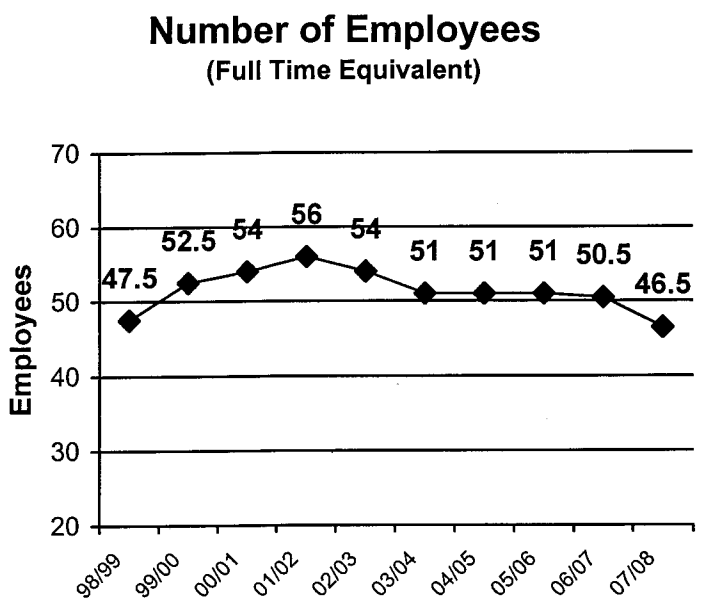
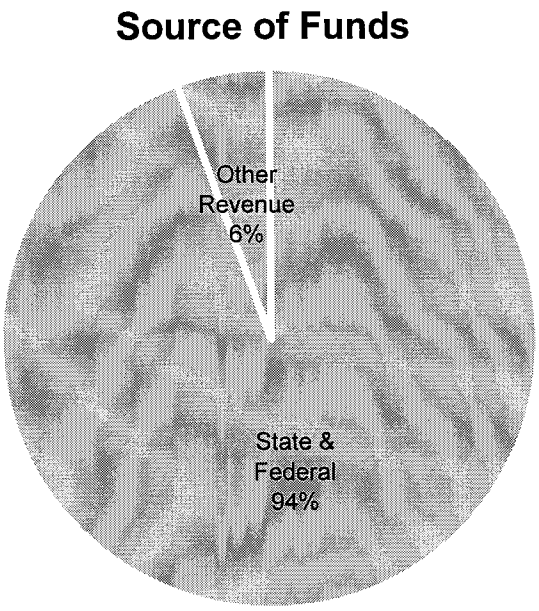
## MISSION STATEMENT

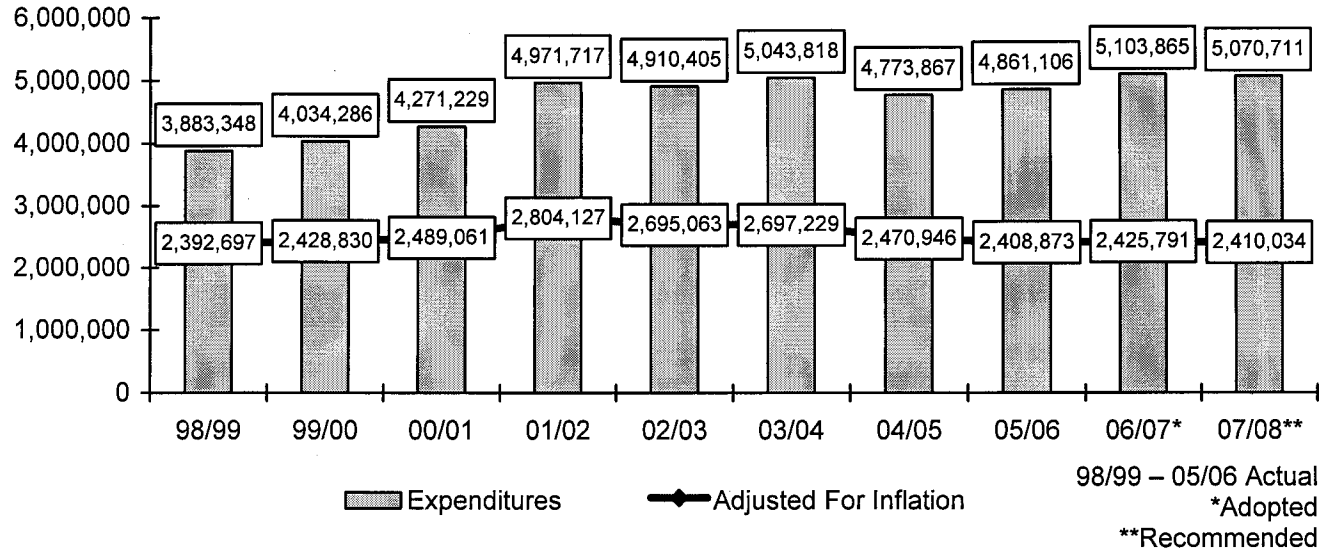
To improve the standard of living for the children we serve by ensuring that the parents of children who reside in our community receive the financial support to which they are entitled by law.

| Financial Summary | 2006-07 Budget | 2006-07 Projected | 2007-08 Requested | 2007-08 Recommended | Change From 2006-07 |
|---|---|---|---|---|---|
| Revenues | $ 5,103,865 | $ 4,893,865 | $ 5,070,711 | $ 5,070,711 | $ (33,154) |
| Salary and Benefits | 3,332,667 | 3,222,633 | 3,667,974 | 3,667,974 | 335,307 |
| Services and Supplies | 1,771,198 | 1,671,232 | 1,402,737 | 1,402,737 | (368,461) |
| **Gross Expenditures | $ 5,103,865 | $ 4,893,865 | $ 5,070,711 | $ 5,070,711 | $ (33,154) |
| General Fund Support (G.F.S.) | $ 0 | $ 0 | $ 0 | $ 0 | $ 0 |



## 10 Year Expenditures Adjusted For Inflation




**SERVICE PROGRAMS**

**Child Support Assistance to Families**

Ensure prompt establishment and enforcement of child and medical support for children who reside in our community or children whose non-custodial parent resides in the county. Open cases for child support applicants, interview case participants, conduct paternity investigations and establish paternity, establish child and medical support judgments, and enforce them to collect support.

Total Expenditures: $5,070,711 Total Staffing (FTE): 46.5

**DEPARTMENT COMMENTS**

The primary function of Child Support Services is to ensure that children receive the support they are entitled to. The Department of Child Support Services establishes paternity and court orders for child and medical support, and enforces court orders by collecting support from non-custodial parents. We encourage both parents to be involved in the lives of their children. To ensure accountability the department will monitor and evaluate performance in four key areas: Customer Service, Internal Business Processes, Finance, and Learning and Growth.

**Examples of results achieved in the past year FY 2006/07**

**Goal #1** **Customer Service -**

a. We communicate with our customers to determine their needs. It is an integral part of our jobs. Phone calls, correspondence, and emails from the public are most often replied to the same day received.

**Goal #2** **Internal Business Process Improvement -**

a. In October of 2005, we mapped every process in the office and discovered several inefficiencies that were remedied. Every year the performance bar is raised at the Department and Employee levels.

**Goal #3** **Finance -**

a. We saved $5,100 in utility costs through a concerted department wide effort to shut off all lights, computers, monitors, copiers, etc. at night, and when not in use.
b. Genetic testing contract was negotiated with a new provider, saving us over $5,000 per year.

**Goal #4** **Learning and Growth -**

a. Ongoing training needs were assessed based on staff surveys. Interviews with new employees and the staff they work with are conducted by supervisors at the end of 3 months, 6 months, and during the annual evaluation process.

**Major Focus for 07/08 -**

The department will continue to monitor program administration, performance measures, customer service and staff development at the worker, process, program and system levels on a monthly basis. Strategic Plans will continue to be developed annually. These plans are outcome based with tracking mechanisms in place so goals are structured to focus on accountability. This means everyone in the organization understands their role and how the individual impacts program administration, performance measures, and customer service and staff development.

**Customer Service Improvements -**

a. Our internet and intranet sites are being updated. The internet site has a link to contact our office, which allows the public to send and receive emails from us.
b. Continue to accommodate formal state hearings where complaint resolution efforts are unsuccessful. This office has several formal customer complaint state hearings every year and we have never lost a state hearing. It will continue to be our goal to resolve complaints through complaint resolution, or to prevail at state hearings where the complaint resolution has been unsuccessful.

**Internal systems and Continual Process Improvement –**

a. The Department's effectiveness is measured by how well we do when compared to other California Child Support Departments in the Federal Performance Measures. We have been ranked by the State Department of Child Support Services as the top performing county during the past four years. It will be our goal to retain the top ranking.
b. Continue to generate daily, weekly, monthly, and quarterly reports based on processes and system issues known to affect outcomes that impact program administration, performance measures, customer service, staff accountability/development, and training issues. This helps us manage the information that directly affects our performance measures.

**Finance –**

a. Countywide overhead is being reduced by $291,036 (64%) due to the State Disbursement Unit (SDU) taking over collection and distribution. The SDU is also saving us substantial postage and printing costs. Savings associated with countywide overhead covers the increase in salary and benefits, which includes the anticipated 3% COLA effective July 2007.
b. We have decreased costs in our service and supply accounts by $96,613 (7%), by continuing to work effectively with our external business partners, the District Attorney, Sheriff's Department, Superior Court, Clerk-Recorder, State Dept. of Child Support Services, other States, County Departments, and the public we serve. By effectively managing these relationships we have a better understanding of each other and become more constructive and efficient in our work. Staff is very receptive to new cost saving proposals. They willingly lower thermostats during winter months, shut off equipment when not in use, travel in large groups for training, and recycle office supplies, etc.

**Learning and Growth -**

a. Well trained, motivated, and accountable staff starts by hiring the best and smartest individuals possible. Interview questions related to personality traits are used to extrapolate whether a person possesses characteristics of a high performer.
b. Performance Measures are drilled down to the caseworker level. Caseworkers know how well they are performing compared to each other, as well as to caseworkers in other counties and states. There are a variety of reports that identify how an individual is performing and training issues are also discerned.

**COUNTY ADMINISTRATOR'S COMMENTS AND RECOMMENDATIONS**

This department operates entirely of revenue from state and federal sources and there is no County General Fund contribution to this budget. The recommended budget for this department is the same as the requested budget and shows an overall expense decrease of $33,154 (less than 1%) as compared to FY 2006-2007. The expected revenue from state and federal sources are projected to be $33,154 less than the revenues budgeted for FY 2006-2007. As a result, the department has trimmed expenses in services and supply accounts in order to compensate for the decline in revenue and increases related to prevailing wage and pension expense.

Overall salaries and benefits are increasing by $333,307. The 3.25% in pension related expense is about

$83,000 of the increase in salary and benefits. Most of the remainder is due to prevailing wage and staff step increases. The recommended budget augmentation for this department creates an Assistant Director position with an annual salary and benefit expense of about $145,000. Creation of this position is largely offset by the elimination of a Division Manager position resulting in a net increase of about $14,000 in salary and benefit expense.

The services and supply accounts are decreasing by $368,461 (20%). The bulk of this decrease is overhead charges which declined by $291,036. The remainder of the decrease is due to lower charges for networks services, insurance and other reductions in intrafund transfers to other departments.

Over the past few years, the department has maintained vacant positions in order to balance expenses and revenues. The salary savings from these vacancies help to balance the department's expense and revenue. The positions remained on the PAL with an expectation that state and federal funding would increase allowing the positions to be filled. The expected increase has not materialized and this year the department requests that several of vacant positions be eliminated. These include the aforementioned Division Manager position, and four other vacant staff positions for net decrease of 4 FTE.

The recommended budget funds current level of filled staff positions and services. Despite funding limitations, this department has remained the overall top performing child support agency in the state for the past several years.

## BUDGET AUGMENTATION REQUESTS RECOMMENDED

| Unit Amount | Description | Results |
|---|---|---|
| Gross expense: $145,000<br><br>General Fund Support: $0 | Add 1.0 Assistant Director position and eliminate one Division Manager Position. | Re-organization of office structure to create Assistant Director position will:<br>• Establish a path for succession by creating a second person in the organization with comprehensive knowledge and responsibilities over all organizational functions. This is consistent with the "Planning for the Next Generation" concept.<br>• Establishes a defined position and organizational structure in the department which has the essential knowledge and experience to operate the Department when the Director is absent or during emergency of critical situations.<br>• Creates efficiencies by incorporating the duties of the Ombudsperson position into the responsibilities of the Assistant Director thereby saving approximately $100,330 in potential expense. This allows the Department to focus limited funding on hiring and maintaining of Family Support Officers who establish and enforce support orders and contribute directly to department performance. |

## GOALS AND PERFORMANCE MEASURES

**Department Goal:** To ensure that children receive the support benefits they are entitled to as quickly as possible.

**Community-wide Result Link:** A well-governed and healthy community. San Luis Obispo Department of Child Support Services has been ranked #1 in the state for the past 5 years for overall performance.

**1. Performance Measure: Percentage of cases with a court order for child support.**

| 02-03 Actual Results | 03-04 Actual Results | 04-05 Actual Results | 05-06 Actual Results | 06-07 Adopted | 06-07 Projected Results | 07-08 Target |
|---|---|---|---|---|---|---|
| 93.43% | 94.99% | 94.85% | 95.08% | 95.00% | 95.00% | 95.00% |

**What:** Support orders are the legal documents which establish child and medical support.

**Why:** Establishment of support orders creates the legal basis to enforce obligations for child and medical support. The court order provides the legal basis to assist a family to get social security benefits for a child; the more court orders established the more children could receive the support to which they are entitled.

**How are we doing?** We exceeded our target for FFY 05/06 and will be ranked # 1 in the State for FFY 05/06 in this category. The state average based on the CASES comparative data as of 09/30/06 is 82.60%. We are on track to meet our target for FY 06/-7.

**Department Goal:** To improve the standard of living for the families we serve by ensuring a high percentage of current child support collections.

**Community-wide Result Link:** A healthy and prosperous community.

**2. Performance Measure: Percentage of current support collected.**

| 02-03 Actual Results | 03-04 Actual Results | 04-05 Actual Results | 05-06 Actual Results | 06-07 Adopted | 06-07 Projected Results | 07-08 Target |
|---|---|---|---|---|---|---|
| 59.80% calculated incorrectly | 63.94% | 66.25% | 66.83% | 67.80% | 67.80% | 68.00% |

**What:** The total current support collected during the course of the year as compared to the total amount of current support owed during the course of the year.

**Why:** So that families/children receive the financial support to which they are legally entitled.

**How are we doing?** We exceeded our target and ranked # 2 in the state for FFY 05/06 in this category. The state average based on the CASES comparative data as of 09/30/06 is 51.93%. We are on track to meet our target for FY 06/-7.

**3. Performance Measure: Percentage of child support cases in which past due support is owed and payment is received during the federal fiscal year**

| 02-03 Actual Results | 03-04 Actual Results | 04-05 Actual Results | 05-06 Actual Results | 06-07 Adopted | 06-07 Projected Results | 07-08 Target |
|---|---|---|---|---|---|---|
| 66.29% | 66.20% | 66.84% | 72.39% | 73.90% | 73.90% | 74.00% |

**What:** This measures the number of cases in which a collection of past due support was received during the federal fiscal year.

**Why:** So that families/children receive the financial support to which they are entitled.

**How are we doing?** We exceeded our target and are ranked #1 in the State for FFY 05/06 in this category. The state average based on the CASES comparative data as of 09/30/06 is 59.46%.

**4. Performance Measure: Total child support dollars collected per $1.00 of total expenditure.**

| 02-03 Actual Results | 03-04 Actual Results | 04-05 Actual Results | 05-06 Actual Results | 06-07 Adopted | 06-07 Projected Results | 07-08 Target |
|---|---|---|---|---|---|---|
| 3.06 | 2.95 | 3.16 | 2.82 for FFY 2005 | 3.13 | 3.13 | 3.13 |

**What:** This is an efficiency measure relating to the cost effectiveness of collection activities.

**Why:** To ensure that the cost collection ratio compares favorably to other counties within the state.

**How are we doing?** Although we did not meet our target for FY 05/06, we are on track to meet the FY 06/07 goal. We also note that the Statewide average for FFY 04/05 is $2.15 based on Comparative Data Report from the State Dept. of Child Support Services dated 1/27/06 that was released to the counties 2/28/06. Our total child support dollars collected per $1.00 of total expenditures did not meet our prior year target due to several factors. Expenditures continue to increase due to increased costs associated with salary and benefits, rent, utilities, professional services, insurance, and contract costs. Although our percentage of current support collected continues to increase, the total dollars collected decreased because over the years the number of new cases has decreased. In 2002 we opened on the average about 140 cases per month and closed about 200. We currently open 100 - 120 cases per month and close about 140-150 per month. Some of the reason for the decline in new cases is related to changing demographics with an aging population and our area's high cost of living that make it difficult for families to stay here.