

DEPARTMENT OF LEGISLATIVE SERVICES
OFFICE OF LEGISLATIVE AUDITS
MARYLAND GENERAL ASSEMBLY

April 3, 2014

Karl S. Aro
Executive Director

Thomas J. Barnickel III, CPA
Legislative Auditor

Senator Edward J. Kasemeyer
Chairman, Senate Budget and Taxation Committee
Miller Senate Office Building, 3 West Wing
11 Bladen Street
Annapolis, Maryland 21401

Delegate Norman H. Conway
Chairman, House Appropriations Committee
House Office Building, Room 121
6 Bladen Street
Annapolis, Maryland 21401

Dear Senator Kasemeyer and Delegate Conway:

The Office of Legislative Audits (OLA) has conducted a review of the actions taken by the Department of Human Resources (DHR)—Child Support Enforcement Administration (CSEA) to resolve the five repeat findings in our September 1, 2011 audit report. This review was conducted in accordance with a requirement specified in the April 2013 *Joint Chairmen's Report* (JCR), page 90. The JCR required that, prior to release of \$100,000 of its administrative appropriation for fiscal year 2014, CSEA must take corrective action on all repeat audit findings. The JCR language further provided that OLA submit a report to the budget committees listing each repeat audit finding along with a determination that each repeat finding was corrected within sufficient time to allow 45 days for the budget committees to review and release the funds prior to the end of fiscal year 2014.

The September 1, 2011 CSEA audit report contained five repeat audit findings (findings 2, 5, 7, 8, and 11). In accordance with the aforementioned JCR requirement, DHR provided a report to OLA, dated December 17, 2013, detailing the corrective actions that CSEA has taken with respect to these five repeat audit findings. We reviewed this report and related documentation, performed limited tests and analyses of the information, and held discussions with CSEA personnel, as deemed necessary, to assess the implementation status of the related recommendations. Our review did not constitute an audit conducted in accordance with generally accepted government auditing standards.

DHR's December 17, 2013 status report indicated that the recommendations for all five findings were fully implemented. Our review confirmed that CSEA had taken the necessary corrective actions to resolve the five findings.

Senator Edward J. Kasemeyer
Delegate Norman H. Conway


-2-

April 3, 2014

A summary of OLA's assessment of the status of each of the five repeat audit findings is included in the attached Exhibit 1. We wish to acknowledge the cooperation extended to us by CSEA during this review.

We trust our response satisfactorily addresses the JCR requirement. Please contact me if you need additional information.

Sincerely,


Thomas J. Barnickel III, CPA
Legislative Auditor

cc: Senator James C. Rosapepe, Co-Chair, Joint Audit Committee
Delegate Guy J. Guzzone, Co-Chair, Joint Audit Committee
Joint Audit Committee Members and Staff
Senator Thomas V. Mike Miller, Jr., President of the Senate
Delegate Michael E. Busch, Speaker of the House of Delegates
Governor Martin J. O'Malley
Comptroller Peter V.R. Franchot
Treasurer Nancy K. Kopp
Attorney General Douglas F. Gansler
Secretary T. Eloise Foster, Department of Budget and Management
The Honorable Theodore Dallas, Secretary, Department of Human Resources
Joseph DiPrimio, Executive Director, CSEA
Leyla Layman, Deputy Executive Director for Operations, CSEA
Gina Higginbotham, Deputy Executive Director for Programs, CSEA
William Johnson, Jr., Inspector General, DHR
Marva Sutherland, Assistant Inspector General, DHR
Joan Peacock, Manager, Audit Compliance Unit, DBM
Karl S. Aro, Executive Director, Department of Legislative Services
Tonya Zimmerman, Policy Analyst, Department of Legislative Services

Exhibit 1 to April 3, 2014 Letter to Joint Chairmen

Status of Repeat Findings in OLA's September 1, 2011 Audit Report on the Department of Human Resources – Child Support Enforcement Administration

Prior Recommendations Pertaining to Repeat Findings	Status Based on OLA Review
Enforcement Procedures	
2. We recommend that CSEA work with State licensing authorities to effectively use occupational license suspensions as an enforcement tool, as authorized by State law.	Corrected
5. We recommend that CSEA perform timely follow-up on all cases rejected by the Motor Vehicle Administration (MVA) due to system edits, review possible matches identified, and report corrected information to the MVA.	Corrected
Local Office Monitoring	
7a. We recommend that CSEA determine the reasons for the contractor's noncompliance with contract performance requirements and take appropriate actions, including requiring the preparation of a systemic corrective action plan.	Corrected
8a. We recommend that CSEA ensure that caseworkers review cases identified on the delinquency report on a monthly basis in accordance with its policy.	Corrected
System Access	
11. We recommend CSEA use available security features to ensure that employees are not assigned conflicting and/or unnecessary access capabilities involving critical functions.	Corrected