

December 30, 2025

Kim Johnson, Secretary  
California Health and Human Services Agency  
1215 O Street  
Sacramento, CA 95814

Dear Secretary Kim Johnson,

In accordance with the State Leadership Accountability Act (Leadership Accountability), the Department of Child Support Services submits this report on the review of our internal control and monitoring systems for the biennial period ending December 31, 2025.

Should you have any questions please contact Melissa Stone, Chief Deputy Director, at (916) 464-7050, [Melissa.Stone@dcss.ca.gov](mailto:Melissa.Stone@dcss.ca.gov).

## **GOVERNANCE**

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### **Mission and Strategic Plan**

The Department's mission is to promote parental responsibility to enhance the well-being of children by providing child support services to establish parentage and collect child support.

The strategic plan goals are:

#### **Goal 1: Facilitate Consistent Support for Children**

- Increase child support collections and payment reliability
- Recognize and provide individualized services to customers

#### **Goal 2: Strengthen Customer Engagement**

- Reduce the complexity of the customer experience
- Develop and implement new options for communicating with customers
- Enhance program outreach to deliver a clear and accurate image of our program to the public
- Expand efforts on recruitment, retention and development of child support professionals

#### **Goal 3: Enhance Program Performance**

- Promote consistency of processes statewide
- Implement organization and program efficiencies

**Goal 4: Build Collaborative Partnerships to Benefit Families**

- Establish new partnerships to help reduce poverty
- Expand the use and sharing of data

**Goal 5: Foster Innovation and Improve Service Delivery**

- Expand data analytics
- Modernize the development and delivery of documents
- Expand customer self-service capabilities

**Control Environment**

The Department holds itself to the highest standards of ethical conduct. It ensures that all management and staff attend required trainings including but not limited to, ethics, sexual harassment prevention, and information security training. The Department pursues the progressive discipline process for management and staff who violate the state's standards and code of ethical conduct. Required training and standards of professional conduct are memorialized in Department's policies and procedures.

The Department has adopted an Enterprise Risk Management (ERM) Program for reporting, responding to and monitoring risks. The Director serves as the ultimate risk owner for the Department and is responsible for approving the ERM Program. The Chief Deputy Director has been designated as the Executive Sponsor for the State Leadership and Accountability Act (SLAA). An ERM Council made up of members from each Division is tasked to discuss newly identified and existing risks and mitigation efforts. All levels of the management structure in each program area have a role in the risk assessment process, from risk identification and prioritization to monitoring and controlling activities.

The administration of the ERM Program is under the supervision and oversight of the Risk & Privacy Officer, who manages the Risk and Privacy Office (RPO). The RPO receives risk event reports and tracks these, makes recommendations for adopting or changes in risk mitigation strategies and approaches, maintains a risk register, and updates the Executive Team on the status of department risks. The RPO also facilitates risk training for the Department and promotes risk awareness and prevention.

Semiannually, the RPO requests progress updates on the mitigation of SLAA risks from risk owners. The ERM Council meets bimonthly to discuss newly identified and existing risks and mitigation efforts. The Executive Sponsor reviews the responses, requests additional information, if necessary, or discusses with the risk owners alternative risk mitigation strategies if the existing strategies do not appear to be working. The Executive Sponsor may also convene a larger meeting of department staff to discuss how to mitigate certain risks.

For the 2025 SLAA cycle, the RPO invited the Department of Finance to conduct a virtual training for department supervisors and managers to understand how to define and identify risks. The RPO then disseminated a survey to all supervisors and managers to identify risks for the Department. The RPO conducted four in-person risk workshops to discuss and analyze survey results and identify additional risks. These risks were added to the risk register and rated based on likelihood of occurrence and severity with the critical items being added to the Department's SLAA report.

To ensure a competent workforce, the Department provides job-related technical training, in-house training, and on-the-job training and recruits the most qualified candidates. The Department offers an Employee Mentoring Program for staff to improve their skills and enhance their knowledge. The Department also has a career center available to help staff research promotional and other career opportunities.

The Department prepares performance reports and keeps them on file for each employee according to Government Code Section 19992-19992.4. During the probationary period, supervisors evaluate the work and efficiency of a probationary employee and prepare the required report. The Department also follows California Code of Regulations, Title 2, Section 599.798 directing supervisors to conduct written performance appraisals and discuss overall work performance with permanent employees at least once in each twelve calendar months after the completion of the employee's probationary period.

## **Information and Communication**

The Department monitors roles through duty statements, policies and procedures, and organizational charts of responsibility. Management communication includes weekly Director emails and Teams posts to all staff, managers and supervisors' meetings, weekly Executive Team meetings, quarterly all staff meetings, cascading notes to managers and supervisors, 1-on-1's with managers and staff, and meetings within each division, branch, section, or unit. Managers share information with their teams to effectively meet the mission of the Department. The Department's strategic plan and goals are posted and shared with staff and the public. The Department seeks opportunities for continuous learning for all staff and leadership development for executive and management staff.

The Department has a formal Organizational Change Management (OCM) Program. OCM is designed to increase staff communication and engineer channels of change within the department by engaging stakeholders early in the process to assess impacts for specific change initiatives. To communicate with stakeholders, the Department facilitates monthly stakeholder meetings with Local Child Support Agencies (LCSAs) to inform them of ongoing change initiatives that impact them directly. The Department also sends out informational letters and e-communications to LCSAs which provide clarification or require specific action.

The goal is that these efforts result in improved communication from leadership and a department that embraces change and improved communication across all internal and external channels.

The Department manages a public-facing website providing both current and potential case participants with information about department programs and how to access them. A Video Resource Library that answers child support FAQs in short, easily understood videos are accessible to the public on YouTube, and links to these videos are posted on the department's social media platforms. The Department also manages an online customer self-service application through which customers can contact their case workers, receive appointments and other information, and track payments. LCSAs use texting as a means of communication with customers after successful local pilot programs. Through training held by the department and policies and procedures, staff are encouraged to report inappropriate actions or risks to management, RPO, Human Resources, the Whistleblower Hotline, or the Equal Employment Office as specified in the policies and trainings.

## **MONITORING**

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The information included here discusses the entity-wide, continuous process to ensure internal control systems are working as intended. The role of the executive monitoring sponsor includes facilitating and verifying that the Department of Child Support Services monitoring practices are implemented and functioning. The responsibilities as the executive monitoring sponsor(s) have been given to: Melissa Stone, Chief Deputy Director.

The Risk and Privacy Office is responsible for tracking and monitoring enterprise risks with the intent to reduce the probability and potential impact of events before they become threats to ongoing operations. Risks are identified from routine activities including but not limited to meetings, key performance indicators, reconciliations, internal and external audits, and operations. A detailed log of risks and associated controls is maintained and monitored bimonthly by the RPO. The Enterprise Risk Management Program introduced a divisional risk management program in one division to address internal controls at all levels within the organization and will expand to all divisions.

Once a risk is identified, the Division Deputy or Assistant Director of the responsible business unit works with their managers to identify additional controls and mitigation strategies for the new or existing risks. The risk is evaluated, and a course of action is determined, including tracking corrective action. Timeframes for resolving deficiencies will depend on the nature and complexity of the identified deficiency or risk. Performance is tracked for identified risks and results discussed through the various communication channels. Any risks identified as high

impact and/or likelihood by the ERM Council are presented to Executives for immediate action before the risk impedes ongoing operations.

The Department's Office of Audits and Compliance conducts an annual risk assessment, performs risk-based audits and review, and assesses the adequacy and effectiveness of the Department's governance, risk management, and control processes.

## **RISK ASSESSMENT PROCESS**

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The following personnel were involved in the Department of Child Support Services risk assessment process: executive management, middle management, and front line management.

The following methods were used to identify risks: brainstorming meetings, ongoing monitoring activities, other/prior risk assessments, and questionnaires.

The following criteria were used to rank risks: likelihood of occurrence, and potential impact to mission/goals/objectives.

## **RISKS AND CONTROLS**

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### **Risk: Information Security & Privacy**

The current cyber threat environment continues to create risk of compromising the department's security assets. Continued monitoring of network, infrastructure and computing platforms to detect and respond to potential information security threats reduces but does not eliminate such threats and risk. The Department's ability to meet business needs would be affected if a cyber threat or unauthorized access to information assets occur.

#### **Control: Security, Risk & Privacy**

The Department is strengthening legacy systems, securing against vulnerabilities, as well as applying industry best practices to address threats facing government

entities. It is also adopting zero-trust architecture and principles by advancing capabilities in alignment with the CISA Zero Trust Maturity Model. RPO will deploy procured software for risk and privacy management and develop and improve processes and procedures relating to privacy risk. RPO will continue to develop data protection programs (privacy program, third-party risk program, etc.) and secure funding approval to fill vacant positions.

### **Risk: Modernizing CSE**

The sustainability and optimization of our primary child support system is vital in serving the public and our child support program. With early 2000 user interface, it becomes extremely challenging to meet evolving child support program needs. It needs to be modernized or modularized to adapt to technological advances and program needs. The Department is at risk of being unable to keep up with the evolving child support program if its technical solutions cannot meet modern business needs. The risk is increased when coupled with the high risk relating to the maintenance of outdated or out-of-support systems.

#### **Control: Optimization**

The Department is evaluating possible options to pursue an optimized child support enforcement system, including ongoing projects on orchestration and cloud optimization. These efforts aim to increase the speed of child support enforcement system improvements and releases.

## Risk: Succession Planning

Active awareness and ongoing preparedness are essential to ensure effective succession planning and preserve critical knowledge. While employee turnover, i.e. transition into and out of the organization, is expected, proactively addressing the potential loss of staff, leadership continuity, and institutional expertise helps the department maximize strategies for success.

### Control: Processes and Procedures

The Department will confirm that processes, procedures, and desk manuals are established and updated in every division. Divisions will use procedures and manuals and make these available to all staff to reduce the risk of knowledge loss and ensure the continuity of business processes.

### Control: Knowledge Transfer

The Department will focus on knowledge transfer. Each division will identify and prioritize key positions and associated knowledge transfer needs to ensure critical knowledge is retained. Tools to facilitate knowledge transfer include trainings, workgroups, cohorts, job shadowing, mentorship program, and learning labs.

### Control: Divisional Succession Plans

Human Resources Branch (HRB) has implemented divisional succession planning efforts to raise awareness of the tools and ideas behind succession planning. HRB provides division-level data bi-annually to help leaders plan their strategy more effectively, closer to where the work is being performed. Check-ins will be scheduled to measure and evaluate progress.

### Risk: Guideline Calculator

Following the recent tax changes included in House of Representatives 1, An Act to Provide Reconciliation Pursuant to Title II of H. Con. Res. 14 (H.R. 1) (Public Law (P.L.) 119-21), the Guideline Calculator used by the California Department of Child Support Services (DCSS) to calculate child support payments requires updates. Until these changes are complete, the Judicial Council of California (JCC) is expected to decertify the current version of the calculator on or around December 15, 2025.

#### Control: Certification of Guideline Calculator

The Department is in the process of updating the California Child Support Services Guideline Calculator to reflect all recent tax changes. The department anticipates the updated Guideline Calculator will be implemented and certified around March 2026. LCSAs have been notified and provided access to an alternate certified commercial calculator that is available for use during this interim period.

## CONCLUSION

The Department of Child Support Services strives to reduce the risks inherent in our work and accepts the responsibility to continuously improve by addressing newly recognized risks and revising risk mitigation strategies as appropriate. I certify our internal control and monitoring systems are adequate to identify and address current and potential risks facing the organization.

**Kristen Donadee, Director**

CC: California Legislature [Senate, Assembly]  
California State Auditor  
California State Library  
California State Controller  
Director of California Department of Finance  
Secretary of California Government Operations Agency