



KANSAS LEGISLATIVE  
**DIVISION** *of*  
**POST AUDIT**

The Rundown podcast transcript for Performance Audit report titled ***Evaluating Whether Services to Collect Child Support Payments in Kansas are Effective and Timely*** – Released April 2023

**Mohri Exline, Host and Senior Auditor:** [00:00]

Welcome to the Rundown, your source for the latest news and updates from the Kansas Legislative Division of Post Audit featuring LPA staff talking about recently released audit reports and discussing their main findings, key takeaways and why it matters. I'm Mohri Exline. In April 2023, Legislative Post Audit released a performance audit that evaluated whether services to collect child support payments in Kansas are effective and timely. I'm with Amanda Schlumpberger, Senior Auditor at Legislative Post Audit, who supervised the audit. Amanda, welcome to The Rundown.

**Amanda Schlumpberger, Supervisor and Senior Auditor:** [00:34]

Thank you for having me.

**Mohri Exline, Host and Senior Auditor:** [00:36]

So to get started, can you give me some background on what brought about this audit?

**Amanda Schlumpberger, Supervisor and Senior Auditor:** [00:41]

So this audit came to us from the Senate Ways and Means committee. They and other legislators had concerns that the child support services systems in the state might not be effective or efficient in collecting child support payments. Specifically, they had concerns about DCF [Kansas Department of Children and Families] contractors and the dual system Kansas has and how that affects performance, which I'll talk about more later on.

**Mohri Exline, Host and Senior Auditor:** [01:10]

Okay. So, with that, can you explain to me how the Child Support Services system is organized and how that process works? So, like who are those main players and what are their responsibilities?

**Amanda Schlumpberger, Supervisor and Senior Auditor:** [01:20]

Right. So, as I said, the public child support system in Kansas has two different approaches or branches, however you want to phrase it. The first is DCF and they use two contractors, Maximus and Young Williams, to provide establishment services. So that's things like finding a non-custodial parent, creating the process for getting a case to have a child support payment court order, those kinds of things. Then also enforcement services, which are things like income withholding orders, asset seizures, liens against property, those kinds of things. As for DCF, under federal regulations, they are required to provide child support services for all public assistance cases. So, if an individual applies for say, TANF or SNAP and they get approved, they're then referred to child support services in DCF as well if they have a child and a non-custodial parent. Then additionally any custodial parent in Kansas can also apply for DCF services if they choose. You don't have to be on public assistance. It's just a voluntary use of DCF services as opposed to required. That's the first part of it. The second part of the public child support system in the state is a court trustee. This is in certain judicial districts. There's 17 of the 31 districts in Kansas that have court trustees. These are essentially licensed attorneys who collect debts including child support payments. And they're in districts where the Chief Judge has decided to have a child or have a trustee and appoint one. State law allows for trustees, but does not require them, which is why not every district has a trustee. Then finally, parents can also use private attorneys if they choose. That's not part of the public system that's available to Kansas parents. So, we didn't look into that. I think it's important to note when talking about trustee services versus DCF services, et cetera, that services we found will vary by district because each trustee has different rules and such and tools that they use and follow. Then DCF services, as I mentioned earlier, provides things like establishment services, which trustees generally don't do a whole lot of. DCF's enforcement services are generally more robust in order to compel payments than the trustees have available to them.

**Mohri Exline, Host and Senior Auditor:** [04:16]

The report mentioned several concerns with the system, and it looks like those concerns fell into a few categories. Can you explain those concerns and those themes and what impact they may have?

**Amanda Schlumpberger, Supervisor and Senior Auditor:** [04:25]

Yes. So, we noted several concerns regarding the overall system. The first of which was that some parents we spoke with expressed frustration at the lack of communication. That was regardless of if they used DCF or a court trustee. So, we spoke to a handful of parents who participated in child support services to understand what their experiences were. These responses are not projectable to the whole state, but they might indicate potential problems. So, the parents we spoke to were both mothers and fathers. They came from across judicial districts in Kansas and were comprised of different races and ethnicities as well. So, several parents who use DCF so 6 out of 11 that we spoke with were dissatisfied with their overall

experience. Generally, they mentioned things like needing additional communication or information about their case. Several told us about lost paperwork which delayed action in their cases as well. And then also we noted these is issue issues as well with trustees. So many of, or several of the parents. So, 6 out of the 10 parents who used trustees that we spoke with noted being dissatisfied with their communication. Several noted that they didn't even know they had a trustee. This happens because in some judicial districts, the trustee automatically gets all of the non-required cases. So those were those public assistance cases that DCF under federal law has to handle. So, some people are assigned to a trustee and don't even realize it. They were confused about who their trustee was, how to contact them, et cetera. We did speak to some parents who were either neutral or satisfied with DCF services, and they noted being hopeful and having good communication with both DCF and trustees. They were just happy to have someone on their case essentially. So, that was the sort of first area was parental concerns about how well the services are working for the people who needed them. The second area of concern we noted was this dual track system. Specifically, it might create unequal costs for some Kansas parents. So, parents who use DCF services either voluntarily like they apply to use their services or are required under federal regulations with those public assistance programs, don't get charged for services. DCF's child support program relies solely on state and federal funding. About 70% of its funding is from federal funds and grants and 30% comes from the state social welfare fund. Parents using the court trustee system though are subject to a service fee. So, trustees do not receive state or federal funding, and as such, their services are funded through a parent assessed fee. Under state law, that fee can only be three to 5% across judicial districts. So, hypothetically if a child support payment was \$200, parents would pay \$6 a month in a district that has 3% fees and \$10 a month in a district that had say 5% in fees. Then the other area that the dual track system created some concern for us was simply in our ability to evaluate the state's child support system as a whole. So, the trustee system has no statutory requirement to collect consistent performance data. That's not saying individual trustees don't collect it, but there's no statewide requirement to report that or collect the same measurements and data across the system. They also don't have to meet any sort of federal standards because they're not beholden to those same federal funding requirements. As such, we didn't have any aggregate performance data to evaluate trustee performance. That in general prevented us also from comparing how trustees performed in relation to DCF and generally how that would affect effectiveness and timeliness in the state. The sort of final area of concern we noted was issues related to DCF's effectiveness and timeliness, and specifically how their computer system impacted our ability to be able to assess those measures. So, DCF and its contractors use a nearly 25-year-old computer system, and it is currently not able to meet business needs. It requires extensive training and manual user input, and it takes time to run queries and such on this system. The limitations of this system prevented us from analyzing data to determine timeliness and effectiveness at a case level in appropriateness of actions taken on a case. DCF collects that data, but it's not housed in any way that is able to

be extracted from the system beyond going into individual cases. DCF officials are aware of these limitations. They have a project underway. It's about a \$12 million dollar project that's moving the mainframe system they currently have to a modern cloud-based platform. Of note is that all payments in the state, whether it's with a trustee or DCF, go through the Kansas Payment Center. We were able to evaluate the effectiveness of that system and we didn't find any issues with that system dispersing payments in a timely, allowable manner.

**Mohri Exline, Host and Senior Auditor:** [10:38]

So, the report mentions for federal benchmarks, those were paternity establishment support, order establishment, collection enforcement, and debt enforcement. So, can you explain to me how Kansas performed in these areas?

**Amanda Schlumpberger, Supervisor and Senior Auditor:** [10:52]

These four measures are federal requirements. They have two sorts of thresholds that DCF and its contractors have to meet or have to try to meet. There's a minimum threshold which they need to meet to avoid penalties. Then there's a maximum threshold, which if a state reaches that, then they get sort of their maximum federal incentive payments. So, we looked at paternity and support orders to evaluate establishment services, and then we also looked at collection enforcement and debt enforcement to evaluate the enforcement services side of DCF child support services. This is very high-level aggregate data that this is based on. So, it's not like case level evaluating how a state is performing at doing appropriate actions in a case. This high-level information is sort of an indicator of a state's performance in those two areas of establishment and enforcement. So, we looked at the years 2017 through 2020, and we generally found that during that timeframe, Kansas and DCF are performing well on the establishment measures. So that's paternity establishment and support order establishment. But on the enforcement measures, collection enforcement and debt enforcement DCF is not performing as well. They did meet the minimum requirements, as I mentioned, that bottom threshold, but that still doesn't mean that the performance is doing as well as it could be. For example, in fiscal year 2021, DCF only collected about 57% of child support payments owed. So, that's the collection enforcement federal requirement. That means of the roughly \$600 million in total child support payment owed that year in the state, only about \$340 million of it was collected. So, DCF officials told us there's a couple reasons for why enforcement measures a lag behind and one of those is that the nature of their cases tends to be more difficult. And then certain administrative hurdles also make it harder to enforce those payments. So, DCF child support cases, by their nature with public assistance tend to be more low-income families. Then some parents also actively try to avoid paying court ordered child support. Furthermore, because DCF has more extensive enforcement tools, they'll often get cases from trustees or elsewhere who are struggling to enforce a case with the tools they have. So, by nature, DCF is getting potentially tougher cases to track down payments on. Then also DCF and its contractors are required to use court order

approval for most of their actions. So, that means they can't just administratively decide that a case needs certain things done to try to compel payment. Many of their enforcement tools have to go through a court system and that can slow down payments and make it more difficult. We also noted that there's some issues related to DCF's support system and processes that can contribute to their performance perhaps on some of these federal measures. So, DCF and its contractors we found don't always have tools to quickly identify and address delinquent payments. That's not that they don't have tools. They have many federal databases and such, like the new hire database that will give them alerts. However, because of the nature of their how old the system is, it's sometimes it doesn't give like an automatic alert when a case goes into non-payment or such. Instead, there's a report that has to be run. Those reports are run regularly, but it's harder to identify immediate actions that need to be taken. Additionally, DCF uses these federal performance measures to monitor contractors' performance, and we found that to be a bit too simplistic for identifying poor contractor performance. There are some other measures that they have related to customer service and such. Additionally, they do have monthly and quarterly meetings and such with contractors to discuss performance, but it's a much more informal process, and there's a reliance on reporting contractor performance on these federal measures. So, we found that additional metrics could help identify performance issues and increase court payments. DCF officials told us they are working on additional performance metrics and processes for monitoring those contractors and their performance.

**Mohri Exline, Host and Senior Auditor:** [16:19]

So, the report mentions that Kansas' system is different from other states. What makes Kansas' system unique and what is, what impact does that have?

**Amanda Schlumpberger, Supervisor and Senior Auditor:** [16:29]

Right. So, as mentioned, Kansas has the dual track system where in some judicial districts, custodial parents have the option of using a trustee if they're not required by federal regulations to use DCF or they can opt into DCF. We found that no other state has this sort of dual track system. Most states appear to have essentially their version of DCF overseeing all of their public child support systems available. So, the result of that is that Kansas' performance on those federal benchmarks when compared to other states, again, it tends to be when it comes to establishment be sort of if you rank states in the middle, but on enforcement measures like collection and debt enforcement, it tends to be towards the bottom. As mentioned, there is these rankings might be skewed a bit in terms of the cases that are portrayed in DCF's data. So, since DCF is getting more difficult cases, and there's a portion of the state's public child support services with the trustees that isn't reflected in those federal data measurements it may skew Kansas' performance lower when comparing to other states. Part of this, Kansas' performance, again, may be related to Kansas' computer system as well as that unique dual track system. So, we spoke with child support officials in five other states to understand how their enforcement

processes work. Of those, several states told us their computer system is able to automatically flag delinquent payments. Those would be Colorado, Nebraska, and Oregon. They told us that those automatic alerts then can help their staff provide enforcement services in a more timelier manner. Montana officials told us their system has some, but not fully automated capabilities. DCF and its contractors cannot automatically flag late payments in the same capacity. Again, they do have reports. So, it's not that they're unaware, but it doesn't have that automatic aspect that other states have and can rely on. Sort of the final way that Kansas' system is a bit different than other states is that Kansas is a mostly judicial state. As I mentioned earlier DCF has to go through the courts for a lot of their actions. Other states are more administrative states, meaning they are able to do more enforcement actions without court intervention. So that without that extra step of needing the court, those administrative states are able to take enforcement actions in a more automatic or quick manner.

**Mohri Exline, Host and Senior Auditor:** [19:34]

So finally, what was the biggest takeaway from this audit?

**Amanda Schlumpberger, Supervisor and Senior Auditor:** [19:37]

Right, so I think the biggest takeaway here is that this is a very complex system with a lot of players involved, and that that complexity can influence how quickly cases are moved forward, how quickly payments are made, how quickly compelling payments happen once there is a late payment or a non-payment. That complexity makes it also harder to just see the big picture of what this looks like across the state and how performance is across the state on these services.

**Mohri Exline, Host and Senior Auditor:** [20:15]

Amanda Schlumberger is a Senior Auditor at Legislative Post Audit. She supervised an audit that evaluated whether services to collect child support payments in Kansas are effective and timely. Amanda, thanks for visiting The Rundown and discussing this audit's findings with me.

**Amanda Schlumpberger, Supervisor and Senior Auditor:** [20:29]

Thank you.

**Mohri Exline, Host and Senior Auditor:** [20:30]

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