

Child Support It's a Great Investment

AT RISK

Support for over one million children and an estimated \$137 million in collections

Over \$20 million in State GRF Dollars used for TANF MOE & Medicaid reimbursement

Over \$17 million in County GRF dollars used for courts, law enforcement, etc...

Ohio employers and insurance providers trying to comply with state withholding requirements

Dockets for Ohio Family Courts will be filled with pro-se litigants

Child Support Partnerships that save incarceration dollars & help willing but unable parents provide for their children

Family Benefits

- ◆ 1 in 3 children are affected by this program. Only public education directly affects more children
- ◆ 40% of children in Ohio are born out of wedlock— over 60,000 paternities established in FFY09
- ◆ Child support collections equal 39% of funds for low income families and child support collections lower poverty by 25%
- ◆ Requests to adjust child support orders have more than doubled in the current economic recession—it is very important that we maintain orders matching parents' incomes

Economic Impacts

- ◆ The Ohio GRF retained \$27.7 million in child support collections & \$3.3 million in medical collections in FFY10
- ◆ Child Support Actions brought \$44 million to County GRF to offset the costs of courts, law enforcement and clerks
- ◆ Ohio's Child Support Program collects \$6.54 for every dollar expended & for every \$4 expended on child support, \$5 is saved in other public programs
- ◆ Thousands of employers and insurance administrators interact with child support agencies in implementing mandates
- ◆ For every \$1 given to the child support program by the state or county, a child support agency can get \$2 additional federal dollars
- ◆ If an order is established for a family receiving IV-A or IV-E assistance, they will go off those benefits three times faster than those with no order

% Families Leaving Assistance	3 Months	12 Months	24 Months
With a Financial Order	26.65%	46.52%	60%
Without a Financial Order	10.22%	14.86%	19.06%

Program Efficiencies

- ◆ Through partnerships we have reduced the number of our obligors in state prisons & county jails; improved services to obligors re-entering our communities; and helped obligors with parenting skills and employment opportunities
- ◆ Administrative processes employed by CSEAs preserve valuable court time for contested actions
- ◆ Expanding automation and opportunities for easier access to our offices and information

Insight into Ohio's Child Support Funding

County CSEA Funding Sources for FFY2010

- In FFY2010, Ohio's county CSEAs spent \$198.8 million in eligible IV-D Expenditures administering the program at the local level. \$64.9 million dollars were expended by the State.
- Federal financial participation administrative match generated approximately \$153 million for operations.
- Earned federal incentives currently generate approximately \$29 million annually. Ninety percent of the earned amount goes to the county CSEAs and ten percent is retained by the state for statewide projects. Prior to 10/01/10 these dollars were eligible to draw federal dollars of \$58 million. With the changes in Federal Law under the Deficit Reduction Act, Ohio has now lost the ability to earn the \$58 million of federal funds.
- County general revenue fund contributions, including direct contributions to CSEAs and indirect contributions for total county operations required by the program, equal over \$20 million annually.
- State general revenue fund contribution also known as the child support administrative match to local offices was \$19.6 million in SFY11.
- Administrative fees paid by the obligors provide net funding of approximately \$10 million annually.
- In the past 3 years, local agencies have reduced staff by 13% and expenditures by 8%.

Sources of Information from Front and Back

** Congressional Budget Office, Federal Office of Budget & Management, Federal Research Service, Health & Human Services Office of Child Support

** Urban Institute

** Ohio Department of Job & Family Services, Office of Child Support

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ALERT
Congress Fails to Act in 2010
The Deficit Reduction Act (DRA) created a deficit for County CSEAs by eliminating the ability to use earned performance incentives as local dollars.

For SFY08, Ohio's Leaders replaced the Federal Funds with State GRF funds for CSEAs.

The proposed reduction in current state GRF funding to \$16.8 million leaves a deficit of at least \$15 million in local funds, which will reduce available Federal Funds by \$30 million

Total loss in funds estimated at \$45 million.

This represents 29% of the total expended by the county CSEAs in FFY10.