

24. Approve the Proposed 2025-26 Budget for the Department of Child Support Services, including any supplemental materials, and take related actions, as outlined in the referenced budget documents, and as recommended by the County Executive Officer ()



County of Santa Cruz Board of Supervisors

Agenda Item Submittal

From: Child Support Services

Subject: Proposed 2025-26 Budget for Child Support Services

Meeting Date: June 3, 2025

Formal Title: Approve the Proposed 2025-26 Budget for the Department of Child Support Services, including any supplemental materials, and take related actions, as outlined in the referenced budget documents, and as recommended by the County Executive Officer

Recommended Action

Approve the Proposed 2025-26 Budget for the Department of Child Support Services, including any supplemental materials, as provided in the referenced budget documents:

- [Proposed Budget](#)

Executive Summary

The Proposed 2025-26 Budget for the Department of Child Support Services (DCSS) supports staffing of 28.0 funded full-time equivalent (FTE) positions.

Discussion

The mission of DCSS is to promote parental responsibility to enhance the well-being of children by providing child support services to establish parentage and collect child support. Since 2002, the counties of Santa Cruz and San Benito have operated a regional department of Child Support Services, with Santa Cruz acting as the lead agency. Department operational objectives are shown in the Proposed 2025-26 Budget document and 2025-27 Operational Plan. Both are available online at:

www.SCCVision.us

The DCSS Proposed Budget includes negotiated salary and benefit increase as well as a change in operating costs such as facility services and utilities. DCSS anticipates receiving status quo state and federal funding with no increase from the 2024-25 allocation.

The budget reflects the reallocation of \$120,445 in revenue from San Benito County to Santa Cruz County due to San Benito County's budget reduction directive. Additionally, funded staffing has been reduced to a total of 28.0 FTE positions due to the deletion of 2.0 FTE vacant Child Support Specialist I/II positions at a total cost savings of \$225,958. This position reduction will result in a minor increase to case processing activities timelines somewhat offset by improved analytics and reporting tools. Cumulatively, the savings from the staffing reduction and the budget reallocation will allow DCSS to balance its budget.

Budgeted funding will continue to support ongoing staff work, including working with parents and guardians to ensure children and families receive court-ordered financial and medical support. DCSS services include locating a parent; establishing parentage; establishing, modifying and enforcing a court order for child support; and establishing, modifying and enforcing an order for health coverage.

Over the next fiscal year, DCSS will be focused on implementing changes under the

Final Rule: Flexible, Efficient, and Modernization (FEM Final Rule) Legislation that will affect how the department processes cases involving obligated participants with limited or no income history. DCSS will also continue to increase its usage of Tableau and other analytics tools to improve case management efficiency and effectiveness.

Financial Impact

The DCSS Proposed Budget includes \$5,875,774 in expenses and \$5,875,774 in revenue from the federal and state governments. DCSS does not require a General Fund contribution. This reflects a total expenditure decrease of \$38,238 or 0.6% from the Fiscal Year 2024-25 Adopted Budget.

Strategic Initiatives

Continuous Improvement

Submitted By:

Anna Rizzo, Director of Child Support Services

Recommended By:

Carlos J. Palacios, County Executive Officer

Artificial Intelligence Acknowledgment:

Artificial Intelligence (AI) did not significantly contribute to the development of this agenda item.



Child Support Services

2025-26

Proposed Budget

Anna Rizzo

Director of Child Support Services

Joe Phares

Administrative Services Manager

June 03, 2025



Presentation Overview



Our Mission



How We are Organized



Budget Overview



Fiscal & Staffing Details



Federal/State risks & Emerging Issues



Request & Questions



Our Mission

Promote parental responsibility to enhance the well-being of children by providing child support services to establish parentage and collect child support

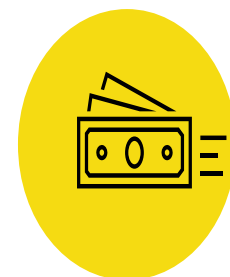
Services



LOCATE NON-
CUSTODIAL PARENT



ESTABLISH
PARENTAGE



MAINTAIN PAYMENT
ACCOUNTS



ESTABLISH
COURT ORDERS



ENFORCE COURT
ORDERS



MODIFY COURT
ORDERS

Major Budget Changes from Adopted Expenses

	Amount	Title of change in expenditure/expense
↑	\$ 4,070	Salary and Benefits
↓	\$31,860	ISD-Telecom Services
↑	\$60,000	GSD-Maintenance Services
↑	\$11,691	GSD-Purchasing Services
↓	\$15,000	Utilities
↓	\$18,289	County Overhead (A87)

Major Budget Changes from Adopted Revenues

	Amount	Title of change in revenue
↓	\$ 258,531	Reduction in total State and Federal Revenue
↑	\$ 120,445	Revenue reallocation from regional partner San Benito County to Santa Cruz County
↑	\$ 99,848	One-time cost recovery for county overhead services

Child Support Services

Summary of Proposed Budget

	2024-25 Adopted	2025-26 Proposed	Amount of Change	Percent Change
Revenues	\$5,914,012	\$5,875,774	(\$38,238)	(.06%)
Expenses	\$5,914,012	\$5,875,774	(\$38,238)	(.06%)
General Fund Contribution	\$0	\$0	\$0	0%
Funded Staffing	30.00	28.00	(2.00)	(6.67%)

State & Federal Funding Risks



- No anticipated reduction in State or Federal funding



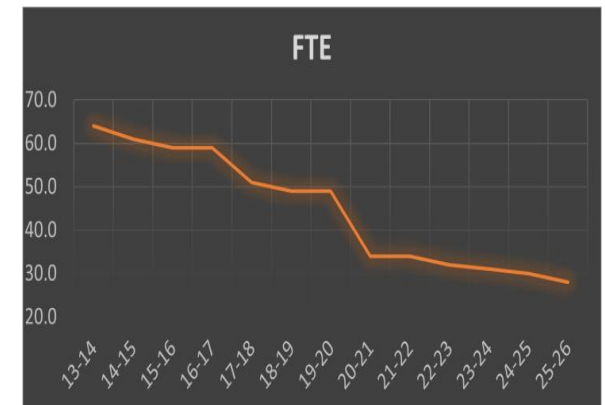
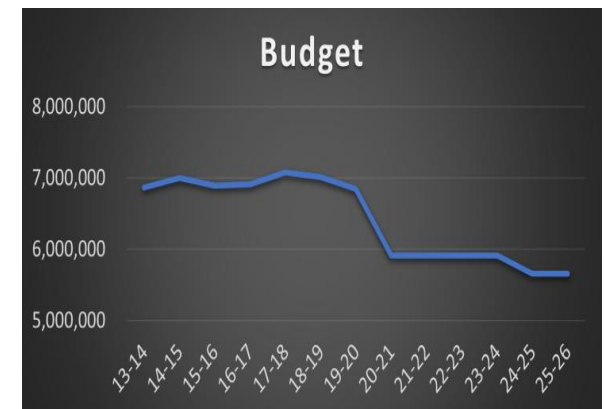
- No increase in allocation necessitates cuts to staffing in order to offset contracted increases to salaries and benefits



- Reduction in staffing includes the elimination of 2.0 vacant positions

Emerging Issues

- The Child Support Services budget has been systematically reduced over the past decade.
- Total staffing has been reduced in recent years from 64 FTE in FY 13-14 to a proposed 28 FTE for FY 2025-26
- Reductions mitigated by program changes and increased program efficiencies



Child Support Services

Approve the Proposed Budget for the Department of Child Support Services, including any Supplemental Materials, which includes

- Revenues of \$5,875,774
- Expenses of \$5,875,774
- General Fund Contribution of \$0
- District Sales Tax Contribution of \$0
- Other Funds Contribution of \$0
- Staffing of 28.0 funded FTEs

