

OHIO CHILD SUPPORT

A NEW VISION

ANNUAL REPORT SFY 2002
JULY 1, 2001 - JUNE 30, 2002

OFFICE OF CHILD SUPPORT
OHIO DEPARTMENT OF JOB AND FAMILY SERVICES
COLUMBUS, OHIO

New Leadership

Both the Ohio Department of Job and Family Services and the Office of Child Support experienced changes in leadership during this program year. A new ODJFS director, Tom Hayes, was named in September 2001 and assembled his management team to include China Widener, former OCS deputy director, as assistant director of programs for families and children. Hayes' initial focus was on conserving and monitoring spending while infusing professionalism and integrity into the agency's operations.

After many months of transition within the Ohio Department of Job and Family Services, the Office of Child Support put together a leadership team that was prepared to move the Office forward during the 2002 fiscal year. Development of this team has enhanced the Office's structure for fiscal and programmatic accountability. Joseph Pilat, former director of the Franklin County Child Support Enforcement Agency was appointed head of the state's top child support office. Pilat's 27 years experience in child support, particularly in two large county agencies, has enhanced the department's understanding and perspective of complex metropolitan operations. Pilat joined John Gore, an assistant deputy who had been appointed in February 2001 to oversee OCS fiscal and administrative operations. Gore has extensive management experience, having served in various administrative capacities for the department for over 17 years. Pilat then named Barbara Stafford as his assistant deputy for Programs and SETS. Stafford brought to the position years of child support experience as an administrator of a medium sized agency and a strong relationship with the Ohio Child Support Enforcement Agency Directors' Association (OCDA). A new SETS administrator with years many of experience in the Montgomery County CSEA, Jeffrey Aldridge was hired and the Department named Keith DeValle as the SETS Project Director to manage the SETS project for the Office of Child Support.

New Vision

The Office of Child Support has embarked on an ambitious strategic planning effort that has involved input from every area and staffing level within the Office. The Office has critically examined the mission of the state child support office and the leadership responsibilities incumbent in the administration of the program. It has established goals for the next three years. The Office will be incorporating the recommendations of various audits and committees in its strategic plan in order to provide the leadership and responsiveness necessary to move the child support program forward over the next several years.

Vision of the Office of Child Support

The Office of Child Support is the national leader in performance, customer service, and innovation

Mission

The Office of Child Support provides the leadership, structure, and resources to advance the child support program in Ohio

Ohio's Office of Child Support shall be:

Accountable to customers, counties & general public

Consistent in all information provided

Responsive with timely & accurate information

Certified by the federal government for our automated tracking system

Focus on Performance

Performance and accountability became increasingly important to ODJFS as it began examining its services to Ohioans and the impact its operations had on the lives of families. ODJFS launched a state of the art Performance Center modeled on the highly successful CitiStat operation in Baltimore and CompStat Model of Police Management in the New York City Police Department. The Performance Center uses performance assessment to improve productivity and ensure accountability. The Office of Child Support began developing broad service goals to be incorporated in ODJFS' Performance Center. The initial goals established during SFY 02 were related to the state's performance response to SB170 and to performance on the federal Data Reliability Audit that drives the percentages of federal incentive dollars that will come in to the state of Ohio.

The Office of Child Support continued to move forward on full certification of its automated tracking system. Preliminary certification, indicating the system met the Family Support Act 1988 standards was issued in November 2000. A federal site visit in May 2001 indicated the system needed only small adjustments to achieve full certification. Work on these areas proceeds in preparation for the return federal visit to review the system for the final certification.

In August 2001, the Office of Child Support was ordered by Governor Taft to review child support cases from October 1997 to September 2000 to identify those in which state income tax refunds and or past due child support payments were retained by the state to offset the cost of public assistance. With passage of legislation, the state and counties began an extensive review of identified cases and in April 2002, the first checks were issued to families as a result of corrective calculations.

Performance Outcomes: The Self Assessment

The Personal Responsibility and Work Opportunity Act of 1996 mandated that all states perform an annual self assessment of their child support enforcement program. This year's review covered the period October 1, 2000 through September 30, 2001. The components, as set forth in federal regulations, include an executive summary, the results of the review and a description of proposed actions. Beginning with the SFY01 self assessment, Ohio began the transition to an automated review process. This year, four of the eight categories were automated and four were completed manually. As such, the report is broken down into "Automated" and "Manual" sections. The Ohio Child Support Program met or exceeded federal standards for all criteria except Establishment of Support Orders, where the state registered as marginally compliant with a performance of 74 percent, one percentage point below the federal standard.

Automated Criteria	Federal Standards	Ohio Results FFY 2001
Case Closure: Permissible Reason Required Notice Provided	90% 90%	98% 97%
Review and Adjustment of Orders	75%	75%
Establishment of Support Order (including paternity)	75%	74%
Disbursement of Collections	75%	98%

Manual Criteria	Federal Standard	Ohio Results FFY 2001
Enforcement of Orders	75%	89%
Expedited Process: Disposition within 6 months Disposition within 12 months	75% 90%	84% 100%
Medical Support	75%	87%
Interstate Services	75%	88%

Performance Outcomes: The Data Reliability Audit

The Data Reliability Audit (DRA), conducted by the federal Office of Child Support Enforcement, remains a critical component of our automated tracking system reports output review. It assesses the completeness, reliability and security of the data and the accuracy of the reporting systems used in calculating performance indicator data. In the FFY01 audit, Ohio was above the 95 percent confidence level in 6 of the 8 performance indicators, however, one of the indicators was at 94 percent confidence level. We are confident that the major issues identified in the audit either have been resolved or are being addressed. Our county monitoring will assist us in maintaining an overall 95 percent efficiency rating in the next DRA.

The Auditor of States' Child Support Performance Review

In February 2001, ODJFS requested the Ohio Auditor of State to conduct a performance audit of Ohio's Child Support Program. The Auditor's objective was to identify the issues that were preventing effective and efficient administration of the child support program and, through analysis and research of best practices, develop recommendations to improve procedures, processes and systems that would result in a statewide program that consistently provided quality services to its customers and was administered in accordance with federal and state regulations.

In June 2002, the Auditor of State issued 98 recommendations related to 13 areas of assessment. The areas are:

- Strategic Planning and Measurement
- Support Enforcement and Tracking System (SETS)
- Child Support Payment Central (CSPC)
- Payment Analysis and Reconciliation Center
- Central Paternity Registry
- New Hire Reporting
- Interstate Central Registry
- Medical Support Establishment and Enforcement
- Financial Institution Data Match
- SETS Help Desk
- Customer Inquiry Call Center
- County Child Support Agency (CSEA) Interface
- Contract Management

The results of the audit are based on field work conducted through October 2001. The Department has either completed or is in the process of addressing 90 of the 98 findings, 37 of which had been completed by the time the audit findings were released. The Auditor's report did not reflect the effort of the Office of Child Support and ODJFS to address issues or implement improvements during and subsequent to the review.

During the audit period, the entire management structure of the Office of Child Support was being redesigned. The restructuring is complete, critical staffing has been enhanced and strategic planning is well underway. Contract monitoring has been strengthened through stringent management accountability and detailed process changes. All dimensions of the program will receive concentrated training attention with the addition of an in-house training coordinator. The focus of the office has shifted specifically to performance monitoring to ensure that federal program requirements are met timely and accurately. Steps have been taken to continue to stabilize the SETS system and make operational improvements. The management team, consisting exclusively of state staff has been and will continue to provide direction and oversight to all projects undertaken by the office.

County CSEA Monthly Monitoring

In Ohio, the child support program is state supervised and county administered. This means that the state pursues appropriate legislation, creates rules and regulations, provides counties with technical assistance and allocates funding. Each of Ohio's 88 county child support enforcement agencies (CSEAs) actually implements the program components. The performance of the counties in providing services to its customers by carrying out the various components of the program is tied to the funding incentives that Ohio receives from the Federal government.

County monthly monitoring of the local CSEAs was established in June 2002 in response to federal requirements to move toward a performance based incentives structure and in order to ensure Ohio passes all categories of the federal self assessment.

OCS included an additional area of monitoring in response to federal certification team findings. In order for Ohio to receive certification of its automated Support Enforcement Tracking System (SETS) as having incorporated Family Support Act of 1988 (FSA88) and Personal Responsibility Work Opportunity Act (PRWORA) changes, the state was asked to improve its supervisory review processes and its IV-A Referrals/IV-D Application processing. OCS monthly monitoring includes both of these areas.

Monthly monitoring is an opportunity for the state and counties to work toward improved performance, federal certification and accurate data input into SETS.

Child Support Reform Shareholders Group

The Child Support Reform Shareholders' Group (CSRSG) was formed in April 2001 to assist the Ohio Department of Job and Family Services (ODJFS) and county child support enforcement agencies in their effort to improve the quality of services in the child support program. The CSRSG is comprised of county and state staff, a federal government representative, parents, judges, prosecutors, advocacy groups, legislators, employers and prosecutors.

The CSRSG's task is to review financial, administrative, program, policy, customer service, technology and inter-system issues. Recommendations were made to the ODJFS Director, the Governor and the state legislature for improvements that are specific, realistic and measurable.

Since the recommendations will be strongly supported by research and will have the buy-in of the shareholders, it is expected that, in time, many of the recommendations will be implemented.

After implementation, it is expected that child support customers will benefit from improved quality in the delivery of services. In fact, customers and shareholders have benefitted already from improved program awareness.

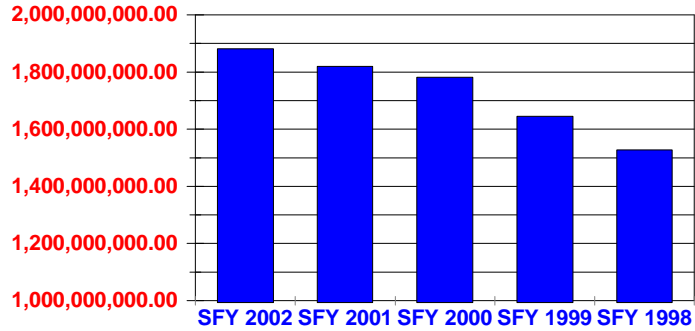
Preparing for Proposed Incentive Changes

Ohio began preparations for the phased in federal changes to the calculation of incentive dollars to states. OCS will be restructuring the distribution of these dollars to Ohio's 88 counties in SFY 03 with new formulas based on individual county performance. OCS will phase in the implementation of the incentive formula so that counties will not be adversely affected. The actual application of the formula will begin in January 2005. The roll out of county monthly monitoring has supported our preparations for the incentive change by providing counties with the tools with which to increase their compliance with federal regulations. Increasing incentive dollars to Ohio's county operations helps to maintain the level of service necessary to increase the number of families who will receive support and to assist children in establishing parentage that may result in financial, medical and social well-being.

Collections

Ohio Child Support continues to be a national leader in the collection of child support. Ohio consistently ranks second in the nation in collections distributed. This ranking

COLLECTIONS



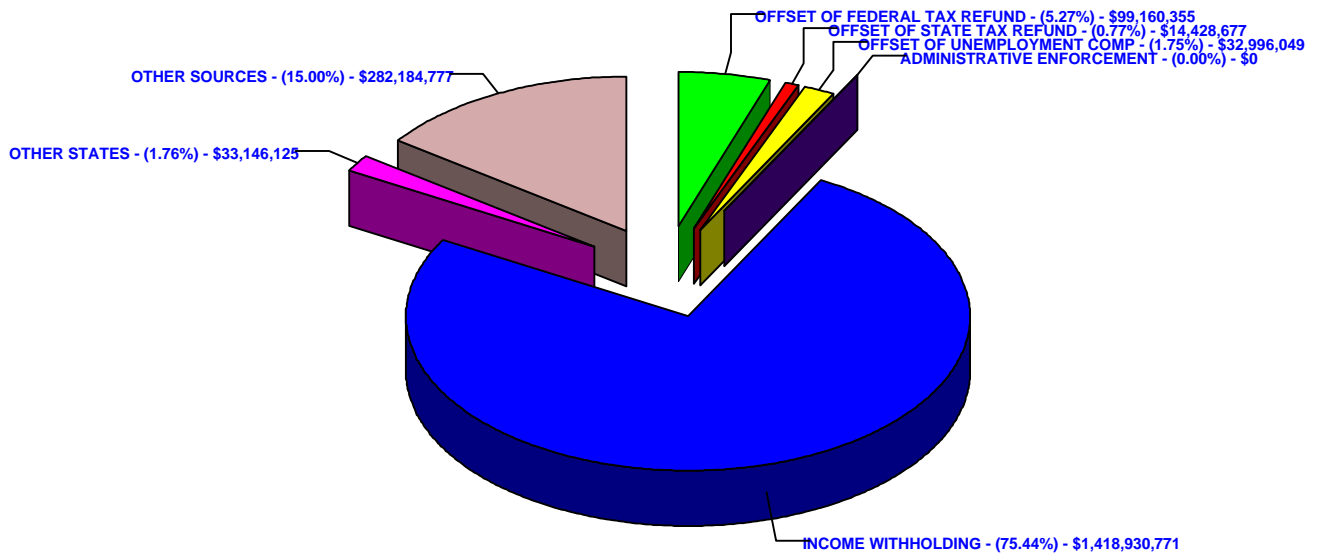
reflects the hard work of staff in the county child support agencies, using all available enforcement remedies to collect support for Ohio families.

Collections increased this fiscal year in Income Withholding, one of the two largest specific source categories. The other is Tax Offsets.

	SFY02	SFY01
Total Collections	\$1.9 billion	\$1.78 billion
Collections from Income Withholding	\$1.41 billion	\$1.33 billion
Collections from Tax Offsets (IRS & ODT)	\$113 million	\$129.2 million

In SFY 02, Ohio collected \$1.9 billion through varied methods of collection. The chart below identifies all of the sources, of which income withholding is the largest at over seventy-five percent. (Percentages do not add up to 100 due to rounding.)

Source of Child Support Collections State Fiscal Year (SFY) 2002



Source: QFR023RA & QFR023RB reports, July 2001-June 2002

Program Outcomes

With the increased use of specialized enforcement techniques such as license suspension (including driver's licenses), financial institution data matching, passport denials, Round Ups, Most Wanted Posters and new hire reporting, county CSEAs have seen improved statistics in a variety of program measures. County and state outreach, including enhanced web sites, county and regional forums, and attendance at state and local fairs, have expanded access to information about Ohio's program. Enhancements to the state's Customer Inquiry Call Center (CICC) such as increased staffing, training and development of their mission and performance objectives have enabled the CICC to provide more accurate and timely information to thousands of callers.

In SFY 02, the local CSEAs entered into more than 375 local contracts for service, ranging from agreements with Prosecutor's offices, to Clerk of Courts for filing, to Sheriff's Departments for service of process and extradition. OCS negotiated 15 statewide contracts for the provision of child support services including DNA testing, collections, data matching, New Hire Reporting and collection and disbursement.

Statistical Comparisons for SFY 01 and SFY 02

	SFY 02	SFY 01
Total Cases	903,736	915,797
Total Cases with Support Order	643,410	618,831
Total Paternities Established	53,558	54,198

Other Measures for SFY 02

Motor Vehicle licenses suspended (11/1/01 - 6/30/02)	3,404
New Hire Reports processed	2,582,898
Collections through state contracts with private vendors	\$26,488,845
Number of Passports reinstated from denials	216
Collections as a result of Passport reinstatement	\$353,689

Administrative Accomplishments

The Office of Child Support continues to focus on training and customer service enhancements. In January 2002, the newly established position of training coordinator had an immediate and urgent agenda. The training coordinator focused efforts on bringing together available resources and establishing free training with in-house staff resources. OCS reviewed existing training and began to forge relationships with the automated systems training program, TOPS in Human Services program training and associations such as the Ohio CSEA Directors' Association, Ohio Family Support Association and the Ohio Job and Family Support Association. By March 2002, a special training internal website was launched linking existing resources and publicizing new training opportunities. The use of video conferencing as a routine form of communication was established in OCS in late June 2002.

In April 2002, Ohio hosted the Eastern Regional Interstate Child Support Association conference in Cincinnati. The training coordinator secured over 50 state and county volunteers to ensure a successful conference. OCS deputy Joseph Pilat opened the conference with welcoming remarks.

The Bureau of Customer Service formalized its processes for responding to and researching inquiries received not only from the general public, but from legislative entities such as the governor's office, federal offices and legislators, who call on behalf of their child support customers. Use of internal software tracking systems, legislative inquiry response tracking programs, automated call distribution systems and an interactive voice response unit for payment status enhance the office's ability to address customers' concerns. The Office also launched its own biweekly internal newsletter to ensure that all state staff are apprised of activities, training and new program initiatives.

Charitable Activities

OCS staff participated in a number of activities throughout the year that demonstrated their dedication and caring for their fellow Ohioans. A favorite charitable activity of staff is the Adopt A Family program. Fund raisers and donations enabled OCS staff to assist many children and their parents with clothing and toys for the holiday season. In addition, staff gave overwhelming support for the Operation Feed project. Canned goods and non-perishable food items along with cash contributions for fresh food were generously donated. In keeping with long standing support of the Combined Charitable Campaign, staff pledged a portion of their paychecks to support those community organizations that are important to them and assist their friends, neighbors and other individuals in need.

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