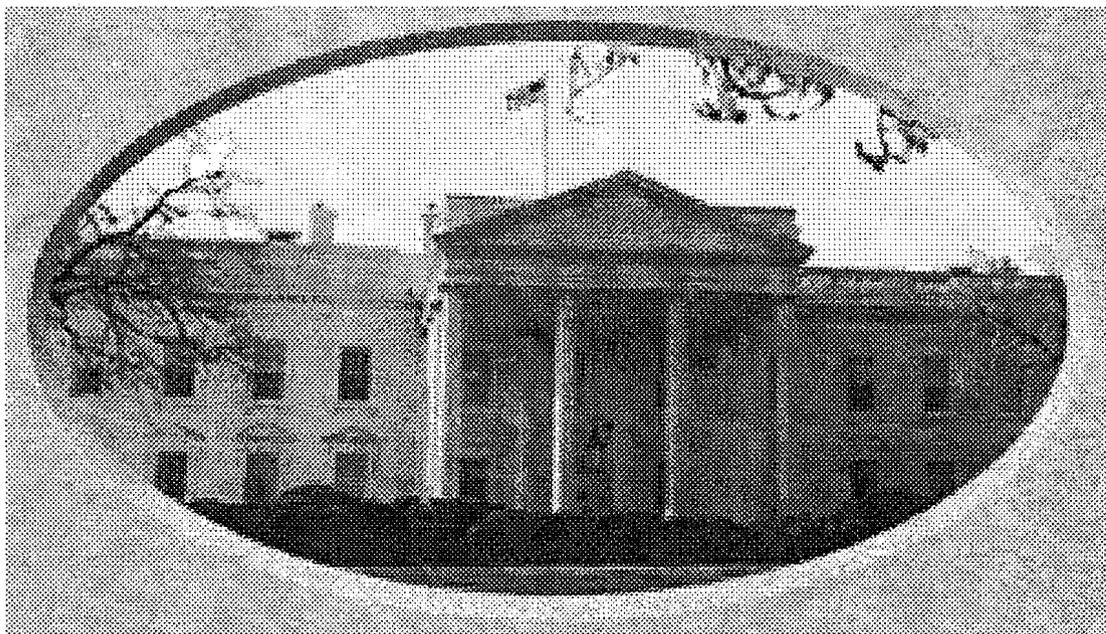


Child Support Briefing



September 1998

CHILD SUPPORT ENFORCEMENT

OCSE Overview, September 16, 1998

- Current Status/Statistical Overview -- Paul Legler.

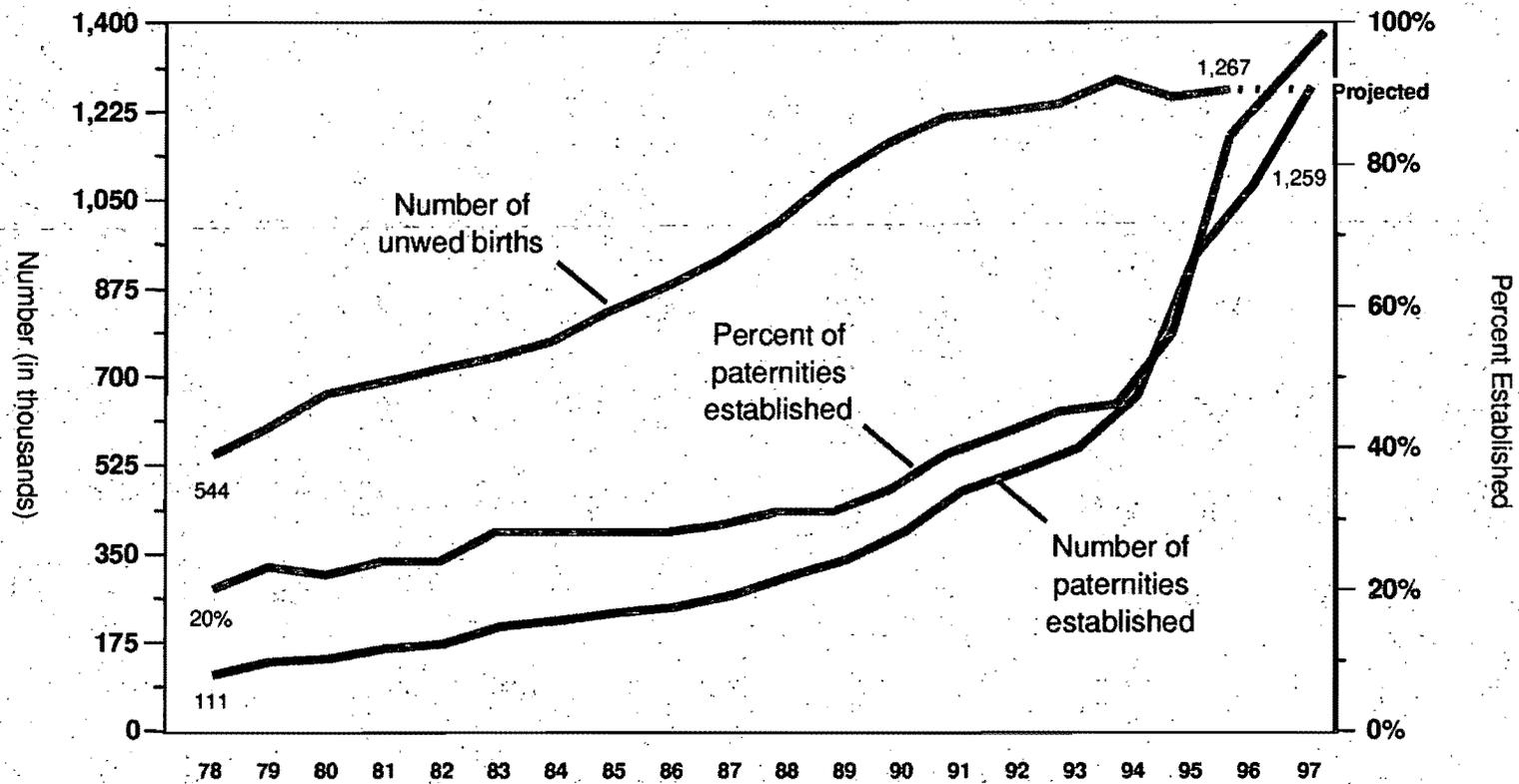
- Expanded Federal Parent Locator Service (FPLS) -- Donna Bonar.

- Statewide Automation, Y2K Compliance -- Norman Thompson.

- Child Support Financing Consultations -- Robert Harris.

- Law Enforcement Activities -- Don Deering.

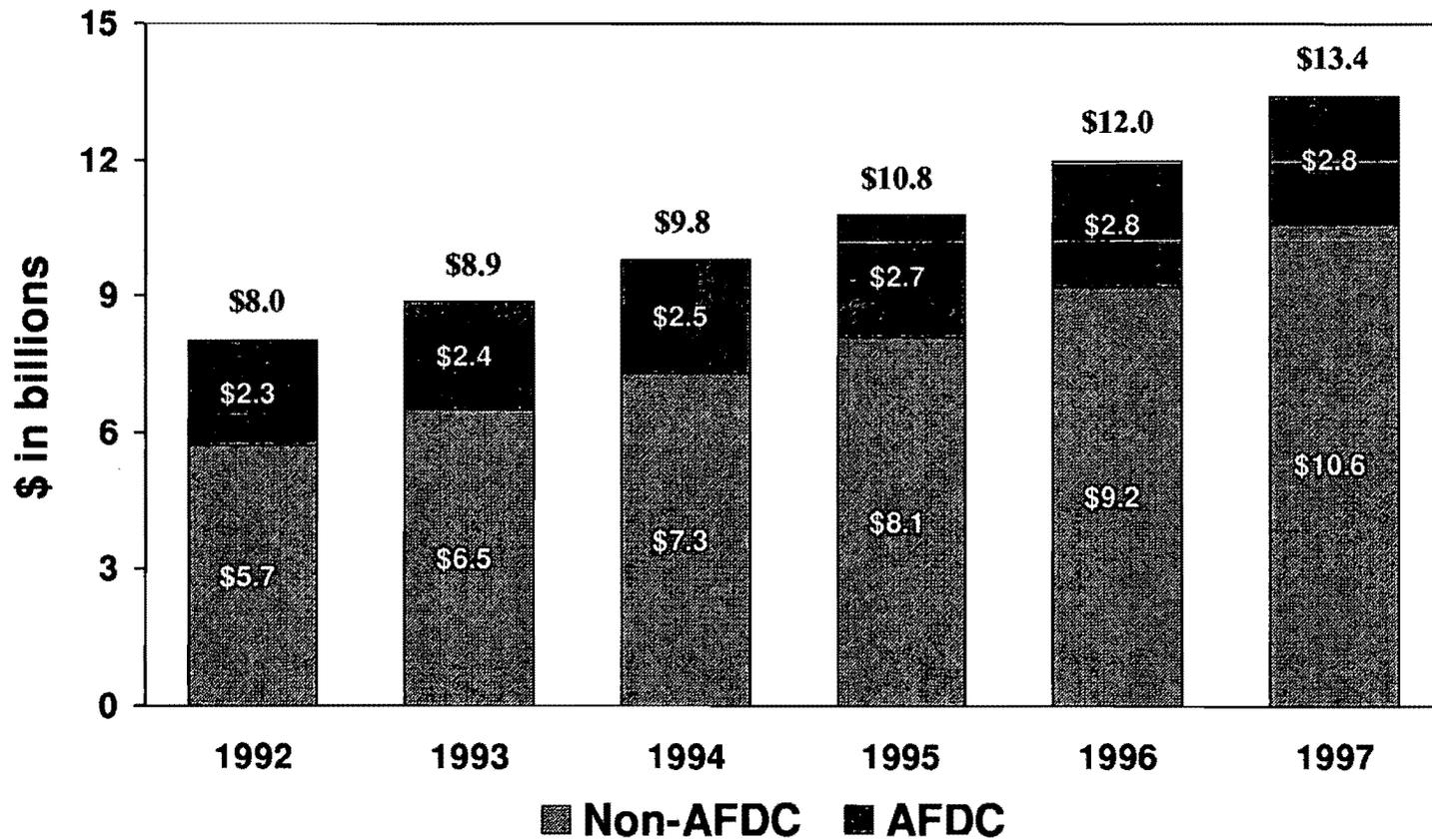
Unwed Births & Paternities Established



Note: 1996 unwed births are based on preliminary data from NCHS.

Child Support Enforcement Reform

Total Collections



PRELIMINARY

Table 1

Office of Child Support Enforcement

FINANCIAL OVERVIEW FOR FIVE CONSECUTIVE FISCAL YEARS

	1993	1994	1995	1996	1997
TOTAL COLLECTIONS (\$000)	\$8,907,150	\$9,850,159	\$10,827,167	\$12,019,789	\$13,379,946
AFDC/FC/TANF COLLECTIONS	2,416,395	2,549,723	2,689,392	2,855,066	2,855,853
State Share	847,272	890,717	938,865	1,013,666	1,164,091
Federal Share	776,600	762,341	821,551	888,256	1,052,191
Payments to AFDC/TANF Families	445,765	457,125	474,428	480,406	157,033
Incentive Payments (estimated)	339,217	407,242	399,919	409,142	411,527
Medical Support Payments	7,541	32,299	54,629	63,570	70,683
NON-AFDC COLLECTIONS	6,490,755	7,300,436	8,137,775	9,164,723	10,524,094
TOTAL ADMINISTRATIVE EXPENDITURES (\$000)	\$2,241,094	\$2,556,372	\$3,012,385	\$3,054,821	\$3,423,790
COST-EFFECTIVENESS RATIOS					
Total/Total	3.97	3.85	3.59	3.93	3.90
AFDC/TANF/Total	1.08	1.00	0.89	0.93	0.83
Non-AFDC Total	2.90	2.86	2.70	3.00	3.07

SOURCE: Financial data as reported by the States.

NOTE: Data for fiscal year 1997 are preliminary. The cost-effectiveness ratio is total collections per dollar of total administrative expenditures, not the cost-effectiveness ratio used to calculate incentives. Medical support payments became a reporting requirement in fiscal year 1994. Due to reporting changes the total expenditure data are shown. States and Federal shares are still being calculated. Program savings will be shown in the annual report.

*Welfare reform eliminated the \$50 pass through some States have chosen to continue it at their own expense.

PRELIMINARY
Table 2
Office of Child Support Enforcement
STATISTICAL OVERVIEW FOR FIVE CONSECUTIVE FISCAL YEARS

	1993	1994	1995	1996	1997
TOTAL IV-D CASELOAD	17,124,529	18,609,805	19,162,137	19,318,691	19,033,836
AFDC/FC/TANF Caseload	7,471,702	7,985,983	7,879,725	7,379,629	6,450,808
Non-AFDC Caseload	7,486,902	8,189,569	8,783,238	9,347,875	9,937,344
AFDC/TANF Arrears Only Caseload	2,165,925	2,434,253	2,499,174	2,591,187	2,645,684
AFDC/TANF and AFDC/TANF Arrears Only Caseload	9,637,627	10,420,236	10,378,899	9,970,816	9,096,492
TOTAL CASES FOR WHICH A COLLECTION WAS MADE	3,126,129	3,403,287	3,727,516	3,953,492	4,209,722
AFDC/FC/TANF Cases	879,256	926,214	975,607	939,755	864,950
Non-AFDC Cases	1,957,666	2,168,630	2,408,411	2,612,188	2,849,776
AFDC/TANF Arrears Only	289,207	308,443	343,498	401,549	494,996
AFDC/TANF and AFDC/TANF Arrears Only Caseload	1,168,463	1,234,657	1,319,105	1,341,304	1,359,946
TOTAL PERCENTAGE OF CASES WITH COLLECTIONS	18.3	18.3	19.5	20.5	22.1
AFDC/FC/TANF Cases	11.8	11.6	12.4	12.7	13.4
Non-AFDC Cases	26.1	26.5	27.4	27.9	28.7
AFDC/TANF Arrears Only	13.4	12.7	13.7	15.5	18.7
AFDC/TANF and AFDC/TANF Arrears Only Caseload	12.1	11.8	12.8	13.5	15.1
TOTAL IV-D CASES WITH ORDERS ESTABLISHED	9,487,314	10,429,167	10,972,667	11,413,684	10,993,080
AFDC/FC/TANF Caseload	2,790,688	2,956,224	2,942,789	2,811,063	2,286,715
Non-AFDC Caseload	4,541,701	5,038,690	5,530,704	5,591,434	6,060,681
AFDC/TANF Arrears Only Caseload	2,165,925	2,434,253	2,499,174	2,591,187	2,645,684
AFDC/TANF and AFDC/TANF Arrears Only Caseload	4,956,613	5,390,477	5,441,963	5,462,250	4,932,399
TOTAL PERCENTAGE OF CASES WITH COLLECTIONS TO CASES WITH ORDERS	32.9	32.6	34.0	34.6	38.4
AFDC/FC/TANF Caseload	31.5	31.3	33.2	33.4	37.9
Non-AFDC Caseload	43.1	43.0	43.6	46.7	47.1
AFDC/TANF Arrears Only Caseload	13.4	12.7	13.7	15.5	18.7
AFDC/TANF and AFDC/TANF Arrears Only Caseload	23.6	22.9	24.2	24.6	27.5
TOTAL LOCATIONS MADE	3,777,336	4,204,004	4,949,912	5,779,489	6,333,583
TOTAL PATERNITIES ESTABLISHED & ACKNOWLEDGED	554,289	676,459	932,097	1,042,728	1,282,202
Total IV-D Paternities Established	554,289	592,048	659,373	718,152	800,558
In-hospital Paternities Acknowledged	N/A	84,411	272,724	324,576	481,644
TOTAL SUPPORT ORDERS ESTABLISHED	1,026,224	1,024,675	1,051,336	1,081,981	1,215,980
TOTAL SUPPORT ORDERS ENFORCED OR MODIFIED	5,369,816	5,805,452	6,546,411	7,912,685	9,878,284
PERCENTAGE OF AFDC/TANF PAYMENTS RECOVERED	12.0	12.5	13.6	15.5	NA

SOURCE: Statistical data as reported by the States.

NOTE: Some States voluntarily report in-hospital information to OCSE. In-hospital numbers include an unknown number of Acknowledgements for children in the IV-D caseload. Data for fiscal year 1997 are preliminary.

PRELIMINARY

Table 5

Office of Child Support Enforcement

PROGRAM TRENDS for FY 1995, 1996, 1997

	1995	1996	1997	Percent Change	
				1995-1996	1996-1997
Total IV-D Collections (\$000)	\$10,827,167	\$12,019,789	\$13,379,946	11.0%	11.3%
AFDC/FC/TANF Collections	\$2,689,392	\$2,855,066	\$2,855,853	6.2%	.1%
Non-AFDC Collections	\$8,137,775	\$9,164,723	\$10,524,094	12.6%	14.8%
Total IV-D Administrative Expenditures (\$000)	\$3,012,385	\$3,054,821	\$3,423,790	1.4%	12.1%
Total ADP Expenditures	\$589,314	\$476,016	\$577,646	-19.2	21.4%
Total IV-D Caseload	19,162,137	19,318,691	19,033,836	.8%	-1.5%
AFDC/FC/TANF Caseload	7,879,725	7,379,629	6,450,808	-6.4%	-12.6%
Non-AFDC Caseload	8,783,238	9,347,875	9,937,344	6.4%	6.3%
AFDC/FC/TANF Arrears Only Caseload	2,499,174	2,591,187	2,645,684	3.7%	2.1%
Total Cases for Which a Collection was Made	3,727,516	3,953,492	4,209,722	6.1%	6.5%
Total Locations Made	4,949,912	5,779,489	6,333,583	16.8%	9.6%
Total Paternities Established & Acknowledged	930,833	1,041,678	1,282,202	11.9%	23.0%
Total IV-D Paternities Established	659,373	718,152	800,558	8.9%	11.5%
In- Hospital Paternities Acknowledged	272,724	324,576	481,644	19.2%	48.3%
Total Support Orders Established	1,051,336	1,081,981	1,215,980	2.9%	12.4%

SOURCE: Financial and statistical data as reported by the States.

NOTE: Data for fiscal year 1997 are preliminary.

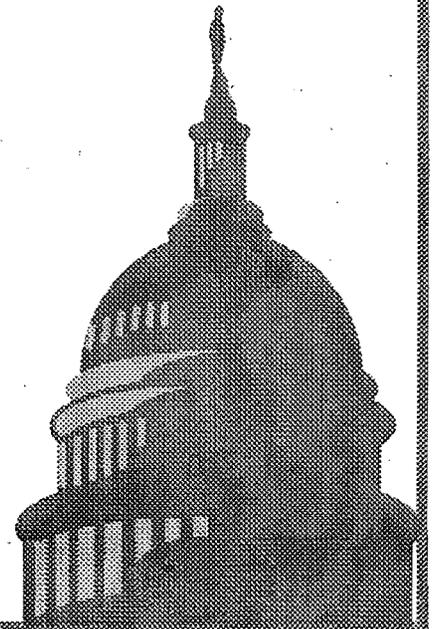
State and Federal Registries

- ◆ **State Directory of New Hires**
- ◆ **State Case Registry**
- ◆ **Expanded Federal Parent Locator Service**

National Directory of New Hires

- ❖ *New Hire Data From SDNHs*
- ❖ *Quarterly Wage and Unemployment Compensation Data from SESAs*
- ❖ *New Hire and Quarterly Wage Data from Federal Agencies*

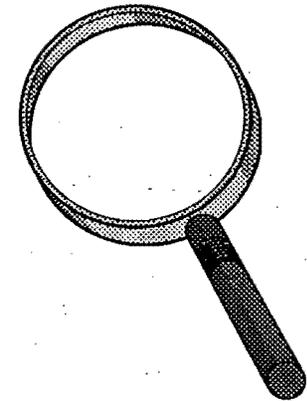
Federal Case Registry



National Directory of New Hires

◆ Status

- *Implemented in October 1997*
- *All 50 States and 2 territories participating*
- *138 Federal agencies submitting data*
- *3.8 million new hire records, 364 million quarterly wage records, 17 million unemployment insurance records*
- *Over 1.1 million noncustodial parents located on interstate cases*
- *Year 2000 compliant*



Federal Case Registry

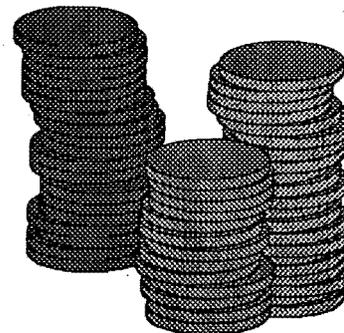
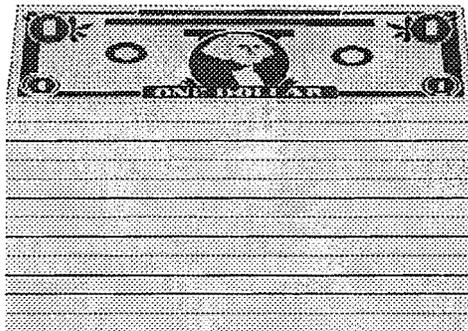
- ◆ Purpose is to facilitate location
- ◆ All IV-D cases from state case registry
- ◆ Non IV-D orders established or modified after October 1, 1998
- ◆ Status--on schedule to implement system October 1, 1998



Federal Child Support Offset Program

◆ Federal Tax Refund Offset

- *Operating program since 1982*
- *Collected record \$ 1.1 billion in 1997*
- *Will exceed \$1.2 billion in collection in 1998*



Federal Child Support Offset Program

◆ Administrative Offset Program

- *Interagency workgroup with FMS/OCSE*
- *Implemented June 1997*
- *15 states currently participating*
- *Collected \$500,000 since implementation*
- *Treasury merging Tax Offset/Administrative Offset Programs in January 1999*

Federal Child Support Offset Program

◆ Passport Denial

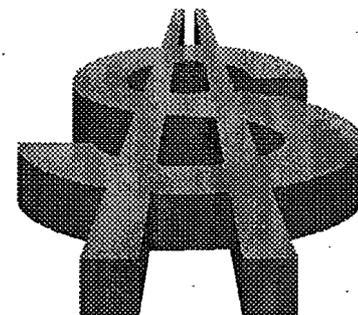
- *Implemented in June 1998*
- *1.9 million cases submitted to State Department*
- *Denying 30-40 passports per day*

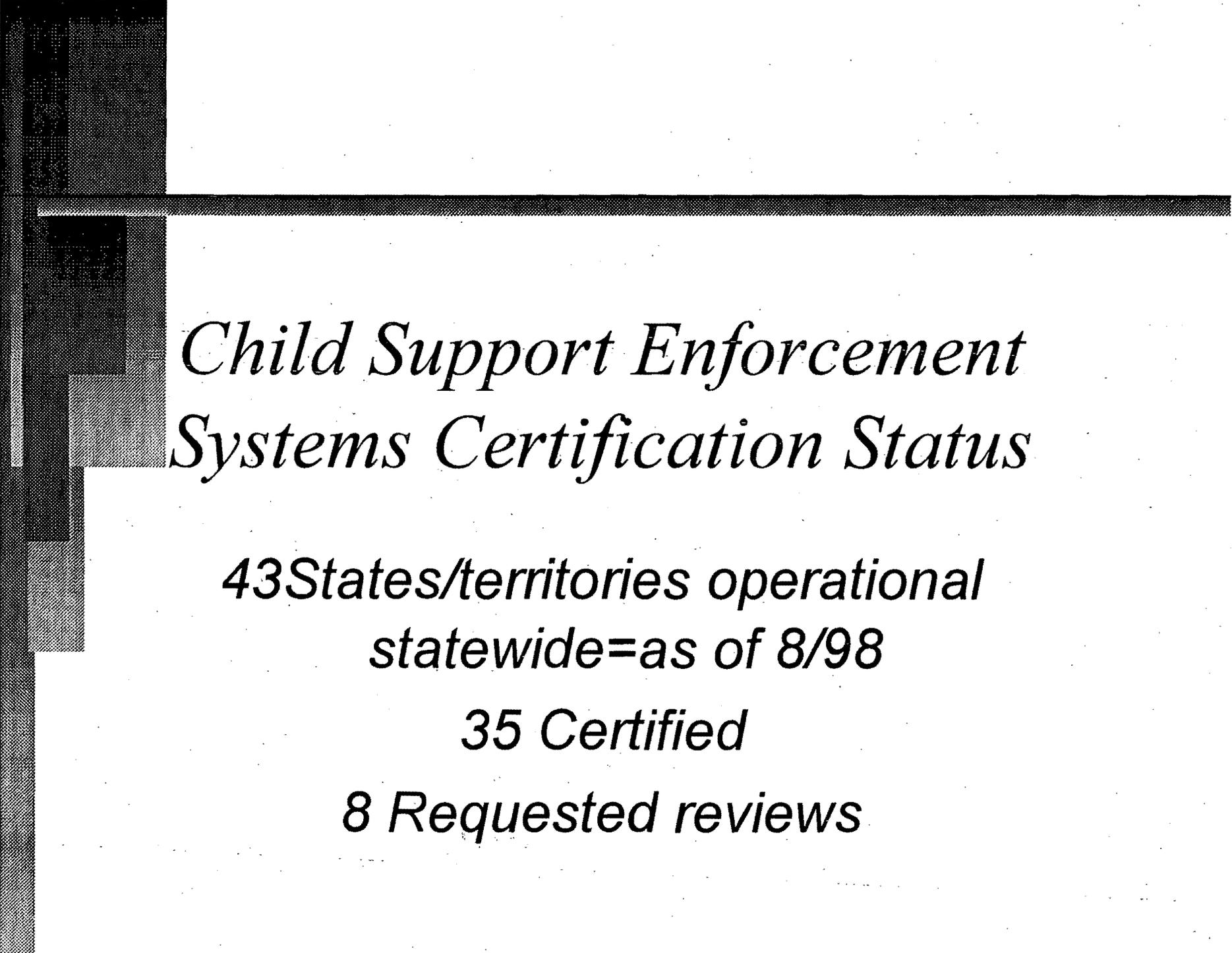


Federal Child Support Offset Program

◆ Financial Institution Data Match

- Conduct Quarterly Matches with Financial Institutions for delinquent obligors
- P.L. 105-200--Expanded role of FPLS
 - ❖ States responsible for in-state matches
 - ❖ OCSE responsible for multi-state Financial Institutions matches (2000+ Financial Institutions)
 - ❖ June 1999 Implementation





*Child Support Enforcement
Systems Certification Status*

*43 States/territories operational
statewide=as of 8/98*

35 Certified

8 Requested reviews

**CHILD SUPPORT ENFORCEMENT SYSTEMS
CERTIFICATION REVIEWS
35 Certified as of August 3, 1998**

Level II (Statewide) reviews

<u>State</u>	<u>Review conducted</u>	<u>Report issued date</u>
1. Montana	June 13-17, 1994	9/2/94 - Cond.
2. Delaware	June 26-30, 1995	2/9/96 - Cond.
3. Georgia	Aug 28-Sept 1, 1995	2/9/96 - Cond.
4. Virginia	Sept 19-22, 1995	2/9/96
5. Washington	Sept 25-29, 1995	2/9/96
6. West Virginia	Sept 25,95 & 4/22/96	7/3/96 - Cond.
7. Arizona	April 22-26, 1996	8/2/96 - Cond.
8. Utah	Sept 19-22, 1995	8/22/96 - Cond.
9. Connecticut	May 20-24, 1996	8/22/96- Cond.
10. Wyoming	June 24-28, 1996	8/22/96
11. Mississippi	Sept 9-12, 1996	12/16/96 - Cond.
12. Louisiana	August 12-16, 1996	1/21/97 - Cond.
13. New Hampshire	June 3-7, 1996	6/30/97
14. Idaho	April 8-10, 1997	7/11/97
15. Colorado	June 16-20, 1997	7/11/97
16. Oklahoma	June 2-6, 1997	8/22/97-Cond
17. Wisconsin	April 28-May 2, 1997	9/19/97-Cond
18. Rhode Island	April 28-May 2, 1997	12/05/97-Cond
19. Guam	July 14-18, 1997	12/05/97-Cond
20. New York	August 4-8, 1997	12/05/97-Cond
21. Iowa	Nov. 17-21, 1997	12/05/97
22. Alabama	Sept 8-12, 1997	12/31/97-Cond
23. Texas	Nov 17-21, 1997	02/03/98-Cond
24. North Carolina	Jan 12-16, 1998	02/26/98-Cond
25. New Jersey	March 11-15, 1996	03/26/98-Cond
26. Vermont	Jan 26-30, 1998	04/29/98-Cond
27. Puerto Rico	Sept 8-12,1997	05/11/98-Cond
28. Maine	Feb 17-20,1998	05/11/98
29. Tennessee	Feb 2-6, 1998	05/11/98-Cond
30. Minnesota	March 2-6, 1998	05/27/98-Cond
31. Kentucky	Feb 23-27, 1998	07/27/98-Cond
32. South Dakota	March 23-27, 1998	07/31/98-Cond
33. Massachusetts	March 23-27, 1998	07/31/98-Cond
34. Florida	March 23-27, 1998	07/31/98-Cond
35. Arkansas	March 30-April 3, 1998	07/31/98-Cond

Review Scheduled or Report being written

1. Hawaii	Aug 3rd	Requested/letter
2. Maryland	Aug 17th	Requested/letter
3. Alaska	Sept 14th	Requested/letter
4. D.C.	Sept 21st	Requested/letter
5. Oregon	Sept 21st	Requested/letter
6. Illinois	Sept 21st	Requested/letter
7. Missouri	Sept 21st	Requested/letter
8. New Mexico	Sept 28th	Requested/letter

States not yet Family Support Act of 1988 compliant

California
Indiana
Kansas
Michigan
Nebraska
Nevada
North Dakota
Ohio
Pennsylvania
South Carolina
Virgin Islands

CHILD SUPPORT FINANCING TASK FORCE PRELIMINARY PROJECT PLAN

Background

The Administration's FY 1999 Budget for Child Support Enforcement makes a commitment to meet with child support stakeholders to review program financing. Child Support financing is very complicated, with federal payments to cover administrative costs made at several different matching rates; with an out-of-date incentive structure being replaced with a new performance based system over the next few years; with collections related to TANF cases shared between the state and federal governments based on each state's Medicaid match rate; and finally with an option for states to collect fees within statutory limitations.

The child support community has a strong interest in ensuring that the system is effective and efficient. There are growing concerns in Congress and state legislatures about the cost of the program and about establishing the appropriate share of funding that falls on the federal, state and local governments. While many observers argue that the current financing system does not reward effective performance, program administrators and others maintain that some measures of success such as TANF recoupment may be inappropriate or overemphasized. Other observers have maintained that the program's financing is ineffective or at least inefficient. Questions have also been raised about the viability of the current financing system in light of welfare reform.

Most stakeholders agree that there may be numerous positive program outcomes that often go unidentified and undocumented. These include Medicaid and food stamp direct savings as well as the more difficult to measure financial benefits resulting from helping families in becoming or remaining self-sufficient and thereby avoiding public assistance costs. Most stakeholders would also agree that there are real, albeit less tangible, benefits resulting from establishing parentage and financial accountability and through maintaining contact between children and parents in separated or never married family units.

ACF has already begun the process of reviewing the current financing system. An initial meeting was held on July 31, 1998 in Washington, DC with stakeholders to begin the consultative process. The Lewin Group has been retained to gather facts about the financing process especially as it varies between states. OCSE has established a Task Force with responsibility for the Financing Project:

Leader:	Robert Harris, Associate Commissioner for Central Office Operations, OCSE, Washington, DC
Project Manager	Jerry Fay, OCSE, ACF Region I, Boston, MA tel: 617-565-2479; fax: 617 565-2493; email: jfay@acf.dhhs.gov
Staff Assistant	Brett Lambo, OCSE, Washington, DC tel: 202-401-4645; fax: 202-401-5558; email: blambo@acf.dhhs.gov

Project Meeting Outline

The task force has prepared a preliminary overview of planned activity for the financing project through the end of calendar year 1998. We have established four concurrent tracks for project activity in order ensure maximum participation from federal and non-federal stakeholders.

Track 1 - Regional Consultation Meetings

The task force will hold consultation meetings with local stakeholders in each HHS Hub area. The Hub cities are New York, Atlanta, Dallas, Chicago and San Francisco, although meetings may be held in different cities within the Hub regions.

We plan to begin these regional meetings in September and complete them by the end of November. We intend to arrange three of our meetings concurrently with TANF meetings being scheduled by the Office of Family Assistance. At this time, this would include meetings in Denver, September 18; Atlanta, October, 28; and Phoenix, November 5, 1998. The Chicago meeting will be held on November, 18. The New York Hub area meeting is tentatively planned for Providence, RI , about November 11, 1998.

The regional consultation meetings will address several topics designed to gather input on child support financing and effectiveness issues from a diverse group of invitees. We will address as many of the consultation questions distributed at the July 31 meeting as possible. These questions are included in this package for reference. We will work with Regional Directors, regional ACF officials; state IV-D Directors; NGA, NCSL, NACo, APHSA and other groups as necessary to identify appropriate attendees representing at least the following stakeholders:

- federal HHS and OMB officials;
- tribal representatives;
- state IV-D officials (and umbrella agency officials if determined feasible);
- county and local officials including
 - judicial officials,
 - district attorneys' and
 - IV-D offices;
- governors' offices;
- state executive office budget officials;
- legislative officials (including budget staff);
- advocates; and
- academics.

Track II - Washington, DC Based Specific Topic Consultation Meetings

The task force will hold a minimum of three meetings in Washington, DC, to address specific topics and the consultation questions distributed at the July 31 meeting which are also attached for your reference. The list of invitees will be the same as for that meeting with selected additional participants. The topic areas as currently identified are:

1. Mission, Strategies and Financing Approaches

We will distribute OCSE's current strategic plan and discuss the mission and goals of the program. We will seek to incite a discussion of varying views of CSE's mission, various strategies that should be used to accomplish that mission and general financing approaches to support those strategies. This meeting is scheduled for October 2, 1998.

2. Program Efficiency and Effectiveness

We will address issues and the consultation questions related to administrative simplicity, program flexibility and external issues. We will discuss legislation and regulations that participants believe adversely impact efficiency and effectiveness. We will also consider state and local practices and policies including privatization that participants believe impact performance positively or negatively. This meeting is scheduled for October 21, 1998.

3. Review of Funding Issues

We will use this meeting (or meetings as necessary) to discuss program funding issues including consultation questions about federal and state investment in the program and the impact of funding as an incentive for child support enforcement. This meeting will take place after issuance of the Lewin Group's preliminary findings scheduled for October 23, 1998. We will review the findings and further discuss program mission, effectiveness and efficiency as they relate to the study.

Track III - Meetings with Selected Groups and Associations

The task force will meet with Congressional staff and selected organizations having an interest in child support including but not limited to the:

- National Governors Association;
- National Conference of State Legislatures;
- National Association of District Attorneys;
- National Child Support Enforcement Association;
- American Public Human Services Association;
- National Center for State Courts; and
- National Association of Counties.

Track IV

The task force is currently developing a list of other individuals and groups with an interest in child support enforcement and will mail the consultation questions to them for completion and return. This will allow us to enlarge the universe of those providing response to the questions. Anyone invited to one of the meetings will receive the questions with a request to provide the answers even if they cannot attend.

We will also work with the Lewin Group to provide them with input for their fact finding as well as comments on their results. We will attempt to have Lewin Group representatives attend appropriate meetings to provide status briefings to participants.

Child Support Enforcement Financing Consultation Questions

Incentive Effect

What funding mechanism for the child support program would create the right incentives to serve children?

Under the current funding structure, what are the incentives to serve some subgroups of families over others?

As the non-TANF caseload grows and the average income of families served may increase, what are the current impediments to receiving IV-D services?

What subgroups are currently underserved and what incentives would serve them better?

How do you restructure the program to reduce the gap between potential and actual collections?

How do we ensure that more children get support orders and that we collect more of the support ordered?

How do the various program funding streams serve other program interests at the State and local as well as the Federal levels?

How can the funding system be structured to ensure that child support payments benefit children to the maximum extent possible?

Does the current law regarding payment of a portion of the CSE costs by families serve the best interests of children and the child support program? If not, what alternatives would better accomplish program goals?

Federal/State Investment

To what extent does States' ability to set up separate State assistance programs under TANF undermine the Federal share of child support collections and what action, if any, is needed to protect the Federal investment in the program?

What is the current level of non-Federal investment in the CSE program and how can we create incentives for increasing such investments?

Some States/localities receive more in Federal funding plus the state share of TANF collections than they expend on the program structure. Does this serve as an incentive to improving services and increasing support to families? In addition, what types of activities are these funds currently spent on?

Does the existing financing structure fairly balance Federal and State/local investments in the program?

What impact has the high effective match rate had on the ability of States to efficiently and effectively achieve the goals of the child support programs?

Administrative Simplicity and Program Flexibility

What aspects of the current funding structure are administratively complicated or burdensome?

Does the current incentive structure support appropriate State/local innovations in CSE?

What would States/localities change about the current funding structure if they could change anything?

What changes in the current funding structure would help States/localities better integrate their CSE and TANF program while continuing to provide high quality services to non-TANF populations?

External Issues

What changes about the current funding structure would advocates recommend if they could change anything?

How would any funding change affect the way child support enforcement services are provided to children and families?

How will funding changes fit into the historical context of the program and within the past six years of increased federal presence and direction, including PRWORA?

How would any funding changes be viewed by the general public and by the media?

September 15, 1998

CHILD SUPPORT MULTI-AGENCY TASK FORCE (CSMAIT)

The Federal Department of Health and Human Services' (DHHS) Office of Child Support Enforcement and Office of Inspector General have developed and initiated a law enforcement model that will improve our nation's criminal non-support enforcement efforts.

The projects short term goal is to identify, investigate and prosecute the most flagrant state and federal offenders, in the geographic areas covered by the task forces. The long term objective is to create, on a national basis, a comprehensive and coordinated health and human services and criminal justice response to our nation's unresolved inter/intra state cases.

The model utilizes an interdisciplinary task force approach, which targets selected high volume states across the country. This approach will increase child support collections by identifying, analyzing, investigating and prosecuting high-profile, criminal non-support cases. The initiative's structured problem identification and resolution process will allow task force partners to better coordinate and focus our nation's criminal non-support enforcement efforts.

Each task force will consist of criminal justice and child support practitioners, who will identify problems peculiar to the locality, state or region, carefully analyze them, and provide comprehensive and workable solutions. Each task force will also deploy teams of local, state and federal investigators. The lead for each team will be provided by DHHS's Office of Inspector General--Office of Investigations (OI).

A central case screening unit provided by OCSE will also be installed in each region. These units staffed by case analysts will receive, analyze, distribute and track cases assigned to the individual task forces. Using both commercial (public) and government (confidential) data bases, the screening units will quickly determine a target's ability to pay as well as critical asset, business and residential locate information. Once these preliminary investigations have been concluded, the information will be forwarded to the appropriate team(s) for formal investigation. The final step will involve presentation of the completed investigation(s) to the appropriate prosecutor, in a format suitable for judicial action.

Since May 1998, OCSE-OI's first task force (Illinois, Michigan and Ohio), has produced the following outcomes:

- 70 federal cases opened--\$2.6 million in arrears
- 25 federal arrests
- 5 federal convictions, with \$147,000 in restitution ordered
- 8 federal convictions sentencing pending

- 180 state cases opened--\$5.2 million in arrears
- 162 state arrests--\$4.2 million in restitution ordered by local and state courts

The development of another task force that will cover Delaware, Maryland, Pennsylvania, Virginia and Washington, DC is now in the early planning stage.

Criteria for future task force deployment will continue to be based on careful analysis of the child-support caseload, multi-agency work load and resource allocation and the availability and location of potential task force members. It is critical that an adequate number of OI field offices and investigators are located in the designated target areas and that a commitment to the program is evidenced by the affected state IV-D directors.

If the DHHS task forces replicate the results achieved by similar law enforcement models, they will bring together a majority of stake-holders, allow for cross disciplinary problem identification; and create the means and methodology for comprehensive problem solving. This formal interactive process will over time, improve coordination, reduce duplication and increase substantially, child support collections.



CSMAIT BULLETIN



Volume 1, Issue 1

JULY-1998

Greetings! This is the first of what will be a continuing series of CSMAIT information bulletins. We are initiating this bulletin to keep everyone informed of our progress.

....During a recent visit to the CSMAIT center in Chicago, **Child Support Enforcement Commissioner David Gray Ross** emphasized the importance of our team approach and heralded the success we have already achieved during this brief interim period. As you know, a select number of investigations have been conducted to test the program and the seven arrests that have already been effected, testify to the value of our multi-agency approach. The **Inspector General's (OI) Unit Leaders** have detailed information regarding these first arrests, as well as supporting news articles and other pertinent information.

Initial Task Force results include:

- May 21, 1998, **Jerry Gertz** was arrested in Miami, Florida for violating the Child Support Recovery Act. Gertz owes over \$50,000 in child support and more than \$150,000 in alimony. The original court orders were issued by Genesee County, Michigan. Gertz, who owns a home on a canal and a boat in Florida and is the president of a yacht company, was arrested while driving his Lexus.
- **Donald Edwards** surrendered to Federal Authorities on May 20, 1998 in Hartford, CT. He appeared before a Federal Magistrate and was released on a \$20,000 bond with orders to appear in the U.S. District Court in Grand Rapids, Michigan to face charges that he violated the Child Support Recovery Act. Edwards was over \$33,000 in arrears at the time of his arrest. Edward's employment history indicates that he has been Chief Executive Officer for Vision Tech Education, since 1996.
- On May 12, 1998, **Antonio Catani** pled guilty in Minnesota to violating the Child Support Recovery Act. Catani owes over \$26,000 in child support. Catani resides in Minnesota. His child (along with the custodial parent) reside in Alaska. Catani will be sentenced in October.
- After a difficult multi-state search, **Paul Sotello** was arrested in Ypsilanti, Michigan. His employment as a pilot for a contract-airline-mechanical firm allowed him to move frequently, making him difficult to find and arrest. When captured, Sotello was over \$27,000 in arrears. On May 26, 1998, Sotello agreed to a pre-trial diversion agreement in the U. S. District Court, in the Southern District of Indiana. The agreement requires that Sotello pay his arrears and continue to make all ordered payments. Sotello has now started his regular payments.
- On May 18, 1998, **Kelly VanDyke** was arrested in Davenport, Iowa for violating the Child Support Recovery Act. At the time of her arrest, VanDyke was over \$16,000 in arrears. The warrant for her arrest was issued out of Minnesota.

On May 21, 1998, **Ricky Lee Marriner** was arrested in Tenino, Washington on charges of violating the Child Support Recovery Act. The warrant for his arrest was issued out of the Southern District of Ohio. Marriner is over \$18,000 in arrears and evidence shows that he is the beneficiary of a life insurance policy which paid him \$100,000. Marriner has a history of violence, including charges of domestic violence and has been known to carry concealed weapons. The Magistrate ordered Marriner to be held and transported by the **U.S. Marshals Service** to the Southern District of Ohio where he faced federal charges. On June 26, 1998 Ricky Lee Marriner appeared in the U.S. District Court, in Columbus, for arraignment and entered a plea of guilty to one count of violating 18 USC - 228, Failure to Pay a Legal Child Support Obligation. His plea was accepted and he was found guilty by Magistrate Judge Norah McCann King, who sentenced him to pay full restitution of approximately \$19,000, and placed him on probation for the maximum period of five years. Marriner may be released from probation early if he makes full restitution prior to the expiration of the five years.

On June 15, 1998, a felony child support warrant for a second violation, of 18 USC - 228 was issued for **Theodore Roosevelt Nix**. Nix, an "Arena" football player, was convicted of his first offense in March 1995,

but has not paid any of the ordered child support. Nix currently owes the Ingham County, Michigan Friend of the Court \$76,086.87. While DOJ does not believe this is the first felony charge in the country under, 18 USC - 228, it is the first in Michigan and the first for the CSMAIT Task Force. CSMAIT / OI - Agents are in the process of locating Nix.

...Here is the status of the CSMAIT Center located at 105 West Adams, Chicago, IL. To date, measures have been taken to ensure the safety and security of office space and search data. Essential office equipment has been procured and installed and as of June 15th, we have had programs loaded on a terminal that provides access to a variety of data bases. The Federal Parent Locator Service System and one other exciting information mining tool will soon be part of this expanding automated information system. OI's new case tracking and evaluation system has been set in place and continues to be ready to provide interim tracking and investigative support.

...Also, we have recently acquired two new CSMAIT partners. From across our northern international border, **Leslie Conroy, Senior Intelligence Officer**, Contraband and Intelligence Services Directorate, Revenue Canada Customs has joined our group, and

Chief Judge Marvin E. Aspen of the U.S. District Court, Northern District of Illinois, has appointed **Executive Magistrate Judge Rebecca R. Pallmeyer** as the Federal District Court's representative. We are very excited about their commitment to this effort and the benefits that will accrue, as a result of their membership.

...On another note, we have received some great suggestions to strengthen our partnership. **Gale Quinn**, Program Specialist for Region V, suggested that we include IRS investigators as a part of our effort and we are moving to bring them on board.

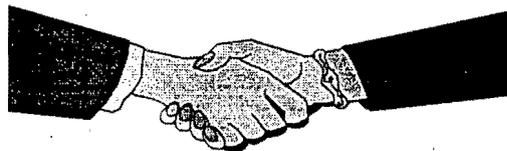
...During the next several weeks, we plan to schedule meetings in each of the states to begin discussions with State CSE Agencies, OI-Unit Leaders and individual CSMAIT members. These meetings are critical, as they represent the next important step in carrying out CSMAIT's partnership building and long range planning efforts. We are asking you to quickly notify your OI-Unit leaders (**Scott Langen - IL, Craig Morgan - OH and Scott Vantrease - MI**) of any issues you would like to discuss during these meetings. They will forward them to **Chief Don Deering**, so they can be added to the agendas.

...We are also pleased to report that OI-Unit Leaders are currently working within the states to establish interim procedures for case screening and referral to the Center. They will be in touch with you soon regarding logistics.

...This should bring you up-to-date and have you thinking about the issues, obstacles, solutions and other matters you would like to discuss and bring to closure during our meetings.

... **Remember**, in addition to its investigative role, CSMAIT provides an unparalleled opportunity to collaborate on a grand and comprehensive scale - to discover and test new theories, practices, technologies and procedures and in the end, **revolutionize** the way criminal non-support enforcement is conducted. All of this will be accomplished with your support and participation.

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Partnership for America's Children