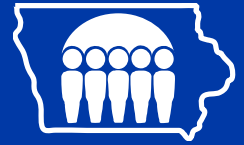


Child Support Recovery Unit



Purpose

The Child Support Recovery Unit assists custodial parents to receive court-ordered child support payments. Recoveries also reimburse taxpayers for the cost of public assistance (welfare).

Who Is Helped

Eligibility for services:

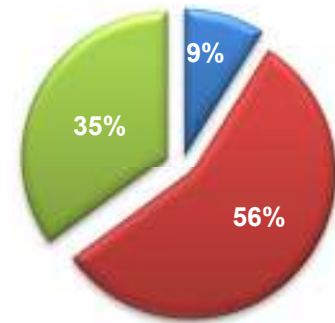
- All people who receive public cash assistance from the Family Investment Program (FIP). Recoveries reimburse government benefits.
- All people who pay a one-time fee (\$25) for help in recovering court-ordered support.

Number served:

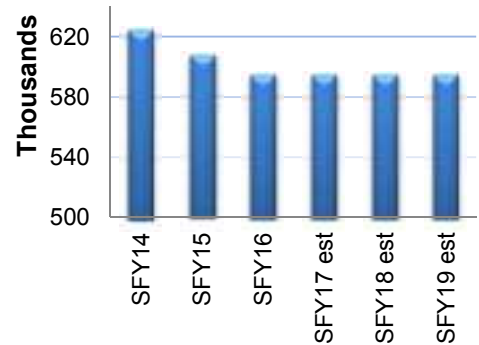
- In SFY16, CSRU served 594,377 parents and children on 168,857 cases. Of these:
 - 9 percent receive FIP.
 - 56 percent formerly received FIP.
 - 35 percent never received FIP. These people asked for the state's help in collecting child support and paid a one-time \$25 fee.
- Caseloads are projected to remain level through SFY18 and SFY19.
- During SFY16, in cases where support had been established or modified by CSRU, the median annual income of a custodial parent served by CSRU was \$15,540. For noncustodial parents served by CSRU, the median annual income was \$20,640.

Who Receives Child Support SFY16

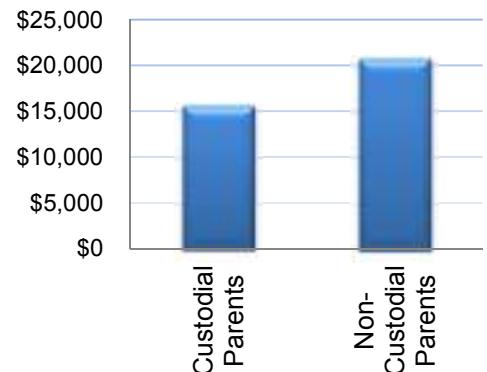
- Now Receiving FIP (9%)
- Former FIP (56%)
- Never FIP (35%)



Number of Parents and Children Served



Median Annual Income for CSRU Families in SFY16



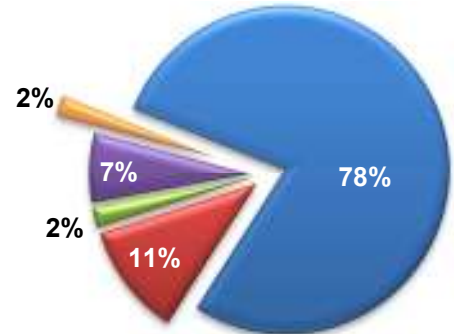
- ✓ *In SFY16, \$17.8 million in collections went to state and federal governments to offset the cost of public assistance.*
- ✓ *8.5 percent of custodial parents served by CSRU are male.*

Services

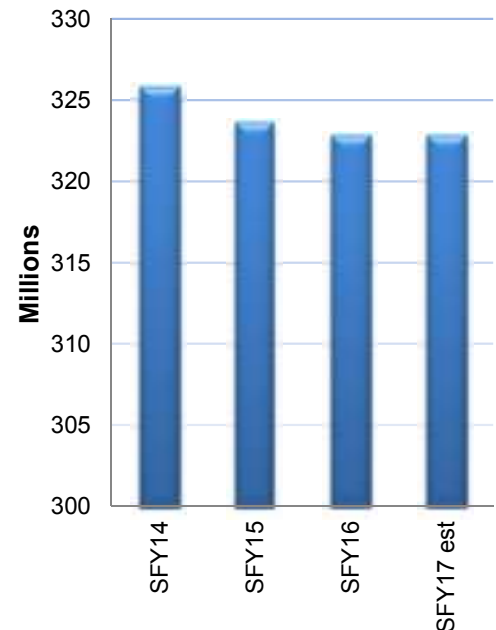
- The CSRU helps parents establish paternity and support orders and enforces orders for support. Child support collections help families with children become self-sufficient.
- Customers are served by 22 field offices, a centralized employer call center, the Collection Services Center, and a central operations unit.
- CSRU sent 167,222 income-withholding notices to employers in SFY16. Seventy-eight percent of collections come from employer withholdings.
- In SFY16, the Collection Services Center (CSC) processed 2,844,561 child support payments, totaling \$322.8 million.
- In SFY16, the CSRU filed 9,286 affidavits establishing paternity, 5,674 orders establishing paternity and support, and 4,468 modifications of support orders.

Child Support Collections SFY16

- Income Withholding (78%)
- Other (11%)
- Unemployment Benefits (2%)
- Tax Offsets (7%)
- License Sanctions (2%)



Total Child Support Collections



- ✓ *The average child support collected during SFY16 was \$173.59 a month.*
- ✓ *Child support helps address part of the estimated \$973 per month it costs to raise a child.*
- ✓ *In SFY17, 65 percent of the Child Support Recovery Unit operating budget is for staffing costs and 35 percent is for the support costs.*

Goals & Strategies

Goal: Secure financial and emotional support for children from both parents.

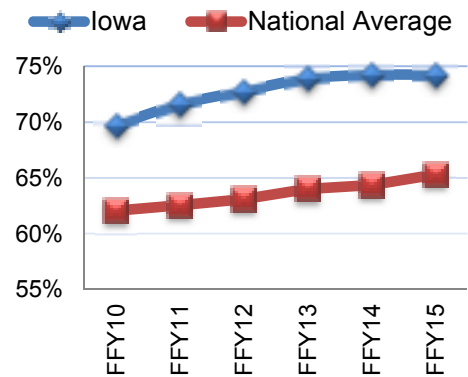
Strategies:

- Collect child support in the month it is due. Timely support is essential to family self-sufficiency.
- Make it easy for employers to deduct child support from wages.

Results:

- In SFY16, CSRU collected more than 74 percent of current support in the month due. Iowa routinely exceeds the national average.

Support Collected in the Month Due



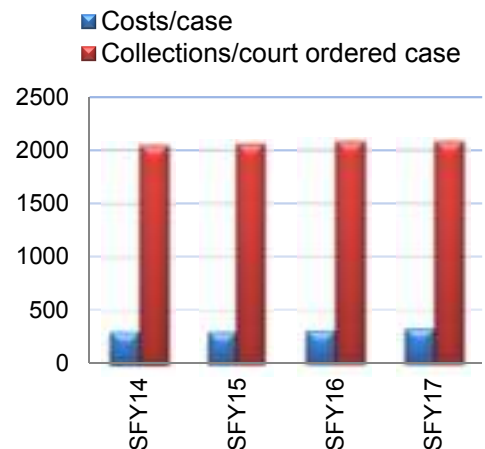
- CSRU collected \$251.1 million from employers in SFY16. Iowa was the first state to operate one-stop service center for employers.

Cost of Services

The average annual cost for CSRU to provide services is \$335 per case.

The CSRU collects an average of \$2,083 annually per court-ordered case.

Annual Costs & Collections per Case



- ✓ *During SFY17, each CSRU employee will collect an estimated \$639,251 in child support.*
- ✓ *During SFY16, the state cost per full-time equivalent employee of \$27,104 was largely covered by the \$17,762 returned in public assistance collections per FTE used to reimburse the FIP program.*
- ✓ *For every \$1 spent to collect child support, \$5.71 was collected for children, families, and to reimburse taxpayers for the cost of public assistance (welfare).*

<p>Funding Sources</p>	<p>The Child Support Recovery Unit is funded by state dollars and federal funds, including a match via federal financial participation and federal incentives based on key performance areas.</p> <p>The total budget for SFY17 is \$58,143,432:</p> <ul style="list-style-type: none"> • \$42,451,486 (73.0 percent) is federal funding. • \$14,663,373 (25.2 percent) is state general fund. • \$1,027,573 (1.8 percent) is other funding. <p>CSRU receives incentives based on performance in five key areas. Decreased availability of federal incentive dollars requires an additional state funding need.</p>	<p>SFY17 Funding</p> <ul style="list-style-type: none"> ■ State General Fund (25%) ■ Federal Funds (73%) ■ Other Funding (2%) <table border="1"> <caption>SFY17 Funding Data</caption> <thead> <tr> <th>Funding Source</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Federal Funds</td> <td>73%</td> </tr> <tr> <td>State General Fund</td> <td>25%</td> </tr> <tr> <td>Other Funding</td> <td>2%</td> </tr> </tbody> </table>	Funding Source	Percentage	Federal Funds	73%	State General Fund	25%	Other Funding	2%
Funding Source	Percentage									
Federal Funds	73%									
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<p>Legal Basis</p>	<ul style="list-style-type: none"> ✓ <i>In SFY17, CSRU will reimburse the FIP (welfare) program \$7.4 million (state share) in public assistance collections.</i> ✓ <i>CSRU collections reimburse the FIP program for public assistance benefits. Thus without full funding for CSRU, decreased public assistance collections will become an additional funding need for the FIP program.</i> ✓ <i>Without full funding for CSRU, families will be impacted by a loss of collections.</i> <p>Federal:</p> <ul style="list-style-type: none"> • 42 U.S.C. §602(a)(2) Additionally, in accordance with TANF Maintenance of Effort (MOE) requirements at 42 U.S.C. §609(a)(8) and §652(g) <p>State:</p> <ul style="list-style-type: none"> • Iowa Code, Chapters 252B, 252C, 252D, 252E, 252F, 252H, 252I, 252J, 252K • Iowa Administrative Code, 441 IAC 95, 96, 97, 98 and 99 									