



Child Support Report



OFFICE OF CHILD SUPPORT ENFORCEMENT

Vol. 29 No. 9 September 2007

'It's Their Money'

Arizona UDC Team Sets Standard for Customer Service

By Glenn Sommer

Arizona Division of Child Support Enforcement

If we return \$20,000 as a result from this project, it will be successful.”

This was the thinking of Arizona's Undistributed Collections (UDC) team as it prepared a mailing to notify customers of void and expired checks in the State's possession. To date, the team's efforts have reissued more than \$2.6 million to 14,000 custodial parents (CP) and noncustodial parents (NCP).

Along with this success, the team became a standard for customer service throughout the Arizona Division of Child Support Enforcement (DCSE). With a customer focus and a “will do” attitude, the Arizona UDC team reduced CP and NCP void and expired checks by 75 percent over the last 2 years, while collections increased 15 percent in the same period.

Customer First Focus

In 2005, Arizona's DCSE created the team to “clean up” void and expired checks. The team was assembled for the State's “customer first focus,” along with a willingness to be innovative. The first major innovation was prioritizing the work by dollar amount and then establishing appropriate research procedures. The team made it a priority to start with cases that would

have a payoff-to-effort ratio of greater than 5 to 1. Another change was instilling the thought that “it's their [the customers'] money.”

The team decided to combine its outreach efforts with a State requirement regarding escheating funds. (Escheating means that funds or property revert back to the State when the legal owner cannot be located.) Prior to escheating funds, a written notice is necessary to inform customers that funds are being held and will be turned over to the State within 120 days. The UDC team put a direct contact and phone number on the customer mailing and



The Arizona Undistributed Collections team responds to its holiday mailing for void and expired funds. Seated, from left are Penelope Braun, Tyra Oliver, and Vicki Klaas; standing are Rosemary Gonzales, Jin Kim, and Vivian Ciuchta.

See ARIZONA, page 6

Tribal Voices Convene



OCSE Commissioner Margot Bean, right, joins Tracy Rattlingourd Littledave, of the Cherokee Nation Tribal IV-D program and President of the National Tribal Child Support Association, at the Association's 7th annual training conference in July, hosted by Chickasaw Nation, in Oklahoma City. In her remarks, the Commissioner congratulated the three newest comprehensive Tribal IV-D child support programs: the Central Tlingit and Haida Indian Tribes of Alaska; the Cherokee Nation of Oklahoma; and Osage Nation of Oklahoma. Commissioner Bean also paid tribute to Governor Bill Anoatubby and the Chickasaw Nation for being the first comprehensive Tribal Child Support Enforcement Program in the nation. The Chickasaw Nation and the other original eight Tribal IV-D programs have collected about \$50.5 million, from fiscal year 2001 through 2006. The nine original comprehensive Tribal IV-D programs served a caseload of 27,000 in fiscal year 2006.

Virginia Wins Top Honor for Cell Phone Initiative

By **Cindy Coiner**

Virginia Division of Child Support Enforcement

The Council of State Governments (CSG) named Virginia's Division of Child Support Enforcement (DCSE) as an Innovation Award winner at its Southern Legislative Conference, July 17, in Williamsburg. DCSE was recognized for its Cell Phone Initiative to locate parents who are delinquent in paying child support. Virginia competed against various government program initiatives in South Carolina, Oklahoma, Kentucky, North Carolina, Georgia, Tennessee, and Texas.

The Virginia initiative tied with a North Carolina energy-conservation initiative for the top regional honor; both will receive formal recognition and national awards for their governing efforts, along with winners from other regions, at the CSG national meeting in November.

Virginia was the first State to initiate administrative subpoenas to cellular phone companies requesting addresses and phone numbers for delinquent noncustodial parents who owe child support. The State is involved in ongoing Federal and State efforts to automate the matching



Program Specialist **Cindy Coiner** and Director **Nick Young**, Virginia Division of Child Support Enforcement

of names with these same companies.

In addition, Virginia Director Nick Young cochairs the National Cell Phone Workgroup, which plans to address how all States can best work together to devise a uniform file layout and achieve centralized automated responses, instead of 54 jurisdictions attempting different approaches. This will be a tremendous benefit and, hopefully, a positive step forward to encouraging cell phone company participation.

To learn more, contact **Cindy Coiner** at 804-726-7433 or cindy.coiner@dss.virginia.gov. **CSR**



NCSEA Conference a Sunny Success

By Steve Flores

*Kern County Child Support Services
Bakersfield, CA*

If you attended NCSEA's 56th Annual Training Conference and Expo in sunny Orlando, you were part of about 1,000 attendees who represented every State in America and foreign countries such as Germany, Australia, Guam, Japan, Mexico, Netherlands, Norway, United Kingdom, Uruguay and more. About 80 workshops representing all levels of expertise and child support interest covered the 5-day event, held August 5 through 9.

Mary Ann Wellbank, President of the National Child Support Enforcement Association, welcomed attendees and thanked President-Elect Sharon Santilli and her planning committee, along with "outstanding NCSEA staff," who have spent the past year planning for this "top-notch training and networking."

As in past NCSEA conferences, this year's focused on recognizing excellence in child

support efforts, programs, and individuals.

Awards were given at the beginning of each conference day. Categories and winners were:

Judicial Excellence to Honorable Mike Norman, District Judge, Oklahoma District 15; Outstanding Manager to Herb Jeter, District of Columbia; Outstanding Individual Achievement to Chris O. King, Oklahoma; Most Improved Program to District of Columbia; Program Awareness to Los Angeles County; and Outstanding Program to Texas.



Commissioner Bean addresses the audience.

The L.A. County Child Support Services Department won the NCSEA award for Program Awareness and was recognized for coordinating 60 events during California's Child Support Awareness Month. Al Reyes, the department's communications and marketing chief, said, "Planning for these Los Angeles events is year-round. It is a positive reflection of our director, administration staff, and entire agency."

The featured speaker at Wednesday's plenary session, OCSE Commissioner Margot Bean told the audience, "This has been an amazing conference. The conference content, enthusiasm, and energy are not only a reflection of our current strategic plan, but will also help guide us as we develop our next plan. I thank everyone for making this conference a success."

Plans for next year's NCSEA conference already are under way. California State Child Support Services Director Greta Wallace was on hand to invite attendees to "leave their hearts in San Francisco" for next year's conference. NCSEA 2008 conference information will soon be posted at www.ncsea.org. CSR



"Wake up Your Creativity" presenters Danny Seigler and Linda Coolidge, Staff Development and Training, Florida Department of Revenue



Child Support Services Program Managers from California, from left, Elizabeth Chavez, Stacy Wertz, and Kitty Smith, proudly wear their agency shirts at the conference.

State Agencies on Fast Track with SVES

By **Linda Hudson and Amy Ballenger**
OCSE



Over the past year, State child support enforcement agencies have taken great strides to increase collections and improve program performance, with help, in part, from the SSA's State Verification and Exchange System (SVES). Forty-one States, with 11 new States in 2006, now request locate data from SVES.

These States are on the fast track to collecting information about Title II benefits for noncustodial parents (NCPs), custodial parents (CPs), and children, as well as Title XVI benefits and prisoner information for NCPs and CPs.

One reason for the increase in States' use of SVES information is the one-time SVES Garnishment Project conducted in 2005. This project yielded high collections for States, totaling more than \$5.5 million per month for garnishments of SSA benefits.

In 2005, the SVES was enhanced to allow States to request child information, which is similar to requesting locate information, for an NCP or CP. States are notified of a child that

may be receiving Title II benefits.

States using SVES are also notified about an NCP's self-employment income. SVES matches with SSA's Annual Wage Reporting database to find participants who submit self-employment wages for credit towards SSA retirement benefits.

The following examples show how some States have increased collections, reduced arrears, and helped to locate participants:

The Driving Wheels

Arizona wanted to take full advantage of the SVES Title II data. Since SSA does not have a centralized office in Arizona to receive the Income Withholding Order (IWO) notices, the State Systems and Automation Administration decided to associate each county's child support office(s) to the county's SSA district office. Arizona automated the issuance of the IWO to each district office on January 17, 2007.

In the initial interface, Arizona successfully matched the Title II data to 2,837 cases across all functions. Of the matches, 85 percent were in the enforcement function. Even though the NCP was not receiving current benefits in all

See SVES, next page



OCSE's State Verification and Exchange System staff, from left: Linda Hudson, Amy Ballenger, Betty LaCross, and Cristol Porter.

SVES, from previous page

cases, there was still value in securing locate information for those individuals. Between January and June 2007, 1,337 IWOs sent to SSA intercepted Title II benefits, resulting in 2,113 payments totaling \$553,745.

Colorado uses the SVES prisoner information to increase monthly child support collections. Colorado child support entered into an agreement with the Colorado Department of Corrections to accept an administrative lien against an inmate's account for any funds the inmate earns or receives while incarcerated.

The Colorado child support agency has matched over 5,000 inmates and is successfully collecting over \$25,000 a month from inmate accounts. For 2006, Colorado child support collected nearly \$306,000 from garnishment of prisoner accounts. The State staff has also begun working with other States and has been successful in sending administrative liens to prisons in Utah and Florida.

Colorado child support case workers say the county jails that report to SVES are a great location source for inmates, even though the prisoner may already have been released. Knowing the State where a person was incarcerated often leads the case worker to that person's location.

Iowa worked with SSA to create a single SSA field office in Iowa that will accept all income withholding notices for payers whose Title II benefits are processed by an Iowa SSA office. SVES data is considered verified and is used for calculating child support obligations and modifying orders.

SVES data has also been helpful for identifying disabled payers who may qualify for a reduced amount for arrears through income withholding, referred to as "hardship." This process is specific to Iowa. Payers who receive Supplemental Security Income (SSI) or

Social Security Disability Insurance (SSDI) may request that their arrears be collected at a reduced amount.

Massachusetts used SVES data for a special arrears management project to identify the "collectible" arrears from the

"uncollectible" arrears. Using a combination of information from the statewide system and the SVES, the State was able to identify cases accruing arrears correctly.



Massachusetts staff also used SVES to identify incarcerated and deceased NCPs, and persons receiving SSI or SSDI. They first identified all 147,000 of their arrears cases and then requested a SVES locate for the NCPs. Once the SVES information was returned, it was bundled and sent to their regional offices so the cases could be worked. One region alone was able to remove \$3.5 million of arrears on cases identified with deceased NCPs. Not only was the State able to reduce arrears, it was able to close a number of cases.

Minnesota automates income withholding orders to SSA for Title II. All SSA office locations are loaded on an employer table that stores addresses and other information about each employer. Once the SSA (employer) is chosen, the income withholding notice process becomes automated. Receipt of Title XVI information is used as an indicator to consider the case for modification, ensuring that the support order is appropriate and any arrears are correctly calculated.

Help To Start Your Engines

If you are wondering how you can begin receiving SVES data, contact your State Technical Support Liaison: Cristol Porter, Betty LaCross, Linda Hudson, or Amy Ballenger. To contact the liaisons, please refer to the OCSE Web site at <http://www.acf.hhs.gov/programs/cse/newhire/contacts/fcrtcontacts.htm>. **CSR**

Bi-Regional Meeting Spotlights Alaska Collections

Alaska State IV-D Director John Mallonee and State Child Support Division staff hosted the 11th Annual Bi-Regional Interstate Task Force meeting in Anchorage this May, with attendees from eight States and OCSE Regions VIII, IX, and X.



During a “Spotlight on Alaska” presentation, task force members learned about the State’s Permanent Fund Dividend (PFD), an annual dividend sent to every resident who meets certain eligibility requirements. By using PFD as a withholding source for noncustodial parents, Alaska reported collections in excess of \$8 million in 2006.

Specifically, attempts are made to collect the PFD as part of regular enforcement actions on 4,500 cases. Between October and December 2006, Alaska received \$1,822,172 on interstate full enforcement cases and \$392,264 on cases from States requesting only the PFD enforcement services. Since the meeting, Alaska

reports new jurisdictions have been added to the list of States requesting collection of PFD funds. (Please contact Dale Ludwig, 907-269-6980, for more information about the Alaska PFD intercept.)

Also at the meeting, Alaska’s Ronda Hauser coordinated discussions on challenges to implementing provisions of the Deficit Reduction Act. And OCSE’s Pat Conrad presented her experiences with States on the Interstate Case Reconciliation project. She demonstrated how States are impacted by interstate records of neighboring States and how performance information could be improved by targeting certain cases.

Attendees also discussed how case reconciliation can benefit interstate communication via CSENet and QUICK (Query Interstate Cases for Kids), a project that allows case workers to quickly view financial screens for cases in other participating States. [CSR](#)

ARIZONA, from page 1

sent over 10,000 letters. A 2-percent response rate was expected. At mailing deadline, 45 percent responded resulting in over \$800,000 returned to CPs and NCPs.

Let’s Do It Again – Even better

Wanting to do more for their customers, the UDC team prepared an additional mailing before Thanksgiving. This time 15,000 letters were sent with over 60 percent of customers responding. The team made it their goal to process every letter and phone call in time for Christmas. As a result, \$1.8 million were distributed. Despite the high volume, the team eagerly shared success stories from parents about how this money meant a present where there wouldn’t be one or a surprise restaurant

dinner.

The ultimate testimony of how well this team operates was the volume of customers, especially NCPs, calling division management to express their appreciation for the attention and customer service.

What’s Next?

In addition to the ongoing cleanup, the UDC team works closely with other units within DCSE to prevent payments from becoming void or expired from the start. The team also plans another holiday mailing this year and, considering its history, expects to once again exceed everyone’s expectations.

To learn more, contact Pennelope Braun: 602-771-8000 (x18330) or pbraun@azdes.gov. [CSR](#)

Let's Go Dutch

By Joe Bodmer
OCSE

Let's go Dutch," she said, "you don't have to buy my lunch." With that comment, a recent business lunch came to an end, and a ritual that occurs thousands of times a day in restaurants all across America began anew: Without being too obvious, each of us tried to see how much the other was tipping.

I get sweaty palms, palpitations, anytime I have to split the check. This goes back about as far as I can remember. I blame Dad. The man raised me with a severe geographic character flaw. He even had a name for it: Southern Gentleman. But, since coming to work for the government almost 20 years ago, I've learned to moderate this behavior. Well, OK, moderate may be a strong term, but I do at least run the word Dutch through my head as I'm pulling out my wallet.

Seriously though, there is this other, more rational, and oh so more affordable logic that occurs to me when I think Dutch Treat, something I learned in elementary school. Namely, that sharing is good. Granted, this may be a learned sentiment that took working for Uncle Sam to internalize, but it has come in handy lately as I've been spending a fair amount of time on the topic of cost allocation: Dutch Treat when using taxpayer dollars.

Two years ago, HHS published guidance that defined a process for States to use to allocate costs that are shared among numerous human service programs. The approach, required of State's multi-program software development projects, such as Enterprise Architecture efforts, employs the use of metrics to determine allocable shares of total cost.

Contained in what is referred to as the "Cost

Allocation Methodology (CAMS) Toolkit," the approach includes metrics such as: the numbers of lines of code by module; the levels of both complexity and effort to uniquely build each of those modules; and, whether any given module in the system is dedicated to a single human service program, or is to be shared by two or more programs. This last metric, identifying the benefiting program(s), is crucial to building an approvable cost allocation methodology for system development.

The reason this last metric is so important is that Federal regulations require States to identify any costs attributable to a single program first, and directly bill those expenditures to that benefiting program. Only then can the remaining shared system modules or components, and their associated costs, be allocated to whatever programs will use and benefit from them.

The hardest part of any cost allocation methodology is the need to accurately estimate costs, and to do so at a modular level. All States' system development projects need to quantify each system module by the level of complexity of the module's function and then by level of effort to build that module. This is cost estimation, and this now applies to costs in multi-program, shared system costs versus past approaches of using caseload counts, or numbers of system users, etc.

The CAMS Toolkit (http://www.acf.hhs.gov/programs/cse/stsys/dsts_plan_ca.html) provides a spreadsheet-based tool with a step-by-step approach to building a Dutch Treat, I mean, Cost Allocation Plan. It can be complicated to use, but we can help you get the most out of it. Call the Systems Analyst assigned to your State in OCSE's Division of State and Tribal Systems; and, let's go Dutch. **CSR**



Tech Talk

**U.S. Department of
Health and Human Services**

Administration for Children
and Families
Office of Child Support Enforcement
Division of Consumer Services
Mail Stop OCSE/DCS
370 L'Enfant Promenade
Washington D.C. 20447

Return this sheet to above address if
 you do not want to receive this material
 a change of address is needed:
indicate change, including zip code.

FIRST CLASS MAIL
POSTAGE & FEES PAID
Administration for
Children and Families
Permit No. 431

OCSE Offers New Format For State Reports

In response to State child support enforcement agencies' requests for the best way to present annual program self-assessment findings, OCSE has recommended a new format that would allow States to analyze and correct, or eliminate, reporting errors.

The format has been approved by the Office of Management and Budget and sent to State IV-D child support directors via OCSE Action Transmittal 07-04, dated July 9, 2007, available on the OCSE Web site at www.hhs.acf.gov/programs/cse.

Though not a requirement, the recommended format offers a standardized approach for States to report self-assessment findings, and would enable OCSE reviewers to more easily analyze corrective actions by States and more clearly identify areas where States may benefit from OCSE technical assistance.

For further information, contact Nehemiah Rucker in OCSE at nerucker@acf.hhs.org.

Child Support Report

Child Support Report is published monthly by the Office of Child Support Enforcement, Division of Consumer Services. We welcome articles and high-quality photos. We reserve the right to edit for style, content, and length. Contents are for informational purposes only; no official endorsement of any practice, publication, or individual by the Department of Health and Human Services or the Office of Child Support Enforcement is intended. Use of this material is welcomed; please identify *Child Support Report* as the source.

Daniel C. Schneider
Acting Assistant Secretary for Children and Families

Margot Bean
Commissioner, OCSE

Robert Cohen
Director, Division of Consumer Services

Elaine Blackman
Editor
202-401-5353, (fax) 202-205-5927
eblackman@acf.hhs.gov

Subscriptions
202-401-9383
OCSENationalReferenceCenter@acf.hhs.gov

Child Support Report online:
www.acf.hhs.gov/programs/cse