




September 14, 2011

MEMORANDUM

TO: Lisa Vickers, Executive Director

FROM: Sharon Doredant, Inspector General
Office of Inspector General 

SUBJECT: Six-Month Update on Auditor General Report No. 2011-167, State of Florida Compliance and Internal Controls Over Financial Reporting and Federal Awards

As required by *Section 5(g), Florida Statute 20.055*, attached are the Department's six-month status updates for corrective actions taken in response to the Auditor General's Report No. 2011-167, State of Florida Compliance and Internal Controls Over Financial Reporting and Federal Awards.

If you have any questions, please contact me at 617-8152, or Teresa Wood at 717-7598.

SD/lh

Attachment

cc: Jeff Kielbasa, Deputy Executive Director
Blanca Bayo, Chief of Staff
Teresa Wood, Director of Auditing
Kathy DuBose, Staff Director, JLAC

Preliminary and Tentative Report Response form for Audit AG 2011-167

Rev. 11/04

Status Date		Report No.	Report Title	
		AG 2011-167	Federal Awards	
Contact Person		Program/Process		Phone No.
Mel Hedick				850 617-8065
Activity		Accountability		Schedule
		Responsible Unit	Coordinating Unit	Repeat Finding
				Yes
				Anticipated Completion Date
				9/30/11
Finding		FDCFS did not timely impose FDOR Child Support Enforcement (CSE) sanctions on clients who were receiving TANF benefits.		
No.	FA 10-042			
Date	3/30/2011			
Recommendation		FDCFS should ensure that sanctions are processed timely and benefits are timely discontinued. In addition, FDOR and FDCFS should evaluate the sanction process to determine the cause of the breakdown between the sanction referral and sanction alert.		
Original Response		The Department agrees with the finding and recommendation. The Department will work with Department of Children and Families to evaluate the sanction process.		
Status Updates		08/31/2011 FDOR continues to work in partnership with the Department of Children and Families to improve the sanction process.		
<input checked="" type="checkbox"/> Open <input type="checkbox"/> Management assumes risk <input type="checkbox"/> Partially complete <input type="checkbox"/> Complete pending verification by OIG <input type="checkbox"/> Complete				

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		AG 2011-167	Federal Awards	
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Mel Hedick				850 617-8065
Activity		Accountability		Schedule
		Responsible Unit	Coordinating Unit	Repeat Finding
				Yes
				Anticipated Completion Date
				February 2012
Finding		Deficiencies continued to exist regarding the timeliness of FDOR's establishment of support obligations or commencement of proceedings to establish support obligations and, if necessary, paternity.		
No.	FA 10-044			
Date	3/30/11			
Recommendation		We recommend that FDOR develop a process or mechanism to alert staff of impending deadlines to ensure that paternity and support obligations are processed within the required time frames.		
Original Response		<p>The Department agrees with the finding and recommendation. The design of the final phase of CAMS includes the ability to monitor case processing timeframes for cases needing paternity and/or support order establishment. The FLORIDA System does not currently include this level of functionality.</p> <p>While CAMS will provide the ability to monitor case processing timeframes for these cases, it is also noted that each year the Department is seeing large growth in the number of service requests requiring paternity and initial support order establishment. The annual number of service requests requiring an initial order for support has grown from 136,659 to 149,552 in FFY 2007-08 and FFY 2009-10 respectively, a 9.4 percent increase. Continued growth in these types of service requests will continue to create challenges in meeting case processing time frames.</p> <p>Additionally, the federal time standard for establishing a support order or completing service of process within 90 days of locating the respondent was adopted in 1989. Since then, there have been many improvements in the location resources and activities available to the Department. Information about a noncustodial parent's whereabouts can be obtained and verified within a few days of opening a case, which starts the 90 day timeframe. However, before a petition can be prepared and filed with the court in a civil action, the Department must obtain certain information from the custodial parent, including financial affidavits and paternity declarations. Any delay in obtaining information from the custodial parent, which may require sanctions for noncooperation in public assistance cases, places the 90 day time frame in jeopardy. Whether the 90 day timeframe can be met also depends on the ability of the sheriffs' offices and private process servers to serve papers timely. A confirmed location does not ensure timely service of process. Some respondents move frequently, have multiple addresses, or are not there when the process server attempts to serve them.</p>		
Status Updates		08/31/2011		
<input checked="" type="checkbox"/> Open <input type="checkbox"/> Management assumes risk <input type="checkbox"/> Partially complete <input type="checkbox"/> Complete pending verification by OIG <input type="checkbox"/> Complete		No changes. The design of CAMS, which is in the final phase, includes the ability to monitor case processing timeframes for cases needing paternity and/or support order establishment.		

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Status Date	Report No. AG 2011-167	Report Title Federal Awards		
Contact Person Mel Hedick	Program/Process		Phone No. 850 617-8065	
Activity	Accountability		Schedule	
	Responsible Unit	Coordinating Unit	Repeat Finding Yes	Anticipated Completion Date February 2012
Finding	For interstate cases, deficiencies continued to exist in the provision of required child support services within specified time frames.			
No.	10-045			
Date	3/30/11			
Recommendation	We recommend that FDOR develop a process or mechanism to alert staff of impending deadlines to ensure cases are processed, referred, and responded to within the required time frames.			
Original Response	<p>The Department agrees with the finding and recommendation. In January 2011 the Department published three new sections of procedure (Intergovernmental Support-Initiating Interstate Establishment, Responding Interstate, and International Case Processing) and approximately 10 new job aids that train staff and further clarify time frames and requirements.</p> <p>The design of the final phase of CAMS includes the ability to monitor case processing timeframes for interstate cases. The FLORIDA System does not currently include this level of functionality.</p> <p>While CAMS will provide the ability to monitor case processing timeframes for these cases, it is also noted that each year the Department is seeing large growth in the number of interstate initiating service requests. The Department has experienced a 17.9% increase in new interstate initiating service requests in FFY 2007-08 (10,158) and FFY 2009-10 (11,981). Continued growth in these types of service requests will continue to create challenges in meeting case processing time frames.</p> <p>Additionally, the federal regulations establishing the interstate case processing timeframes do not reflect the changes and improvements to the Program's processes to locate parents and verify location. Information about a noncustodial parent's whereabouts can be obtained and verified within a few days of opening a case, in effect, starting the case processing timeframes. However, additional actions often must occur before a case can be initiated to the responding state (i.e., completion of the UISFA documents). Any delay in obtaining information from the custodial parent, including utilizing available noncooperation procedures, places the 90 day time frame in jeopardy.</p>			
Status Updates	<p>08/31/2011</p> <p>No changes. The design of CAMS, which is in the final phase, includes the ability to monitor case processing timeframes for interstate cases.</p>			
<input checked="" type="checkbox"/> Open <input type="checkbox"/> Management assumes risk <input type="checkbox"/> Partially complete <input type="checkbox"/> Complete pending verification by OIG <input type="checkbox"/> Complete				

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Mel Hedick				850 617-8065
Activity		Accountability		Schedule
		Responsible Unit	Coordinating Unit	Repeat Finding
				Yes
				Anticipated Completion Date
				6/30/2011
Finding		Deficiencies in FDOR procedures for ensuring adequate oversight of State Disbursement Unit (SDU) collection and disbursement of child support payments and reporting thereof continued to exist during the 2009-10 fiscal year.		
No.	10-046			
Date	3/30/11			
Recommendation		<p>We recommend that FDOR ensure contract compliance and the integrity of the collection and disbursement functions performed at SDU through internal or external evaluations or monitoring of the effectiveness of SDU functions.</p>		
Original Response		<p>The Department agrees with the finding. The only aspect of the Department's SDU monitoring that was not conducted during the 2009-10 fiscal year was on-site monitoring. This was discontinued in the June 2009 timeframe due to the SDU vendor's development and implementation of a new SDU automated system (KidStar). Monthly monitoring of debit card transactions, daily review of Clerk of Court transfers of payments between cases and monitoring of Suspense processing continued during this period.</p> <p>After KidStar was implemented and the vendor worked through initial startup issues, the Department resumed on-site monitoring activities in February 2011. Specific monitoring activities are currently underway and on-site visits are scheduled through the end of the state fiscal year in June 2011. The monitoring plan for 2011-12 is being developed and scheduling of visits starting in July 2011 will be coordinated with the vendor as part of the overall monitoring effort.</p>		
Status Updates		08/31/2011		
<input type="checkbox"/> Open <input type="checkbox"/> Management assumes risk <input type="checkbox"/> Partially complete <input type="checkbox"/> Complete pending verification by OIG <input checked="" type="checkbox"/> Complete		FDOR engaged a vendor to conduct an SAS 70 Type II audit to address the operations effectiveness of the controls reviewed in the Type I audit. The vendor conducted its fieldwork during the June-July 2011 time frame. The Department approved the final SAS 70 Type II audit report on August 3, 2011. A final monitoring report was issued in June 2011 addressing the February-March 2011 monitoring results. On-site monitoring of SDU operations is scheduled through calendar year 2011.		