

Giving Hope and Support to Jefferson County Children & Families



**2006
Child Support
Annual Report**

Jefferson County
Child Support Enforcement
320 S Main St
Courthouse - Room 219
Jefferson, WI 53549

April 17, 2007

Dear Ms. Schmeling,
Members of the Jefferson County Board,
Mr. Petre,
Other Interested Parties:

I am pleased to present to you the 2006 annual report of the Jefferson County Child Support Enforcement Agency.

Jefferson County Child Support Agency provides full services to approximately 3,800 families in our communities. We also provide partial services in the form of monitoring and adjusting financial records for another 1,300 family law case participants who do not apply for IV-D services. The Jefferson County child support program reflects the federal intent that it becomes less a revenue stream to reimburse government for welfare expenditures, and more a source of income for families. As such, \$00,000.00 in total collections passed through the Trust Fund to the Jefferson County families in 2006.

The child support team has once again been recognized with a **Certificate of Excellence for 2006** by the Division of Workforce Solutions, Bureau of Child Support based on their performance in all four areas of Paternity Rate, Court Order Rate, Collections of Arrears Cases, and Reconciliation of Former Percentage Orders. They continue to work together to make us a family-first program, helping to ensure families' self-sufficiency by making child support a more reliable source of income. I am also grateful for the continued support and interest of the County Board Supervisors and Mr. Petre. Through our united efforts we continue to meet our commitments to children and families.

Sincerely,

Elaine E. Richmond

JEFFERSON COUNTY CHILD SUPPORT AGENCY

STAFF LISTING

ATTORNEYS

Elaine E. Richmond, Director
Thomas E. Antholine

CHILD SUPPORT SUPERVISOR

Stacee Schuck

CHILD SUPPORT SPECIALISTS

Maria Hunn, Enforcement
Jennifer Zink, Enforcement
Kathie Orval, Paternity/Enforcement
Tammy Tomczak, Paternity/Enforcement
Carolyn Swart, Financial
Kristie Dorn, Financial

CHILD SUPPORT LEGAL ASSISTANTS

Laura Danielson, Enforcement
Denise Skelly, Enforcement
Tanya Crist, Paternity/Enforcement

CHILD SERVICE COORDINATOR

Julie Gondert

PROGRAM REPORT FOR 2006

ADMINISTRATION OF THE CHILD SUPPORT PROGRAM

The nationwide child support program was created in 1975 by Title IV, Section D of the Social Security Act. The program, often referred to as the "IV-D Program" is designed to establish paternity for children born outside of an intact marriage, and to establish and enforce child support and health insurance obligations for the many children who do not live with both of their parents. To receive IV-D program services, a parent must either be referred by another agency providing some type of public assistance or fill out an application form and pay a one-time \$20 fee for services which increases to \$25 on February 1, 2007. As a IV-D case participant they receive a wide variety of services to assist them in receiving the child support to which they are entitled through judicial and administrative process. A typical non IV-D case is one in which parents or alternative caretakers do not apply for IV-D services. Their financial records are monitored and maintained by the IV-D agency but these expenditures are not reimbursed by a federal funding match.

The Wisconsin IV-D program is a state-administered and county operated program. The Wisconsin Department of Workforce Development, Division of Workforce Solutions, and Bureau of Child Support (DWD/DWS/BCS) is responsible for the overall administration of the program. At the local level, 71 county and 3 tribal child support agencies operate in accordance with the provisions of a state and county contract, state and federal laws, administrative rules, and federal regulations governing child support establishment and enforcement.

At the county level, a mixture of federal, state, and county revenues support the IV-D Program. Generally, federal financial participation, as a primary source of federal and state revenues, is available for necessary and reasonable expenditures of the IV-D Program. The federal financial participation rate is 66% of every dollar claimed by a county for most expenses in the program. The county contributes the remaining 34% through other county funding or other state and federal revenues.

Like all Wisconsin county child support agencies, Jefferson County works directly with families to establish paternity, establish and enforce child support, obtain health insurance, and to provide the program's core services. These services include but are not limited to a significant number of judicial enforcement proceedings, tax intercept, lien account seizures, new hire reporting, credit bureau reporting, and license suspension.

Jefferson County Child Support Agency enters into cooperative agreements with other county agencies or service providers to administer the program. These providers include Clerk of Courts, Corporate Counsel, Family Court Commissioner and the Sheriff's Department. We use purchase of service agreements to provide interpreters for paternity interviews, service of documents and to answer a phone service in Spanish. This cost appears to be leveling off with a much smaller increase this year from \$6,152 in 2005 to \$6446 in 2006. (The Child Support Agency does not have a bilingual person on staff.) It does not include the cost of interpretation for court proceedings which is covered in the Clerk of Courts budget. We occasionally contract with private bar members to perform legal services on behalf of the agency when there is a conflict of interest or we are scheduled for appearances in more courtrooms than we can cover. All of these service expenditures are federally reimbursed at the regular program rate of 66%.

2006 reimbursements to the cooperative agencies in Jefferson County were as follows:

Family Court Commissioner	\$37,216.81
Clerk of Court	\$21,630.93
Sheriff's Department	\$7,705.10

During 2006, the Child Support Agency scheduled regular block times on the Family Court Commissioners calendars for three (3) half-days of hearing time each week for enforcement matters plus 1 half-day 2 times each month for paternity hearings.

The Child Support attorneys also appeared in front of the Family Court Commissioners for additional hearings scheduled outside the block times and in the Circuit Court branches as needed. We provide legal services to those who have been referred because they are receiving public assistance or have paid an application fee and completed a request for our services. In all, the Child Support Attorneys appeared some 1638 times on behalf of the state in proceedings scheduled for Family Court in 2006. More than half of these hearings were contempt proceedings against child support obligors who are not paying their support. It continues to be an important enforcement tool in Jefferson County but one we may have to curtail if our funding cuts are not restored or replaced.

In addition to the court hearings, office appointments are scheduled with specialists and attorneys to gather information or reach stipulated agreements in many of our paternity and enforcement matters.

In accordance with Federal guidelines we review child support

orders of participants who are receiving assistance every three years. Although many payers are able to increase the amount of their earnings and therefore the amount of support for their children, other orders may be decreased or suspended for a variety of reasons. A significant number of payers continue to experience layoffs, cutbacks in hours, loss of higher paying jobs, or incarceration. If these conditions persist for a longer period of time they may result in lowering the amount of support paid or sometimes temporary suspension of their child support payments. In addition, our specialists and attorneys review pro-se agreements of parties who have an application for IV-D services on file but are not receiving public assistance. These agreements are between parties seeking to modify their orders for support and custody without a courtroom hearing. Because Jefferson County has no pro bono program to assist pro-se litigants, our attorneys and specialists have responded to increasing demands on their time to help the case parties edit their agreements so they will be approved.

In addition to the mandatory reviews every 33 months, additional reviews are conducted in response to a request by a case participant or because the agency determines it is necessary to react to significant changes in the circumstances of one or both parties to the case. The review and adjust process is very labor intensive and frequently quite difficult because of the need to obtain specific and accurate income information from each of the parties as a starting point of the review. When a case party (more often the payer) is not forthcoming with their gross income information, the agency utilizes other resources to recover relevant information. That may include the use of administrative subpoenas to acquire tax returns with schedules and/or Unemployment Insurance state wage information and sometimes Social Security wages records. Parties are encouraged and assisted to adjust orders by stipulated agreement when the threshold for change has been met. If the parties cannot agree

on a new amount for the obligation the matter is set for hearing before the Family Court Commissioners.

KIDS INFORMATION DATA SYSTEM

The Kids Information Data System (KIDS) automates child support services and payments throughout Wisconsin. It provides an automated case management and financial management structure that the counties can use to establish, modify or enforce child support orders. Information is retrieved from data matches with other Wisconsin agencies such as Department of Transportation, Department of Natural Resources, Department of Revenue, as well as from financial institutions, and Employer New Hire Reports. Some or all of these resources are used to get locate information, to track payments and/or delinquency amounts, and to discover assets that may be available for child support. In addition to all of the automated enforcement tools provided by KIDS, the system produces enormous numbers of documents. The child support program produces 5,700,000 documents statewide annually. About 1,800,000 of these are printed and mailed from the county agencies. An estimated 150,000 documents are generated by our local county staff. Postage costs are such a significant portion of our annual budgets that the counties and state are currently studying ways to centralize the mailing services to shift some of the costs to the state. The economies of scale provided by utilizing the state's bulk rates and reduced 'bad address' envelope returns could reduce county postage costs by as much as 20% or more.

SUPPORT COLLECTIONS TRUST FUND

The federal Personal Responsibility and Work Reconciliation Act of 1996 (PRWORA) required states to provide a central payment processing facility.

The Wisconsin Support Collections Trust Fund (WI SCTF) operation processes child support collections at a central location in Milwaukee. The State Distribution Unit (SDU) collects and distributes nearly \$1 billion of IV-D child support payments each year. The SDU processes 98% of all payments within 24 hours.

The WI SCTF customer service information line is available to payers and payees 23 hours per day, seven days a week. The Interactive Voice Response (IVR) will provide information on the two most recent collections to payers and the two most recent payments to payees. A metro line in Milwaukee or an 800 number from a touch tone phone outside of Milwaukee is available in English, Spanish and Hmong. Privacy concerns are met by use of a KIDS Personal Identification Number and then entry of the callers Social Security Number and Date of Birth to get connected to the payment record information.

Each child support agency is responsible to oversee operations of the individual accounts in the county. Our Financial Specialists monitor a “suspense report” daily to make adjustments and resolve conflicts of information so that the money flows smoothly from the support collection to the payments to parents. Although most collection and disbursement information is available through automated systems, appointments may be scheduled with the financial support specialists to review the payment record when payers or payees allege an error or have questions about the payments received from employers on their behalf.

Payment records are available through the WISCTF by direct request from case parties or attorneys to prepare for procedures to establish, enforce or modify court orders.

Collections for all IV-D and non IV-D cases in Jefferson County

totaled \$ 10,231,580.45 in 2006. (See Attachment - Collection Comparison 2005/2006)

Our child support office receipts money only in emergency situations such as payment of a purge to release a payer from jail. Case participants may get help at the customer service window to correctly fill out the coupons that must accompany any payment.

LIEN DOCKET

The new Wisconsin Child Support Lien Docket, an administrative enforcement tool authorized under sec. 49.854 Wis. Stats. is used to record liens arising from unpaid child support. The lien docket includes the combined arrearage amounts for all Wisconsin court orders in which eligible arrearages meet or exceed the threshold of \$500. This includes arrearages to custodial parents, to foster care and kinship care, and old AFDC debts. Those payers listed on lien docket are sanctioned by use of a number of enforcement tools, including but not limited to license suspension or levies on financial accounts, real estate, and personal property. Unfavorable credit reports and passport denials are also employed as a means to encourage child support payers to take care of their obligations.

We have effectively used this enforcement tool to collect \$459,030.18 of child support arrearages for Jefferson county families since 2001. \$76,229.80 of this total has been recovered through account seizure, a process that is coordinated with financial institutions when it is discovered that someone has accounts they have not revealed and has arrearages large enough to trigger the lien docket alert.

COUNTY PERFORMANCE

The child support contract between the Department of Workforce Development and local agencies specifies that certain funds will be awarded on a performance basis. The performance-based funding for 2006 was determined by the agency's performance level for the prior federal fiscal year in paternity establishment, collections in cases with orders, and court order establishment. Jefferson County received the maximum award (100% of available funds) for our agency by exceeding the statewide target rate in the measured categories.

Paternity establishment:		
Jefferson County		110.47%
Statewide target		90.00%
Cases with Court Order:		
Jefferson County		91.75%
Statewide target		80.00%
Collection/case w/order		
Jefferson		78.57%
Statewide target		80.00%
Collection/case w/arrears		
Jefferson		77.92%
Statewide target		80.00%
Total Collections		\$13,802,182.35
IV-D Collections only		\$ 9,929,683.70
Total Expenses		\$ 1,025,962.46

Our agency has been able to attain a cost effectiveness ratio of more than \$9.00 collected for every \$1.00 spent.

Jefferson County Child Support Division – Collection Comparison Report
2006

Month 2006		2006 Current Month Collections	2005 Same Month Last Year Collections	2006 No. # of Cases In CSD	2006 Average \$ Per Case Collections	% Change from Same Month Last Year
January	CSD					
	Collections	\$842,072.59	\$784,312.41	3,828	\$205.93	7.32%
	Tax Intercepts	\$3,920.43	\$3,970.15			
	Totals	\$845,993.02	\$788,282.56			
February	CSD					
	Collections	\$845,518.51	\$731,329.70	3,845	\$237.57	8.79%
	Tax Intercepts	\$67,944.13	\$108,333.71			
	Totals	\$913,462.64	\$839,663.41			
March	CSD					
	Collections	\$788,768.23	\$756,630.98	3,875	\$235.89	0.09%
	Tax Intercepts	\$125,289.46	\$156,627.91			
	Totals	\$914,057.69	\$913,258.89			
April	CSD					
	Collections	\$761,268.06	\$733,762.69	3,875	\$220.84	6.60%
	Tax Intercepts	\$94,474.37	\$68,961.58			
	Totals	\$855,742.43	\$802,724.27			
May	CSD					
	Collections	\$796,615.08	\$779,087.69	3,875	\$243.78	6.22%
	Tax Intercepts	\$148,026.26	\$110,233.16			
	Totals	\$944,641.34	\$889,320.85			
June	CSD					
	Collections	\$763,310.31	\$776,898.38	3,854	\$217.24	-3.10%
	Tax Intercepts	\$73,921.59	\$87,158.61			
	Totals	\$837,231.90	\$864,056.99			

July

CSD						
Collections	\$756,426.39	\$815,689.99	3,851	\$202.42	-9.02%	
Tax Intercepts	\$23,085.07	\$41,117.10				
Totals	\$779,511.46	\$856,807.09				

August

CSD						
Collections	\$753,409.05	\$805,922.02	3,819	\$200.33	-8.74%	
Tax Intercepts	\$11,653.13	\$32,419.27				
Totals	\$765,062.18	\$838,341.29				

September

CSD						
Collections	\$730,272.46	\$731,800.15	3,827	\$197.68	0.76%	
Tax Intercepts	\$26,239.42	\$19,017.39				
Totals	\$756,511.88	\$750,817.54				

October

CSD						
Collections	\$781,649.95	\$778,799.83	3,845	\$205.47	-0.11%	
Tax Intercepts	\$8,376.57	\$12,068.97				
Totals	\$790,026.52	\$790,868.80				

November

CSD						
Collections	\$752,793.87	\$735,838.51	3,876	\$200.42	2.76%	
Tax Intercepts	\$24,025.30	\$20,119.00				
Totals	\$776,819.17	\$755,957.51				

December

CSD						
Collections	\$748,472.69	\$788,102.50	3,899	\$192.52	-5.93%	
Tax Intercepts	\$2,150.78	\$9,874.08				
Totals	\$750,623.47	\$797,976.58				

2006 Collection YTD	2005 Collections Same Months	Amount of Change "05" to "06"	% Change "05" to "06"
\$9,929,683.70	\$9,888,075.78	\$41,607.92	0.42%

PROGRAM DIRECTION

The Jefferson County Child Support Agency's future goals continue to focus on our day to day efforts to increase our collections of current support and arrearages, establish paternity and attempt to have a court order for every case we must open.

Our web page has undergone a major facelift in an attempt to make our services more widely known to consumers. They can easily access the numbers they need to call to receive information from the Wisconsin Support Collections Trust Fund or the Wisconsin Child Support website.

We accepted the low bid from Integrated Imaging to begin our move to document imaging and storage. Andy Erdman in Land Information generously lent his expertise and some extra licenses we could purchase to get the Stellant software working for our scanning needs in early 2007. We expect to begin scanning court orders as early as March, 2007 and will expand the operation as we gain expertise and find out what funding will be available for our program in 2008 and beyond.

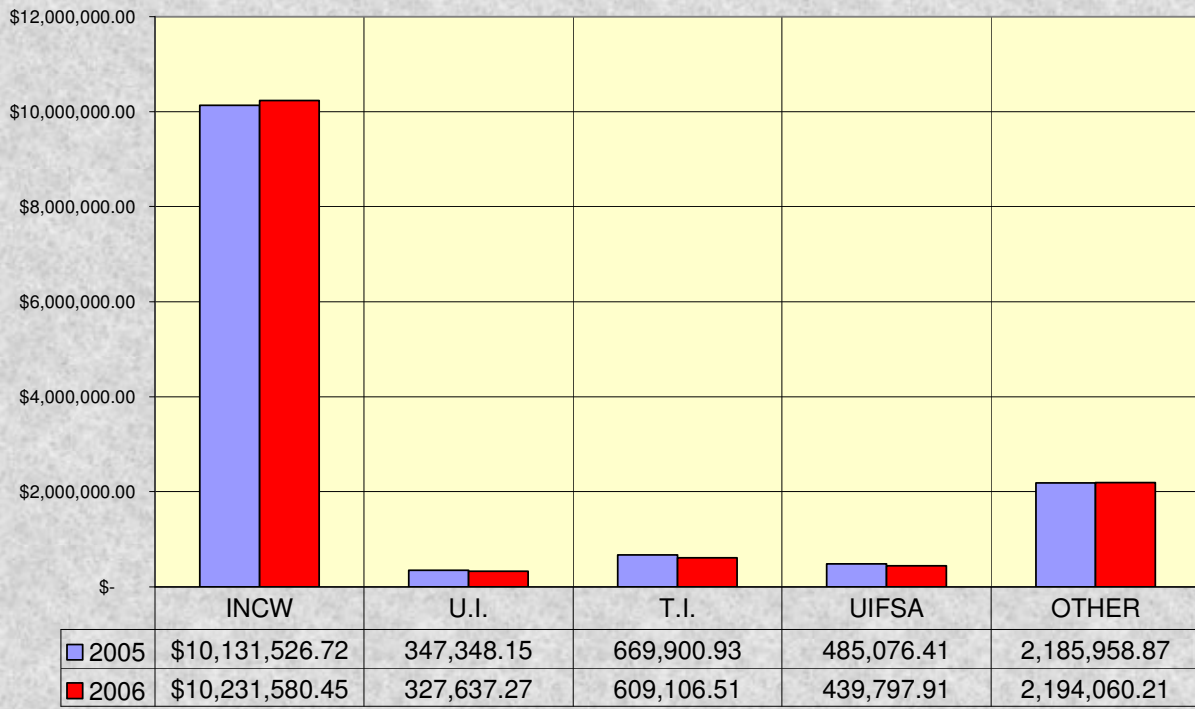
An unsettling and uncertain future is ahead of us at this time because of the severe funding cuts generated by the Deficit Reduction Act of 2005. We continue to close cases that are not collectable and seek adjustments in cases where the payer's ability to earn to produce regular and full payments has been impaired. In spite of vigorous efforts to reduce the number of cases that receive no payments, we face a huge challenge to mitigate the impact this has on our performance numbers. Enforcement options are limited with the growing community of undocumented workers in our caseload who frequently work in the cash economy or work under aliases and may not be subject to the automatic income withholding provisions of the state statutes. Additionally, there are always a certain number of

payers who become incarcerated or have pending claims for disability. We have no remedy to blunt the effect of case parties who cannot be found or will not cooperate to get interim orders while these conditions of no pay are pending.

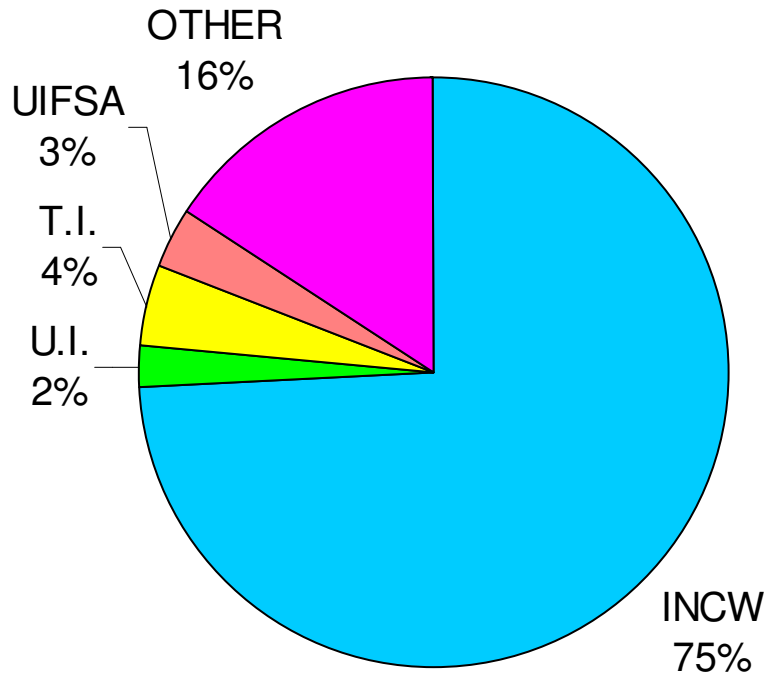
Various members of the Jefferson County staff participate as members of the Bureau of Child Support work groups addressing financial records examination, improvements to the KIDS system and development of new legal documents. We continue to participate on various committees and have a board member for our state organization, the Wisconsin Child Support Enforcement Association. We attend all Contract and Budget Committee meetings and participate in the efforts of the WCSEA Legislative Committee which helps us stay on the cutting edge of performance improvement. The Jefferson County Director was invited to be a participant at a Child Support Summit meeting assembled on November 8 and 9, 2006 in Madison. Managers from small, medium and large counties met with Bureau of Child Support leaders to identify strategies to deal with funding cuts imposed by the 2005 DRA. Twelve major program recommendations were developed and continue to be expanded and implemented to help sustain our program.

We are hopeful that we will qualify for all performance measures and receive 100 % of available funding for 2007. Our children are our future and the staff of the Jefferson County Child Support Agency is committed to sustaining our good efforts to ensure that they have bright future.

Child Support - Collection Comparison 2005/2006



2006 Child Support Collections (IV-D and NIVD)



Total Collections			
Income Withholding	INCW	\$	10,231,580.45
Unemployment	U.I.		327,637.27
Tax Intercept	T.I.		609,106.51
Other States	UIFSA		439,797.91
Other Sources	OTHER		2,194,060.21
Totals		\$	13,802,182.35

Child Support Hearings in 2006

Type	No. Hearings
Initial Paternity	116
Paternity Pretrial	80
Contempt - Genetic Tests	4
Establish Support & Health Ins.	46
Action to Compel	98
Modification of Support	331
Establish Pymt on Arrears	18
Contempt - Non Support	945
TOTAL IV-D HEARINGS	1638

