

**JOINT FINANCE COMMITTEE HEARING
FISCAL YEAR 2020 BUDGET**



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DIVISION DIRECTOR**

DIVISION OF CHILD SUPPORT SERVICES
Department of Health and Social Services
FEBRUARY 21, 2019
Legislative Hall, Joint Finance Committee Hearing Room

Good afternoon Representative Johnson, Senator McDowell, members of the Joint Finance Committee and the public. I am Ted Mermigos, Director of the Division of Child Support Services (DCSS). With me today is Julie Shahan, the Division's Deputy Director and Heather Morton, our Division's Chief of Administration.

Thank you for the opportunity to speak with you today and present our accomplishments and Fiscal Year (FY) 2020 Governor's Recommended Budget.

DIVISION OVERVIEW

Collect, distribute, disburse and account for child support collections from non-custodial parents to families in Delaware and across the country

Locate non-custodial parents

Establish paternity for children born out-of-wedlock

Establish and modify financial and medical court orders

Respond to inquiries from the public, state and federal partners



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The mission of the Division of Child Support Services (DCSS) is to promote family independence by reducing dependency of single parent households through the collection of monetary child support payments and medical support from non-custodial parents. This mission is achieved through the effective use of paternity establishment programs, aggressive case processing and enforcement techniques, efficient collection and prompt distribution of child support payments.

Each of our core functions represent a discrete, yet interrelated process which must be completed to achieve success in securing financial support for families.

COLLECTIONS AND PAYMENTS

Source of Payments

| Payment Types | FY 2016 % | FY 2017 % | FY 2018 % |
|------------------|-----------|-----------|-----------|
| Electronic | 61% | 64% | 65% |
| Business Checks | 29% | 27% | 27% |
| Personal Payment | 6% | 6% | 5% |
| Other | 4% | 3% | 3% |
| Total: | 100% | 100% | 100% |



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It would not be a presentation from the Division of Child Support Services if we did not share with you the annual amount of collections sent to custodial parents. In FY 2018, we collected \$86 million and in FY 2019, we are on pace to maintain a similar collection level.

At one time, all payments received by DCSS required the involvement of multiple people to ensure accurate accounting of funds received. Today, because of electronic payments, DCSS is able to process 65% of all payments without manual intervention.

We are continuously exploring new ways to provide easy, safe and reliable payment options.

ALTERNATE PAYMENT METHODS

| SFY | iPayOnline Receipts | | | TouchPay Kiosks Receipts | | |
|------|---------------------|-------------|----------|--------------------------|-----------|----------|
| | Total Receipts | Total \$ | Increase | Total Receipts | Total \$ | Increase |
| 2016 | 14,272 | \$2,190,194 | 519% | 200 | \$51,973 | - |
| 2017 | 20,031 | \$3,425,711 | 56% | 981 | \$224,377 | 332% |
| 2018 | 24,295 | \$4,169,163 | 22% | 1,104 | \$262,554 | 17% |



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Through increased automation, child support payments can now be made via **iPayOnline** and through **TouchPay Kiosks**.

iPayOnline is a website where individuals and employers can make a one-time or re-occurring payment to DCSS from bank accounts and debit cards. The amount of payments through iPayOnline has steadily increased from the first year. In November 2018, we expanded payment options to include credit cards.

The TouchPay Kiosks, which work much like ATM machines, are located at the Division of Motor Vehicles and Probation and Parole offices in all three counties. There was an increase of 17% more receipts in the third year's usage. From a program perspective, the increased utilization of these two 21st century payment methods has been a huge success and continues to provide additional safe and secure payment options for our customers.

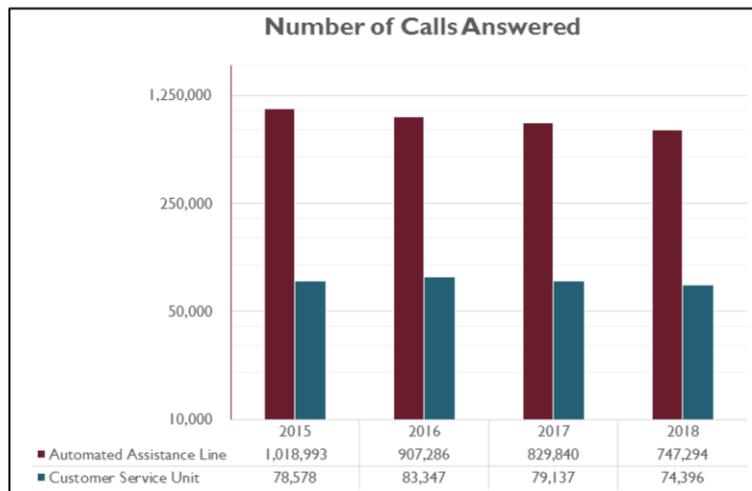
FACE TO FACE INTERVIEWS



Over the past three years, DCSS has worked hard to become more customer service centered. This began with the changing of our Division's name in May 2016 to the Division of Child Support Services. Our customers can reach us in many ways. One example is face to face interviews at our three office locations.

Statewide in 2018, over 26,000 customers walked into a Child Support office for service. This is down from 2017.

CUSTOMER SERVICE UNIT CALLS



In 2018, DCSS's Customer Service Unit received approximately 750,000 calls to the Automated Assistance Line (AAL). The AAL is available 24 hours a day, 7 days a week for individuals calling about case status and payment information. For complex questions beyond the AAL capabilities, Child Support Specialists are available Monday through Friday from 8:00 a.m. to 4:00 p.m.

Last year, DCSS Child Support Specialists answered approximately 74,000 telephone calls.

At DCSS, we consider the decrease in walk-in customers and telephone calls a positive as the Division develops new and more efficient ways for our customers to reach us.

In 2015, DCSS launched two new websites to assist customers in handling child support business without having to come to a child support office. The first, the Application for Services website and the second, our Customer Service Website.

ACCOMPLISHMENTS

Level IV Institutions-Work Release/CREST Incarcerated Individuals



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DCSS employees continue to work with the incarcerated at Level IV institutions in Delaware. Hundreds of individuals incarcerated at Level IV institutions have heard presentations and have asked questions related to their child support situations.

Our Delaware Fatherhood Program has also intersected with over 150 noncustodial parents statewide to provide training opportunities and assist in finding employment that will lead to livable wages and payment of child support obligations.

ACCOMPLISHMENTS

2018 Customer Satisfaction Survey

CUSTOMER
SATISFACTION



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DCSS successfully conducted a Customer Satisfaction Survey with 945 custodial and non-custodial parents who visited one of our three offices in February and June 2018. Seventy-seven percent (77%) of DCSS customers said they were “satisfied” or “very satisfied” with the resolution to the concern that brought them into a DCSS office. Eighty-two percent (82%) of DCSS customers viewed the information they received by a DCSS employee as accurate. As a management team we are happy with these results, but live by a philosophy that there is always room for improvement.

LOOKING AHEAD

DElaware **CH**ild **SU**pport **S**ystem – (DECSS)

October 3, 2018 – Five Year Anniversary of “Go Live” of the 21st Century, State of the Art Child Support System



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On October 3, 2018, the Division of Child Support Services celebrated five years of using the Delaware Child Support System, called DECSS. As we move into the next five years, we will continue to make systems enhancements that maximize case processing, child support accounting and payment processing activities.

FY 2020 GOVERNOR'S RECOMMENDED BUDGET

FY 2020 Governor's Recommended Budget (\$ in thousands)

| | GF | ASF | NSF | Total |
|---------------------|-----------|-----------|------------|------------|
| FTEs | 54.7 | 2.5 | 129.9 | 187.1 |
| Dollars (\$) | \$5,518.7 | \$1,263.4 | \$26,434.7 | \$33,216.8 |

Budget Definitions:

GF – General Funds
 ASF – Appropriated Special Funds
 NSF – Non-Appropriated Special Funds
 FTEs – Full Time Equivalent Positions

NOTE: Dollars may not add due to rounding



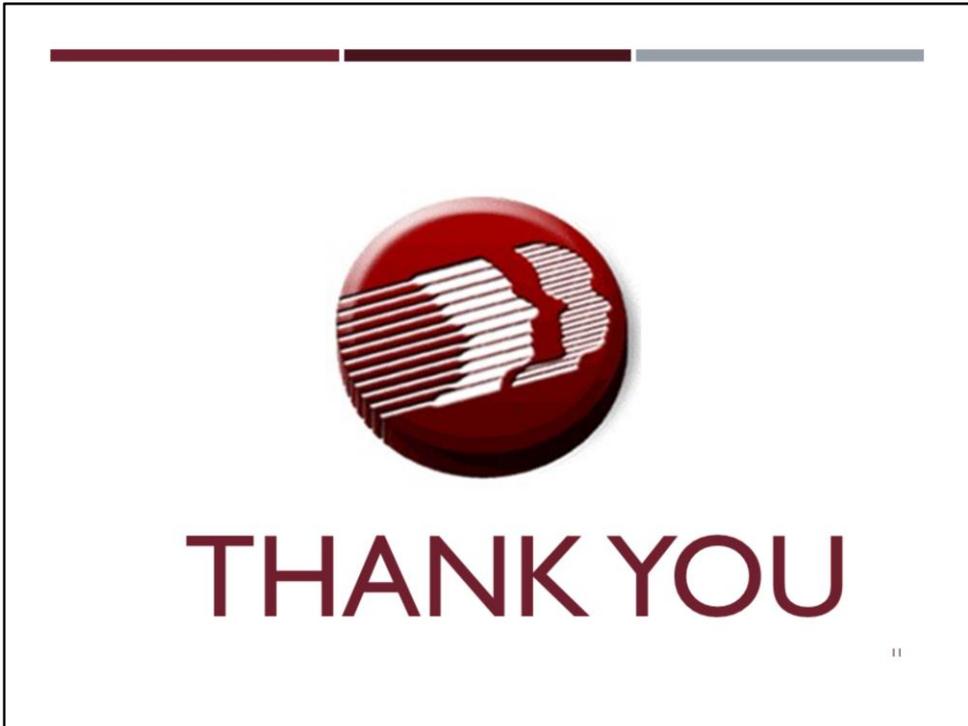
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Our Division's Fiscal Year 2020 Governor's Recommended Budget is:

- \$5,518.7 [Five million, five hundred eighteen thousand, seven hundred dollars] in General Fund (GF) dollars;
- \$1,263.4 [One million, two hundred, sixty three thousand, four hundred dollars] in Appropriated Special Fund (ASF) spending authority; and
- \$26,434.7 [Twenty six million, four hundred, thirty four thousand, seven hundred dollars] in Non-Appropriated Special Funds (NSF).

The Governor's Recommended Budget includes \$145.0 [One hundred forty five thousand dollars] in one-time funding for a Training and Curriculum Development Project. This funding would support the Government Efficiency and Accountability Review (GEAR) Board initiative allowing DCSS staff, both seasoned and new, to receive training which incorporates best practices and employee efficiencies in child support case management, audit preparation and payment processing. The goal is to develop a curriculum for classroom training, self-guided training on the Delaware Learning Center (DLC), and to create desk-aids and reference materials for staff to retain for future use.

Additionally in FY 2020, we continue to explore no and/or low cost program improvements that meet the goals set by the Governor's Action Plan.



Thank you for allowing me the opportunity to share some of our Division's accomplishments and vision for the next year. I am happy to answer any questions.