DEPARTMENT OF CHILD SUPPORT SERVICES

CALIFORNIA DEPARTMENT OF TECHNOLOGY

California Child Support Automation System (CCSAS)

Annual Summary 2015

March 1, 2015

This page intentionally left blank

Table of Contents

This page intentionally left blank

1. INTRODUCTION

In 1999, the legislature passed Assembly Bill 150 which directed the Department of Child Support Services (DCSS) to develop, implement, maintain, and operate a new statewide child support system. The California Child Support Automation System (CCSAS) Project was initiated in State Fiscal Year (SFY) 2003-04 to create a single statewide child support system that automates and centralizes all child support activities, including: locating absent parents; establishing paternity; and obtaining, enforcing, and modifying child support orders. In December 2008, the conversion of all county local child support agency (LCSA) operations to the single statewide system was completed. As a result of the single statewide system being operational, California closed out the project through the Post Implementation Evaluation Report process in January of 2014.

CCSAS consists of two major components: the State Disbursement Unit (SDU) and the Child Support Enforcement (CSE) System. The SDU was fully implemented in May 2006. The system currently collects, processes, and distributes all child support payments. The CSE provides a central database and case management system to support child support enforcement activities in all LCSAs.

Per Section 17561 of the Family Code, the California Department of Technology and DCSS are required to produce an annual report to the appropriate policy and fiscal committees of the Legislature by March 1 of each year. The report should include the ongoing implementation of CCSAS, including the following components:
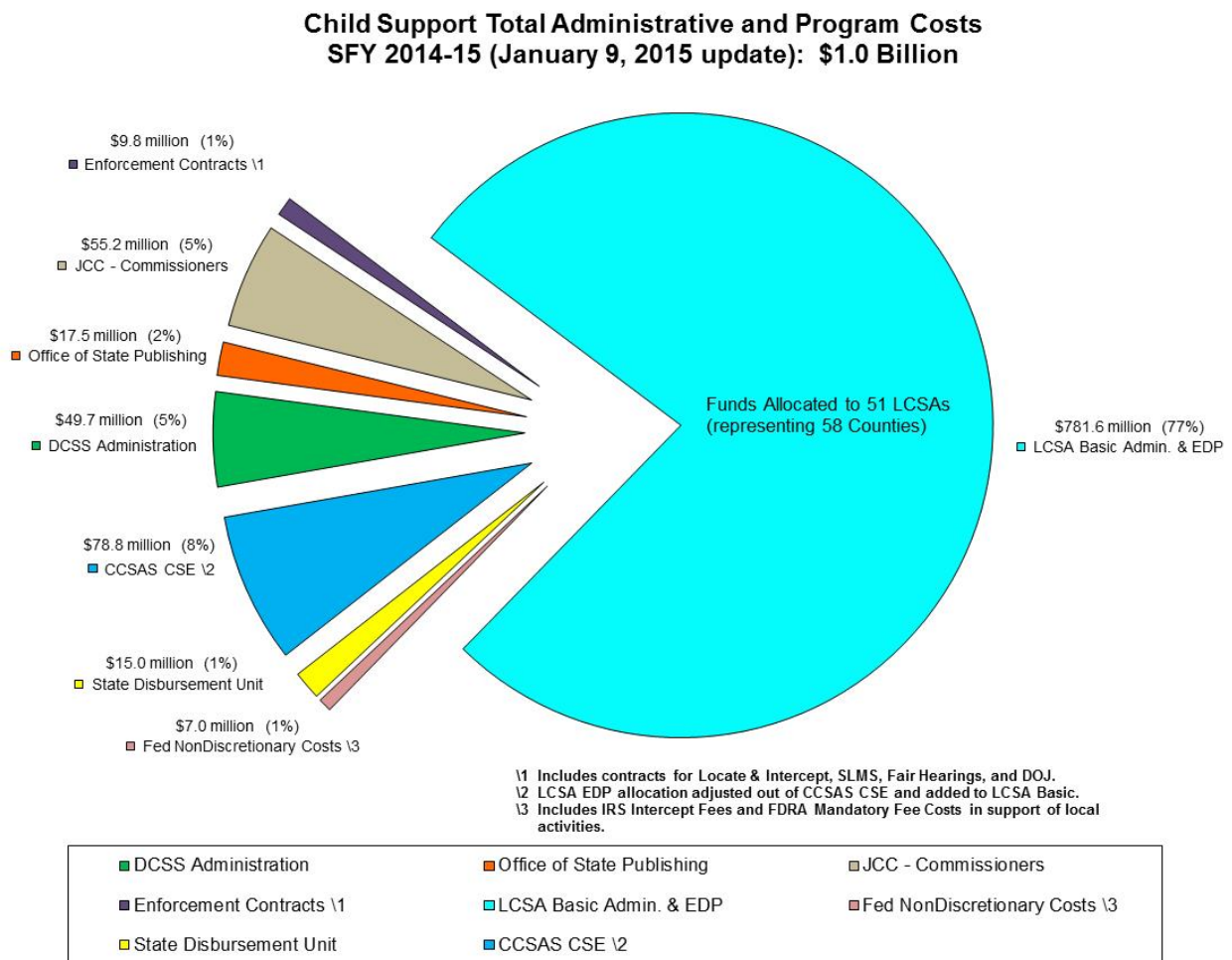
(a)   A clear breakdown of funding elements for past, current, and future years (Sec. 2).

(b)   Descriptions of active functionalities and a description of their usefulness in child support collections (Sec. 3).

(c)   A review of current considerations relative to federal law and policy (Sec. 4).

(d)   A policy narrative on future, planned changes to CCSAS and how those changes will advance activities for workers, collections for the state, and payments for recipient families (Sec. 6).

Consistent with this direction, DCSS and the California Department of Technology have developed this CCSAS Annual Summary. Sources for this report include the May 2014 Annual Advance Planning Document Update, the SFY 2014-15 Budget Act, and the SFY 2015-16 Proposed Governor's Budget.

2. FUNDING

Federal and state funding for CCSAS was first approved in SFY 2003-04 to initiate system development. In December 2008, California received federal certification of CCSAS, successfully concluding the state's efforts to create a single uniform system.

CCSAS continues to receive federal financial participation in the amount of 66 percent and State General Fund at 34 percent. Ongoing CCSAS funding supports required maintenance and operations activities. The pie chart below depicts how the CCSAS CSE and CCSAS SDU compare to the total budget for DCSS.

Child Support Total Administrative and Program Costs
SFY 2014-15 (January 9, 2015 update): $1.0 Billion

$9.8 million (1%)
■ Enforcement Contracts \1

$55.2 million (5%)
□ JCC - Commissioners

$17.5 million (2%)
■ Office of State Publishing

$49.7 million (5%)
■ DCSS Administration

$78.8 million (8%)
■ CCSAS CSE \2

$15.0 million (1%)
■ State Disbursement Unit

$7.0 million (1%)
■ Fed NonDiscretionary Costs \3

Funds Allocated to 51 LCSAs
(representing 58 Counties)

$781.6 million (77%)
■ LCSA Basic Admin. & EDP

\1 Includes contracts for Locate & Intercept, SLMS, Fair Hearings, and DOJ.
\2 LCSA EDP allocation adjusted out of CCSAS CSE and added to LCSA Basic.
\3 Includes IRS Intercept Fees and FDRA Mandatory Fee Costs in support of local activities.

■ DCSS Administration	■ Office of State Publishing	□ JCC - Commissioners
■ Enforcement Contracts \1	■ LCSA Basic Admin. & EDP	■ Fed NonDiscretionary Costs \3
■ State Disbursement Unit	■ CCSAS CSE \2	

The SFY 2014-15 Budget included the following adjustments to the CCSAS budget:

- Staffing Shift – Contract dollars for CSE Maintenance and Operations (M&O) Staffing Services were reduced by $4,374,000 and state salaries and benefits dollars were increased by $4,130,000 as state staff are being hired to take over M&O work being performed by contract staff.

Table 1 CCSAS CSE Project Cost Categories

Below are definitions for the cost categories shown in Table 2 of this report.

SERVICE CATEGORY	DEFINITION
Development	Development costs include: significant application software changes such as the redesign of a child support system's enforcement module; implementation of new electronic interfaces; development of a graphical user interface to replace character based user interfaces; installation of a document imaging component to the system; and application system migration from a mainframe-based architecture to a client server-architecture.
Operations	Operations costs include: state staff, operational expenses, and contract services to provide an operating environment that meets the availability and reliability requirements that are critical to the child support program. Operations activities include: production oversight, problem management, configuration and asset management, network and system administration, host and desktop hardware and software refresh, application modifications and testing, user help desk, central print and imaging, technical infrastructure and architectural support, Enterprise Customer Service Solution (ECSS) support, and application hosting.
Local Technical Support	Local technical support costs include: LCSA staff, contract support, and Operating Expenses & Equipment costs for support of local networks and desktop infrastructures.

Table 2 CCSAS CSE Project Costs

The table below provides the total CCSAS CSE actual and projected costs through SFY 2014-15.

TASKS	ACTUAL 2004/05 - 2010/11	BUDGET SFY 2011/12	BUDGET SFY 2012/13	BUDGET SFY 2013/14	BUDGET SFY 2014/15	TOTAL
Development	902,073,292	-	-	-	-	$ 902,073,292
Operations	382,759,098	73,876,571	68,413,633	68,705,620	68,461,440	$ 662,216,362
Local Technical Support	581,905,833	32,899,158	35,007,994	35,007,994	35,007,994	$ 719,828,973
TOTAL CCSAS Costs	**$1,866,738,223**	**$106,775,729**	**$103,421,627**	**$103,713,614**	**$103,469,434**	**$2,284,118,627**

Table 3 CCSAS SDU Project Costs

The table below provides the total CCSAS SDU actual and projected costs through SFY 2014-15.

BUDGET CATEGORY	ACTUAL 2004/05 - 2010/11	BUDGET SFY 2011/12	BUDGET SFY 2012/13	BUDGET SFY 2013/14	BUDGET SFY 2014/15	TOTAL
One-Time Costs						
State Administration	9,571,690	-	-	-	-	$ 9,571,690
SDU SP Services	29,928,908	1,060,000	-	-	-	$ 30,988,908
Subtotal	**$ 39,500,598**	**$ 1,060,000**	**$ -**	**$ -**	**$ -**	**$ 40,560,598**
Continuing Costs						
SDU - LCSA	7,901,360	295,000	295,000	-	-	$ 8,491,360
SDU - SP Services	132,415,637	18,091,000	14,671,000	-	-	$ 165,177,637
SDU - State	-	-	-	14,966,000	14,966,000	$ 29,932,000
Subtotal	**$ 140,316,998**	**$ 18,386,000**	**$ 14,966,000**	**$ 14,966,000**	**$ 14,966,000**	**$ 203,600,998**
TOTAL SDU COST	**$ 179,817,596**	**$ 19,446,000**	**$ 14,966,000**	**$ 14,966,000**	**$ 14,966,000**	**$ 244,161,596**

1. Actual Costs through 2007-08 from SDU Post-Implementation Evaluation Report; actual expenses SFY 2008-09 and beyond from CalStars.

2. State Administration Costs can be found in SDU SPR #4 (other contracts).

3. For SFY 2011-12, the one-time cost of $1.060 million reflects the final transition payment to the previous SP vendor (BofA).

4. Beginning in SFY 2012-13, the total cost reflects the full-year impact of the change in SP vendors.

5. Beginning in SFY 2013/14, DCSS' Subvention Tables rolled all SDU costs onto one line. This table has been updated to reflect the change

3. SYSTEM FUNCTIONALITY

CCSAS functionality continues to provide the following attributes that positively impact the cost effectiveness of the Child Support Program, both by increasing collections and containing costs.

3.1   Worker Effectiveness

- Statewide Access to Data – Regardless of their geographic location, caseworkers can view data for any case or case member. Case transfers occur within the system with minimal manual effort.

- Electronic Storage/Retrieval of Documents – DCSS Central Scan receives, scans and uploads county case documents into CSE for caseworkers. DCSS Central Scan's primary production team is the "Day Forward" group. Their sole responsibility is to scan and upload current documents generated by the counties into the CSE system. On average, this primary production team scans and uploads 500,000 pages of county documents per month. This is an ongoing workload to provide caseworkers with electronic documentation.

  DCSS Central Scan's secondary production team was established to scan and upload county case documents provided to the SDU for input into the CSE system. This effort continues to reduce the need for physical storage space within DCSS. In addition to the centralized effort, DCSS is working with several LCSAs to develop a local level scanning process that will save the state in shipping costs.

- E-Filing with California Court – CSE functionality provides a standard interface with the courts to transmit forms to the courts electronically. Thirteen types of forms, including the most frequently used (i.e., Summons and Complaints, Amended Proposed Judgments, Defaults and Proofs of Service) are included in this capability. E-Filing saves substantial time for caseworkers as well as court personnel.

  Currently, there are nine counties participating in e-Filing: Los Angeles, Orange, Riverside, San Bernardino, San Diego, San Francisco, San Joaquin, San Mateo, and Stanislaus. DCSS is actively working with additional courts to expand the use of e-Filing. Monterey County is scheduled to implement e-Filing this year.

  In addition, DCSS is implementing Electronic Correspondence Email Case Update Notifications to provide participants with the option of accessing documents online instead of receiving documents through the mail with courtesy email notifications for appointments and payments. E-Correspondence is expected to improve worker effectiveness and customer service.

3.2   Customer Service

- Self Service Website – The Enterprise Customer Service Solution (ECSS) is comprised of the statewide Automated Phone System and the Self Service Website. The Self Service Website, provides a single point of access so customers have more than just payment information at their fingertips. After entering their user login information, customers can access case-specific information as well as information regarding payments made by non-custodial parents and payments sent to custodial parties. This is done over a secured connection and does not require the customer to speak to a child support representative. If customers wish to communicate with a representative, they are able to communicate confidentially through the website and email responses are provided within 48 business hours. Customers can also update their contact information and obtain information about appointments. DCSS has seen an increase in customers using the Self Service Website. During calendar year 2014, the Self Service Website pages were visited approximately 9.5 million times (01/01/2014 through 12/31/2014), averaging approximately 790,000 log-ins per month.

- Mobile Web and Mobile App – The Mobile Web and Mobile App allow convenient access to our Self Service Website for our customers. The Mobile Web was implemented June 2013 and the Mobile App October 2013. This allows customers to access account information, payments, locate county information and other frequently asked questions through the Mobile App. Since inception, the Mobile App has had 69,796 total downloads through December 31, 2014; of the total downloads, 46,159 were to Android devices and 23,637 were to Apple devices.

- Automated Phone System – The Automated Phone System is a single statewide Interactive Voice Response (IVR) phone system that enables all customers to authenticate and quickly obtain information about their child support case through its self service capabilities or, if requested by the customer, they can transfer to a county or state representative for assistance. LCSAs and the state effectively utilize this system, which has contributed to performance and customer service improvements in the areas of reduced caller wait times and call abandonment rates. In 2014, the statewide average customer wait time was 2.04 minutes compared to 2.16 minutes for the same time period in 2013. The program's average abandonment rate also decreased from 8 percent to 6 percent in 2014. The IVR received 5,492,139 calls in SFY 2013-14.

  One of the key features of the ECSS statewide platform is the support it affords the department's disaster recovery and business continuity efforts. The flexibility of ECSS ensures the services can be delivered in times of local outages or emergencies. The other benefit is directly related to cost and operational efficiencies. ECSS has allowed counties to establish shared service call centers that enabled LCSAs to transition their calls to other LCSAs better equipped to service callers. This cost effective way of sharing services allows LCSAs to focus their resources on case establishment and enforcement related performance activities.

- Electronic Payments and Disbursements – Electronic payments and disbursements are faster, more accurate and less expensive to process than paper checks. With CCSAS, customers and employers are able to make one time or recurring payments by electronic debit from a checking or savings account, or with a Visa or MasterCard branded debit or credit card. The State Disbursement Unit (SDU) provides both credit card and bank account online payment options over the internet and via telephone using the SDU toll free number. Electronic disbursements include an electronic prepaid debit card with payments going directly to the customer's card account and direct deposit with payments directly deposited to a customer's savings or checking account. Total combined electronic collections and disbursements increased from 14 percent in SFY 2005-06 to 70 percent in SFY 2013-14.

- Additional Payment Methods – In the past year, DCSS implemented pilots programs for two new payment options to improve customer access and convenience. The first pilot is the placement of payment kiosks in the lobbies of two LCSAs. The Marin and Napa LCSAs piloted Touch Pay kiosks in these offices to provide a fast and convenient way for customers to make cash or credit card payments for their child support. This saves customers time and is more efficient for the LCSA as well. DCSS is pursuing a statewide contract for kiosk services.

  The second pilot project was implemented by the Contra Costa LCSA. It provides child support customers the opportunity to make payments at many retail locations that accept MoneyGram. MoneyGram is a money transfer company and provides a convenient way to make cash child support payments without having to travel to a child support office. There are approximately 6,200 MoneyGram locations throughout California where child support customers may make cash or debit card payments via MoneyGram. This is a particularly beneficial option for our unbanked customers who cannot write checks and mail them to the SDU or make electronic payments via the internet or telephone. On January 5, 2015, DCSS began statewide roll-out of this program in 6 waves, completing wave 6 on February 9, 2015. As of February 4, 2015, 544 payments have been made via MoneyGram for a total value of $143,697.57.

  We will continue to explore other methods to increase payment options for our customers.

3.3   Program Performance

DCSS is committed to continuously monitoring, measuring, and evaluating its performance in order to improve California's Child Support Program. DCSS receives a portion of its funding from the federal government based on an incentive system implemented under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. In order to qualify for these federal incentive payments, California's Child Support Program must achieve or exceed performance thresholds in key areas. If the program performance falls short, California may lose vital federal incentives and face financial penalties.

Federal Fiscal Year (FFY) 2014 data continues to reflect improvement in the federal performance measures except in Statewide Paternity Establishment Percentage. As in the past, California continues to meet the minimum threshold in every federal performance measure.

- Paternity Establishment Percentage – The Statewide Paternity Establishment Percentage measure for California in FFY 2014 was met at 98.2 percent. California has a continuing commitment to ensure all children have a parentage established. Statewide PEP measures the total number of children born out-of-wedlock for whom paternity was acknowledged or established during the FFY compared to the total number of children born out-of-wedlock during the previous FFY. The alternate paternity measure, IV-D PEP measured 101.2 percent for FFY 2014. The IV-D PEP measures the total number of children in the IV-D caseload who have been born out-of-wedlock and for whom paternity has been established, compared to the total number of children in the IV-D caseload at the end of the preceding fiscal year that were born out-of-wedlock.

- Percent of Cases with a Child Support Order – California's performance increased to 89.2 percent, an improvement of 0.2 percentage points over the previous year, and an all-time high for the California Child Support Program. This measure compares the number of child support cases with support orders against the total caseload.

- Current Collections Performance – California's performance increased to 64.9 percent in FFY 2014, an improvement of 1.6 percentage points over the previous year. California has continued to improve each year in this measure since FFY 2000. This measure compares the amount of current support collected to the total amount of current support owed.

- Arrearage Collections Performance – California's performance increased in FFY 2014 to 65.8 percent, an increase of 0.7 percentage points over the previous year, and an all-time high for the California Child Support Program. This measure has improved each year since FFY 2004. This measure compares the number of cases with child support arrearage collections to the total number of cases owing arrearages during the FFY.

- Cost Effectiveness – This measure compares the total amount of distributed collections to the total amount of expenditures for the FFY. This comparison is expressed as the ratio of distributed collections per one dollar of expenditure. California's cost effectiveness has improved since CCSAS was fully implemented. For example, California's cost effectiveness was $2.01 in FFY 2008 and $2.43 for FFY 2014.

4. LAW AND POLICY CONSIDERATIONS

Changes to state and federal law often result in amendments to the Child Support Program. Occasionally, these amendments also result in changes to the CCSAS system.

4.1   Data Reliability Audits

Pursuant to section 452(a)(4)(C)(i) of the Social Security Act, the federal Office of Child Support Enforcement is required to conduct annual audits to assess the completeness, reliability, and security of system data as well as the accuracy of reporting for state child support enforcement systems. States are required to meet a 95 percent data reliability standard in specified performance indicators. California passed the FFY 2013 audit in April 2014.

4.2   Changes in Law and Policy

The Governor signed legislation for the 2014 session related to child support services that affect either the SDU or CSE components of CCSAS.

- Assembly Bill 2252 (Chapter 180, Statutes of 2014) extends federal consumer protection rules associated with electronic deposit accounts and prepaid card accounts to financial entities transferring California child support payments and requires that accounts be held at insured financial institutions. This statute was effective January 1, 2015.

- Assembly Bill 1614 (Chapter 720, Statutes 2014) restores a liability protection provision for the Department of Child Support Services that was removed from Chapter 180, Statutes of 2014. This statute was effective January 1, 2015.

- Assembly Bill 2344 (Chapter 636, Statutes 2014) clarifies and determines legal parental rights between donors and parents by providing a standardized parentage form to be used as a written agreement. This statute streamlines the process for stepparent adoptions when there is no disagreement about parental rights and may reduce parentage-only litigation for local child support agencies. This statute was effective January 1, 2015.

In addition to the changes in state law, the President signed the following bill related to child support services that could have future CSE system impacts:

- HR 4980 (Public Law 113-183, Statutes of 2014) requires all states to implement the Uniform Interstate Family Support Act (UIFSA) 2008. California currently operates under UIFSA 1996. This bill includes provisions outlining congressional intent regarding voluntary parenting time arrangements, among other things.

- Notice of Proposed Rule Making (NPRM) (Title 45, Code of Federal Regulations, Parts 301 through 307) proposes amendments to several regulations within federal code with the intent to make the child support enforcement more flexible, effective, and efficient. Eight of the proposed changes have a potential impact to the California child support program and/or the partners with which we do business. Those are: payments to families; guideline; enforcement; case

closure; availability of federal financial participation; federal financial participation not available; reinvestment; and child support enforcement systems.

4.3   Guideline Calculator Mandates

Annual updates to the Guideline Calculator address changes in state and federal tax laws and related requirements. The counties and courts are required by federal law to use the Guideline Calculator to calculate child support order amounts. State law requires that the Guideline Calculator be certified each year by the Judicial Council.

5. TECHNOLOGY ADVANCEMENTS

Although CCSAS has been in M&O since October 2011, technology changes at a very regular pace as do the needs of the families and partners we work with and for. DCSS is still making strides in technology to improve the child support program. The following system related advances were made this past year:

- Query Interstate Cases for Kids - An electronic communication tool used by child support agencies to improve the quality and timeliness of intergovernmental case processing and customer service responses. Query Interstate Cases for Kids (QUICK) is a browser-based application that allows an authorized user to view financial and basic case data, including information on business actions taken by the other states related to locate, paternity, order establishment, and enforcement activities, as well as case status and contact information for the worker in the other states. QUICK facilitates timely data sharing through real-time access to another state's data, thereby expediting case management and saving time and money on the cost of paper, copying, faxing telephone calls and postage.

- Electronic Data Exchange – The Electronic Data Exchange (EDE) was developed as a way for states to exchange child support documents and Uniform Interstate Family Support Act (UIFSA) forms electronically to improve the efficiency and speed of child support case processing. EDE benefits states by reducing the costs of postage and handling and by delivering documents to other states faster than standard methods.

6. PLANNED SYSTEM CHANGES

Section 17561 of the Family Code requires DCSS and California Department of Technology to jointly produce an annual report to the policy and fiscal committees of the Legislature on the ongoing implementation of CCSAS. CCSAS has been in M&O since October 2011 and has no major implementation efforts planned.

Throughout the M&O, DCSS will continue system improvements for corrective, perfective, and adaptive changes that keep the services and system focused on continued effectiveness and efficient management. The changes will improve the overall efficiencies of CCSAS to meet customer service needs. One example is the CSE interface DCSS is currently developing. Virtual Interactive Online Application (VIOLA) is an interactive self-service application that will automatically begin case initiation activities. This application can be used with mobile devices or through the DCSS CSE public website. Not only will this new application improve communication with customers, it will increase caseworker effectiveness by providing more accurate, timely and usable program data that is automatically populated into CSE.

In addition, DCSS is in the process of determining the full impacts to the CCSAS system from various legislative changes like UIFSA and the NPRM.

As a result of the completion of the project, DCSS closed out the CCSAS Project in 2013 with a Post Implementation Evaluation Report. The report was submitted to the California Department of Technology in January of 2014.