

Child Support Report

<http://www.acf.hhs.gov/programs/cse/pubs/csrindex.html>

To receive an e-mail alert when new issues are posted, send an e-mail to: subscribe-csr-subscription@lyris.acf.hhs.gov

OFFICE OF CHILD SUPPORT ENFORCEMENT

Vol. 31 No. 2 February 2009

American Recovery and Reinvestment Act of 2009

Widely known as the Recovery Act, the American Recovery and Reinvestment Act of 2009 was signed into law by President Barack Obama on Feb. 17. The law contains two provisions that directly affect the National Child Support Enforcement Program:


- Section 2104: States are eligible to receive Federal Financial Participation (FFP) matching of State expenditures using incentive payments effective Oct. 1, 2008 through Sept. 30, 2010 (FY 2009 and FY 2010).
- Section 2201: A one-time, \$250 economic recovery payment to recipients of Social Security, SSI, Railroad Retirement Benefits, and Veterans disability compensation or pension benefits will be made. This payment is available for Administrative Offset.

The complete text, and other information about the Recovery Act, is available at <http://www.recovery.gov>.

Repeatedly Smashing Records

Federal Offset Program Re-Cycling Record-Breaking Performances

By Timothy M. Flanigan
OCSE



The best athletes shine because of their consistent, extraordinary performances and perseverance. Lance Armstrong is professional cycling with a record-

breaking seven victories at the prestigious Tour de France. Armstrong and his teammates prepared, focused, performed, celebrated, and then repeated that cycle for 23 grueling days, emerging victorious time after time.

The child support community has also been setting records for years now and the Federal Offset Program is no exception. Much like Lance Armstrong and his teammates, with solid preparation and focus, as well as outstanding coordination and performance between OCSE and our State and Federal partners, the Federal Offset Program was able to shatter last year's record by more than \$1.15 billion. In 2008, the Federal Offset Program collected \$2.85 billion in past-due child support. That is an amazing 68.4-percent increase, easily *racing* past last year's collection totals.

Help From DRA and ESP

As with any record-breaking performance, these accomplishments were possible with a lot of help and a little luck. Our State and Federal partners provided a tremendous amount of support by taking steps needed to maximize the program's collection potential. And, OCSE had a huge assist from a couple of pieces of legislation.

These legislative changes included provisions in the Deficit Reduction Act (DRA) of 2005, which allowed States to certify an additional 900,000 debts not previously eligible for tax refund offset, and the passage of the 2008 IRS Economic Stimulus Payments (ESP) Package. Key to the ESP package was the eligibility of these stimulus payments to be intercepted the same as any

Inside This Issue

Passport Denial's largest collection ever	2
States' electronic payments go up	3
3C's in San Bernardino County, CA	4
Amnesty Day in Sedgwick County, KS	5
New Spanish handbook available	6
In Focus with Mary Lou Fraser Gargas	7
HHS posts new grants Web site	8



U.S. Department of Health and Human Services
Administration for Children and Families
Office of Child Support Enforcement

other income tax refund. OCSE estimates that as a result of the additional debts certified through the DRA change, the program collected more than 170,000 offsets, totaling at least \$200 million toward non-TANF past-due support.

The impact from the stimulus payments is even more staggering: According to statistics provided by the Treasury Department, more than 1.4 million stimulus payments were offset, totaling nearly \$870 million collected toward past-due child support. However, what is no less remarkable is that even if one deducts the collections from these two extraordinary events, annual net collections would be greater than \$1.7 billion, which still would have been another record-breaking year.

Additional Facts and Figures

In 2008, 53 States and Territories experienced their highest annual offset collections totals ever. The average increase from their previous high was nearly 63 percent. The change between 2007 and 2008 ranged from 35 to 141 percent, with Montana being the largest. Texas had the biggest jump in net collections from the previous year with an increase of more than \$119 million.

The chart below shows the continuous success that the Federal Offset Program has had over the years and the incredible leap from 2007 to 2008. In 2001 and 2003, there were also tax rebate payments and child tax credits (special collections [SP]), all of which were eligible for intercept. OCSE originally estimated a \$700 million contribution to 2008 collections from the stimulus payments, and, as with everything else this year, the results went well beyond expectations.

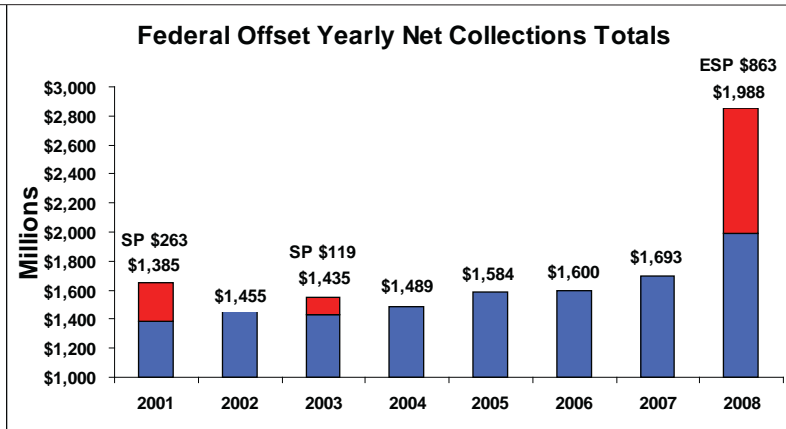
Looking Ahead

The Federal Offset Program and OCSE celebrated an amazing achievement in 2008 that will no doubt be difficult to topple. Last year's "Tour de Force moment" resulted in large part from the additional debts States were able to certify as a result of the DRA non-minor change and the millions of offsets attributable to the stimulus payments combined with the usual day-to-day hard work ensuring these debts were eligible at time of offset.

Without the assistance of additional stimulus payments, numbers in 2009 are expected to fall a little short of those reached in 2008. However, the final offset-related provision contained in the DRA, removing the distinction in offset priority between TANF and non-TANF past-due support and placing all tax and administrative offsets ahead of other Federal agency certified arrears, was recently implemented by Treasury and is expected to have a significant impact on collections. Some projections indicate an increase of at least \$50 million collected annually toward non-TANF past-due support.

In addition, like Lance Armstrong, there will be no slowdown in the preparation, focus, and performance measures taken to make 2009 as successful as possible.

OCSE will always *WORKSTRONG!*



Passport Denial Program

Largest Collection Ever!



January 2009 started off with a huge success when Missouri collected the largest payment ever voluntarily reported by a State for the Passport Denial Program: **\$419,065**. Missouri stated that payments had not been received from the noncustodial parent since 2002 and that he traveled to Europe to obtain the funds,

all of which went to the custodial parent and their son.

The program has collected over \$162 million in voluntarily reported lump sum payments since 1998.

For more information on the Passport Denial Program, or to report your own success story, contact Rebecca Hamil at rebecca.hamilton@acf.hhs.gov.

States' Percent of Electronically Received Payments **Up** in 2008

By **Nancy Benner**
OCSE

In FY 2008, States and Territories reported that 42 percent of child support payments were sent electronically—a 9-percent increase from FY 2007.

For more than 10 years, States and OCSE have been working with employers to promote electronic payments (e-payments) for child support. Efforts have included calls and letters to large, multistate employers, presentations at conferences, and outreach to payroll software companies to develop applications that support the functionality for e-payments. OCSE also hosts monthly conference calls with State EFT/EDI/SDU liaisons to discuss issues and offer solutions and best practices surrounding e-payments.

The PRWORA legislation of 1996 required all States to establish State Disbursement Units (SDUs) for the collection and disbursement of child support payments. It also required States to have the ability to receive and disburse payments electronically to other States (interstate payments).

When SDUs were implemented, States faced several challenges, including mastering the technical aspects of e-payments and persuading employers that e-payments are the cheapest, fastest, most secure, and most accurate way to send child support payments. Employers often were not familiar with electronic payments (with the exception of direct deposit) and most did not have payroll or accounting software that supported the functionality for sending child support payments electronically, even if they wanted to move in that direction.

After 1996, the percent of e-payments began to increase as a result of States implementing SDUs and a few States mandating e-payments for child support. Employers quickly realized they would be required to remit payments electronically, and software developers realized they would have to develop the functionality or lose market share.

The SDU community worked for several years with business partners to promote e-payments. The National Automated Clearing House Association (NACHA), the e-payments association, helped produce a User Guide. The American Payroll Association helped the child support community reach large employers by including sessions on e-payments at their annual conferences.

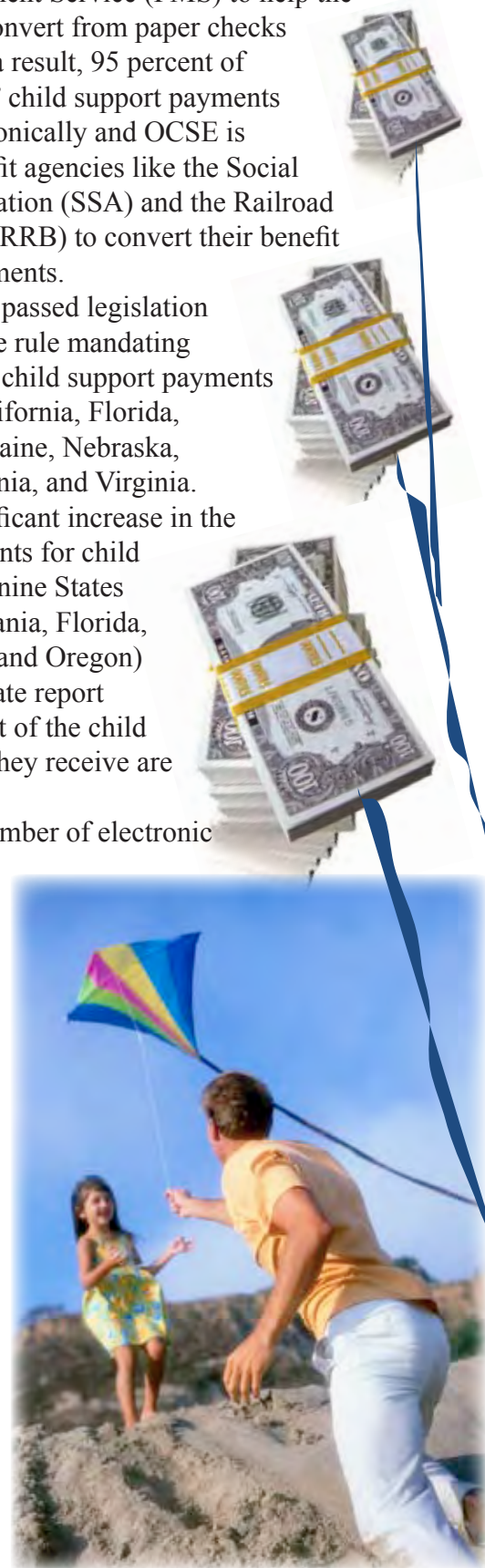
OCSE worked with the Department of the Treasury's

Financial Management Service (FMS) to help the Federal agencies convert from paper checks to e-payments. As a result, 95 percent of Federal employees' child support payments now are sent electronically and OCSE is working with benefit agencies like the Social Security Administration (SSA) and the Railroad Retirement Board (RRB) to convert their benefit payments to e-payments.

Nine States have passed legislation or an administrative rule mandating employers to remit child support payments electronically: California, Florida, Illinois, Indiana, Maine, Nebraska, Oregon, Pennsylvania, and Virginia. All realized a significant increase in the percent of e-payments for child support. Six of the nine States (Indiana, Pennsylvania, Florida, Illinois, Nebraska, and Oregon) and Washington State report that over 50 percent of the child support payments they receive are e-payments.

Increasing the number of electronic child support payments supports OCSE's effort to streamline collections and get payments to families promptly.

For additional information about e-payment percentages, or other topics surrounding employer e-payments, please contact Nancy Benner at nancy.benner@acf.hhs.gov or 202-401-5528.



Success Spelled with in San Bernardino County, CA

By **Connie Brunn, Director**
and **Victor Rea, Assistant Director**
San Bernardino County
Division of Child Support Services

In April 2006, the Department of Child Support Services in San Bernardino County, CA, adopted a case management initiative called “Collect, Correct, Close,” affectionately dubbed “the 3C’s.” By the end of 2008, its success—including a 9-point jump in collections on current support—surprised even its creators.

The idea for 3C’s was that workers take all appropriate action anytime they “touch” a case. In practice, the caseworker will:

Collect:

- Ask for a payment when there is contact with a noncustodial parent.
- Take enforcement actions when current support and/or arrears have not been paid.

Correct:

- Ensure data in the system is accurate; correct errors in case construct, set-up, and status.
- Ensure the court order reflects the obligor’s ability to pay; consider possible modification if appropriate.
- Take action on all outstanding tasks.

Close:

- Review the case at that time to determine its potential eligibility for closure.

The 3C’s strategy was developed as part of the implementation of a special review and adjustment project, completed in July 2006. The project targeted 289 cases with extremely high child support orders and no payments. Its objective was to address both the current support and arrears collections performance measures and to apply lessons learned from working this small sample of cases to the broader caseload.

The 3C’s strategy provided the project with a results-focused approach to casework, offering simple guidance to staff to work each case strategically. The approach ensured that caseworkers thoroughly review and take necessary action on each case.

The 3C’s have become a part of San Bernardino’s ongoing case management practices. Rather than being a special project used on a limited basis, staff strategically manages each case to identify any opportunity to “Collect, Correct, Close.”

Since implementing 3C’s, the county has seen these improvements in performance:

- **Paternity Establishment:** from 70 percent in September 2005 to 95 percent in September 2008;
- **Support Order Establishment:** from 67 percent in September 2005 to 70 percent in September 2008;
- **Collections on Current Support:** from 44 percent in September 2005 to 53 percent in September 2008;
- **Collections on Cases with Arrears:** from 57 percent in September 2005 to 60 percent in September 2008.



Director Connie Brunn instructs county staff about the 3C’s project.



In addition, customer complaints have decreased by 66 percent. These included phone calls from custodial and noncustodial parents frustrated with the handling of their case. Using the 3C's approach, staff now focuses on a more comprehensive approach to case management, ensuring more thorough handling of each case. We believe reduction in complaints is due, in large part, to this approach, which promotes the resolution of problems and customer concerns.

We fully expect this trend to continue as staff training takes a front seat on the benefits of 3C's during 2009. Training addresses the 3C's by encouraging staff to take ownership of their case, using the analogy of owning a home versus renting to encourage more effective case management practices. In addition, all-staff meetings regularly focus on the benefits of the 3C's in managing their caseload. Because of this ongoing focus, San Bernardino expects continued improvement in performance and customer service.

For more information about 3C's, please contact Connie Brunn at cbrunn@css.sbcounty.gov or 909-478-6949, or Victor Rea at vrea@css.sbcounty.gov or 909-478-7458.

3C's Takes Off

Last May, San Bernardino County staff presented 3C's at an OCSE "Urban Jurisdictions Meeting," where representatives from large jurisdictions shared practices that are helping to increase collections and reduce arrears—the goal of the national Project to Avoid Increasing Delinquencies (PAID). Since the meeting, three jurisdictions have begun plans to implement a 3C's project: Ohio (as part of a statewide collaboration effort), Fulton County (Atlanta), GA, and Rochester, NY. To learn about PAID, visit the OCSE Web site:



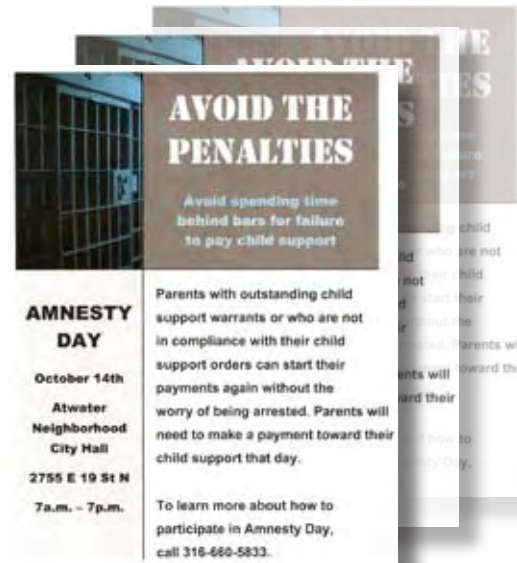
<http://www.acf.hhs.gov/programs/cse/resources/paid/>

Sedgwick County Office of the Court Trustee Leads First 'Amnesty Day' Collaboration

By Joy Kay Williams, Court Trustee
Sedgwick County, Kansas

The Sedgwick County, KS, Office of the Court Trustee recently held its first Amnesty Day, deemed a success by the many local entities that teamed up to plan the event. The goal of the Amnesty Day was to persuade parents who did not comply with their child support orders to voluntarily work with the office to get back into compliance. The main incentive for parents was an offer to lift any outstanding child support bench warrant if the parent would make a payment toward their child support and enter into a payment agreement.

To get started, we collaborated with the State Department of Social and Rehabilitative Services' (SRS) Public Information Officer to design our Amnesty Day flyer and develop an outline for publicity efforts, as well as with the SRS Child Support Enforcement Unit employees.



We publicized the event in a number of ways. The half-sheet flyers (*above*) were posted in the courthouse, distributed to all attorneys with mailboxes in the courthouse, and mailed to some noncustodial parents who were not paying. Our partner at the City of Wichita sent the flyers to individuals and organizations she thought would be interested. The publicity officer at SRS also handed out several flyers at a meeting for community organizations. I spoke about the event at a Family Law Bar Committee meeting and a Criminal Law Bar Committee meeting. And press releases were sent to local newspapers and radio and television stations, resulting in two newspaper articles and three radio interviews.

Despite the cold, rainy day, 48 noncustodial parents (representing 69 cases) showed up to take advantage of the opportunity, and nearly \$9,000 was collected. Of the 48 parents, 44 bench warrants were lifted and 7 parents entered into the State's Arrears Forgiveness program. Several came out to set aside their bench warrants, some just wanted information, and almost all of the parents entered into payment agreements. Those whose bench warrants were lifted were given an order back date by the judge.

One gentleman appeared with eight child support cases. He had failed to appear in court in 2006, which resulted in him having eight warrants issued for his arrest. He heard about the program and called our office with questions. His biggest concern was that he not be arrested if he showed up and tried to take care of his warrants. He did appear and paid money to have his warrants lifted. Also at the event, employees from SRS talked with him about his eligibility on some of his cases for the Arrears Forgiveness Program. The noncustodial appeared happy when he left.

Another gentleman came with three warrants. It appeared that he had been very scared about his warrants, but after we talked with him, he was so relieved he began crying and thanking everyone for their help.

The Amnesty Day project required a team effort, including staff from the City of Wichita, where the event was held, and from the Sedgwick County IT Department who took charge of our technology in the city building. Sedgwick County Clerks assisted as well and brought one of their file-stamp clocks so that bench warrant withdrawals could be processed on site. Therefore, not only did noncustodial parents leave with a file-stamped copy of their withdrawal, but the child support employees keyed the withdrawal information into the county's computer system on site. In addition, we received great support from the courthouse management team.

Most of all, we thank the employees of the Court Trustee's Office who worked many hours to ensure the Amnesty Day's success.

We are now planning Amnesty Day II. The Sheriff has committed to a massive bench warrant sweep for our cases in the weeks following Amnesty Day II, which will be expanded based on the success of Amnesty Day I. We plan to include that fact in our publicity to, hopefully, motivate more people to participate in Amnesty Day II.

For more information, please contact Joy Kay Williams, Court Trustee, 18th Judicial District, 525 N. Main, 7th floor West, Office of the Court Trustee, Wichita, KS 67203.



New Spanish Handbook

A new Spanish version of the OCSE Child Support Handbook is available from the National Reference Center. Print copies may be requested by phone: 202-401-9383; by e-mail: OCSENationalReferenceCenter@acf.hhs.gov; or by mail:

OCSE National Reference Center
370 L'Enfant Promenade, SW
4th Floor East
Washington, DC 20447

The Spanish version handbook is available online at:
<http://www.acf.hhs.gov/programs/cse/fct/childspan.pdf>



Mary Lou Fraser Gargas

Mary Lou Fraser Gargas typifies the phrase “grew up in the program.” From Suffolk County child support worker, to the county’s sole child support attorney, she now serves as Regional Counsel for the Massachusetts Child Support Enforcement Division’s Northern Regional Office. Her role as supervising attorney for the Litigation Unit in the Essex County office in Salem has undergone numerous changes.

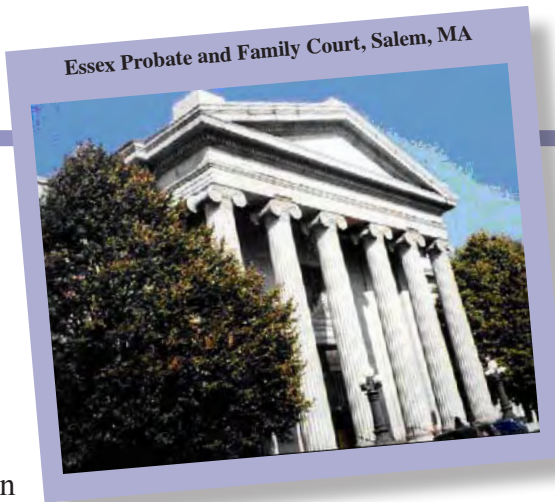
Fraser Gargas, like many, has worked through decades of evolution in the program.

But what may not be as typical among child support program long-timers are the reasons she chose to stay all these years. Two “defining experiences” in her personal life, says Fraser Gargas, sealed her decision to make the child support program her career: One—growing up in a single-mother home; and two—becoming an adoptive parent of a 3-year-old from Russia.

First, Fraser Gargas identifies with the need for both parents to provide for their children. “My father did not provide any consistent support resulting in some very difficult financial struggles for my mother,” she says. “At that time, there were no services available to address these financial needs of custodial parents.”

About the second experience, “I’m proud that I’m an adoptive mother,” she says, of the boy she brought home in 1996 who spoke not a word of English. Referring to child support customers, “I know what it’s like to want immediate action for your child, but you often have to say to clients, ‘it’s hard to hear, but we will do our best for you, and as quickly as we can.’ The adoptive process made me more sensitive to frustrations people who deal with us may feel.”

Her previous work in child welfare, while in law school, helped Fraser Gargas cope with the bureaucracy of the



Census Bureau photo



adoption process. “It does not happen overnight,” she says, referring to dealing with the State and Federal procedures—and with those in another country. “You need to be very patient, you may have no control at times, and you have to go with the flow.”

Other workplace lessons also helped to shape the way Fraser Gargas relates to her customers. As supervisor for a child abuse hotline in the early ’80s, she received late-night calls from child welfare workers investigating abuse and neglect situations. “To make determinations about whether a child should be removed from a home was a very maturing experience.”

Attorney Johanna Moran of the State CSED says, “I have never known her passion and commitment to waiver or wane. She is not only one of the most zealous of workers, but she’s also passionate about making sure customers understand what’s going on, making sure that justice has worked for the families, that the court and judicial process is available for the families. She’s the epitome of what the IV-D program needs to provide.”

Besides Moran, it may be the region’s predominantly Spanish-speaking customers in the northern part of Essex County who most appreciate Fraser Gargas’ zealotry. For example, because most of these customers lacked means of transportation to attend their court hearings in Salem (the county seat), 18 years ago Fraser Gargas persuaded the first justice of the Essex Probate Court to schedule a biweekly child support docket in nearby Lawrence. Now, with a Spanish interpreter in the Lawrence court and two Spanish-speaking team members at every session, Fraser Gargas’ team helps about 100 customers understand the court process and fill out the

court's mandatory financial statements.

Still, Fraser Gargas says that resources for child support workers with Spanish-speaking customers are few and far between. In addition, her office's hopes for referring customers to job-search service providers are, for the most part, on hold. "We had begun to work with a local job-search agency to be able to refer customers for help with job skills training and resume preparation," but recently the training offices have been overwhelmed by the sheer volume of people laid off due to the national economic situation, she explains.

Also due to the economic downturn, "the judges are starting to question whether some noncustodial parents should be assigned an order amount based on minimum wage; the judges are not sure the parent can earn that amount." In addition, more custodial and noncustodial parents are requesting order modifications, which account for nearly 40 percent of pro se actions since last fall. "Because parents have lost their jobs or expenses are increasing, our modifications caseload is expanding, a reminder of the important service the child support program can provide during these financial times to both custodial and noncustodial parents."

But one thing remains certain: For Fraser Gargas and her team, work is always interesting. "One day is never like the next, different issues challenge our perspectives, organizational and litigation perspectives alike."

Always exciting are the team's weekly visits to the courtroom where "we can see the benefits of parents

getting money; we see their tremendous satisfaction. This is what motivates me and members of my team, many of whom have also worked in child support enforcement for a very long time. Families might obtain a \$5,000 or \$10,000 payment, and we know it will go toward food and other necessities."

That satisfaction goes hand in hand with Fraser Gargas' pride in the program's growth and in its becoming more responsive to needs of clients. "I can honestly say that when we enforce judicial orders and are able to obtain a lump sum payment either through incarceration or negotiation—that's when we know we've played a role in obtaining compliance and in providing a family with money it needs."

The team regularly keeps track of the lump sum payments on arrears to avoid incarceration. "The total last year was \$1.3 million, and the same the year before that, all going to provide families with money they haven't seen in quite some time." It's cause for Fraser Gargas and her team's "greatest satisfaction." In fact, they've been known to make a competition of it, she says: "Our next goal is to break \$1.5." —Elaine Blackman, OCSE

To recommend someone be profiled, please send an e-mail to: elaine.blackman@acf.hhs.gov



HHS Grants Forecast on Web

The Department of Health and Human Services has created a new Web site with information about the Department's grants:

<https://extranet.acf.hhs.gov/hhsgrantsforecast/>

For OCSE grants, enter "OCSE" in the box that says "HHS Grants Forecast Quick Search."

The site may be helpful for those interested in learning about the subject areas for upcoming OCSE Special Improvement Project (SIP) and 1115 grants even before OCSE announces the details of the grant opportunities.

Child Support Report

<http://www.acf.hhs.gov/programs/cse/pubs/csrindex.html>

Child Support Report is published monthly by the Office of Child Support Enforcement, Division of Consumer Services. We welcome articles and high-quality digital 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.

Curtis L. Coy
Acting Assistant Secretary for Children and Families

Donna J. Bonar
Acting Commissioner, OCSE

Robert Cohen
Director, Division of Consumer Services

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

To receive an e-mail alert when new issues are posted, send an e-mail to: subscribe-csr-subscription@lyris.acf.hhs.gov