ADOPTED 2007 BUDGET

DEPT: DEPARTMENT OF CHILD SUPPORT **UNIT NO.** 2430
FUND: General - 0001

OPERATING AUTHORITY & PURPOSE

The Department of Child Support implements and administers the Child Support Enforcement Act pursuant to Title IV-D of the Federal Social Security Act and Sections 49.22 and 59.53(5) of the Wisconsin Statutes, under contract with the State Department of Workforce Development. Title IV-D of the Federal Social Security Act applies to custodial parents receiving public assistance. Cases are referred by the Department of Human Services, W-2 agencies and the Milwaukee Bureau of Child Welfare when a custodial parent or child is eligible for any one of a variety of benefits. The Department of Child Support works cooperatively with other County departments to comply with the IV-D program mandates. Title IV-D legislation requires the Department to provide services to locate parents, establish paternity, enforce and establish child support and medical support orders. Non-W-2 custodial parents may also apply to receive the Child Support Services that are provided to IV-D eligible custodial parents.

BUDGET SUMMARY

Account Summary	2005 Actual	2006 Budget	2007 Budget	2006/2007Change
Personal Services (w/o EFB)	$ 7,647,776	$ 8,353,500	$ 8,712,897	$ 359,397
Employee Fringe Benefits (EFB)	4,785,201	4,845,416	7,186,815	2,341,399
Services	1,202,367	1,626,322	1,413,178	(213,144)
Commodities	116,372	130,926	117,834	(13,092)
Other Charges	0	0	0	0
Debt & Depreciation	0	0	0	0
Capital Outlay	217,098	16,484	16,484	0
Capital Contra	0	0	0	0
County Service Charges	4,787,982	4,787,241	5,028,370	241,129
Abatements	(1,270,466)	(1,454,942)	(1,598,969)	(144,027)
Total Expenditures	$ 17,486,330	$ 18,304,947	$ 20,876,609	$ 2,571,662
Direct Revenue	1,287,638	1,250,868	1,519,604	268,736
State & Federal Revenue	16,412,621	17,113,666	18,444,474	1,330,808
Indirect Revenue	0	0	1,012,529	1,012,529
Total Revenue	$ 17,700,259	$ 18,364,534	$ 20,976,607	$ 2,612,073
Direct Total Tax Levy	(213,929)	(59,587)	(99,998)	(40,411)

ADDITIONAL COSTS NOT INCLUDED IN TAX LEVY*

Account Summary	2005 Actual	2006 Budget	2007 Budget	2006/2007Change
Central Service Allocation	$ 170,313	$ 232,994	$ 202,043	$ (30,951)
Courthouse Space Rental	396,960	413,576	393,126	(20,450)
Tech Support & Infrastructure	415,554	480,126	500,152	20,026
Distribution Services	43,116	55,801	63,768	7,967
Telecommunications	38,866	44,234	34,333	(9,901)
Record Center	52,515	30,752	27,201	(3,551)
Radio	0	0	0	0
Computer Charges	432	0	89,656	89,656
Applications Charges	152,716	197,459	233,236	35,777
Total Charges	$ 1,270,472	$ 1,454,942	$ 1,543,515	$ 88,573
Direct Property Tax Levy	$ (213,929)	$ (59,587)	$ (99,998)	$ (40,411)
Total Property Tax Levy	$ 1,056,543	$ 1,395,355	$ 1,443,517	$ 48,162

* These costs are included in other departmental and non-departmental budgets. They are reflected here to show the “total” amount of tax levy support for this Department.

PERSONNEL SUMMARY				
	2005 Actual	**2006 Budget**	**2007 Budget**	**2006/2007Change**
Personal Services (w/o EFB)	$ 7,647,776	$ 8,353,500	$ 8,712,897	$ 359,397
Employee Fringe Benefits (EFB)	$ 4,785,201	$ 4,845,416	$ 7,186,815	$ 2,341,399
Position Equivalent (Funded)*	191.0	193.1	190.8	(2.3)
% of Gross Wages Funded	93.9	95.0	99.6	4.6
Overtime (Dollars)**	$ 96	$ 0	$ 0	$ 0
Overtime (Equivalent to Position)	0.0	0.0	0.0	0.0

* For 2005 Actuals, the Position Equivalent is the budgeted amount.
** Delineated for information. (Also included in personal services.)

PERSONNEL CHANGES				
Job Title/Classification	Action	Number of Positions/ Total FTE	Division	Cost of Positions (Excluding Fringe Benefits)
Office Support Asst. 2	Unfund	4/4.00	Child Support	$ (122,696)
Clerical Asst. 1	Unfund	1/1.00	Child Support	(34,304)
Fiscal Asst. 1	Unfund	2/2.00	Child Support	(67,864)
Child Support Coord.	Unfund	2/2.00	Child Support	(102,224)
Human Service Worker	Unfund	1/1.00	Child Support	(46,808)
			TOTAL	$ (373,896)

MISSION

The Department of Child Support, through the utilization of community resources, promotes family stability by creating a better quality of life for the children of Milwaukee County.

DEPARTMENT DESCRIPTION

The Department has four divisions: Case Management (Establishment and Enforcement), Financial, Legal and Operations.

The **Case Management Division** includes the Establishment and Enforcement areas and monitors approximately 138,000 cases annually for establishment and enforcement of child support obligations. This division responds to customer service inquiries from case participants via the telephone, e-mail, or walk-in services. In addition, the division also handles medical support orders and works with other states and tribes to establish paternity and support orders as well as enforce existing orders.

Establishment includes multiple functions including: initiation of cases, establishment of paternity, and establishment of case support orders. This area receives referrals from W-2 agencies, the Department of Health and Human Services (DHHS), individuals applying for services, Foster Care and Kinship Care providers. Initiation reviews data and schedules establishment interview appointments. Interviewing mothers and potential fathers to determine whether court action is appropriate is the primary responsibility of establishment paralegals. Interviews take place at the Courthouse, W-2 sites, the DHHS, and the Children's Court Center.

Enforcement monitors cases to ensure timely payment of child support orders and, if necessary, takes administrative and/or legal action to enforce payment. Staff locates parents who are delinquent in support and find income and assets that may be used to satisfy support orders. This area also monitors automated delinquency reports, sends enforcement warning letters to delinquent payers, and sends income withholding notices to employers when employment is reported by the payer, the payee, or through the Federal or State new-hire directories. Applicants for child support services automatically receive tax intercept services. The Internal Revenue Service (IRS) and the State Department of Revenue (DOR) intercept tax refunds

due to support payers who have outstanding support debts. Personnel have begun to utilize new enforcement tools to collect child support arrears including: Financial Institution Data Match (FIDM), Lien Docket, and Recreational License Suspension.

The **Financial Division** is responsible for maintaining Milwaukee County family court orders on KIDS, the statewide support computer system. Personnel are charged with entering all court orders on KIDS ensuring that support payments properly pay out to the custodian as ordered. This division processes an average of 3,000 court orders per month.

Additionally, staff monitors reports allowing payments to flow through the case accounts and pay out in an accurate, timely manner. Staff are responsible for manually allocating payments to cases which cannot be processed automatically by pulling files and receipts to help co-workers review cases and printing payment records for the courts, participants, agencies and co-workers. The division completes financial record reviews for cases that are placed upon the State Support Lien Docket.

The **Legal Division** is responsible for representing the Department of Child Support Enforcement in more than 600 family court hearings per week in Milwaukee County. The division's attorneys represent the Department and the State of Wisconsin before the County's family court judges and family court commissioners. They also appear, as needed, in probate and bankruptcy proceedings affecting the Department's cases.

The **Operations Division** provides support services to department managers, including budget preparation and payroll services.

BUDGET HIGHLIGHTS

- Personal Services expenditures without fringe benefits increase $359,397, from $8,353,500 to $8,712,897.

- FTEs decrease 2.3, from 193.1 to 190.8. This overall decrease is due to the unfunding of positions and is partially offset by a decrease in the personal services lumpsum.

- The Federal Government allocates money to the State for Child Support Enforcement based upon the following measures:

  - Paternity establishment
  - Establishment of support orders
  - Collection of current support obligations
  - Collection of child support arrears
  - Cost effectiveness

  All of the first $12.34 million of the State's allocation is passed through to the county child agencies plus 30 percent of the additional remaining balance. Milwaukee has nearly 40 percent of the state's cases and its estimated allocation for 2007 of $4.1 million represents approximately 31 percent of the total distribution.

- The 2007 Budget is based on the Department meeting certain performance standards in order to achieve full incentive revenue of $4,100,000 under the terms of the State/County contract. This reflects an increase of $22,237 over 2006 budgeted revenue and assumes 100 percent achievement of the performance standards. The performance revenue in 2007 is based on the following levels of performance standards and begins with a baseline established on September 30, 2006:

  - Maintain paternity performance at current level.
  - Maintain current support and arrears collections at present level.
  - Increase order establishment rate 1.0 percentage point to 80 percent.

- If during 2007 the amount of actual performance revenue exceeds the amount of budgeted revenue, the surplus is to be recorded in a special revenue account, titled Revenue from Other Governmental Units. These funds can only be expended via an appropriation transfer requiring approval of the County Executive and County Board.

- In past years, all incentive revenue expended on the child support program could draw down additional federal dollars based upon the 66 percent match. Under the terms of the Federal Deficit Budget Reduction Act beginning on October 1, 2007 the Department may no longer

attain federal match for the expenditure of incentive revenue. The cost to the Department for 2007 in comparison to 2006 is estimated at $2,000,000.

- Due to County-wide fiscal constraints and the loss of federal match for expenditure of incentive revenue, the following 10 positions (10 FTEs) are unfunded for a total cost savings, excluding fringe benefits, of $373,896: four Office Support Assistant 2, one Clerical Assistant 1, two Fiscal Assistant 1, two Child Support Coordinators, and one Human Service Worker.

- Due to County-wide fiscal constraints and the loss of federal match for expenditure of incentive revenue, a 10 percent expenditure reduction, excluding fringe benefits is taken.

- General Purpose Revenue (GPR) from the Wisconsin Department of Workforce Development (DWD) is budgeted at $1,323,000. If this revenue is not realized, Child Support Enforcement would need to reduce expenditures by the amount of the unrealized revenue during 2007 to meet the department budget. This includes the possibility of additional personnel reductions listed below (these reductions are in addition to the 10 positions already included in the Personnel Changes table to be unfunded):

  - 2 FTE Legal Counsel Child Support 1
  - 8 FTE Child Support Specialist
  - 5 FTE Paralegal CS

- The crosscharges to the Child Support program from the Family Court Commissioner, District Attorney and Clerk of Circuit Court are limited to the 66 percent federal revenue offset. The remaining 34 percent that is not eligible for federal revenue offset is charged back to Combined Court Related Operations in the amount of $1,012,529. 2007 is the first time Family Court Commissioner and Clerk of Circuit Court charges have been limited and are a reflection of the common practice employed by other Counties in Wisconsin. Acceptance of the entire charge, as done in past years, would require the unfunding of an additional 25 to 30 positions, as performance revenue would drop to the 80 percent guaranteed amount at a cost of $2,000,000.

The following table details the crosscharges Child Support receives from the serving departments in 2007:

CROSSCHARGES FROM OTHER COUNTY AGENCIES			
	2006 Budget	2007 Budget	2006/2007 Change
Family Court Commissioner	$2,168,088	$ 1,985,027	$ (183,061)
Clerk of Court	740,653	989,721	249,068
District Attorney	151,122	148,937	(2,185)
TOTAL	$3,059,863	$ 3,123,685	$ 63,822

- The Department will continue the cooperative agreement to provide telephone customer service for child support in Racine County. The Call Center program began in 2006 as a pilot project and has been successful. For 2007 revenue is budgeted at $25,000. In addition, the Department is currently marketing this service to other counties.

- During 2006, three positions (1.5 FTEs) of Child Support Assistant were created to accommodate increased demand for the Call Center anticipated to result if Milwaukee County Child Support Enforcement begins providing telephone customer service to additional counties. These positions will remain unfilled in 2007 if additional revenues from other counties are not available to offset the increased cost for the positions.

- The cost of one Economic Support Specialist (ESS) is again crosscharged to Child Support from DHHS to reflect the role of a dedicated ESS worker on cases in which Income Maintenance and Child Support issues intersect. Through this initiative both departments can improve their performance standards by enhancing the accuracy of the data maintained in the KIDS database.

- All departments are required to operate within their expenditure appropriations and their overall budgets. Pursuant to Section 59.60(12), Wisconsin Statutes, "No payment may be authorized or made and no obligation incurred against the county unless the county has sufficient appropriations for payment. No payment may be made or obligation incurred against an appropriation unless the director first

certifies that a sufficient unencumbered balance is or will be available in the appropriation to make the payment or to meet the obligation when it becomes due and payable. An obligation incurred and an authorization of payment in violation of this subsection is void. A county officer who knowingly violates this subsection is jointly and severely liable to the county for the full amount paid. A county employee who knowingly violates this subsection may be removed for cause."