



## Administration for Children and Families: Child Support Enforcement

### A. Funding Table for Child Support Enforcement

(Dollars in Millions)

Project/Activity	Program Level	FY 2009	FY 2010 – FY 2019
State Child Support Administrative Costs (Obligations)	\$1,016.0	\$426.0	\$590.0

### B. Objectives

State Child Support Enforcement (CSE) agencies enhance the well-being of children by obtaining support, including financial and medical, for children through locating parents, establishing paternity, establishing support obligations, and monitoring and enforcing those obligations. Currently, the federal government provides states with incentive payments based on their success in meeting certain performance goals. States are required to reinvest these incentive payments in their CSE programs. Under a new provision in the American Reinvestment and Recovery Act (Recovery Act), incentive funds that are expended are matched by the federal government. These objectives support HHS Strategic Objective 3.1: Promote the economic independence and social well-being of individuals and families across the lifespan. The HHS Strategic Plan, Fiscal Years 2007 – 2012 can be found at: <http://aspe.hhs.gov/hhsplan/>.

### C. Activities

A federal match of 66 percent is available for state administrative costs of carrying out CSE program activities under title IV-D of the Social Security Act. The Recovery Act temporarily allows states to receive federal matching funds for program costs paid for with federal incentive payments. This authorization change is effective October 1, 2008 through September 30, 2010.

### D. Characteristics

The funds covered by this authorization will be awarded through existing grants to states. The Recovery Act does not appropriate funds for this purpose, but rather changes the authorization language for the CSE program, which is appropriated annually. It is estimated that the change will make approximately \$1 billion in new resources available to state CSE agencies; however, the actual costs will be determined based on state expenditure claims.

### E. Delivery Schedule

Grant awards are issued quarterly to each state CSE agency based on expenditures reported by the state. Reports are reviewed for accuracy and allowability of expenditures. Specific dates regarding the ultimate provision of funds to states are dependent on state expenditures and thus cannot be estimated here. The following milestones will ensure timely awarding of funds.



- Issue program guidance advising states how to report their expenditures and make any needed adjustments to quarterly expenditure reports – Completed (March 26, 2009)
- Issue grant awards for 1st quarter actual expenditures reflecting new provision for states that have submitted their first quarter expenditure reports – Completed (March 26, 2009)
- Issue grant awards for 2nd and 3rd quarter estimates and actual adjustments – Within one week of receiving revised estimates from states.
- Issue grant awards for future periods and adjustments for actual expenditures – Quarterly

## F. Environmental Review Compliance

The distribution of additional funds to Child Support Enforcement (CSE) as a result of the Recovery Act is categorically excluded from environmental review based on Category 2 section F - Functional Exclusion: Grants for Social Services under Chapter 30-20-30 of the HHS General Administration Manual. By definition, the use of these funds: (1) mitigates social and environmental impacts; (2) does not include construction or alterations of the human environment; and (3) have no anticipated individual or cumulative significant effect on natural or cultural assets. Therefore CSE qualifies for a Categorical Exclusion from National Environmental Protection Act (NEPA). This activity is funded under the Recovery Act Division B and is not subject to Section 1609(c) reporting requirements.

## G. Measures

Table 1

Measure	Type	Most Recent Result	FY 2009 Target	FY 2010 Target	FY 2010 +/- FY 2009
Maintain the paternity establishment percentage (PEP) among children born out-of-wedlock.	Outcome	FY 2007: 98% (Target Exceeded)	94%	94%	Maintain
Maintain the percentage of IV-D cases having support orders.	Outcome	FY 2007: 78% (Target Exceeded)	77%	77%	Maintain
Maintain the IV-D (child support) collection rate for current support. <sup>1</sup>	Outcome	FY 2007: 61% (Target Met)	62%	62%	Maintain
Maintain the percentage of paying cases among IV-D (child	Outcome	FY 2007: 61% (Target Met)	62%	62%	Maintain

<sup>1</sup>This measure is a performance indicator for the FY 2007- FY 2012 HHS Strategic Plan.



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Measure	Type	Most Recent Result	FY 2009 Target	FY 2010 Target	FY 2010 +/- FY 2009
support) arrearage cases.					
Total cases with orders established.	Output	FY 2007: 12.3 million	12.3 million <sup>2</sup>	12.3 million <sup>2</sup>	Maintain
Total amount of distributed child support collections.	Output	FY 2007: \$25 billion	\$26 billion	\$26.5 billion	Maintain

Table 2

Data Source	Data Validation
Office of Child Support Enforcement (OCSE) Form 157	As part of OCSE's review of performance data, OCSE Auditors review each state and territories' ability to produce valid data. Data reliability audits are conducted annually.

These performance measures are reported annually in OCSE's Annual Report to Congress, which is published on the OCSE website (<http://www.acf.hhs.gov/programs/cse/>). The annual targets for the outcome measures in Table 1 were revised in previous years as maintenance goals due to the end of federal matching of state expenditures using incentive payments attributable to the Deficit Reduction Act. Given the current economic situation, states may still have difficulty maintaining these performance goals. However, the Recovery Act funds will make it possible to maintain levels of effort to support these performance goals.

In addition to the measures in the table, OCSE will provide quarterly distributed collections data. However, states may change the quarterly data up to 90 days after the end of the fiscal year. In addition, data is not considered final until after annual data reliability audits are complete.

## H. Monitoring and Evaluation

All Recovery Act programs will be assessed for risk and to ensure that appropriate internal controls are in place throughout the entire funding cycle. These assessments will be done consistent with the statutory requirements of the Federal Manager's Financial Integrity Act and the Improper Payments Information Act, as well as OMB's circular A-123 "Management's Responsibility for Internal Control."

ACF has assessed the OCSE program as "low" risk for improper payments based on an evaluation of the risk factors against the criteria in the risk assessment. This conclusion is based on effectiveness of the numerous existing federal monitoring controls, data reliability audits, state plan review, the insignificant amounts of questioned costs in A-133 audits, the state single audit, and the fact that child

<sup>2</sup> This measure is not a part of the program's established performance measures. The CSE program is a mandatory program and levels for this particular output measure are set based on State performance, thus the targets as listed are based on the most recent FY 2007 results.



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support funds are paid to custodial parents as a result of judicial or administrative actions of courts.

OCSE will follow its existing monitoring controls to implement the Recovery Act. Additional funds provided as the result of the Recovery Act will be subject to existing program accountability requirements which include financial and data reliability audits.

Each year OCSE produces an annual report that includes statistical and financial information on the Child Support program for the fiscal year. The information is taken from reports submitted by states on a quarterly basis for financial data and annually for statistical data. The report also includes program achievement on five performance measures that were established as a result of the Child Support Performance and Incentive Act of 1998 (CSPIA). OCSE staff compile and review these data in an effort to control and monitor the risk of erroneous payments. Administrative expenditures including automated data processing expenditures are also evaluated for accuracy.

Since the passage of the Personal Responsibility and Work Opportunities Act of 1996 (PRWORA), states must submit a “Self-Assessment Report” after a twelve month review period. The self-assessment process helps states evaluate their program and performance, along with giving them an opportunity to ensure they are meeting federal requirements for providing child support services. The process is used to identify problem areas, and develop and implement actions to correct the noted deficiencies, leading to measurable improved program performance and service delivery to families. The federal role is to analyze the reports, make recommendations, assist with corrective action, and identify best practices that can be shared among the states.

## **I. Transparency**

ACF will be open and transparent in all of its grant awards that involve spending of the Recovery Act funding consistent with statutory and OMB guidance.

In addition to providing expenditure reporting instructions, (see <http://www.acf.hhs.gov/programs/cse/pol/AT/2009/at-09-02.htm>), states were informed of the “Updated Implementing Guidance for the Recovery Act” and specifically, its direction that current Recovery Act reporting requirements apply to discretionary appropriations, not entitlements.

The performance measures are reported annually, in OCSE’s Annual Report to Congress, which is published on the OCSE website (<http://www.acf.hhs.gov/programs/cse/>). Annual performance results are available in the annual ACF Budget Justification and Online Performance Appendix (available at: <http://www.acf.hhs.gov/programs/olab/budget/index.html>).

## **J. Accountability**

To ensure that federal managers are held to high standards of accountability in achieving program goals under the Recovery Act, ACF will build on and strengthen



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existing processes. Senior ACF and OCSE officials will meet regularly with senior Department officials to ensure that projects are meeting their program goals, assessing and mitigating risks, ensuring transparency, and incorporating corrective actions. The personnel performance appraisal system will also incorporate Recovery Act program stewardship responsibilities for program and business function managers. ACF program managers and senior managers are accountable for the oversight of performance results and improvement actions through the Performance Management Appraisal Program (PMAP). The PMAP plans, in many instances, tie national program goals into the individual performance expectations against which managers are rated.

At the state level, as a condition of receiving federal financial participation, the state CSE agency must submit an approvable state plan describing the nature and scope of its CSE program. Activities contained in the plan must be allowable under the Child Support statute (Title IV-D of the Social Security Act, as amended). ACF has the authority to reject elements of the Plan that do not meet the guidelines of the Child Support statute. State plans contain eligibility criteria for recipients the state intends to serve in the program for the fiscal year. While states are not required to submit their plan every year, they are required to submit any pages that have become required due to new legislation or regulations and to resubmit pages that have changed since the original submission.

For automation, OCSE requires that each state CSE agency have a single statewide CSE system that encompasses all political subdivisions and electronically interfaces with other agencies and organizational entities. Each state is required to submit an annual information technology planning and procurement document for federal prior approval. OCSE also conducts periodic on-site reviews to ensure that statewide CSE systems meet minimum standards that address intake, locate, paternity and order establishment, enforcement, and financial functions such as collection, distribution and disbursement of child support.

## **K. Barriers to Effective Implementation**

As mentioned previously, additional funds provided as the result of the Recovery Act will be issued as part of the title IV-D program and will be subject to existing program accountability requirements which include financial and data reliability audits. In addition, the funds covered by this authorization will be awarded through existing grants to states. Therefore, OCSE anticipates no barriers to effective implementation.

## **L. Federal Infrastructure**

Not applicable.