to collect child support. A survey conducted by the program in 1998 found that its contract attorneys did not include recovery of administrative costs in their court filings in half of the counties examined. Based on 1996 data, the program's administrative costs associated with a judicial proceeding for nonpayment of child support is approximately \$90.

The program did not request recovery of administrative costs in approximately 22,000 court cases in which judges issued contempt of court orders against non-paying parents. We estimate that the program will realize an additional \$0.5 million per year in administrative cost collections if it requests cost recovery for these judicial activities.<sup>19</sup> The department should adopt a policy that requires its contract attorneys to file for administrative cost recovery in all cases in which the parent is deemed to have the ability to pay this assessment.

---

<sup>18</sup> We estimate an updated cost schedule could produce an additional \$7 million in assessments, of which \$1.8 million could be collected if the program implements our recommendations and increases its collection rate to 25%.

<sup>19</sup> The estimate is based on an additional \$2 million in assessments of which \$0.5 million could be collected if the program implements our recommendations and increases its collection rate to 25%.

## **Not all administrative expenses are being collected by the program**

The program is not aggressively working to collect administrative costs that are assessed by the courts. Currently, the program relies on non-custodial parents to voluntarily pay these assessments. While the program records these assessments in its data systems, it does not monitor whether non-custodial parents adhere to administrative cost payment schedules ordered by the court, and it typically does not take enforcement actions if parents fail to pay these assessments. Although the program has the authority to take enforcement actions, such as sending letters to parents requesting payment or amending income deduction orders to include these costs, the program rarely takes these actions and has focused on collecting unpaid child support.

While the custodial parents should have first priority to receive collected funds, the program could likely obtain higher additional administrative cost recoveries if it actively pursued these monies. In 1999, the courts ordered non-custodial parents to pay \$10.7 million to reimburse the program for associated administrative expenses, of which only \$0.5 million, or 5%, had been collected as of April 30, 2000. As of that date, the total amount of uncollected court-ordered administrative cost assessments on the program's books exceeded \$56 million. If the program were able to collect 25% of the administrative costs assessed each year rather than the current 5%, it would recover an additional \$2.1 million annually.

The department should take several steps to improve its collection of court-assessed administrative costs. These should include adopting a policy to include court assessments in all income deduction orders it develops, modifying the FLORIDA System to track payment of these costs, sending standard billing notices and delinquency letters when parents fail to pay these costs, and, when cost-effective, using private collection agencies to collect delinquent accounts. The department should also direct all administrative cost payments to a single statewide location. Currently, these costs are paid to several entities, including contract attorneys, sheriffs, and local program service centers. Establishing a single statewide payment location would provide better control over this process and ensure that the funds are properly recorded and deposited.

## Recommendations

---

To reduce the program's need for general revenue funding, we recommend that the department take steps to maximize its eligibility for federal incentive funds. Specifically, the department should

- modify its data systems to automatically identify cases that meet the new federal case closure criteria and research such cases to determine whether the cases should be closed or whether it is feasible to continue to work the cases and
- research the option of including all child support orders in the program caseload and submit its recommendations and findings to the Legislature.

We also recommend that the program take steps to improve its recovery of administrative expenses from non-custodial parents. Specifically, the department should

- update its administrative cost schedule to reflect current program operations and expenses;
- implement a statewide policy that requires its contract attorneys to file for recovery of administrative costs in all cases in which non-custodial parents are deemed to have the ability to pay these costs;
- include court-ordered costs as part of income deduction orders;
- adopt a policy to send standard billing notices and delinquency letters;
- use private collection agencies to collect on delinquent accounts when it is cost-beneficial to do so;
- direct all such payments to a single statewide location; and
- modify the FLORIDA System to track court-ordered administrative costs.

# Efficiency and Cost-Effectiveness of Program Operations Can Be Improved

Although the Department of Revenue has primary administrative responsibility for the Child Support Enforcement Program in Florida, many activities are carried out by other entities. For example, the Department of Children and Families has responsibility for referring applicants for and recipients of public assistance to the Child Support Enforcement Program and the judicial system is responsible for establishing and modifying support orders within the state. In addition, the department has several contractual arrangements to perform various program activities. The many entities involved in the child support enforcement system require strong oversight to ensure the efficient and effective use of available resources and cooperation and coordination between partners.

In its role as primary administrator, the program has several opportunities to work internally and with its partners to improve the efficiency and cost-effectiveness of the

- support order establishment process and
- enforcement process.

In addition, steps should be taken to reduce the undistributable fund balance of child support collections. We estimate that these improvements could result in \$20 million in annual cost savings.

## Support Order Establishment Process——

We identified several opportunities for the department to reduce the costs and improve the process for establishing child support cases.

- Continue to implement statewide the pilot sanctioning process for public assistance recipients who fail to cooperate with the program, which could save an estimated \$10 million in public assistance costs.
- Increase interstate case monitoring to ensure timely and accurate completion of all required information.
- Expand its current study to include all cost factors and use of privatization in its continued evaluation of alternatives to the current



use of regional call centers to address customer concerns and improve customer service.

- Expand the scope of the current joint study with the Office of State Courts Administrator to include cost information to assist in the evaluation of whether improvements to the judicial activities can be realized by performing these activities through an administrative process.

## **Pilot study for case referrals to program shows savings and is being implemented statewide**

Recipients of public assistance are required by law to cooperate with the Child Support Enforcement Program as a condition of receiving cash or medical assistance. Currently, if the custodial parent does not cooperate with the program, the parent may be sanctioned, causing the family to lose cash assistance benefits and the custodial parent to lose Medicaid benefits.

OPPAGA was surprised to find that under the current system, the custodial parent can continue to receive public assistance for several months without cooperating with the Child Support Enforcement Program. While the program has the legal authority to determine non-cooperation, the current process requires that the Department of Children and Families do the actual sanctioning. As a result, we inquired into the status of current sanction requests and found as of April 30, 2000, there were 19,197 cases with sanction requests that had been outstanding for more than 90 days and had not been imposed by the Department of Children and Families.

***Statewide  
implementation could  
reduce public  
assistance costs by  
over \$10 million  
annually***

To improve cooperation, the program piloted a new sanctioning and non-cooperation process in 1998.<sup>20</sup> This new process essentially requires the custodial parent to cooperate with the program prior to approval to receive case assistance and/or Medicaid. The new process produced significant cost savings by withholding cash assistance to individuals who had not cooperated with the program and by reducing the time spent on sanctioning activities. Based on information provided from the pilot study, OPPAGA estimates that statewide implementation of this pilot would result in a reduction of over \$10 million dollars per year in cash assistance to custodial parents who do not cooperate with the program. The pilot study also reported that nearly \$1 million annually in program employee activity costs could be reallocated to performance enhancing activities if the pilot were implemented statewide.

---

<sup>20</sup> For more information on the results of the pilot program, see *Effectiveness of Procedures for Determination of Cooperation with CSE by Public Assistance Eligible Applicants*, Department of Revenue Child Support Enforcement, July 1999.

*Efficiency and Cost-Effectiveness of  
Program Operations Can Be Improved*

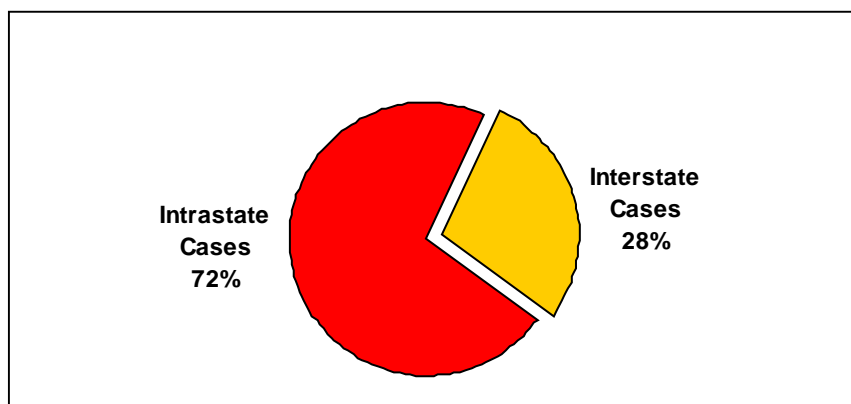
In March 2000, the program began phasing in this pilot procedure and plans to have all of the regional service centers using it by January 2001. Statewide implementation of this pilot will dramatically reduce the amount of public assistance distributed to custodial parents who do not cooperate with the Child Support Enforcement Program. Also, to further reduce the amount of public assistance distributed to custodial parents who do not cooperate with the Child Support Enforcement Program, the program should work with the Department of Children and Families to develop performance measures that will help ensure that sanction requests are imposed in a timely manner.

## Increased monitoring of interstate cases needed to improve performance

Child support enforcement cases can be categorized according to their intrastate or interstate status. A case is defined as interstate when either another state requests that Florida take a child support action or when Florida requests that another state take a child support action on a Florida case. All other cases are intrastate. As shown in Exhibit 13, as of April 30, 2000, Florida had 207,235 interstate cases, which represented 28% of the program's caseload. Florida is the initiating state in 53% of its interstate cases, which means that Florida is requesting assistance from another state. Florida is the responding state in the remaining 47% of its interstate cases, which means that another state is requesting Florida's assistance.

### Exhibit 13

#### Twenty-Eight Percent of the Program's Caseload Are Interstate Cases



Source: Data provided from the Department of Revenue for month ending April 2000.

The Florida Child Support Enforcement Program receives an average of approximately 1,200 requests or petitions for assistance with a child support enforcement case from other states each month. Each request is received by the program's central registry unit and is to be reviewed

within 10 workdays to ensure that all of the necessary information is included. If there is not sufficient information to process the petition, the central registry unit initiates a request to the originating state for the missing information. Then, whether complete or not, the petition is entered into the FLORIDA System as an active case and forwarded to the appropriate regional service center for processing.

However, until all required information is received the area service center cannot take any action to satisfy the petition. A review conducted of six peer states and Florida by Illinois during the last half of 1997 determined that 22% of the peer states' petitions were missing required items.<sup>21</sup> Also, Florida's Child Support Enforcement Program reported that in 1998 they found similar results for both their initiating and responding interstate petitions.

*Florida participated in a  
pilot project to improve  
the effectiveness of  
interstate case  
processing*

In 1999 the federal government revised its regulations and allowed states to initiate case closure procedures within 30 days if the initiating state did not provide the missing documentation upon request.<sup>22</sup> In addition, the Federal Office of Child Support Enforcement approved a pilot program, which allowed states to hold the interstate referral at the central registry unit until all information required to perform the requested activity was received from the initiating state. The pilot program was conducted over a 15-month period from February 1999 through April 2000 and included the eight states with the largest child support enforcement caseloads.

The results from the pilot program were very positive. Since the inception of the pilot, there was nearly a 50% decrease in the number of incomplete referrals that were received by the participating states. In addition, under this pilot an interstate case was not recorded as an active case until all of the required documentation has been received from the state initiating the request, thus improving Florida's federal performance reporting.

The program should adopt the procedures used in this pilot project for all interstate case petitions received from other states. By ensuring that all required information is received prior to forwarding petitions to area service centers, the program can ensure that only interstate petitions with documentation that is sufficient to perform the requested activity are added to the program's case inventory. This would contribute to increased federal incentive funding eligibility because of improvements in reported performance due to reductions in the program's caseload. In

---

<sup>21</sup>This study was conducted by the Illinois Department of Public Aid. The six peer states are California, Michigan, New York, Ohio, Pennsylvania, and Texas.

<sup>22</sup> Action Transmittal 99-04, March 11, 1999, revised 45 *CFR*, Part 303.11 to allow a case to be closed if a responding state is unable to process the case due to lack of cooperation by the initiating state. The responding state must notify the initiating state in writing 60 calendar days prior to closure of the state's intent to close the case and must keep the case open if additional information is provided that allows the case to be processed.

## *Efficiency and Cost-Effectiveness of Program Operations Can Be Improved*

addition, area service centers' caseloads would consist only of cases in which child support establishment or enforcement activities could be performed, thus providing a more accurate representation of the general workload requirements.

### *Monitoring of interstate cases initiated by Florida should be increased*

To ensure that other states are able to respond to requests in a timely manner, the program should also strengthen the level of monitoring for interstate case petitions that are initiated by Florida. During the pilot study, the other participating states reported that 10.8% of the petitions initiated by Florida were flawed. This compares favorably with results from the Illinois study, which indicated that 24% of petitions initiated by Florida contained inaccurate or insufficient data. To further improve interstate case performance, the program should monitor the results of each state's review of petitions initiated by Florida. Specific problem areas should be identified and corrected through feedback to the applicable area service center(s). The program should also consider implementing a centralized review of these petitions before they are sent to other states. This would allow a small number of staff with expertise as to the information required by each state to review each petition and help ensure that complete and accurate information is included.

## **Centralization of customer service call centers could reduce costs and improve service**

The Child Support Enforcement Program has established call centers in each of its regional service centers to provide information and service to program customers. Regional call center staff are responsible for receiving telephone calls, determining what information or service is needed, and providing information obtained from the FLORIDA System. They also receive and process updated personal, demographic, financial, and employment information in the FLORIDA System, as appropriate.

An analysis of customer inquiries, which was conducted by program staff, found that most questions fall into one of five categories: educational, requests for appointments, general case questions, information requests for the status of payments, and what are the next steps in the child support enforcement process.

All telephone inquiries are received at the Customer Service Unit via a single toll-free number. Based on its geographic location, the inquiry is then routed to a call center. As of June 30, 2000, the program operated 10 regional call centers with a total of 124 manned lines. These regional call centers receive approximately 500,000 calls a month. The program reported that call centers were established at the regional service centers because of the complexity of the program and differences in procedures used in the regions.

## *Efficiency and Cost-Effectiveness of Program Operations Can Be Improved*

There are advantages and disadvantages associated with the centralization of regional call centers into a single statewide call center. Potential advantages include reduced facilities cost, increased spans of control resulting in fewer managers, increased flexibility in staffing, centralized training and support functions, and increased consistency in processes and services. Potential disadvantages of centralizing the regional call centers may include the impact on program staff in regional offices and the availability of an adequate supply of well-qualified staff at the area where the statewide call center is located.<sup>23</sup>

The program conducted a preliminary analysis which considered consolidating its regional call centers into a single statewide location in Tallahassee. This analysis indicated that approximately \$385,000 annually could be saved if regional call centers were consolidated into one statewide call center located in Tallahassee. However, the analysis did not include the costs of items such as human resources, office space, furniture, computer equipment, or station wiring study. Inclusion of these factors would have had a significant impact on the program's cost analysis.

Centralization of the customer service call centers may be appropriate. However, such a decision should not be made without adequate information on all costs and associated benefits. The program should expand its study to cover important factors such as human resources and computer equipment. In addition, the program should include a review of other geographic areas to locate a statewide call center and an evaluation of the use of private contractors to operate the current regional call centers and a single statewide call center. Only after a thorough cost and benefit analysis is completed should a decision be made on the establishment of a statewide call center.

## **An evaluation is needed of whether improvements to judicial activities can be realized through administrative processes**

Under Florida's program, child support orders are established and modified through the judicial system. Once a case has been developed by the Department of Revenue, it is referred to a legal service provider. Legal service providers are private attorneys, or assistant attorneys general who represent the department during the judicial process. The legal service providers prepare petitions and motions, file the paperwork with the clerks of court, and represent the department during hearings. Petitions must be filed with the clerk of court, and served to the

---

<sup>23</sup> For further information on the advantages and disadvantages of centralizing call centers, see the U.S. Government Accounting Office's report, *Social Security Administration: More Cost-Effective approaches Exist to Further Improve 800-Number Service*, Report Number GAO/HEHS-97-79, June 1997.

## *Efficiency and Cost-Effectiveness of Program Operations Can Be Improved*

respondent (generally the non-custodial parent) who must answer within a given period of time, after which a hearing is scheduled.

However, child support agencies in other states can establish child support orders without judicial involvement. In these states, the child support agency can issue administrative orders that have the same authority as judicial orders. An administrative process has two perceived advantages.

- An administrative process may shorten the length of time it takes for support orders to be established. It allows for steps in the process to be eliminated, such as referral to the legal service providers and time sitting on the court docket. However, other steps, such as the time allowances for proper notice, may lengthen the process.
- There may be cost savings associated with using an administrative process for the program, in terms of lower court costs and lower legal service provider costs.

At this time, there is no certainty as to whether an administrative or judicial process is superior. Performance data reported in federal Office of Child Support Enforcement annual reports is inconclusive as to whether states using an administrative process outperform states using a judicial process. In addition, states using an administrative process could not provide empirical data documenting improved performance or savings. Although, anecdotally, these states indicated that their performance had improved. Further, there is no empirical data that identifies the associated cost and time to complete each activity in Florida's judicial process. The program has developed estimates for the time required to perform each activity in the judicial process, but these estimates were based on anecdotal evidence and contractual requirements. Consequently, this information does not allow for informed decisions regarding the identification of any unnecessary delays or the evaluation of potential alternatives to Florida's existing judicial process for child support enforcement.

The program, in conjunction with the Office of State Courts Administrator, has begun a study of the judicial process used to establish and modify child support orders in Florida. OPPAGA first recommended this type of study in a 1993 report.<sup>24</sup> The Judicial Alternatives Study Commission also made this recommendation in a 1996 report. The current study is to identify systemic changes that would improve the timeliness of the support order establishment and modification processes. To allow the program to more effectively evaluate alternatives to the existing system, the study should also identify the cost to perform each of the associated activities in these processes.

---

<sup>24</sup> See *Performance Audit of the Paternity and Child Support Order Establishment Administered by the Department of Health and Rehabilitative Services*, [Report No. 12002](#), January 1993.

## Enforcement Process

---

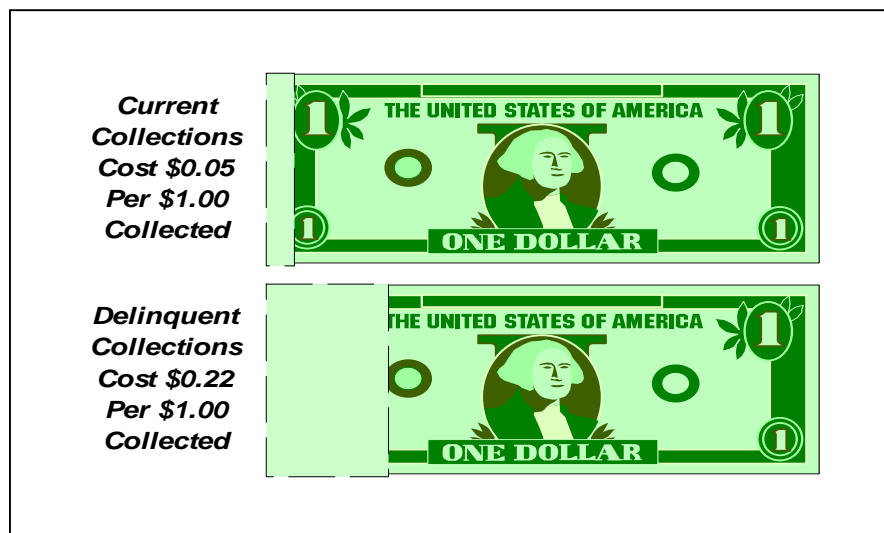
The collection of child support could be increased and the cost of enforcement reduced by

- implementing adaptive enforcement strategies based on a non-custodial parent's readiness, willingness, and ability to pay child support;
- promoting the use of work release and electronic monitoring programs for non-custodial parents held in contempt of court for not paying their child support which could save \$10 million annually; and
- working with the various entities in the child support system to pursue the use of unspent federal TANF funds for family mediation and job training of non-custodial parents to improve their ability to pay child support.

### Enforcement costs can be reduced by promoting voluntary compliance

The Child Support Enforcement Program should increase efforts to maximize the amount of child support paid voluntarily because the collection of current child support is nearly four times more cost-effective than the collection of delinquent child support. For Fiscal Year 2000-01, the legislature appropriated \$83.2 million for activities associated with the collection, distribution, and enforcement of child support. Of this amount, \$56.5 million is allocated to collect and distribute delinquent child support payments requiring enforcement actions, while the remaining \$26.7 million will be used to collect and distribute current child support payments. Therefore, as shown in Exhibit 14, the cost to collect each dollar of child support in which enforcement activities have been initiated is more than four times greater than the cost to collect each dollar of current child support that is paid voluntarily.

**Exhibit 14**  
**Collection of Current Child Support Is Over Four Times More**  
**Cost-Effective Than Collecting Delinquent Child Support**



Source: Governor's Fiscal Year 2000-2001 Budget Recommendations, Department of Revenue.

The Child Support Enforcement Program estimates that only 66.8% of the child support collected by the program will be paid timely in Fiscal Year 2000-01. The department's General Tax Administration Program has established performance measures to monitor the level of voluntary taxpayer compliance and is actively pursuing strategies to improve voluntary compliance. While direct comparisons of the voluntary payment collection rates are not possible because of differences in program and client characteristics, the Child Support Enforcement Program should establish performance measures to monitor and promote voluntary compliance with child support orders.

The current practice employed in the program's area service centers is to use a single enforcement strategy to collect owed child support, regardless of client characteristics. For example, a service center may decide to suspend the drivers' licenses of all individuals found to be delinquent in their child support payments, without consideration of whether the individuals were simply unable to pay or were evading payment.

To increase voluntary collections and reduce costs associated with more punitive enforcement actions, the program should employ adaptive enforcement strategies that recognize unique client characteristics, such as a non-custodial parent's readiness, willingness, and ability to comply with their child support orders. An example of an adaptive enforcement strategy is provided in Exhibit 15. In this example, non-custodial parents who are judged by the program to be incapable of paying their child



support could be referred for job and life skills training services. On the other hand, for non-custodial parents who are categorized as evading their obligation to pay child support, aggressive enforcement actions such as professional license revocation and criminal prosecution would be employed.

**Exhibit 15**

**Adaptive Enforcement Strategies Are Based on Non-Custodial Parents' Readiness, Willingness, and Ability to Comply with Their Child Support Orders**

<i>Enforcement Actions</i>			
Job Training		Education	Punitive Actions
Unable to Pay		Uninformed	Reluctant    Evading
<i>Non-Custodial Parent Characteristics</i>			

Source: Minnesota Child Support Delivery Study, January 1999, and OPPAGA analysis.

**To reduce enforcement costs, the program should also promote options allowing nonpayers found in contempt to earn income, pay child support**

When a non-custodial parent does not pay child support as ordered by the courts, the individual can be found in contempt of court and could be jailed if the court finds that non-payment was willful and that the person has the current ability to pay at least a portion of the overdue amount. The Child Support Enforcement Program uses this enforcement action to get parents to pay delinquent child support. An OPPAGA survey of sheriffs and directors of county jails found that 11,102 individuals were incarcerated for failure to comply with child support orders during Fiscal Year 1998-99.<sup>25</sup> The average length of incarceration was 62.5 days, ranging from less than 1 day to 179 days.

The cost of full-time incarceration is high and is borne by local governments. Information received from our survey shows that, in Fiscal Year 1998-99, the average cost to local governments for full-time incarceration was \$45.66 per day or a total of \$2,854 per person. In addition to being costly, full-time incarceration limits a non-custodial

<sup>25</sup> Survey results are based on the information from 62 of 67 counties surveyed. Columbia and Hendry counties did not respond to our survey. In addition, Broward, St. Johns, and Wakulla counties were unable to estimate the number of persons held in contempt and incarcerated for failure to pay child support and/or the average length of incarceration. The figures include costs associated with the incarceration of non-custodial parents held in contempt for nonpayment of child support, including private cases.

*Efficiency and Cost-Effectiveness of  
Program Operations Can Be Improved*

parents' ability to pay child support, since they are not earning income during the period of incarceration.

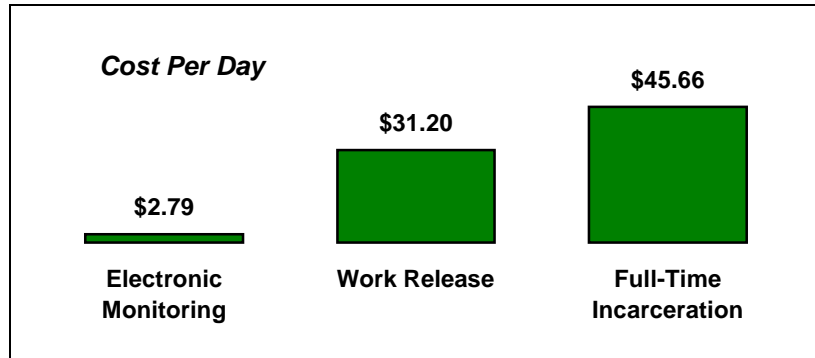
*Work release and  
electronic monitoring  
could reduce costs to  
local governments and  
improve program  
performance*

Alternative methods could be employed to compel payments from individuals who would otherwise be incarcerated on a full-time basis for non-payment of child support. Since non-payment of child support does not demonstrate a threat to public safety, OPPAGA considers incarceration with work release and electronic monitoring to be viable alternatives that would result in compliance with child support orders.

Incarceration with work release programs allows incarcerated parents to leave jail and go to a work site during scheduled hours to earn income. These programs reduce the costs of incarceration due to reductions in security personnel and the number of meals served. In addition, work release offers the possibility of additional cost savings to local governments by requiring inmates to pay for some of their incarceration costs from the wages they earn. Based on information provided by the 44 counties that operate work release programs, the average daily cost for an individual in one of these programs is \$31.20 per day, a reduction of 31.7% from the daily cost of \$45.66 for non-work release inmates. (See Exhibit 16.) The reduced costs of having a person in work release versus full-time incarceration can result in average savings to local governments of approximately \$904 per person incarcerated an average of 62.5 days. In addition to being less costly to local governments, work release benefits families because income earned while participating in work release programs can also be used to pay current child support on time through income deduction orders.

Electronic monitoring allows non-custodial parents to live at home rather than be incarcerated. The non-custodial parents are allowed to leave the confines of their homes, with the pre-approval of their supervising officer, at specified times for activities such as employment. Compliance is tracked with tamper-resistant radio transmitters that are attached to the ankles of individuals and monitor the whereabouts of the non-custodial parents. According to Department of Corrections staff, the cost of electronic monitoring is \$2.79 per day per person. This includes the leasing of the equipment and services of the vendor's monitoring center which operates 24 hours a day seven days a week. The center provides violation reports and daily summaries to the supervising officers. Local communities can save an average of \$2,679 per individual who is placed under electronic monitoring instead of full-time incarceration for an average of 62.5 days. As in programs offering work release, these individuals can earn income through continued employment and thus contribute to the cost of their incarceration and pay current child support on time as a prerequisite to program eligibility.

**Exhibit 16**  
**Work Release and Electronic Monitoring Programs**  
**Are Cost-Effective Alternatives to Full-Time Incarceration**



Source: OPPAGA survey of Florida sheriffs and directors of county jails and the Department of Corrections.

To reduce the costs associated with individuals incarcerated for noncompliance with child support orders and help ensure the payment of ordered child support, the Child Support Enforcement Program should encourage the judiciary and local law enforcement to use work release and electronic monitoring programs whenever appropriate to allow these individuals to earn income and pay child support. We recommend that this encouragement by the Child Support Enforcement Program occur at both the central office and local service center levels. We estimate that, statewide, counties could save \$10 million a year by selectively using work release and electronic monitoring programs to allow these individuals to earn income, which can be used to offset the costs of supervision and pay child support.<sup>26</sup> To help ensure that non-custodial parents pay their child support while in one of these programs, the program's legal service providers should recommend that courts use these options conditioned upon timely payment of currently owed child support.

## **To reduce cost and increase collections, consider the use of TANF funds for family mediation and job training**

The Personal Responsibility and Work Opportunity Reconciliation Act created the Temporary Assistance to Needy Families (TANF) Block Grant for state programs that serve needy families. States may use TANF funds to promote employment for needy families, and the formation and maintenance of two-parent families. As of June 30, 2000, Florida had \$281 million of TANF funding that had not been spent. Use of innovative

<sup>26</sup> Savings based on survey information provided by sheriffs, directors of county jails, and information from the Department of Corrections.

*Efficiency and Cost-Effectiveness of  
Program Operations Can Be Improved*

services funded from TANF Block Grants has the potential to improve the performance of the program by increasing child support payments and reducing enforcement costs. Services for non-custodial parents that are eligible for TANF funding include

- job and life skills training and
- mediation services.

***TANF funds can be  
used to provide training  
to increase the  
earnings of non-  
custodial parents***

Currently, approximately 44% of the program's cases with support orders involve non-custodial parents with low reported incomes. TANF funds can be used to finance efforts that help poor non-custodial parents to advance in the workforce and to provide more financial support to their children.

The Legislature created a not-for-profit corporation, Workforce Florida, Inc., to serve as the policy planning and oversight body for Florida's workforce system with regional workforce boards administering the associated programs.<sup>27</sup> Section 288.9951, *Florida Statutes*, directs each Workforce Development Board to designate a One-Stop Career Center operator to manage the regions' one-stop centers. One-stop centers allow Florida's citizens to access a variety of services, including eligibility determinations and referrals to job training programs. Some regional Workforce Development Boards are currently providing employment programs for non-custodial parents that include mandates to find work and pay child support or go to jail. As of April 2000, five programs that target non-custodial parents were being funded through a TANF block grant. These programs have served 375 clients at an average cost of \$2,373 per client and have provided services that include job preparation, job placement, and parenting skills education.

Increased participation by non-custodial parents in job and life skills training programs can improve several of the program's federal incentive measures and increase the amount of incentive funding. The program should initiate efforts with Workforce Florida, Inc., to develop programs using TANF funds that will increase the earnings potential of non-custodial parents.

***TANF funds can be  
used to provide  
mediation services to  
facilitate the child  
support order  
establishment process***

Mediation is an informal and non-adversarial process where a neutral third person or mediator helps disputing parties reach a mutually acceptable and voluntary agreement. In mediation, decision-making authority rests with the parties. Mediation can either be done on a voluntary basis without the involvement of the courts or can be court-connected such as when mediation is ordered by the courts. Once the parties reach an agreement, a consent order is prepared by the mediator and submitted to the court for review and, if approved, entered as an

---

<sup>27</sup> Florida has 24 regional work force development boards.

order of the court. Thereafter, the consent order agreement may be enforced in the same manner as any other court order.

Mediation can help to reduce the cost to courts and participating parties for the program's judicial activities and has been highly successful in obtaining agreements. Research studies funded by the federal Department of Health and Human Services found that fathers who had a voluntary written agreement ratified by the court maintained more contact with their children were more likely to pay some child support, complied more fully with the child support orders, and paid greater amounts of child support than fathers who had court-ordered child support agreements. Such results would not only benefit the dependent children, but also the program through reduced enforcement costs, improved performance on program measures, and possible increases in federal incentive payments.

Mediation services help to promote the formation and maintenance of two-parent families and are therefore eligible for TANF funds. To improve the child support order establishment process, the program should work with Workforce Florida, Inc., to use TANF funds to provide mediation services to parents attempting to resolve child support issues. In general, the role of program staff in mediation should be to assist the mediator in informing both parents of their rights and responsibilities in establishing and enforcing child support in Florida. The program would continue to have the responsibility to take agreements made in mediation to the court for incorporation in child support orders. The Agency for Workforce Innovation would be responsible for establishing contracts for mediation services with local vendors, as with the currently established court-connected family mediation programs, for the program's clients to use on an "as needed" basis.

## Undistributed Funds ---

Undistributed funds are child support payments received by the program that it is not able to distribute to the intended recipient. These include payments that lack sufficient identifying information to distribute and disburse the payment, as well as payments held by the department for valid reasons (i.e., 180-day hold of Internal Revenue Service joint returns). Currently, undistributed collections are deposited in a program account, with the associated interest income distributed between the state and federal child support enforcement programs. The department reported that Florida laws do not currently provide clear direction regarding the disposition of child support collections that cannot be distributed and disbursed.

*Efficiency and Cost-Effectiveness of  
Program Operations Can Be Improved*

At the end of July 2000, the program had \$32.6 million of child support collections that required additional research before they could be distributed and disbursed. Of this amount, \$18.1 million represented collections received prior to August 1999, and \$8.8 million can be attributed to collections made by the program before 1998.

## **Balance of undistributed child support collections can be reduced**

The program has developed a plan for reducing the amount of child support payments that remain undistributed. The plan identifies 11 causes of undistributed funds and separates the undistributed fund balance into these 11 categories. The program has also identified proposed solutions for each of the categories. These solutions include conducting manual reviews of case files and modifying associated computer programming. Program staff reported that they have not had the required resources to fully implement this plan, but have begun efforts to work through several categories of undistributed funds. The department's efforts to identify those funds that are distributable will effectively reduce the balance of undistributed collections held by the program and should be continued. An internal performance measure should be developed that allows the department to report to the Legislature, when requested, as to the status of its efforts to reduce the undistributed balance.

However, there will continue to be payments that will remain undistributable, despite the department's efforts. We surveyed other states to determine how they resolved their undistributed fund balance. Of the states that responded, 22 reported having a policy for resolving their undistributed funds balance, of which 18 transfer these funds to an abandoned property program after a specified time period. These states reported that once these collections are declared as unclaimed property, they are reported as program income as required by federal law. The child support enforcement programs must then pay the federal Child Support Enforcement Program its share of the collections (66%), with the remaining state share transferred to an abandoned property program.

*Florida law regarding  
undistributable child  
support collections  
should be modified*

Florida law regarding the disposition of child support collections determined to be undistributable by the department needs to be amended to provide clear direction in statute for the disposition of these funds. Allowing the program to declare collections they have held for three to five years and determined to be undistributable as unclaimed property would provide a cost-effective means of reducing the undistributed funds balance. This will require amending current law, which should include a mechanism for the intended recipient to reclaim 100% of the payment should additional information become available to

identify these persons, as the amount transferred to the Unclaimed Property Program will be limited to the state's share (34%) of the income.

## Recommendations

---

The sanctioning and non-cooperation process pilot project produced significant cost savings to the state by reducing the public assistance dollars distributed to individuals who do not cooperate with the Child Support Enforcement Program. OPPAGA recommends that this new sanctioning and cooperation process be implemented statewide as soon as feasible. OPPAGA also recommends that cases referred to the Department of Children and Families for sanctioning are monitored to ensure that all requested sanctions are implemented in a timely manner.

Studies show that 22% of the nation's interstate petitions are missing required information. Insufficient information can prevent the responding state from taking action on a petition that is listed as an active case in its system. Florida participated in a pilot project to improve the effectiveness of interstate case processing that has proven successful and improved Florida's federal performance reporting. OPPAGA recommends that the program adopt the procedures used in this pilot project for all interstate case petitions that are received from other states. OPPAGA also recommends that the program strengthen the controls over interstate case petitions that are initiated by Florida to ensure that other states are able to respond to Florida's request in a timely manner.

Centralization and/or privatization of the customer service call centers should be considered. The program has conducted a preliminary analysis, which indicates costs can be reduced by consolidating the regional call centers into one statewide call center feasibility study. However, before a decision to centralize regional call centers is made, OPPAGA recommends that the program expand their study to cover important factors such as human resources and computer equipment.

The program, in conjunction with the Office of State Courts Administrator, has begun a study of the judicial system to determine if an administrative process is needed to improve performance or if improvements can be made to the judicial process. Identification of the time and cost associated with each activity in the judicial process would allow the program to more effectively evaluate alternatives to the existing system. OPPAGA recommends that, as part of this study, the program ensure that an empirical determination is made of the cost required to perform each of the child support enforcement-related activities.

Voluntary collections of child support payments are four times more cost-effective than collections received through the initiation of enforcement

*Efficiency and Cost-Effectiveness of  
Program Operations Can Be Improved*

actions. However, the current practice employed in area service centers is to use a single enforcement strategy to collect owed child support, regardless of client characteristics. To increase voluntary collections and reduce the costs associated with more punitive enforcement actions, OPPAGA recommends that the program employ adaptive enforcement strategies that recognize unique client characteristics, such as a non-custodial parents' readiness, willingness, and ability to comply with their child support orders.

Work release and electronic monitoring programs can reduce the cost associated with individuals incarcerated for noncompliance with child support orders and help ensure payment of currently owed child support. OPPAGA recommends that the program work with the judiciary and local law enforcement to promote use of work release and electronic monitoring programs whenever appropriate. OPPAGA also recommends that the courts consider making these options conditioned upon timely payment of currently owed child support.

TANF funds can be used to finance efforts that help poor non-custodial parents to advance in the workforce and to provide more financial support to their children. Increased participation by non-custodial parents in job and life skills training programs can improve several of the program's federal incentive measures and increase the amount of incentive funding. OPPAGA recommends that the program work with Workforce Florida, Inc., to develop programs that increase the earning potential of non-custodial parents and encourage these parents to access One-Stop Career Centers for job and life skills training eligibility determinations.

Mediation services help to promote the formation and maintenance of two-parent families and thus are eligible for funding through Florida's TANF Block Grant. Mediation services have the potential to improve the performance of the program by increasing child support payments and reducing enforcement costs. OPPAGA recommends that the program work with Workforce Florida, Inc., to provide mediation services on an "as-needed" basis for program client's involved in the child support order establishment process.

Florida law regarding the disposition of child support payments determined to be undistributable by the department needs clarification. To reduce the \$32.6 million balance of undistributed funds held by the program, OPPAGA recommends that the Department of Revenue seek and the Legislature grant amendments to current law to allow the program to declare collections that have been held by the program for a three-year period and have been determined to be undistributable as unclaimed property.



## Appendix A

# Statutory Requirements for Program Evaluation and Justification Review

Section 11.513(3), *Florida Statutes*, provides that OPPAGA Program Evaluation and Justification Reviews shall address nine issue areas. Table A-1 summarizes our conclusions on these issues as they relate to the Department of Revenue's Child Support Enforcement Program.

**Table A-1**  
**Summary of the Program Evaluation and Justification Review**  
**of the Child Support Enforcement Program**

Issue	OPPAGA Conclusions
The identifiable cost of the program	For Fiscal Year 2000-01, the Legislature appropriated \$213.7 million to administer the program, of which \$41.2 million was derived from the state's general revenue fund. The federal government and the states share administrative costs to operate the program at the rate of 66% and 34%, respectively, and also share any recovered costs and fees.
The specific purpose of the program, as well as the specific public benefit derived therefrom	<p>In response to growing concerns regarding the escalating costs of welfare programs and the realization that many fathers were not doing their part to help support their children, the United States Congress created the federal Child Support Enforcement Program as Title IV-D of the Social Security Act in 1975. The program is a federal-state partnership, which was designed to</p> <ul style="list-style-type: none"><li>▪ promote parental responsibility for children in welfare and non-welfare families,</li><li>▪ help the federal government and states recover their welfare payments to needy families by allowing these entities to retain the child support payments they collect from non-custodial parents who owe support, and</li><li>▪ keep families currently not on welfare from becoming welfare recipients by helping them collect child support payments owed to them.</li></ul>
The consequences of discontinuing the program	Florida would lose eligibility for federal Temporary Assistance to Needy Families (TANF) funds if the Child Support Enforcement Program were abolished. It would also lose matching federal funds that are used to help support program operations. The involvement of the state in establishing and collecting child support helps to ensure that both parents support their dependent children. As a cost benefit to taxpayers, child support payments collected by the state on the behalf of public assistance recipients offset costs of welfare programs and provide additional revenue to the state by earning federal incentive funds based on collections.

Issue	OPPAGA Conclusions
Determination as to public policy, which may include recommendations as to whether it would be sound public policy to continue or discontinue funding the program, either in whole or in part	The program should be continued. The program helps to ensure that both parents support their dependent children by performing several activities that include establishing paternity, obtaining support orders for child support, and ensuring that court ordered child support is collected and properly distributed. Each of these activities are essential components in the child support enforcement process and should be continued; however, greater emphasis should be placed on promoting voluntary compliance by both parents in the process.
Progress towards achieving the outputs and outcomes associated with the program	Child support collections have consistently improved since the program was transferred to the Department of Revenue. In Fiscal Year 1999-2000 child support collections in Florida for welfare and non-welfare families participating in the child support program totaled \$735.4 million. This is an increase of 73% from Fiscal Year 1994-95 collections. However, the amount of child support collected in Fiscal Year 1999-2000 represented only 57% of the child support that was owed during the fiscal year. In Fiscal Year 1999-2000 the program exceeded the performance standard for all of their legislative measures.
An explanation of circumstances contributing to the state agency's ability to achieve, not achieve, or exceed its projected outputs and outcomes, as defined in s. 216.011, <i>F.S.</i> , associated with the program	The program met its legislative performance standards in Fiscal Year 1999-2000. The program works with many partners to provide all required child support enforcement services. The performance of these partners is critical to achieving the program's objectives and desired outcomes; however, the program's ability to control its performance is sometimes limited.
Whether the information reported pursuant to s. 216.031(5), <i>F.S.</i> , has relevance and utility for evaluating the program	The current legislative performance measures allow for assessing the extent to which the program meets its purpose; however, by adopting the new federal incentive measures as the program's legislative measures, the Legislature will have greater assurances that the reported performance is accurate and is comparable with other states.
Whether state agency management has established control systems sufficient to ensure that performance data are maintained and supported by state agency records and accurately presented in state agency performance reports	The program monitors cases on a sample basis at the county, region, and statewide levels on a yearly basis. This monitoring function focuses on compliance with federal regulation; however, it is also used to identify systematic problems in the data collections and reporting system. Further, as required by s. 20.055, <i>F.S.</i> , the Office of the Inspector General conducts an annual review of the program's legislative performance measures. Thus, the Legislature has reasonable assurance that reported data are reliable.
Alternative courses of action that would result in administering the program more efficiently and effectively	In its role as primary administrator, the department has several opportunities to work both internally and with its partners to improve the efficiency and cost-effectiveness of the establishment and enforcement processes. To reduce costs and improve the process for establishing child support cases, the program should work with the Department of Children and Families to implement a new sanctioning process; centralize and/or privatize the provision of customer service call centers; and continue to work with the Office of State Courts Administrator to evaluate whether an administrative process would improve the timeliness of the support order establishment process. Modification of certain enforcement strategies, use of work release and electronic monitoring, and promotion of mediation and job skills training could reduce the cost of enforcement and improve the collection of child support. In addition, steps should be taken to reduce the undistributed fund balance of child support collections.

# Child Support Enforcement Activities

There are four operational activities and three primary support activities performed by the program. Operational activities include paternity establishment, support order establishment, support order modification, and support order collection and enforcement. Table B-1 provides detailed descriptions of these activities. Support activities include intake, parent locator, and customer service. Table B-2 provides detailed descriptions of these activities.

**Table B-1**  
**Operational Activities**

Activity	Description
<b>Paternity Establishment</b>	Paternity establishment is the identification of the legal father of a child. Without paternity establishment, children have no legal claim on their father's income. Paternity is established in either of two ways: through voluntary acknowledgement by the father or, if contested, through a determination made on the basis of scientific (blood or DNA) and testimonial evidence.
<b>Support Order Establishment</b>	A child support order legally obligates non-custodial parents to provide financial support for their children (and medical insurance coverage when available at reasonable cost) and stipulates the amount of the obligation. The child support enforcement agency helps in the determination of a child's financial needs and the extent to which the non-custodial parent can provide financial support and medical insurance coverage. In Florida, support orders can only be established through an adjudication process.
<b>Support Order Modification</b>	Support orders are subject to periodic review and adjustment at least every three years in public assistance cases and upon parental request in non-public assistance cases. For non-public assistance cases, procedures to modify the support order will be implemented if the review determines that a substantial change in circumstances exists. The child support guidelines may provide the basis for proving a substantial change in circumstances upon which a modification of an existing order may be granted. However, the difference between the existing monthly obligation and the amount provided for under the guidelines shall be at least 15% or \$50, whichever amount is greater, before the court may find that the guidelines provide a substantial change in circumstances.
<b>Support Order Collection and Enforcement</b>	The child support enforcement agency receives and processes all child support payments, and then distributes them to the custodial parent. If a child support payment is not received, the agency must enforce payment. To enforce payment on delinquent cases or to ensure regularity and completeness of current accounts, child support enforcement agencies have a wide array of techniques at their disposal, such as federal tax intercepts, garnishments, liens, and wage withholding.

**Table B-2**  
**Support Activities**

Activity	Description
<b>Intake</b>	The intake activity is the initial opening of the case. The child support agency obtains information from the custodial parent about the non-custodial parent, such as name, Social Security number, date of birth, address, and place of employment. In addition, the intake activity identifies and directs the case to the appropriate operational activity.
<b>Parent Locator</b>	Parent locator activities are required when there is insufficient location, personal identification, and /or asset information to perform an operational child support activity. Parent locator efforts may include direct contact with individuals; contacts with public and private institutions, such as credit bureaus or federal income tax agencies; and use of computer database searches.
<b>Customer Service</b>	Customer Service provides information services as requested by program client inquiries received via correspondence, electronically, or in person, and receipts and processes updated case information.

Source: OPPAGA analysis.

## Program Funding Sources

Florida's Child Support Enforcement Program is financed through several funding sources. Funds to operate the program were received through grants and incentives from the federal government, fees and expenses collected from individuals served by the program, local governments and from the state's general revenue. Table C-1 provides a description of these funding sources.

Table C-1  
The Program Receives Funding from Several Sources

Source	Description
<b>Federal Reimbursement Grants and Retained Child Support Collections</b>	The federal government reimburses states on an open-ended, entitlement basis for 66% of all allowable administrative expenditures to perform child support activities, such as locating parents, establishing paternitys, establishing orders, and collecting payments, less program income received through fees and cost recovery. The federal government also provides an 80% matching rate (up to a cap of \$21.6 million for Florida) for approved state expenditures on developing and improving automated systems and 90% for laboratory costs of blood tests required to establish a paternity. In Fiscal Year 1999-2000, the program received \$133.9 million from the federal government as reimbursement for allowable administrative expenditures.
<b>Federal Incentive Payments</b>	Until recently, federal child support incentive funds were narrowly based on a state's collection rate and its program's cost-efficiency. For Florida, this federal incentive payment formula equated to incentive funding equal to 12.9% of the state's collections for custodial parents on welfare. The amount of federal incentive payments earned by Florida's Child Support Enforcement Program in Fiscal Year 1998-99 was \$11.6 million. Beginning October 1, 1999, federal incentive eligibility is based, in part, on end of federal fiscal year performance data for five measures. Therefore, the amount of federal incentive funding earned in Fiscal Year 1999-2000 was not available.
<b>Local Government</b>	Funding from local governments contribute to the program by providing service of process and hearing officers, and paying for court filing fees for child support enforcement related judicial activities. In addition, local clerks of the court serve as the official record keepers of all parties involved in child support orders. In Fiscal Year 1999-2000, \$26.7 million was expended for these services, of which \$9.1 million was borne by local governments.
<b>Fees and Cost Recovery from Individuals</b>	Another source of program funding is from payments received from the program's clients. Payments are received via application and genetic testing fees from participants who are not on public assistance and from court-ordered payments received from non-custodial parents. States may charge up to \$25 for an application for child support enforcement services from a family who is not on welfare. The program also charges recipients of genetic testing a fee when the test indicates that the recipient is the child's parent. In addition, the program is

## Appendix C

Source	Description
	able to recover some of its administrative program costs from non-custodial parents. Administrative costs include attorney's fees, clerk's filing fees, recording fees, and costs incurred by the Title IV-D agency in its effort to administer the Title IV-D program and are assessed on a case-by-case basis by the court. In Fiscal Year 1999-2000, the program collected \$1.5 million from these sources. This income is used to offset program administrative costs. Therefore, the state retained 34% or \$0.5 million of these monies.
Other	<p>This income is from interest or investment income earned from child support collections, fees, or other program-related amounts. In Fiscal Year 1999-2000, the program earned \$2.9 million in interest income, of which \$1 million was retained by the state.</p> <p>The department invests the Child Support Enforcement Investive Trust Fund monies pursuant to s. 215.44-215.52, <i>F.S.</i>, and retains all interest earnings in the trust fund. In Fiscal Year 1999-2000 the program earned \$1.3 million, all of which was retained by the state.</p> <p>Income earned during the fiscal year plus the appropriation from the state's General Revenue Fund did not fully fund the state share of Fiscal Year 1999-2000 expenditures. The difference, \$3.4 million, was the resulting reduction in the balance of the Child Support Enforcement Incentive Trust Fund.</p>
State General Revenue	<p>The remainder of the funding required to administer Florida's Child Support Enforcement Program is from the state's general revenue fund. The amount of general revenue required to administer the program was \$44.8 million in Fiscal Year 1999-2000.</p> <p>The program was appropriated \$39.1 million in general revenue funds. In addition, state general revenue funding for the FLORIDA System support is appropriated to the Department of Children and Families. For Fiscal Year 1999-2000, FLORIDA System expenditures were \$16.9 million, of which \$5.7 million was from the state's General Revenue Fund.</p>

Source: Florida Department of Revenue and OPPAGA analysis.

## Appendix D

# Program Performance Measures

The current legislative performance measures are not the same as the federal performance measures used to determine the amount of federal incentive funds received. Table D-1 provide a description of the differences between the legislative and federal measures in methodologies used in the calculations.

**Table D-1**  
**Federal Incentive Measures and Florida's Legislative Performance Measures for State Fiscal Year 2000-01 Are Different <sup>1</sup>**

Federal Measure	Florida Legislative Measure	Significant Difference
Paternity establishment	Paternity establishment	The state measure uses the number of children in open cases, while the federal measure uses the number of children born out of wedlock as the denominator.
Establishment of child support orders	Establishment of child support orders	The state measure identifies the percentage of children, while the federal measure identifies the percentage of cases with a support order.
Not applicable	Number of children with a newly established court order	There is no comparable federal incentive measure.
Collections on current child support due	Percentage of child support collected that was due during the fiscal year	The state measure includes all collections for cases with an obligation due during the fiscal year, while the federal measure includes only collections applied to current support obligations.
Not applicable	Percentage of cases with child support due in a month that received a payment during the month	There is no comparable federal incentive measure.
Collections on child support arrearages	Not applicable	There is no comparable legislative performance measure.
Cost-effectiveness	Total child support dollars collected per \$1 of total expenditures	These measures are the same.

<sup>1</sup> The definition of a case in the federal measures is different from that of the state measures. Federal Measure: 1 Case = Mother + Child(ren) + All potential fathers. State Measure: 1 case = Mother + Child(ren) + One (potential) father. As a result, the state has more cases under its definition plan than under the federal definition.

Source: Florida Department of Revenue 2000-01 Legislative Budget Request, Section 458, 42 U.S.C.

## Response from the Department of Revenue

In accordance with the provisions of s. 11.45(7)(d), *F.S.*, a draft of our report was submitted to the executive director for his review and response.

The executive director's written response is reprinted herein beginning on page 55. Where necessary and appropriate, OPPAGA comments have been inserted in the body of the response.





**DEPARTMENT OF REVENUE**

TALLAHASSEE, FLORIDA 32399-0100

**JIM ZINGALE**  
EXECUTIVE DIRECTOR

December 8, 2000

Mr. John W. Turcotte, Director  
Office of Program Policy Analysis and  
Government Accountability  
111 West Madison Street, Room 312  
Tallahassee, Florida 32302

Dear Mr. Turcotte:

Attached is the Department's response to the recommendations presented in OPPAGA's preliminary report entitled **Justification Review Child Support Enforcement Program Florida Department of Revenue**.

We appreciate the professionalism displayed by your staff during this review. If further information is needed, please contact Fred Roche, our Interim Inspector General, at 488-4328.

Sincerely,

/s/ Bebe Blount  
for Jim Zingale

JZ/lh

## *Appendix E*

Department of Revenue  
December 8, 2000

The Department has reviewed the preliminary and tentative Justification Review Child Support Enforcement Program Florida Department of Revenue report dated December 2000 and offer the following comments. The Department is pleased that the report confirms that many of our existing initiatives will result in increased efficiencies and improved effectiveness for Program. Existing initiatives include:

- up-front cooperation procedures to be implemented statewide by January 2001;
- the Program's major case closure activities resulting in the closure of 366,690 cases in FY 1999-00;
- the joint study with the Office of the State Courts Administrator;
- the Program's participation in a national pilot to improve the processing of interstate child support cases; and
- our planned strategy to study the centralization or privatization of the CSE call centers.

During FY 1999-00, the Department identified fifteen operational business processes in the CSE Program. The Department defines a business process as a set of activities that transform a set of inputs into value-added products and services (outputs) for the customer. The business processes identified by the Department differ from those operational activities cited in the report. The categorization of several activities as support seems inconsistent with the functions of those activities and the critical role in processing child support cases. For example, in order to initiate a paternity establishment action or a wage withholding, the noncustodial parent's address or employer must be verified. Without the benefit of the actions performed in location, the Program would be unable to establish paternity or collect support on behalf of families. A listing and description of the current CSE business processes are provided as part of this response as a revised Appendix B.

### **OPPAGA Comment**

***OPPAGA simplified the complicated description of the program's processes (provided in the department's attachment) to provide the reader with a basic understanding of the program and its major activities.***

Specific responses to the recommendations are presented in chapter order.

### **Chapter 3**

**Recommendation:** . . . we recommend that the Legislature adopt the new federal incentive measures as the program's performance-based program budgeting measures.

. . . OPPAGA also recommends that the program continue to monitor the performance of the current legislative measures. (pg 12)

**Response:** Partially Concur

The Program recommends retaining its current legislative measures for FY 2001-02 and adding the new federal performance measures during FY 2002-03. We feel this delay is prudent as the federal Office of Child Support Enforcement is conducting a review to certify the DCF FLORIDA computer system for the official reporting of performance measures. Many of the definitions used in the federal performance measures differ from those used in the current legislative measures. Appendix D of the report does not clearly reflect the differences in the computation of the legislative and federal measures. A revised Appendix D is attached to this response.

**OPPAGA Comment**

***States began submitting the data necessary to compute the federal incentive measures for the year ending September 30, 1999. To allow the Legislature to compare Florida's performance to that of other states, performance information for comparable periods should be reported by the department. Final federal certification of the FLORIDA System will provide assurances as to whether the data used to produce the federal performance measures is valid and reliable. Any modifications to the reported data resulting from the federal certification process should be provided to the Legislature when identified. Appendix D of OPPAGA's report demonstrates the major differences between the legislative and federal measures.***

**Recommendation:** We also recommend that the department establish internal performance measures and standards for its key business processes. These internal measures should include unit cost data. (pg 20)

**Response:** Concur

The current legislative performance measures were put in place prior to the Program reviewing its method of operation and clearly defining its business processes. Now that the processes have been identified and defined, the Department is working to properly measure each process. In FY 2000-01, the Department developed a single output measure and unit cost measure for each business process as part of its Long Range Program Plan. These measures are currently under review by the legislative committees and will be discussed, amended, and approved during the 2001 Legislative Session. They will be reported to the Legislature beginning in FY 2001-02.

Additional measures for each business process are also being developed. As each process is mapped and documented, the Program is developing process measures to reflect input, output, and outcome measures along with measures of customer satisfaction and cost effectiveness. However, all of the information needed for this complete measurement system is not available currently. Therefore, the Program has selected specific business processes for more in-depth measurement development. Eventually, all processes will have complete measurement systems. The Department will also contract for the reengineering of the enforcement processes. This effort will include the development of performance measures. The Statement of Work will be awarded in December 2000 and work will begin in early January 2001.

**Recommendation:** . . . we also recommend that the department work with its program partners to establish performance measures and standards for the activities performed by its partners, including private attorneys, the Attorney General, sheriffs, and hearing officers. (pg 20)

The program should establish performance measures and standards with its legal service providers that promote desired outcomes. (pg 19)

**Response:** Concur

In 1998, the Program began including performance measures in contracts issued to private vendors, most significantly legal service providers. The Program agrees that establishing performance measures and standards for our governmental partners and constitutional officers would be beneficial. However, in the past we have been less than successful in accomplishing this task. We will continue our efforts in the future.

On August 4, 2000, the Program issued a Statement of Work to Policy Studies, Inc. (PSI) for a complete review of the legal service contracting process. PSI will issue a final report in April 2001. The scope of work includes, among other requirements, the development of both contract requirements and performance measures linked to Program objectives.

## Appendix E

### Chapter 4

**Recommendation:** . . . we recommend that the department take steps to maximize its eligibility for federal incentive funds. Specifically, the department should

- Research the option of including all child support orders in the program caseload and submit its recommendations and findings to the Legislature. (pg 29)

**Response:** Concur

In November of this year, the Department began, in consultation with the Florida Association of Court Clerks, to conduct a research initiative to determine the impact of converting non-Title IV-D cases to Title IV-D cases. This plan will estimate the fiscal impact of this conversion on the clerks of court, the Department, and the State Disbursement Unit and identify potential constituent issues. In addition, it will allow the Department to identify the fiscal consequences of the new federal incentive structure and make fact-based recommendations to the Executive Director of the Department of Revenue. The Department will then consult with the Florida Association of Court Clerks prior to making recommendations to the Legislature.

**Recommendation:** . . . we recommend that the department take steps to maximize its eligibility for federal incentive funds. Specifically, the department should

- Modify its data systems to automatically identify cases that meet the new federal case closure criteria and research such cases to determine whether the cases should be closed or whether it is feasible to continue to work the cases and... (pg 29)

**Response:** Concur

The Program recognizes the benefits of having an automated system in place to identify cases for potential closure. Until the appropriate DCF FLORIDA system modifications can be completed, the Program has implemented procedures to identify cases on our Decision Support System. This enables staff to research such cases to determine whether cases should be closed or worked. The required DCF FLORIDA System modifications will be addressed upon completion of the Personal Responsibility and Work Opportunity Reconciliation Act. Exhibit 11 contains inaccurate federal case closure criteria and accompanying numbers. A corrected Exhibit 11 is shown below.

#### Exhibit 11

##### The Program Could Close Up to 55,682 Cases by Adopting Federal Closure Criteria

Criteria	Number of Cases Meeting Criteria
Cases in a locate status for more then one year and no Social Security number for the non-custodial parent	41,699
Interstate cases received from other states that lacks essential information that prevents the next appropriation	4,120
Cases with public assistance sanction requests that have been outstanding for more than 90 days	9,863
Number of cases where the non-custodial parent is not a U.S. citizen or resident and does not work for the U. S. government or U. S. company and has no reachable domestic income or assets and Florida does not have a reciprocity agreement	Not available
<b>Total</b>	<b>55,682</b>

**OPPAGA Comment**

***In addition to federal case closure criteria, OPPAGA's exhibit included any criteria that could be used to identify cases that should be evaluated for closure or transfer to another state. For example, data provided by the program indicates there are 16,260 instances of the same child and non-custodial parent identified on more than one case that could represent duplicate cases eligible for closure. Also, OPPAGA's exhibit reported data provided by the program at the conclusion of our fieldwork. We understand that some of the data identified in the department's response was derived from a report with a more recent run date.***

**Recommendation:** We also recommend that the program take steps to improve its recovery of administrative expenses from noncustodial parents.

- update its administrative cost schedule to reflect current program operations and expenses,
- implement a statewide policy that requires its contract attorneys file for recovery of administrative costs in all cases in which noncustodial parents are deemed to have the ability to pay these costs,
- include court-ordered costs as part of income deduction orders,
- adopt a policy to send standard billing notices and delinquency letters,
- use private collection agencies to collect on delinquent accounts when it is cost-beneficial to do so;
- direct all such payments to a single statewide location; and
- modify the DCF FLORIDA System to track court-ordered administrative costs. (pg 29)

**Response:** Partially Concur

The Program plans to determine the cost effectiveness and practicality of implementation. It should be noted that the updating of the administrative cost schedule may result in a potential increase in the assessment of costs, and may not increase actual dollars collected. It is only through increased enforcement actions that the state will be able to recover additional cost collections.

The Department cannot validate the basis for the potential increase in cost collections referenced in the report and it is unclear if these projected amounts represent both the federal and state share or only the state share. Federal law requires that cost collections are claimed as program income and the appropriate percentage be paid to the federal government. The federal share for administrative expenditures is 66%, for sheriff service of process 100%, and genetic testing is 90%.

**OPPAGA Comment**

***As stated in the report, the department may retain 34% of any administrative cost recoveries, with the remainder submitted to the federal government. The collection amounts identified in the text are conditional on the program increasing its collection rate to 25%.***

**Chapter 5:**

**Recommendation:** OPPAGA recommends that this new sanctioning and cooperation process be implemented statewide as soon as feasible. OPPAGA also recommends that cases referred to the Department of Children and Families for sanctioning are monitored to ensure that all requested sanctions are implemented in a timely manner. (pg 45)

## Appendix E

### **Response:** Concur

The Department and the Department of Children and Families (DCF) initiated statewide implementation of the new cooperation determination procedures in March 2000. Statewide implementation is scheduled for completion in January 2001. A monthly report is generated by the DCF FLORIDA system listing all sanction requests pending after 30 days. This report is available to DCF to monitor any cases that have not had sanctions imposed in a timely manner.

**Recommendation:** OPPAGA recommends that the program adopt the procedures used in this pilot project for all interstate case petitions that are received from other states. (pg 45)

### **Response:** Concur

The federal workgroup is evaluating pilot results. The workgroup will make recommendations regarding future nationwide implementation. In the interim, the Program is currently assessing the resources that would be necessary to implement a similar process for all responding petitions.

**Recommendation:** OPPAGA also recommends that the program strengthen the controls over interstate case petitions that are initiated by Florida to ensure that other states are able to respond to Florida's request in a timely manner. (pg 45)

### **Response:** Partially Concur

Many of the errors made by field staff in initiating petition processing result from the lack of automation of the federally required uniform Interstate Family Support Act (UIFSA) documents on the DCF FLORIDA computer system. The necessary FLORIDA system programming has not been completed to allow for automated generation of these documents. Until the FLORIDA system programming can be completed, the interstate transmittals have been converted into an off-line document processing application named OmniForm, which has the capability of limited logic, edits, tables and training guides. Generation of initiating petitions, using the OmniForm application, has been piloted in several region field offices. This pilot has shown that the UIFSA forms generated using OmniForm are more likely to be completed correctly. Procedures for statewide implementation are being drafted.

The Program does not plan to consider a centralized review of initiating petitions prior to sending to another state. A review of this nature would create both a bottleneck in processing documents and a duplication of effort.

### **OPPAGA Comment**

***Implementation of programming changes to the FLORIDA System that allow for automated generation of interstate case-specific documents should serve to strengthen the controls over interstate case petitions that are initiated in Florida. However, OPPAGA continues to recommend that the program monitor the accuracy of interstate cases initiated in Florida to determine if desired outcomes are achieved.***

**Recommendation:** Centralization and/or privatization of the customer service call centers should be considered. The program has conducted a preliminary analysis, which indicates costs can be reduced by consolidating the regional call centers into one statewide call center feasibility study. However, before a decision to centralize regional call centers is made, OPPAGA recommends that the program expand their study to cover important factors such as human resources and computer equipment. (pg 45)

### **Response:** Concur

At the request of the Program, DOR telecommunications conducted a study to analyze the appropriate sizing of the current regionalized CSE call centers. One of the recommendations of the study referenced centralization of the call centers as a means to increase efficiency and reduce costs. As a follow up to that

recommendation, the Program has identified centralization of the call centers as a strategy for its customer inquiry business process. The strategy calls for an evaluation of the feasibility of centralizing this function, along with the examination of all potential costs and savings. Consideration will be given to privatizing the call centers.

**Recommendation:** OPPAGA recommends that, as part of this study, the program ensure that an empirical determination is made of the cost required to perform each of the child support enforcement-related activities. (pg 45)

**Response:** Partially Concur

The Department and the Office of the State Courts Administrator are working collaboratively to identify and address causes of delays in the judicial establishment and modification of Title IV-D cases. It should be noted that the study is not considering an administrative process, as stated in the report. The approved project plan does not include data collection or analysis of the cost required to perform each of the child support related activities. This project is led by a multi-disciplinary workgroup, whose membership includes a judge, hearing officers, court administration professional, Department staff, a clerk of court, a representative of the Office of the Attorney General, a private legal service provider, a representative of the Family Law Section of The Florida Bar, and a sheriff. This workgroup approved the project and goals of the empirical study in May 2000. The study has a narrow scope that concentrates on the processes between the legal referral for establishment or modification of an order to the actual issuance of the order in intrastate cases only. The data collection model was finalized, samples pulled and data collection commenced in October.

The Program agrees that it would be beneficial to identify the costs required to perform each of the child support related activities and will incorporate appropriate strategies in the Department's strategic plan.

**OPPAGA Comment**

***During the course of OPPAGA's review, the program expressed an interest in implementing an administrative process. However, OPPAGA found that it did not have sufficient quantitative information to determine if such a change would be beneficial. If the OSCA/DOR study is expanded to include cost information, the program can use the resulting information to make future decisions about implementing an administrative process.***

**Recommendation:** OPPAGA recommends that the program employ adaptive enforcement strategies that recognize unique client characteristics, such as noncustodial parents readiness, willingness, and ability to comply with their child support orders. (pg 46)

**Response:** Concur

The Program currently employs enforcement strategies when enforcing cases with past due support obligations. First, enforcement actions are initiated based on the type of verified location information available on the noncustodial parent. The case is then reviewed to determine the next appropriate enforcement action. This review includes previous enforcement actions taken on the case and their success, employment status and history, payment history, and date of last modification, if applicable. This review allows any unique case or client characteristics to be taken into account when deciding future case actions. In addition, noncustodial parents are provided notice of all initiated enforcement actions. This notice provides the noncustodial parent the opportunity to contact the Program with information as to their ability to pay or other information that may have been unknown at the time the enforcement action was initiated.

The Program strives to initiate enforcement actions on an escalating basis. The general direction provided to staff on which enforcement actions should be utilized, first takes into consideration both the cost and the processing time for each enforcement remedy. The Program's emphasis will continue to be on initiating administrative enforcement actions first, as these actions are less costly and take less time to complete.

**OPPAGA Comment**

***OPPAGA's recommendation differs from the program's current enforcement strategy in that it focuses on educating non-custodial parents as to their rights and responsibilities before a child support obligation becomes past due, thus reducing costs associated with enforcement actions.***

**Recommendation:** OPPAGA recommends that the program work with the judicial system to promote the selective use of work release and electronic monitoring programs. OPPAGA also recommends that the courts consider making these forms of punishment conditional upon timely payment of all current child support owed. (pg 46)

**Response:** Do Not Concur

The Program believes this recommendation and supporting statements in the report reflect a fundamental misunderstanding of the nature and use of civil enforcement remedies relied on by the department. The report correctly states that "When a noncustodial parent does not pay child support as ordered by the courts, the individual can be found in contempt of court and jailed." However, this statement is incomplete; a court may incarcerate the obligor only upon finding that nonpayment was willful, and only if the court sets forth conditions for purge of the contempt based on the obligor's present ability to comply. The court is legally required to include in its order a separate affirmative finding that the obligor has the present ability to comply and the factual basis for that finding. Therefore, as a matter of law, an obligor who is incarcerated for civil contempt has the present ability to make any purge payment ordered by the court. Notwithstanding, the report concludes "work release benefits families because income earned while participating in work release programs can also be used to pay owed child support." In our view, it is not appropriate to seek alternatives to incarceration in civil enforcement actions brought successfully by the department to compel payment. When the court makes affirmative findings of willful noncompliance and present ability to pay a monetary purge, the appropriate sanction and impetus to pay is incarceration, not release.

Note: The report mistakenly references the incarceration of custodial parents convicted for non-payment of child support. The noncustodial parent is incarcerated for civil contempt of court.

**OPPAGA Comment**

***OPPAGA has modified the wording of this section of the report to demonstrate its understanding of this issue and to correct any inaccuracies. Notwithstanding the initial showing that individuals incarcerated for non-payment of support had the ability to pay at least a portion of the overdue amount, the 11,000 persons who were incarcerated for periods of up to 179 days in Fiscal Year 1998-99 for failure to pay child support indicates that many individuals are no longer in a position to continue to meet their obligations. OPPAGA believes that it is appropriate for the courts to use alternative methods to compel payment of current support owed by individuals who are incarcerated. Alternatives such as incarceration with work release or electronic monitoring would restrict the liberties of individuals at significantly less cost to local government. The desire to avoid total restrictions on personal liberties would encourage individuals to make current support payments if timely payment of support obligations is a prerequisite to continued eligibility for an alternative work program.***

**Recommendation:** OPPAGA recommends that the program initiate efforts to develop programs that increase the earning potential of noncustodial parents and encourage parents to access One-Step Career Centers for job and life skills training eligibility determinations. (pg 46)



**Response:** Concur

The Program initiated efforts with Workforce Florida, Inc., the Agency for Workforce Innovation and the 24 Workforce Development Boards around the state to coordinate and implement a cooperative working agreement. This agreement will allow the Program to refer to local workforce boards noncustodial parents who may be eligible for workforce services such as job training, interviewing skills and job placement. The Program will also work with the boards to address the needs and circumstances of individual noncustodial parents, with the ultimate goal of enabling the participant to make regular, ongoing child support payments.

**Recommendation:** OPPAGA recommends that the program work with Workforce Florida, Inc., to provide mediation services on an “as needed” basis for program client’s involved in the child support order establishment process. (pg 46)

**Response:** Concur

The report cites research studies which show that fathers who have a voluntary written agreement ratified by the Court are more likely to maintain contact with their children and pay support. It continues to be the policy of the Program to attempt to reach such voluntary agreements with all noncustodial parents rather than litigate through the judicial system. During the noncustodial parent interview, the noncustodial parent is provided the opportunity to sign a stipulated agreement to resolve case related actions. The Program will work with the Agency for Workforce Innovation to support the establishment of contracts for mediation services. It is noteworthy that mediation may increase collections but the cost to Program to enter mediated agreements would continue.

**Recommendation:** . . . OPPAGA recommends the Department of Revenue seek and the Legislature grant amendments to current law to allow the program to declare collections that have been held by the program for a three-year period and have been determined to be undistributable as unclaimed property. (pg 46)

**Response:** Concur

Unrelated to the OPPAGA report recommendation, the Department began developing a legislative concept for undistributable collections during the summer of 2000. The proposal creates a method for determining collections as undistributable, a method to process undistributable payments and the transfer of undistributable funds to General Revenue. This concept also provides a method for retrieving payments if, at a future point, the payment can be distributed to its intended recipient. This proposal is being presented to the Legislature for its approval in 2001.

**Revised Appendix B**

**Child Support Enforcement Operational Business Processes**

There are fifteen operational business processes performed by the program. Operational business processes include custodial parent intake, location, noncustodial parent interview, paternity determination, judicial filing, court hearing, remittance and information processing, distribution and CSE accounting, compliance management, order maintenance, address based enforcement, wage/medical enforcement, asset enforcement, call center inquiry, and CSE education. The table below provides detailed descriptions of these business processes.

**Operational Business Processes**

Activity	Description
<b>Custodial Parent Intake</b>	The intake business process begins with the receipt of an electronic public assistance case referral from the Department of Children and Families or a request for services from another state or country, another CSE business process or a nonassistance applicant (a non-public assistance custodial parent or noncustodial parent who requests child support services). This is the initial activity to establish a child support case and serves as the foundation for all future case related activities. Cases are initially reviewed for accuracy and moved forward to the information-gathering phase. Interviews are scheduled with the custodial parent to obtain financial, location, demographic information, and signatures on legal documents. Case information is assessed to determine the need for referral to the next appropriate business process. Intake includes activities to determine custodial parent cooperation with CSE.
<b>Location</b>	The location business process begins with a request from another CSE business process or an external partner for the identification or verification of information necessary to take the next appropriate action. Information includes residential and mailing addresses, employment, financial, and other personal identification information on custodial and noncustodial parents. Using location resources immediately available to them, other CSE activities perform initial locate and verification activities prior to referral to this business process. Once needed information is identified or verified, it assists in contacting the custodial or noncustodial parent regarding child support, custody, visitation or parental kidnapping.
<b>Noncustodial Parent Interview</b>	The noncustodial parent interview business process begins with a need to interview and negotiate with the noncustodial parent. Appointments are scheduled with noncustodial parents to explain pending case actions and to obtain demographic, employment, financial, or medical insurance information. The noncustodial parent is also given the opportunity to sign a stipulated agreement or acknowledgement to settle paternity, support or enforcement issues. This business process is designed to obtain information from the noncustodial parent, settle pending case actions against the noncustodial parent, and provide case and child support program information to the noncustodial parent.
<b>Paternity Establishment</b>	The paternity determination business process begins with the receipt of a case or information from another CSE business process. Establishing paternity means legally determining the father of a child. If the parents are not married to each other when the child is born, the child does not have a legal father unless paternity is established. In these cases, paternity determination is the necessary first step in creating a child support obligation. State law provides procedures for administrative and judicial establishment of paternity. It is established administratively by the hospital at birth or later by the parents signing an acknowledgment. The courts can also adjudicate paternity through a judicial action. If an alleged father denies paternity, genetic testing is available to assist in the paternity determination.
<b>Judicial Filing</b>	The judicial filing business process begins with a case needing a judicial action to obtain a judgment of paternity, or an order establishing, modifying, or enforcing a child support order. Other CSE business processes refer cases to this business process once information required for the appropriate judicial action is complete. Public and private attorneys representing the Child Support Enforcement Program receive this information (legal referral), in order to prepare and file motions or pleadings. Once the action is filed with the clerk of court, notice of the action is issued or a summons is sent to the sheriff's department or a private company to attempt service of process. If the summons is served or notice provided to the party, the case is referred to the court hearing business process where the hearing date is scheduled and the parties are sent notice of the hearing. If the summons is not served or notice has not been provided to the party, the judicial filing business process performs initial locate and verification activities and takes the next appropriate action.

<b>Court Hearing</b>	<p>The court hearing business process begins with the successful service of process or notice of judicial action to the custodial or noncustodial parent. Cases are scheduled on the court's docket and the parties are sent a notice of hearing. Each case is reviewed and relevant information updated for the upcoming hearing. This preparation may include updating address, employment and financial information, and calculating child support guidelines and any past due amounts of support owed. Parties are given the opportunity to update information and enter into a stipulated agreement to settle the action. If a stipulated agreement is not reached, a hearing is held, at which the judge or hearings officer issues a court order. The court hearing business process is dependent upon the clerks of court, hearing officers, judges, and public and private attorneys representing the Child Support Enforcement Program.</p>
<b>Remittance &amp; Information Processing</b>	<p>The remittance and information processing business process begins with child support payments being receipted either by the State Disbursement Unit, the FLORIDA system, or manually by staff. The State Disbursement Unit receives child support payments from multiple sources including noncustodial parents, employers, financial institutions, and other states. State and federal law requires the State Disbursement Unit process child support payments on all IV-D cases and in non IV-D cases in which an order is initially issued in Florida on or after January 1, 1994, and the income of the noncustodial parent is currently subject to withholding. Some child support payments are made through intercept programs. Intercepts payments are processed by the FLORIDA system and are not receipted by the State Disbursement Unit. These intercepts include federal tax refunds, unemployment compensation and lottery winnings. Manually receipted payments are those made directly by custodial or noncustodial parents and may include, administrative costs, \$25 application fees, and repayment of monies issued in error.</p> <p>The payments made to the State Disbursement Unit (SDU) are matched to the appropriate IV-D or non IV-D case. Payment data is then transmitted by the SDU through the Florida Association of Court Clerks (FACC) to the local depositories, and then for IV-D cases to the FLORIDA system for record update. Data files are created for reconciliation of financial accounts.</p>
<b>Distribution &amp; CSE Accounting</b>	<p>The Distribution and CSE accounting business process begins once payment data is entered on the FLORIDA system by the remittance and information processing business process. All payments are automatically applied to specific accounts on each case, based on a complex allocation procedure. After a payment is applied to an account, the FLORIDA system automatically determines if all or some of the payment should be sent to the family, retained by the state and federal government, or refunded to the noncustodial parent. This allocation process is based upon requirements outlined in federal and state law. If the FLORIDA system fails to accurately apply a payment to the correct account, or is unable to complete the allocation and disbursement, a financial review of the case is performed. Once the determination is made, the FLORIDA system electronically sends information to the State Disbursement Unit and the payments are disbursed. This business process also includes data purification to review payments that were not disbursed due to incorrect data, to pursue recovery of monies paid in error, to process checks returned due to bad addresses, and to reconcile data from all the financial accounts.</p>
<b>Compliance Management</b>	<p>The compliance management business process utilizes caseload database information to identify cases in need of a next appropriate action. This business process begins with receipt of the obligated case file and location information. A standard set of data matches or manipulations are performed to identify groupings of cases or individually flag cases that meet specific criteria for enforcement or order maintenance actions. Key customers can also request ad hoc (non-standard) reports identifying cases or groupings of cases that meet a specific criterion (past due, last collection date, emancipation, etc.). This information is used to initiate enforcement action, review cases for a change in circumstances, or to take other appropriate actions. This business process improves the ability to better identify a case and get it to the correct process, which allows the most appropriate action to be taken the first time.</p>
<b>Order Maintenance</b>	<p>The order maintenance business process begins with a request from an external source or a case referral from another CSE business process to evaluate a change in circumstances that could impact a provision of a child support order. A change in circumstance for a child support case may include, a change of the custodial parent, a change in the parent's income, a new child added to a case, or a child turning 18. The child support obligation is reviewed to determine if the court order reflects the appropriate support obligation, based upon the current income of both parents. If the evaluation indicates that provisions of the court order need to be modified, the case is referred to the judicial filing business process to take the next appropriate action. This business process is designed to ensure court orders for child support accurately reflect the current circumstances of the families and current law.</p>

## Appendix E

<b>Address Based Enforcement</b>	The address based enforcement business process begins when another CSE business process refers a case with a past due balance and noncustodial parent address/contact information. The business process uses all available information about the location of the noncustodial parent to make contact and achieve correct and complete payment of the money due. Location information is provided by location units, custodial parents, private vendors, and through data received from other agencies and partners. The address based enforcement business process works through a series of enforcement actions based on the amount of past due support and the compliance history of the noncustodial parent. The business process focuses on dealing directly with the noncustodial parent to bring child support cases into compliance. If direct contact with the noncustodial parent through letters, phone calls, and interviews does not result in a change in payment behavior then more serious actions such as license suspension and court hearings are used. If additional information regarding employment or assets becomes available then the case may be referred to the asset or wage/medical enforcement business process to take the next appropriate action. The desired outcome of enforcement actions taken is to collect all child support due and develop consistent future payment behavior.
<b>Wage/Medical Enforcement</b>	The wage/medical enforcement business process begins when another CSE business process or external source provides noncustodial parent employment or medical insurance information. Employment information is used to issue income deduction notices on past due and compliant child support cases. Income deduction notices are sent to employers in order to automatically deduct child support payments from the noncustodial parent's wages. If the court order requires the noncustodial parent to provide medical insurance coverage for the child, this business process issues a medical support notice to the noncustodial parent. If the noncustodial parent fails to act upon this notice, a request for medical insurance enrollment is sent directly to the noncustodial parent's employer. This business process assists noncustodial parents by providing a convenient method of making their support payments.
<b>Asset Enforcement</b>	The asset enforcement business process begins when another CSE business process refers a case that has a past due balance and noncustodial parent asset information. Information on real and personal property, liquid assets, unclaimed property or an insurance claim settlement may be provided by sources external to the Child Support Enforcement Program. Noncustodial parent asset information is used to take appropriate enforcement actions based upon the type of asset. Enforcement actions include liens against real and personal property, seizure of liquid assets, insurance claim settlement, lottery winnings, federal tax refund, and unclaimed property intercepts, or other judicial enforcement action. Noncustodial parents are provided notice of enforcement actions initiated against them. This business process takes enforcement actions in order to collect past due child support and develop a consistent future payment behavior.
<b>Call Center Inquiry</b>	The call center inquiry business process begins with a telephone call, fax, e-mail, letter, or other correspondence from a custodial or noncustodial parent, a third-party, or another state, country or agency. Inquiries are made for a variety of reasons, which include, obtaining case status, requesting action, or providing information. In addition, customers may choose to make a walk-in visit to the regional child support office. Customers who feel their concerns are not resolved may seek additional assistance through the department's Office of Taxpayer Rights or the Child Support Enforcement Program regional or program office. The call center inquiry business process is designed to provide timely and accurate information, resolve the inquirer's concern and provide follow up action as necessary. As appropriate, information gathered is shared with other CSE activities, so that the next appropriate action can be taken. Providing a high level of quality customer service helps the Department support its mission by reducing the burden on our customers and furthers our efforts to help children receive the financial support they deserve.
<b>CSE Education</b>	This business process begins with an identified need to change the behavior of a key customer. CSE then identifies the audience and the behavior we wish to change. How the program responds to the need to change the customer's behavior forms the basis for this business process. There are activities, both structured and unstructured, scattered throughout the CSE program, primarily in regional and service center offices that continually provide educational and outreach opportunities to our key customers. Components of the CSE education business process include the identification of the undesired behavior and the reasons that the undesired behavior is occurring, and an analysis of the message the program wants to deliver. The business process also consists of identifying and evaluating the most effective medium to deliver the educational message. This business process works with other CSE and Executive activities to ensure that we get "more money to more children more quickly".

**Revised Appendix D****Program Performance Measures**

The current legislative performance measures are not the same as the federal performance measures used to determine the amount of federal incentive funds received. The table below provides a description of the differences between the legislative and federal measures in methodologies used in the calculations.

**Federal Incentive Measures Federal Fiscal Year 2000-01 and Florida's Legislative Performance Measures for State Fiscal Year 2000-01 Are Different**

Federal Measure	Florida Legislative Measure	Differences	
		Federal Measure	State Measure
Paternity Establishment	Paternity Establishment	1. Children with paternity established or acknowledged during the Federal Fiscal Year (FFY) 2. No emancipated children (except children turned 18 during the year) 3. Children born out-of-wedlock 4. Numerator and denominator in different years 5. Monthly accumulation of the FFY	1. All children where paternity is not an issue 2. With emancipated children 3. Regardless of born out-of-wedlock 4. Numerator and denominator in the same year 5. Monthly average of the State Fiscal Year (SFY)
Establishment of Child Support Orders	Establishment of Child Support Orders	1. Number of cases 2. Count medical support and zero-dollar only orders 3. Exclude cases with no jurisdiction over NCP 4. At the end of the FFY	1. Number of children 2. Count only monetary orders 3. Include all types of cases 4. Monthly average of the SFY
Not applicable	Number of children with a newly established court order	There is no comparable federal incentive measure.	
Percent of Distributed Collections on Current Child Support Due	Percentage of child support collected that was due during the fiscal year	1. Amount of support distributed as current support during the FFY 2. Amount of current support due during the FFY	1. Amount of all collections for cases with an obligation due during the SFY 2. Total amount due for cases with an obligation due during the SFY
Not applicable	Percentage of cases with child support due in a month that received a payment during the month	There is no comparable federal incentive measure.	
Percent of cases with Collections on Child Support Arrearages	Not applicable	There is no comparable federal incentive measure.	
Cost-effectiveness	Total child support dollars collected per \$1 of total expenditures	1 IV-D collections distributed 2. IV-D administrative cost (including indirect cost based on actual expense) 3. FFY	1. Total dollars collected 2. CSE expenditure (including indirect cost and funds certified forward) 3. SFY

*Note: The definition of a case in the Federal measures is different from that of the State measures.*

*Federal Measure: 1 Case = Mother+Child or Children + All potential fathers.*

*State Measure: 1 Case = Mother+Child or Children + One father or potential father.*