



DEBRA K. DAVENPORT, CPA
AUDITOR GENERAL

STATE OF ARIZONA
OFFICE OF THE
AUDITOR GENERAL

WILLIAM THOMSON
DEPUTY AUDITOR GENERAL

January 22, 2010

The Honorable Judy Burges, Chair
Joint Legislative Audit Committee

The Honorable Thayer Verschoor, Vice Chair
Joint Legislative Audit Committee

Dear Representative Burges and Senator Verschoor:

Our Office has recently completed a 24-month followup of the Department of Economic Security—Division of Child Support Enforcement regarding the implementation status of the 27 audit recommendations (including sub-parts of the recommendations) presented in the performance audit report released in November 2007 (Auditor General Report No. 07-10). As the attached grid indicates:

- 24 have been implemented;
- 2 are in the process of being implemented; and
- 1 is no longer applicable.

Unless otherwise directed by the Joint Legislative Audit Committee, this concludes our follow-up work on the Department's efforts to implement the recommendations resulting from the November 2007 performance audit.

Sincerely,

Melanie M. Chesney, Director
Performance Audit Division

MMC:sjs
Attachment

cc: Neal Young, Director
Department of Economic Security

**DEPARTMENT OF ECONOMIC SECURITY—
DIVISION OF CHILD SUPPORT ENFORCEMENT
Auditor General Report No. 07-10
24-Month Follow-Up Report**

Recommendation	Status/Additional Explanation
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Finding 1: Division should track court order processing times

1.1 To ensure that court orders are processed in a timely manner in ATLAS, the Division should:

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|--|---------------------------------|
| a. Establish or ensure that all division and IV-D partner offices establish reasonable division-approved goals for entering initial and modified court orders in ATLAS in a timely manner; | Implemented at 6 Months |
| b. Establish or ensure that all division and IV-D partner offices establish a division-approved method(s) for capturing date information on when court orders or minute entries are received and when debts are set up in ATLAS; | Implemented at 6 Months |
| c. Ensure that the method(s) allows the offices to report to the Division how well they are doing in meeting timeliness goals; and | Implemented at 12 Months |
| d. Use the reported information to address any timeliness issues that the various offices may be experiencing. | Implemented at 12 Months |

1.2 To ensure information is received from the county clerks of court as quickly as possible, the Division should:

- | | |
|---|--------------------------------|
| a. Continue with its plans to automate the date-matching process for Maricopa County clerk of court data. | Implemented at 6 Months |
| b. Continue to work with the Pima County clerk of court to determine whether a court order date-matching process can be used, and work to implement the process if appropriate. | Implemented at 6 Months |

Recommendation	Status/Additional Explanation
<p>c. Determine if it would be beneficial for other county clerks of court, besides Pima County, to add an alert to ATLAS as a means of notifying the Division of a new court order, and if so, establish similar approved processes with the appropriate clerks of courts.</p>	<p>Implemented at 6 Months</p>
<p>Finding 2: Most child support payments accurately processed, but Division should strengthen procedures</p>	
<p>2.1. To further reduce the risk of loss or theft, the Division should continue to reduce and, if possible, eventually eliminate the number of paper checks that it must manually process by:</p>	
<p>a. Working with the entities that are sending paper checks to submit electronic payments, and</p>	<p>Implemented at 24 Months</p>
<p>b. Having its payment-processing vendor receive and process the paper check payments that the Division has been receiving that cannot be submitted electronically.</p>	<p>Implemented at 12 Months</p>
<p>2.2 To comply with the <i>State Accounting Manual's</i> cash-handling procedures, the Division should ensure that all paper checks received are restrictively endorsed as soon as possible.</p>	
<p>2.3 To ensure that staff who are not familiar with the cashier's processes can perform cashier duties when necessary, the Division should update the cashier's procedures with sufficient detail, including the requirement to restrictively endorse the paper checks as early as possible in the process.</p>	
<p>Finding 3: Division needs more effective means to capture payment error information</p>	
<p>3.1 The Division should develop or modify an existing electronic mechanism to track payment-posting errors, including misdirected payments. This mechanism should track the type of errors, who made the errors (e.g., noncustodial parent, employer, or division or contractor staff), the reasons for the errors, and how the errors were corrected. Management should use this information to guide any additional actions that are needed to improve payment-posting accuracy.</p>	<p>Implemented at 18 Months</p>

Recommendation**Status/Additional Explanation****Finding 4: Division needs to improve process for making changes to payees**

4.1 The Division should review all of the cases that have payments redirected to ensure that the changes to payees are accurate and appropriate.

Implemented at 12 Months

4.2 The Division should continue to revise its policies and procedures to ensure that staff have adequate guidance on how to appropriately and accurately redirect payments.

Implemented at 12 Months

4.3 The Division should establish and implement an effective review and oversight process for cases where payments are being redirected.

Implemented at 12 Months

Finding 5: Division should better explain collection methods to noncustodial parents

5.1 As part of the Plain Talk Initiative, the Division should review and revise:

a. The enforcement letters sent to noncustodial parents informing them of impending or completed enforcement actions, including working to ensure that they are consistent and include helpful information such as the Division's Web site address or the steps the noncustodial parent can take to avoid the enforcement action.

Implementation in Process

The Division has reviewed and revised several enforcement letters and reported that it will continue reviewing and revising enforcement letters after implementing a Web-based documentation generation system. The Division reported that the conversion from the current mainframe documentation system to the Web-based system is underway and it anticipates revising the enforcement letters by December 2010.

b. The administrative review letters that are sent to noncustodial parents to inform them of the Division's administrative review findings or conclusions, including working to ensure that the letters are easy to understand and provide more case-specific information, such as details on how the case developed past-due amounts, why the specific enforcement actions were taken, or how the Division reached its conclusions.

Implementation in Process

According to the Division, it will use the Web-based documentation generation system mentioned in 5.1a to generate the administrative review letters. The Division has not yet revised any administrative review letters, but anticipates revising the letters by March 2011.

Finding 6: Processes over demand letters minimize risk of error

No Recommendations.

Recommendation**Status/Additional Explanation****Finding 7: Division should further enhance the ease with which information is available**

7.1 To enhance the ease with which information is available from its Web site, the Division should work within the *Style Guide* and/or *GITA Web Site Accessibility Policy* to:

a. Ensure that information on the home page is better organized;

Implemented at 12 Months

b. Ensure that all Web pages have consistent navigation; and

Implemented at 12 Months

c. Ensure navigation can be done without a mouse.

Implemented at 12 Months

7.2 To improve the automated telephone system, the Division should:

a. Replace those areas of the automated telephone system where the voice is fast-paced with a more slow-paced voice;

Implemented at 6 Months

b. Ensure all menus in the automated telephone system are in correct numerical order;

No Longer Applicable

During the audit, the Division corrected one sub-menu that was not in numerical order. After the audit was completed, the Division further researched the sub-menus in the IVR and determined that the other sub-menu that was out of numerical order was intentionally arranged that way to ensure that a noncustodial parent is made aware of all options. According to the Division, before the option that is out of numerical order was inserted in the sub-menu, noncustodial parents did not listen to the full listing of options, resulting in numerous complaints. The option that is out of order is a duplicate option in the sub-menu. The Division determined that duplicating the option and placing it sooner in the recording was the most cost-effective way to address the complaints. The Division does not believe that changing the sub-menu will benefit callers, and to build a different collection of options for the sub-menu would require additional programming and funding, which is not available at this time.

c. Review the secured areas of the automated telephone system to determine if any similar problems exist and make changes as needed; and

Implemented at 12 Months

Recommendation	Status/Additional Explanation
<p>d. Establish and implement a process for reviewing changes once they are added to the live system to ensure the changes are working correctly.</p>	<p>Implemented at 12 Months</p>
<p>7.3 The Division should improve its assessment of customers' satisfaction with its offices by:</p>	
<p>a. Taking steps to ensure that all customers visiting a division or IV-D partner office are provided with a comment card; and</p>	<p>Implemented at 6 Months</p>
<p>b. Establishing and implementing a process to regularly analyze the comment card responses and address any issues that are identified</p>	<p>Implemented at 12 Months</p>
<p>Finding 8: Equipment and other mechanisms used to communicate between agencies appear sufficient</p>	
<p>8.1 The Department's Division of Technology Services should develop and implement a mechanism for capturing the dates and times that ATLAS is not available for staff, and take steps to address any availability issues that occur.</p>	<p>Implemented at 18 Months</p>