

JOINT FINANCE COMMITTEE HEARING  
FISCAL YEAR 2019 BUDGET



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DIVISION DIRECTOR

DIVISION OF CHILD SUPPORT SERVICES  
Department of Health and Social Services  
FEBRUARY 22, 2018  
Legislative Hall, Joint Finance Committee Hearing Room

Good afternoon Senator McDowell, Representative Smith, 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 Chief of Administration.

Thank you for the opportunity to speak with you today and present our accomplishments and Fiscal Year (FY) 2019 Governor's Recommended Budget.

## DIVISION OVERVIEW

### Core Functions:

- Locate non-custodial parents
- Establish paternity for children born out-of-wedlock
- Establish and modify financial and medical court orders
- Collect, distribute, disburse and account for child support collections from non-custodial parents to families in Delaware and across the country
- Respond to inquiries from the public, by telephone, in writing and through state and federal political entities/partners



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 support payments.

Each of these steps represents a discrete, yet interrelated process which must be completed to achieve success in securing financial support for families.

## DIVISION OVERVIEW

### Source of Payments

Payment Types	FY 2015 %	FY 2016 %	FY 2017 %
Electronic	57.2%	60.8%	63.7%
Business Checks	31.6%	29.2%	27.2%
Personal Payment	7.0%	6.3%	5.8%
Other	4.2%	3.7%	3.2%
Total:	100.0%	100.0%	100.0%



It wouldn't be a presentation from Child Support if we didn't share with you the annual amount of collections sent to custodial parents. In FY 2016 we collected \$89 million, in FY 2017 we collected \$88 million, and so far in FY 2018 we are on pace to maintain similar collection levels.

At one time, all payments received by DCSS required multiple people to ensure accurate accounting of funds received. Today, because of electronic payments, DCSS is able to process over 63% of all payments without manual intervention.

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

## DIVISION OVERVIEW

### Alternate Payment Methods

SFY	iPayOnline Receipts			TouchPay Kiosks Receipts		
	Total Receipts	Total \$	Increase	Total Receipts	Total \$	Increase
2015	2,064	\$353,662	-	-	-	-
2016	14,272	\$2,190,194	519%	200	\$51,973	-
2017	20,031	\$3,425,711	56%	981	\$224,377	332%



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. The amount of payments through iPayOnline has steadily increased from the first year. In March 2018, we are expanding our payment options to include credit and debit 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 332% more receipts in the second year's usage. From a program perspective, the increased utilization of these two 21<sup>st</sup> century payment methods has been a huge success.

## DIVISION OVERVIEW

### Number of Walk-in Customers

County	2014	2015	2016	2017
New Castle	18,606	14,695	12,786	13,525
Kent	10,525	8,861	7,675	8,123
Sussex	10,174	9,074	7,950	8,368
<b>Total</b>	<b>39,305</b>	<b>32,630</b>	<b>28,411</b>	<b>30,016</b>



Over the past two years, DCSS has worked hard to become more customer service centered. This began with the changing of our 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 2017, over 30,000 customers walked into a Child Support office for service.

## DIVISION OVERVIEW

### Number of Calls Answered

Calls	2014	2015	2016	2017
Automated Assistance Line	1,168,595	1,018,993	907,286	829,840
Customer Service Unit Specialists	62,434	78,578	83,347	79,137



In 2017, DCSS's Customer Service Unit received approximately 830,000 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 over 79,000 telephone calls.

## ACCOMPLISHMENTS

### **Delaware Fatherhood Mission Statement:**

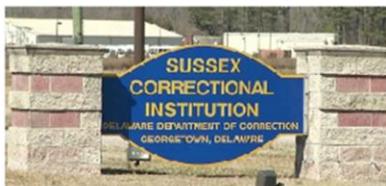
The Delaware Fatherhood Program will work to assist non-custodial parents (NCP) in locating resources leading to career employment with the goal of making above minimum wage, increasing the NCP's self-sufficiency, and to encourage increased emotional, parental and financial involvement in the lives of their children.



In the past year, DCSS has focused our priorities and activities on aiding the Governor's Action Plan to improve the lives of Delawareans. Beginning in October 2017, we partnered with the Division of Social Services (DSS) to continue the Delaware Fatherhood Program. By utilizing existing DSS Employment and Training programs contracted through the Department of Labor, Child Support non-custodial parents receive targeted services. Services include training, resume writing, coaching, mentoring, assisting with job search and making referrals to employers who are actively recruiting.

As of January 31, 2018, DCSS has referred 104 custodial and non-custodial parents to the program. We are expecting these referral numbers to increase as the program becomes a proven and effective tool in bettering employment opportunities for all DCSS parents.

## ACCOMPLISHMENTS



In 2017, we added the Incarceration and Supervision Resource Unit to our Fatherhood Initiative. The goal is to help those incarcerated understand the services provided by DHSS and DCSS. Staff are able to review specific child support case matters with the incarcerated, helping to resolve their child support concerns and hopefully reduce frustrations.

DCSS will continue to work on engaging the incarcerated and those under supervision by going into the prisons and probation and parole offices. We are exploring the use of video conferencing in these areas to answer questions and concerns inmates may have on their cases. By addressing issues timely, these individuals will have a better chance upon release to meet their child support obligations.

## LOOKING AHEAD



Looking ahead, DCSS is eager to start a dialogue with the re-entry non-profit community. The goal is to become part of the re-entry curriculum and provide regular outreach and information. Again, the philosophy behind working with non-custodial parents is to help them understand the child support process, aid with job search efforts and help them assimilate back into the community.

## FY 2019 GOVERNOR'S RECOMMENDED BUDGET

### FY 2019 Governor's Recommended Budget (\$ in thousands)

	GF	ASF	NSF	Total
<b>FTEs</b>	55.0	2.5	130.6	188.1
<b>Dollars (\$)</b>	\$5,542.9	\$1,263.4	\$26,434.7	\$33,241.0

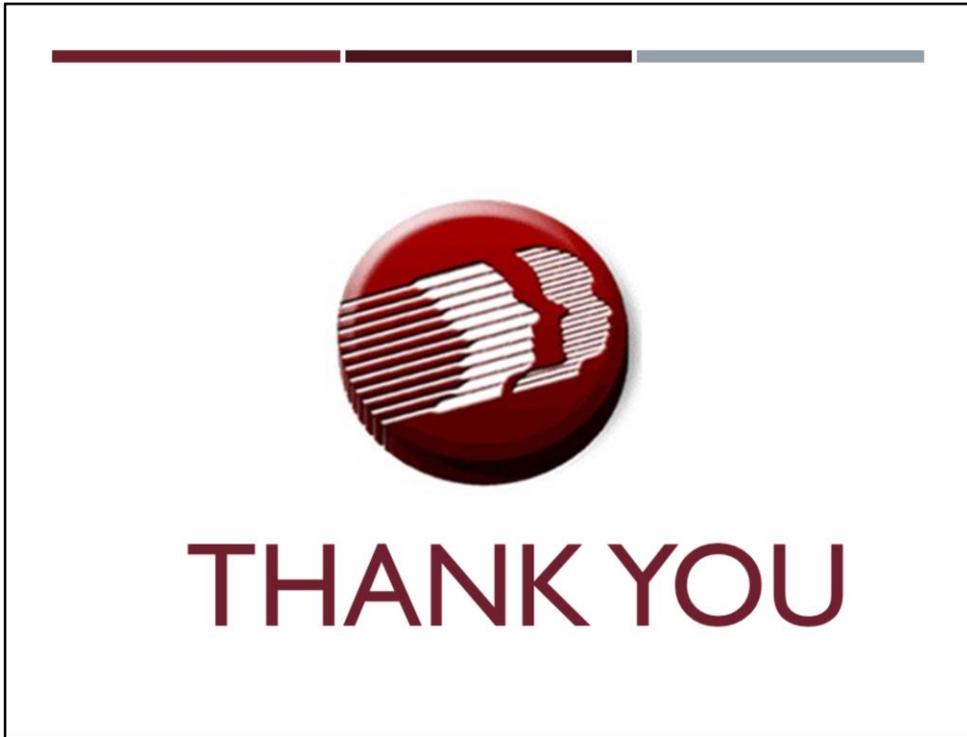


NOTE: Dollars may not add due to rounding

Our Division's Fiscal Year 2019 Governor's Recommended Budget is:

- \$5,542.9 [Five million, five hundred forty two thousand] in General Fund (GF) dollars;
- \$1,263.4 [One million, two hundred, sixty three thousand dollars] in Appropriated Special Fund (ASF) spending authority; and
- \$26,434.7 [Twenty Six million, four hundred, thirty four thousand dollars] in Non-Appropriated Special Funds (NSF).

This funding request will allow us to maintain the FY 2018 level of service while 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, challenges, and vision for the next year. I am happy to answer any questions.