



JENNIFER M. GRANHOLM
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF HUMAN SERVICES
LANSING



MARIANNE UDOW
DIRECTOR

April 6, 2007

Mr. Michael Moody, Director
Office of Financial Management
Department of Management and Budget
George W. Romney Building, 7th Floor
111 South Capitol Avenue
Lansing, Michigan 48913

Dear Mr. Moody:

Enclosed is the Department of Human Services' response and corrective action plan to the Auditor General's report of the Performance Audit of the Community Programming and Support Services Division for the period of October 2002 through July 2005.

Sincerely,

Signature Redacted

Marianne Udow

Enclosure

c: DMB Director
State Budget Director
Office of the Auditor General
House Fiscal Agency
Senate Fiscal Agency
Executive Office
House Appropriations Committee
Senate Appropriations Committee



Department of Human Services
 Corrective Action Plan and Status of the Audit Recommendations
 Performance Audit of the Community Programming and Support Services Division
 For the Period of October 1, 2002, through July 31, 2005
 Report Issued January 17, 2007

| OAG Audit Finding | Responsible Administration | Proposed Implementation Date | Corrective Action/Update | Status |
|---|----------------------------|------------------------------|--|-----------|
| Finding 1—Documentation of Reviews of County Plans and Budgets The OAG recommends that CPSSD implement a sufficient standard for documenting its review of county plans and budgets. | | | | |
| CPSSD had not implemented a sufficient standard for documenting its review of county plans and budgets. CPSSD approved the annual plans and budgets based on its staff review and recommendation. A review of 64 plans and budgets from 22 counties disclosed that CPSSD did not document its review of the program eligibility requirements 49 (77 percent) of the 64 approved plans. | BJJ | n/a | The CCF unit has made efforts to improve through the use of technology. The Juvenile Justice Information System annual plan and budget submission process currently in place strengthens the annual plan and budget documentation issue. Staff are examining the review process to assure that there is sufficient documentation of its review of county plans to enable a person who has had no previous connection to the review to determine that the documentation supports the reviewers significant judgments and conclusions. | completed |
| Finding 2—Fiscal and Program Reviews The OAG recommends that CPSSD implement an effective process to ensure that its staff complete fiscal and program reviews as required. | | | | |
| CPSSD had not implemented an effective process to ensure that its staff completed fiscal and program reviews as required. CPSSD requires that its staff follow the Child Care Fund On-Site Program Review and Consultation Manual when performing fiscal and program reviews. CPSSD developed review forms to assist staff, however, the review forms did not address all of the Manual's requirements. A review of the forms disclosed: <ul style="list-style-type: none"> a. The review forms did not require CPSSD to review case files for any provisions requiring the family or another party, such as an insurance carrier, to pay for any portion of court ordered placements. The Manual requires CPSSD to determine whether there are any other financially responsible parties specified in the court ordered placements. b. The review forms did not require CPSSD to review program controls designed to ensure reliability of fiscal data and compliance with laws and regulations. The Manual requires CPSSD review program processes for disbursements during its fiscal reviews. | BJJ | 10/01/2007 | Policy details the frequency and scope of reviews given sufficient staff resources. The CCF unit is reviewing existing staff resources and will make adjustments to assure compliance with the CCF review policy. | open |



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