



**New Jersey State Legislature  
Office of Legislative Services  
Office of the State Auditor**

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**Department of Human Services  
Division of Family Development  
Child Support Program**

July 1, 2010 to June 30, 2013

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**Stephen M. Eells  
State Auditor**

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New Jersey State Legislature

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Enclosed is our report on the audit of the Department of Human Services, Division of Family Development, Child Support Program for the period of July 1, 2010 to June 30, 2013. If you would like a personal briefing, please call me at (609) 847-3470.

A handwritten signature in black ink that reads "Stephen M. Eells".

Stephen M. Eells  
State Auditor  
September 25, 2013

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## *Scope*

We have completed an audit of the Child Support Program (program) administered by the Department of Human Services, Division of Family Development, Office of Child Support Services (OCSS) for the period July 1, 2010 to June 30, 2013. The role of the OCSS and the other state and county agencies involved in the administration of the program is to provide assistance in the location of non-custodial parents, establish paternity and support obligations, and enforce those obligations. Our audit included the OCSS's interaction with the Judiciary and the county welfare agencies. Our audit also included program and financial activities accounted for in the New Jersey Kids Deserve Support (NJKiDS) automated case management system, which is utilized to track all information related to child support cases. The audit focused on collection and enforcement activities once a child support obligation has been established.

Child support collections for calendar year 2012 totaled \$1.3 billion. The state's collection rate for the timely payment of current child support payments is 65 percent. New Jersey ranks eighth nationally in terms of total funds collected and distributed as current support. The child support arrears total at December 2012 was \$3.4 billion.

## *Objectives*

The objectives of our audit were to determine whether adequate controls were in place for the program to ensure cases were properly documented in the NJKiDS system, the program was fulfilling its administrative and fiduciary responsibilities to collect and disburse child support funds, and the program was safeguarding the custodial parents' and government interests with the docketing of civil judgments, when necessary.

This audit was conducted pursuant to the State Auditor's responsibilities as set forth in Article VII, Section I, Paragraph 6 of the State Constitution and Title 52 of the New Jersey Statutes.

## *Methodology*

Our audit was conducted in accordance with *Government Auditing Standards*, issued by the Comptroller General of the United States.

In preparation for our testing, we studied federal and state legislation and regulations, policies and procedures promulgated by the Division of Family Development and the Judiciary, including the Rules of the Court, as well as cooperative agreements with government agencies. Provisions we considered significant were documented and compliance with those requirements was verified by interview, observation, and the analysis and testing of program data. We interviewed personnel at the Division of Family Development, the county welfare agencies, and the Judiciary to obtain an understanding of the program processes from the establishment of paternity and a child support order, to the collection and disbursement of funds to the custodial parent.

A nonstatistical sampling approach was used. Our samples of financial transactions were designed to provide conclusions on the audit objectives, as well as internal control and compliance attributes. Sample populations were sorted and transactions were judgmentally selected for testing.

### *Conclusions*

We found adequate controls were in place for the program to ensure cases were properly documented in the NJKiDS system, the program was fulfilling its administrative and fiduciary responsibilities to collect and disburse child support funds, and the program was safeguarding the custodial parents' and government interests with the docketing of civil judgments, when necessary. In making these determinations, we noted opportunities where legislation should be considered for the establishment of an age of emancipation and where efficiencies and cost savings could be provided, and creditors' rights preserved. We also observed that efficiencies could be achieved through additional computer interfaces with other government agencies which would limit the need for manual inputs and increase the accuracy of the data in the NJKiDS system.

## **Emancipation**

### **The state should establish a uniform emancipation age.**

New Jersey is one of only four states that do not have an established age of emancipation, resulting in additional costs to the state and to the custodial and non-custodial parents and increased child support arrearages. Parents are required to file a motion with the court to have their child declared emancipated. Otherwise, the child support order will continue in effect indefinitely unless the custodial parent agrees to the child's emancipation or a case worker issues a child status letter to both parents, which may trigger a court hearing. However, child status letters are only issued when the youngest child on the child support order turns 18 years old. If parents are not in agreement as to when their child should be emancipated, the non-custodial parent must then petition the courts for emancipation and termination of the child support order. A Family Court judge has sole discretion to determine when the child should be emancipated. Judges are allowed to vacate accrued child support charges only back to the date the petition was filed; they can vacate arrears back to the emancipation date for each child if the custodial parent agrees.

Not having established criteria or an age for emancipation can have a negative impact, financial and otherwise, on the parents and the state. The parents can incur unnecessary legal fees such as court filing and lawyer fees for representation. In addition, the non-custodial parents are still subject to all enforcement remedies available to the program to encourage collection of the child support debt, which includes reporting debt to credit reporting agencies, obtaining judgments, suspension of licenses, tax refund intercepts, bank levies, and bench warrants. The state is also negatively impacted with the increased administrative costs associated with mailings and scheduling of court hearings, as well as the potential loss of federal incentive dollars due to increased arrearages.

We performed an analysis to estimate the effect of not having a defined emancipation age on the accumulation of arrearages. We selected age 23 for our analysis to provide a conservative estimation, because it is the oldest age suggested by program personnel for emancipation. As of September 2012, we noted there were 51,840 child support cases where at least one dependent was over the age of 23 and not emancipated. As a result of these dependents not being emancipated, we estimated arrearages on these cases had a cumulative net increase from their 23<sup>rd</sup> birthday of \$20 million.

### **Recommendation**

We recommend the division, in conjunction with the Judiciary, request legislation establishing an age of emancipation. In addition, we recommend that the division issue child status letters when each child on the order turns 18 years old, instead of waiting until the youngest child on the order reaches age 18.

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## Holds

### Funds on disbursement hold were held for an excessive period of time.

During the computer conversion process from the old automated case management system, ACSES, to NJKiDS, the Child Support Program instituted a policy to affix a high release date of 12/31/9999 to cases with a disbursement hold to safeguard against the improper disbursement of funds, resulting in \$14 million being ineligible for disbursement, refund, or unclaimed escheatment. A majority of these funds (\$11.3 million) had been on hold for two to five years. These holds could only be released manually by Judiciary employees at the county level, but these employees were unaware they needed to take additional action to release the funds. The agency did not act on these disbursement holds until it was brought to their attention by the auditors. Program personnel initiated a project in July 2012 to address these holds and as of February 27, 2013, only \$386,000 of these funds were still on hold.

### Recommendation

The division should determine the disposition of the remaining funds on disbursement hold and properly monitor any future use of high release dates.



## Child Support Judgments

### Recordkeeping for closed cases needs to be improved.

There are no procedures in place to update the Superior Court's judgment database after the initial filing to capture the case closure date and any additional arrears or reductions that accrue over the life of the child support obligation. The NJKiDS system does not issue notices to either the custodial or non-custodial parent when a judgment is established and this information is not included in the termination/closure notice. Program employees do not have access to the Superior Court's judgment database to confirm that case balances have been updated prior to case closure at which time balances are being reduced to zero, nor are they required to investigate funds received on a closed case to determine if there is an open judgment. Instead, these funds are automatically refunded by the NJKiDS system to the non-custodial parent. In addition, the NJKiDS system does not have a method to search or store summary data for a closed case that was reduced to a judgment which identifies the total debt amount and the balances due to individual creditors prior to case balances being reduced to zero.

### Recommendation

We recommend the division consider monthly updates to the Superior Court's judgment database for cases with an arrears balance that have been closed on the NJKiDS system within the past month. The division should also notify both parties in the termination/closure notice

that balances have been reduced to a judgment and of the amount of the arrearage, as well as their responsibilities to file documents with the Superior Court to clear the judgment from court records when the debt has been satisfied. We recommend the program develop a method within the NJKiDS system to identify cases which have been closed and reduced to a judgment, and capture the balances due to the individual creditors.

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## **Warrants**

### **Walk-in payments should be checked for outstanding child support warrants.**

Child Support Program personnel at county finance offices do not determine if the parties making child support payments have outstanding child support warrants. Our analysis disclosed that 1,419 of 27,767 non-custodial parents with active bench warrants as of January 30, 2013 made 8,303 payments at county finance offices totaling \$1.4 million. Probation office personnel could have been alerted and met with the non-custodial parents to confirm demographic information such as their current address and employer, as well as inform them of their active warrant status. However, the finance clerk is not required to check the appropriate screen on the NJKiDS system to determine if the non-custodial parent has an active warrant. In addition, case workers are not notified when a non-custodial parent with an active warrant has made payment.

### **Recommendation**

We recommend the division require finance office employees who receive child support payments to determine if the case is linked to a bench warrant. Probation office personnel should be alerted to meet with non-custodial parents with warrants. In addition, we recommend programming changes to alert staff that there is an active warrant associated with the non-custodial parent whenever their case or client number is entered into the NJKiDS system. Case workers responsible for monitoring warrants should be notified whenever a payment is made on a case with an active warrant to determine if the warrant should be rescinded once a sufficient payment history has been established.

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## **NJKiDS Ad Hoc System Access**

### **The Judiciary should document its need for Ad Hoc access to the NJKiDS system.**

Judiciary personnel have replicated data from the NJKiDS system and created their own databases to carry out their Child Support functions. The creation of these databases has resulted in a less efficient work operation while raising information security concerns because the data is stored outside of the NJKiDS system.

In order to carry out their duties to establish and enforce child support orders, Judiciary management had requested Ad Hoc access to the NJKiDS system for its central management staff when the system was being developed. This request was denied by the Division of Family Development's Office of Child Support Services (OCSS) because they asserted the report component within the NJKiDS system, known as the Business Intelligence Portal, provided the Judiciary with sufficient report analysis capabilities for their program responsibilities. In 2009, the Judiciary responded by creating its own databases outside of NJKiDS. Each month, Judiciary personnel export data for each of the 21 counties and merge this data into one statewide database. Judiciary management has stated that these replicated databases have been used to generate customized management, statistical, and performance reports both at the state and county levels, as well as reports to facilitate data cleanup. However, the creation of these separate databases is an inefficient and time-consuming duplication of resources. In addition, this data was originally stored on a personally owned external hard drive and a Judiciary server, and only the files were password-protected, which raised significant information security concerns. The databases were transferred to the Judiciary's Data Center in February 2013 and, according to Judiciary's management, the external hard drive was re-formatted.

### **Recommendation**

We recommend the Judiciary document the information needed to perform its administrative responsibilities and provide the Division of Family Development with assurances that the information from the NJKiDS system will be utilized strictly for the purposes of the Child Support Program and properly secured.



## **Federal Reports**

### **Reconciliations of federal reports should be properly performed.**

The fiscal unit in the Division of Family Development (DFD) has not made an adequate effort to reconcile the federal Office of Child Support Enforcement (OCSE) 34A reports with the program's bank accounts. This has resulted in a federal Single Audit report finding every year since 2000. The DFD is required to submit the OCSE 34A report on a quarterly basis to the US Department of Health and Human Services, according to OMB Circular A-133 Compliance Supplement No. 0970-0181. The report has specific instructions that require it to be presented in net amounts and to include payments made directly to the custodial parent. The information used to compile the OCSE 34A report is collected from the NJKiDS system in accordance with specific formulas; there are no manual inputs by DFD personnel. Although program personnel have prepared reconciliations to compare collections and disbursements from the OCSE 34A report to the child support bank accounts, they have been unable to explain the large differences between the report amounts and the bank accounts. It should be noted that the Judiciary's Banking and Cash Management unit has reconciled the state's accounting system (NJCFIS) on a monthly basis with the child support bank accounts.

As of June 30, 2011, the unreconciled differences as reported by the DFD fiscal unit were \$47.7 million and \$42.3 million for collections and disbursements, respectively. We found that the reconciliation procedure used by the fiscal unit was incomplete and did not address the compilation requirements of the OCSE 34A report regarding net amounts and recognizing direct payments to the custodial parent in their collection figures. Taking this information into account, we were able to narrow the unreconciled differences to \$1.4 million for collections and \$3,200 for disbursements.

The division has responded to the federal Single Audit finding that they were unable to reconcile due to design limitations within the previous case management system known as ACSES, which was replaced in 2009 with the NJKiDS system. Once the NJKiDS system was fully activated and the lack of reconciliations persisted, the division's response changed, stating the problem would be resolved with the procurement of a private vendor that would be responsible for all collections, deposit, disbursement, and reconciliation procedures between the child support bank account and the OCSE 34A report. The vendor assumed banking responsibilities in November 2012. However, we were subsequently informed by the DFD that their fiscal unit is still responsible for reconciling the OCSE 34A report.

### **Recommendation**

We recommend the division's fiscal unit prepare reconciliations to resolve the unexplained differences between the OCSE 34A reports and the program bank accounts.



## **Observations**

### **Warrants**

There is no interface between the NJKiDS system and the Federal Bureau of Investigation, National Crime Information Center's (NCIC) computer system for the exchange of warrant information in real time. Access to the NCIC system at the state level is controlled by the State Police. Warrants are issued against a non-custodial parent when there is a failure to pay or a failure to appear at a scheduled hearing. Both types of warrants can be active for the same case within both the NJKiDS and NCIC systems. Once a warrant has been signed by a judge in the county of origin for a particular child support case, the county sheriff's department is notified and they enter the warrant information manually into their own warrant tracking system and the NCIC system. The sheriff's department must also manually update all three systems when a warrant is later executed, rescinded, or discharged. Due to the amount of information required to be inputted into the NJKiDS system, updates regarding the status of warrants have not always occurred or have been delayed. In addition, there is a requirement that all warrants must be revalidated every two years in the NCIC system.

The NJKiDS system was designed with the capability to allow for the exchange of warrant information on a real time basis. Having this interface would reduce potential keying errors, automate the revalidation process, improve outcomes, save resources, and reduce the state's potential exposure to lawsuits and legal costs if individuals are falsely detained.

A similar interface should be considered with the County Corrections Information System, which is maintained by the Judiciary. The system tracks inmates housed in the county jails. This interface would provide assistance in locating non-custodial parents, and could be beneficial in preventing Temporary Assistance for Needy Families payments to custodial parents who are incarcerated. In addition, the program could develop polices and procedures to reach out to inmates and assist them in filing motions to reduce or suspend their child support obligations while they are incarcerated. This action would reduce the accrual of child support arrears.

### **Child Support Judgments**

Child support judgments may expire before they can be of value to the custodial parent and children. Child support judgments are filed electronically through an interface between the NJKiDS system and the Superior Court's judgment database and last for 20 years. This occurs immediately after the non-custodial parent fails to meet a child support obligation for a particular month. However, the Judiciary and the Office of Child Support Services (OCSS) management could not provide a definitive answer as to when the 20-year period begins. If the judgment starts with the filing date, then the value of the judgment is limited. For example, payments from judgments often result from the estates of deceased individuals. Many non-custodial parents are in their early twenties when their child support order and resulting judgment are established; in many instances the judgment will not be satisfied prior to its expiration.

As of September 2012, there were a total of 38,333 cases on the NJKiDS system that had a judgment issued prior to 1993. These included 24,528 open cases with arrears debts totaling \$469 million and 536 open cases with zero arrears balances. The remaining 13,269 cases had been closed on the NJKiDS system with an open judgment. A match between the NJKiDS system and the Superior Court's judgment system disclosed 12,273 judgments still open as of January 29, 2013 with an associated debt of \$138 million as of the filing date. There were 18,484 creditors, both custodial parents and government agencies, who would lose their right to collect on these debts if the judgments were considered expired.

Pursuing legislation to eliminate the 20-year term limit on child support judgments or establishing that the 20-year term does not begin until the child support obligation has expired would benefit custodial parents, children, and government agencies.



**State of New Jersey**  
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DIVISION OF FAMILY DEVELOPMENT  
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KIM GUADAGNO  
*Lt. Governor*

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JEANETTE PAGE-HAWKINS  
*Director*  
TEL: (609) 588-2000

August 27, 2013

John J. Termyna  
Assistant State Auditor  
Office of Legislative Services  
Office of the State Auditor  
125 South Warren Street  
PO Box 067  
Trenton, NJ 08625-0067

Re: Department of Human Services, Division of Family Development, Child Support Program

Dear Mr. Termyna:

This is in response to your letter of August 9, 2013 to Commissioner Velez concerning the Office of Legislative Services (OLS) draft audit report entitled "Department of Human Services Division of Family Development Child Support Program."

The objectives of the audit were to determine whether adequate controls were in place for the program to ensure cases were properly documented in the NJKiDS system, the program was fulfilling its administrative and fiduciary responsibilities to collect and disburse child support funds, and the program was safeguarding the custodial parents' and government interests with the docketing of civil judgments, when necessary.

The draft audit concluded that there were adequate controls in place for the program to ensure cases were properly documented in the NJKiDS system, the program was fulfilling its administrative and fiduciary responsibilities to collect and disburse child support funds and the program was safeguarding the custodial parents' and government interests with the docketing of civil judgments, when necessary.

The specific auditor's recommendations and the Department's response are attached.

Sincerely,

  
Jeanette Page-Hawkins  
Director

JPH:AAG:kav  
Enclosure

Cc: Lowell Arye, Deputy Commissioner  
William Cutti, Assistant Director  
Alisha Griffin, Assistant Director

## Department of Human Services (DHS) Response to OLS Findings

### **1. Emancipation**

**The state should establish a uniform emancipation age.**

The Department of Human Services (DHS) will closely monitor legislative proposals that would establish an age of emancipation.

### **2. Holds**

**Funds on disbursement hold were held for an excessive period of time.**

The bulk of holds resulted from the conversion process when NJKiDS was originally built. Cases that were placed on hold had to be reviewed and that process is now complete. Cases on hold are now reviewed regularly and managed according to strict criteria with respect to how long they may exist (not to exceed 180 days) without generating an alert to the supervisor. Currently, the greatest amount of money on hold relates to the Federal Offset Program fraud project which is subject to controls unavoidable at this time because of potential negative adjustments and possible negative fiscal impact on the State.

### **3. Child Support Judgments**

**Recordkeeping for closed cases needs to be improved.**

See Auditor's Followup  
Response Page 15

DHS agrees that more accuracy is needed to preserve child support judgments at the time of case closure. However, OLS' second sentence stating that NJKiDS does not issue notice to either the custodial or noncustodial parent that a judgment is established at the time the case is closed is not accurate. Please see attached Form CS037 entitled "Notice of Intent to Terminate Child Support Services." This form is normally sent out by Probation to both parties 60 days prior to case closure. Within this template, language regarding the entering of a judgment for the arrears is clearly included.

OCSS is working with the New Jersey Courts' Automated Case Management System (ACMS) and NJKiDS has two relevant Change Requests currently in design. This process has had challenges because of limitations in the ACMS system which required more involved system updates and changes. OCSS continues to work with Judiciary for the automated data exchange in the interim.

### **4. Warrants**

**Walk-in payments should be checked for outstanding child support warrants.**

DHS agrees that vicinage finance staff should check NJKiDS for current bench warrant status when accepting payment at Local Processing Units (LPUs). It is important to note that at the time NJKiDS was implemented, all vicinage staff was given computers and access to NJKiDS for this purpose. Currently, OCSS is working on revised Standard Operating Procedures with Judiciary and Bank Cash Management (BCM) to improve cash handling processes. This OLS finding will be useful to support the expediency of such procedures.

See Auditor's Followup  
Response Page 15

## 5. NJKiDS Ad Hoc System Access

**The Judiciary should document its need for Ad Hoc access to the NJKiDS system.**

OCSS strongly disagrees with OLS' recommendation regarding Judiciary's need for ad hoc access to NJKiDS.

For purposes of child support, the Judiciary is a delegated authority of DHS/DFD/OCSS by virtue of federal regulations and our cooperative agreement. The Judiciary is therefore strictly bound by all the same federal and state laws and regulations pertaining to security and confidentiality for the computerized system. *45 CFR 302.12, 45 CFR 302.24 and 45 CFR §303.107 (all cooperative agreements must specify that the parties will comply with title IV-D of the Act, implementing Federal regulations and any other applicable Federal regulations and requirements).*

Specifically, the IV-D agency and its delegated entities must have safeguards in place to protect non-secure and unauthorized use of data contained within the automated system. This includes monitoring access to IV-D information and strictly prohibiting disclosure of IV-D data. *45 CFR §307.13*. The Judiciary is not authorized to create their own databases of IV-D information as it would violate these regulations and compromise the integrity of the statewide system.

## 6. Federal Reports

**Reconciliation of federal reports should be properly performed**

See Auditor's Followup  
Response Page 15

DHS agrees that financial reconciliation between the NJKiDS and the program bank account should be done. However, we disagree with the premise that the bank account should reconcile with Form 34A. Form 34A is a federal performance document, not a reconciliation document. There is no federal citation or OMB Circular that suggests that Form 34A should be used to reconcile the bank account as it is a point in time document. DFD/OCSS has established a manual methodology currently being used on a monthly basis and has developed a Change Request that will build a new screen/template to allow DFD Fiscal Unit to complete a more automated regular reconciliation.

### OCSS Response to OLS Observations

#### 1. Warrants

DFD/OCSS has met with the Judiciary's Chief Information Officer and other technology staff and agree upon an interface between NJKiDS and the FBI's National Crime Information Center (NCIC) system for the exchange of warrant information. Currently, this is a project managed by the Judiciary and is awaiting finalization of funding to establish a timeframe.

#### 2. Child Support Judgments

DHS strongly agrees that child support judgments should not be subject to an expiration date of 20 years. A letter dated October 26, 2012 was submitted by the DFD Assistant Director to the Judiciary's Director of Trial Services regarding this issue. A copy of that letter is attached to this response.

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**Probation Division, Child Support Enforcement**

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Website: <W/>



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Fax: <L/>

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Plaintiff  Obligee  Obligor  
vs.

<D/>

Defendant  Obligee  Obligor

Docket Number: <I/>  
Case ID: <I/>  
IV-A Case ID: <I/>  
IV-E Case ID: <I/>

**NOTICE OF INTENT TO TERMINATE CHILD SUPPORT SERVICES**

To: <R/>  
<R/>  
<R/>  
<R/>  
<R/>, <R/> <R/> <R/>

Dear <R/>,

Within sixty calendar days of this notice, the Probation Division will:

- Request that the Court enter an order to relieve the Probation Division of the monitoring and collection of support payments and close this case for the following reason(s):

<C/>

and enter a judgment for the arrears due the obligee and/or the County Welfare Agency as of the date of closing.

The order may also require that future support payments be paid directly to the obligee.

Child support services will be continued if you provide the Probation Division with new information that would lead to enforcement of the support order or if you re-establish contact with the Probation Division. If services are terminated and new information becomes available at a later date, you may reapply for child support services.

**OR**

- Close your case because your support order has been vacated and no arrears exist. If you do not want your case closed, you may reapply for child support services at the Family Court.

If you have questions about this notice or have any information that would affect the termination of your child support services, please contact the Probation Division.

<D/>  
Date

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DEPARTMENT OF HUMAN SERVICES  
Division of Family Development  
INTEROFFICE MEMORANDUM

**To:** Robert W. Smith, Director  
Trial Court Services

**From:** Alisha Griffin, Assistant Director  
Division of Family Development

**Re:** Expiration of Judgments

**Date:** October 26, 2012

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For the following reasons, the Office of Child Support Services strongly objects to the 20 year judgment expiration timeframe beginning at initial submission:

1. The Code of Federal Regulations § 302.70 holds that “any payment or installment of support under any child support order, whether ordered through the State judicial system or through the expedited processes required by paragraph (a)(2) of this section, is on and after the date it is due a judgment by operation of law.” Therefore, the day the debt is owed is the day it is considered a judgment.
2. Unlike other civil judgments, child support judgment amounts are fluid and not set at a certain date. The timeframe for the expiration of the judgment should not begin until at least after the obligation is terminated and the case is closed.

In addition, section h(3) of the Full Faith and Credit for Child Support Orders Act or FFCCSOA (Section 1738B) states that, “In an action to enforce arrears under a child support order, a court shall apply the statute of limitation of the forum State or the State of the court that issued the order, whichever statute provides the longer period of limitation.” If New Jersey is enforcing the order of a state that has a longer statute of limitation than ours, then we would be in violation of FFCCSOA if we allowed the child support judgment to expire after 20 years.

3. OCSS asserts that because of 45 CFR § 302.70, the last day child support on an order established in New Jersey is due and not paid, is the day the case is closed. Therefore, at minimum, because of the fluidity of child support debt, if a “clock” were to be applied, then it could not start until at least that point in time.

In addition, the Office of Child Support Services also has public policy concerns about imposing any timeframe for the expiration of child support judgments. In many cases, payments towards judgments result from the estates of deceased non-custodial parents. If a judgment expires twenty years after the case is closed, then families and children could potentially miss this opportunity to have the judgment satisfied prior to expiration. Also, many noncustodial parents are only in their twenties when their child support order and

resulting judgment is established. It would be highly unfortunate and counter-productive to have their judgment expire after 20 years while they are only in their forties and entering their prime earning years. By allowing child support judgments to continue until satisfied we are only benefiting the children and families of New Jersey.

Also, OCSS has broader concerns regarding judgments, and would recommend that our agency and the Judiciary plan future discussions on ideas and strategies to improve and standardize the way attorneys and members of the public search for judgment information.

AAG:LA:JL

cc: Glenn A. Grant, J.A.D., Acting Administrative Director of the Courts  
Jeanette Page-Hawkins, Director, Division of Family Development  
Richard Narcini, Chief, Child Support Enforcement Services  
Larissa Aspromonti, Supervising Program Support Specialist

## Auditor's Followup Response

The Division of Family Development response to our audit includes several comments that we believe require clarification.

### 3. Child Support Judgments:

The report sentence actually states that the NJKiDS system does not issue notices to either the custodial or non-custodial parent when a judgment is established (underline added). Although Form CS037 states that the Probation Division will enter a judgment for the arrears due, our finding and recommendation referred to the fact that the notice does not include the amount of the arrearage.

### 5. NJKiDS Ad Hoc System Access:

Our recommendation states that Judiciary should document the information needed to perform its administrative responsibilities; we did not take any position regarding Judiciary's need for ad hoc access. However, based on the extensive efforts the Judiciary has gone through to obtain information that they perceived to be necessary, the two agencies should discuss these access needs and come to a mutually acceptable resolution.

### 6. Federal Reports:

Our finding states that child support program personnel have prepared reconciliations to compare collections and disbursements from the OCSE 34A report to the child support bank accounts, but they have been unable to explain the large differences between the report amounts and the bank accounts. As of June 30, 2011, the unreconciled differences as reported by the DFD fiscal unit were \$47.7 million and \$42.3 million for collections and disbursements, respectively. We believe that every attempt should be made to reconcile unreconciled differences of this magnitude, regardless of federal citation or OMB Circular.