



California
Department of
Child Support
Services

FALL 2005

California State Disbursement Unit

What You Need to Know

California's child support program is making some important changes that will make it easier for families to get their support payments, and will give parents who pay support more payment options.

If you are a family receiving support payments or a parent making support payments, there are steps you can take to prepare for your transition to the State Disbursement Unit.

What is the State Disbursement Unit (SDU)?

Federal law requires states to have a single entity responsible for collecting and processing child support payments. California is meeting this federal requirement by implementing the State Disbursement Unit (SDU). The SDU will be phased in by county over the next six months.

The SDU will help families receiving support and parents who pay support. Benefits include:

- Web and phone access to information;
- Immediate access to direct deposit services for families receiving support payments—a new service in many counties;
- In Summer 2006, families can get instant access to support dollars through electronic payment cards, similar to ATM cards, which can be used at ATM machines as well as retail outlets; and
- Parents who make support payments will also be able to access accounts on-line, make payments using credit cards over a secure internet connection, and set up electronic payment transfers from a checking or savings account.

Information for Families Receiving Support Payments

When will this happen, and how will it affect me?

You will be receiving a letter from the Department of Child Support Services about 45 days before your county child support agency transitions to the SDU. The letter will explain the changes in the payment process. Your support payments will now come from the SDU. *If you receive payment by check, your check and the envelope will have a new look—so check your mail carefully.*

Will I get my check in the mail at the same time I usually do?

You may experience a delay in getting your check while your child support agency is transitioning to the SDU. During the transition, child support payments will be forwarded daily via express mail delivery to the SDU for processing.

This extra step will add some additional time to when you normally receive your child support payment, but is necessary to ensure your payment is accurate as we implement the system. In Summer 2006, when the SDU is operating statewide, support payments will be sent directly to the SDU, eliminating this extra step.

Keep in mind that because the SDU will be sending your payment from its central office, your payment may reach you later than when it was mailed by your local office.

Every effort is being made by the Department of Child Support Services and your local child support agency to get your payments to you as quickly as possible.

Need help?

***Visit the SDU
website at
www.casdu.com***



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What can I do to make sure I get my check as fast as possible?

Ask for direct deposit as a payment option!

When you are notified that your county child support agency is transitioning to the SDU, *sign up for direct deposit*. To enroll in direct deposit, you can use the website www.casdu.com, or call the SDU Help Desk toll-free at 1-866-325-1010 to use the interactive voice response system. Direct deposit forms will also be available at your local child support office.

If I already have direct deposit, do I have to enroll again?

No. If your support payment is already going into your bank account, nothing will change. Your payment will continue to be deposited into your account.

Can I still call my child support office if my check is late or if I have questions?

Yes. Your local child support office will be able to help you and answer your questions.

I'm on CalWORKS—will my disregard payment change?

Yes. When your county transitions to the SDU, your disregard payment will now come from the SDU—not the county. *Your disregard check and envelope will have a new look—check your mail carefully.* If you have questions about your statement, call your local child support agency and they will be able to help you.

You will continue to receive your monthly disregard as long as the noncustodial parent continues to pay child support every month. What will change is how your disregard is displayed on your “Monthly Statement of Child Support Collections.”

When your county transitions to the SDU, your monthly statement will show the disregard as paid in the month that the collection was received, rather than for the month the child support was withheld from the noncustodial parent’s wages (sometimes the prior month).

Example:

Under the *old* system:

- Payment was withheld in October, but received in November. On your November statement, the disregard is displayed as a disregard for the month of October.

Under the *new* system:

- Payment was withheld in October but received in November. On your November statement, the disregard will show as a disregard for the month of November.

If I receive child support from another state or country, do I need to let them know about the change?

No. If you have a California child support case and you are paid through another state or country, the SDU will be in contact with that jurisdiction when your county transitions to the SDU. The SDU will give them the information necessary to ensure your payment is received timely.



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Information for Parents Making Support Payments

Will I be notified about the change?

Yes. You will be receiving a letter from the Department of Child Support Services about 45 days before your county child support agency transitions to the SDU. This letter will explain the changes in the payment process.

How will I make my payments?

If you are sending your payments to your local child support agency, continue to do so. During transition to the SDU, child support payments will be forwarded daily via express mail services to the SDU for processing. You will continue to work with your local agency for payment-related information.

All payments will now be credited on the date they are received at the SDU. To ensure the SDU receives your payment before the end of the month, payments should reach your local child support agency by the 20th of each month. In Spring 2006, you will begin sending your payments directly to the SDU.

Can I continue to make credit card payments?

Yes. If your local office currently processes credit card payments, they will continue to receive and/or process your credit card payment locally. In Summer 2006, you will be able to make your payments using credit cards over the SDU's secure internet website, and you will also have the option to pay by electronic funds transfer (EFT) from a checking or savings account.

Can I go to my child support office and make a payment?

Yes. Local child support agencies will still accept payments. But during transition, your local office must forward the payment to the SDU for processing. Your account will be credited on the date the SDU receives your payment.

To ensure the SDU receives your payment by the end of the month, make your payment by the 20th of the month so your local office can forward it to the SDU in time.

If you usually pay your child support in cash, you should consider paying by check, money order, or other means to avoid the delay caused by forwarding your payment. In Summer 2006 when the system is running statewide, you will send your payments directly to the SDU.

My payment is taken out of my paycheck. How will I be affected?

When your county transitions to the SDU, your wage withholding payment will be forwarded to the SDU by the local child support office. Your account will now be credited on the date the payment is received at the SDU.

This is a change from how your payments were credited under the old system. Now all payments will be credited when they are received at the SDU. Payments will no longer be credited on the date they are withheld from your paycheck. All payments must be received at the SDU by the end of the month to be credited in that month.

If your wage withholding is received at the SDU after the end of the month, you will have a balance due. During the system transition, the Department of Child Support Services and your local child support agency will be working to minimize any inconveniences caused by the system change.

To avoid adding to your existing account balance or to keep from starting a balance, you have the option to make payments over time to clear any past-due amounts.

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Can I still call my child support office if I have questions about my account?

Yes. Your local child support office will be able to help you and answer your questions.

Do I need to tell my employer to do anything differently?

No. Employers will receive instructions for redirecting existing child support payments to the SDU for all affected employees. Until then, employers will continue sending payments to the local child support agencies as they currently do.

When will I start sending payments directly to the SDU?

In Summer 2006. You will be notified when and how to redirect the child support payments to the SDU. Until you receive the notice, continue paying child support as usual.

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