



JUDICIAL COUNCIL OF CALIFORNIA

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MEMORANDUM

Date

March 20, 2015

Action Requested

Action Required

To

Family and Juvenile Law Advisory
Committee

Deadline

March 23, 2015

From

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Contact

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Subject

Child Support: Midyear Funding Reallocation
for Fiscal Year 2014–2015 and Base Funding
Allocation for Fiscal Year 2015–2016 for the
Child Support Commissioner and Family Law
Facilitator Program

Summary

Each year the Family and Juvenile Law Advisory Committee recommends to the Judicial Council¹ reallocation of funding for the Child Support Commissioner and Family Law Facilitator Program for the remainder of the current fiscal year and allocation of funding for this same program for the next fiscal year as required by Assembly Bill 1058 (Stats. 1996, ch. 957). The funds are provided through a cooperative agreement between the California Department of Child Support Services and the Judicial Council.² At midyear, under an established procedure

¹ See <http://www.courts.ca.gov/documents/Child-Support-Fact-Sheet.pdf> for more information about this program.

² Funds are provided through a contract with the Department of Child Support Services which includes minimum standards to meet the needs of the local child support agencies to allow them to comply with federal performance standards. The Judicial Council determines the allocation of the funds provided for each court's child support commissioners and family law facilitators program.

described in the standard agreement with each superior court, the Judicial Council redistributes to courts with a documented need for additional funds any unallocated funds and any available funds from courts that are projected not to spend their full grants that year. The courts are also offered an option to use local court funds up to an approved amount to draw down, or qualify for, federal matching funds.

In order to ensure that all previously allocated funds are spent and not revert to the General Fund and to provide funds to the courts for the next fiscal year, allocations are typically considered by the Judicial Council at the April meeting.

This memo presents background information and options for the committee to use in formulating recommendations to the Judicial Council for the Child Support Commissioner and Family Law Facilitator Program, including:

1. Reallocation funding for FY 2014–2015, of child support commissioners and reallocation for funding for FY 2014–2015 of family law facilitators, subject to the state Budget Act;
2. Allocation for funding for FY 2015–2016 of child support commissioners and allocation for funding for FY 2015–2016 of family law facilitators, subject to the state Budget Act; and
3. Directing staff to develop a report to the Judicial Council documenting the decision made at this meeting and providing additional support for determination of changes to the timeline for the FY 2015–2016 midyear reallocation and for allocations in subsequent years.

Discussion

- 1. Midyear reallocation for both the Child Support Commissioner Program and Family Faciliator Program for FY 2014–2015 of previously unallocated funds and funds available from courts projected not to spend their entire grant.**

Under an established procedure described in the standard agreement with each superior court, the Judicial Council at midyear redistributes to courts who request additional funds any unallocated funds and any available funds from courts that are projected not to spend their full grants. In addition, in FY 2007–2008, DCSS and the Judicial Council of California provided a mechanism for the courts to recover two-thirds of additional program costs beyond the contract maximum covered by use of local trial court funds. This federal drawdown option continues to be available for FY 2015–2016.

Under an established procedure described in the standard agreement with each superior court, a questionnaire is sent to each court requesting the information needed to evaluate appropriate funding levels. Each court indicates whether or not they will spend all of their bases allocation and whether or not they will spend their federal drawdown funding. They also indicate whether they are in need of additional funding in either or both base and federal drawdown. In addition to compiling questionnaire responses, Judicial Council staff gathers information on each court's historical spending patterns and calculates projected spending based on invoices received to date for the current fiscal year. The Family and Juvenile Law Advisory Committee then recommends proposed funding changes.

This midyear reallocation process ensures that the highest proportion of total funds allocated to the courts is spent where funding is needed. This process also minimizes the amount of unspent funds that revert to the state General Fund.

As a result of the midyear reallocation process, for the Child Support Commissioner Program, a total of \$1,425,701 is available because one court has volunteered to return \$7,780 in base funds, nine courts have volunteered to return a combined \$847,792 in federal drawdown option funds, and \$570,129 is available in previously unallocated base funds. . For the Family Law Facilitator Program, a total of \$362,393 is available because one court has volunteered to return \$23,624 in base funds and three courts have volunteered to return a combined \$148,726 in federal drawdown option funds, as well as \$190,043 in previously unallocated base funds.

Options to address this issue include:

1. Recommend that funds available for reallocation for the Child Support Commissioner and Family Law Facilitator Program be distributed to courts requesting additional funding proportionate to their share of the total base funding. This allocation is consistent previous actions by the Judicial Council in prior fiscal years.
 2. Recommend that no actions be taken. Failure to allocate these funds will cause them to revert to the General Fund.
- 2. Allocation of funding for FY 2015–2016 for the Child Support Commissioner and Family Law Facilitator Program**

The Judicial Council is also responsible for the allocation of base program funding at the beginning of each fiscal year and typically considers this issue at its April meeting. In 1997, the Judicial Council established staffing standards for child support commissioners based on the number of local child support agency cases that have established child support orders. In addition, under an established procedure described in the standard agreement with each superior

court, questionnaires are sent annually to each court requesting the information needed to evaluate appropriate funding levels in case of any exceptional needs.

Funding for FY 2015–2016 for the child support commissioner component of the program will be \$32.1 million base allocation and \$12.2 million from the federal drawdown option; funding for the family law facilitator component will be \$10.9 million base allocation and \$4.2 million from the federal drawdown option, for a total program base allocation of \$43.1 million and a total federal drawdown allocation of \$16.4 million. Statewide program funding for FY 2015–2016 is the same amount as for FY 2014–2015.

In 2014–2015, the Superior Court of Contra Costa voluntarily terminated participation in federal drawdown funding and relinquished those available funds. This has resulted in one less court day per week and has a substantial impact on this court’s ability to meet required federal performance standards. For FY 2015–2016, the Superior Court of Contra Costa has requested a partial restoration of federal drawdown participation for the Child Support Commissioner Program. In prior years, the Judicial Council has restored funds voluntarily relinquished by courts, when funds were available to do so. This practice helps ensure that courts will return funds that they don’t use that can be used by other courts without concern that those funds will not be available in future fiscal years, if need. In 2013–2014, the Superior Court of Contra Costa was allocated \$302,793 in federal drawdown. After doing a detailed analysis of need, the court has requested a partial restoration of \$161,403. Because other courts have requested a decrease in participation in the federal drawdown option for FY 2015–2016, funds are available to restore the federal drawdown funds in the amount requested by the Superior Court of Contra Costa with additional funds available to allocate to other requesting courts.

Options to address this issue include:

1. Federal Drawdown Funding for the Superior Court of Contra Costa Child Support Commissioner Program:
 - a. Recommend that the federal drawdown option for the Superior Court of Contra Costa Child Support Commissioner Program be partially restored. This allocation restores funds that were previously allocated to this court, but were voluntarily relinquished and ensures that federal performance standards can be met. This allocation will have limited impact on other courts as these funds are available for distribution due to other courts requesting a reduction in their participation in the federal drawdown option in FY 2015–2016.
 - b. Recommend that the federal drawdown option for the Superior Court of Contra Costa not be restored for the Child Support Program in the specific amount requested, but rather allocate funding to this court as part of the overall FY 2015–2016 funding allocation. This allocation would allow some funds to be restored to

this court, but not sufficient funds for them to increase personnel to meet the federal performance standards.

2. Allocation for funding for FY 2015–2016 of child support commissioners and allocation for funding for FY 2015–2016 of family law facilitators:
 - a. Recommend that courts be provided with the same level of based funding and federal drawdown less any amount a court indicated that they wish to relinquish for both the Child Support Commissioner Program and Family Law Facilitator Program as in FY 2014–2015 and allocate additional available base and federal drawdown funds among all the courts requesting additional funds proportionate to their share of the total base funding. This alternative would keep courts consistent with what they received in the prior fiscal year and provide all courts who have requested additional funds with some additional funds. This alternative, however, would not take into account the courts historic spending patterns and may result in a greater risk that those funds would go unspent and revert to the General Fund. There been no indication from the funder that the agencies has failed to meet their federal time standards by the use of this traditional method of allocation.
 - b. Recommend that courts be provided with the same level of based funding and federal drawdown less any amount a court indicated that they wish to relinquish for both the Child Support Commissioner Program and Family Law Facilitator Program as in FY 2014–2015. Identify courts requesting additional funding for each of the programs who have spent all of the funds allocated to them in the three most recent fiscal years and allocate funds proportionate to their share of the total base funding. This option would keep all courts consistent with the funds they received in the prior fiscal year and provide some additional funds to courts who had demonstrated a need for additional funds and who have consistently spent all of the funds allocated to them. This option would also help ensure that all funds are spent and not reverted to the General Fund. With regard to the Child Support Commissioner Program, of the 9 courts who failed to spend all of the funds allocated in the three most recent fiscal years, 4 courts have requested no additional funds and one court requested to return federal drawdown funds. With regard to the Family Law Facilitator Program, of the 11 courts who failed to spend all of the funds allocated in the three most recent fiscal years, 6 courts requested no additional funds, one court requested to return base funding and one court requested to return federal drawdown funds.
3. Timing of FY 2015–2016 Reallocation

Historically, the Judicial Council has considered midyear reallocations in conjunctions with next year allocations at the April Judicial Council meeting. This has allowed courts time to spend allocated funds, determine if projections were correct, and either return fund not anticipated to be spent or request additional funding. However, given this timing the reallocations and reconsideration have resulted in some funds reverting to the general fund each year. Staff requests committee consideration of an earlier time frame. Staff is also available, if requested by the committee, to develop alternative allocation methodologies for consideration of better timing and methods so that funds do not revert to the general fund where other counties have funding needs.

Options to address this issue:

1. Recommend that the reallocation of base funding and federal drawdown funding for FY 2015–2016 be placed on the December 2015 Judicial Council agenda. Placing this item for discussion earlier would allow more time for reallocated funds to be spend. However, it would also require courts to notify staff in October of anticipated excess funds. As this is early in the fiscal year this could result in some funds that could have been reallocated not being identified and reverting to the general fund.
2. Recommend that the reallocation of base funding and federal drawdown funding for FY 2015–2016 be placed on the February 2016 Judicial Council agenda. Placing this item for discussion earlier would allow more time for reallocated funds to be spend. It would also require courts to notify staff in December of anticipated excess funds. Consideration by the council at the February meeting may provide a better balance of identification of funds and time for spending by courts with reallocations.
3. Recommend that the reallocation of base funding and federal drawdown funding for FY 2015–2016 be placed on the April 2016 Judicial Council agenda. Continuing would allow for identification of most funds needing to be reallocated but will result in courts receiving additional funds later in the fiscal year which may result in funds going unspent and reverting to the General Fund.

Summary

In order for the committee to recommend AB 1058 grant allocations to the Judicial Council, staff request that the committee:

1. Recommend midyear reallocations for FY 2014–15 for the child support commissioners and the family law facilitators;

2. Determine which course of action to take on the issue of restoring federal drawdown funds for the Superior Court of Contra Costa;
3. Recommend allocations for FY 2015–2016 for the child support commissioners and family law facilitators;
4. Recommend a timeframe for placing the FY 2015–2016 allocation on the Judicial Council’s agenda.
5. Direct staff to prepare a Judicial Council report including allocation tables with recommended funding for midyear allocation for FY 2014–2015 and allocation for FY 2015–2016 for the approval of the committee.