



Performance Audit

Child Care Fund (CCF)

Michigan Department of Health and Human Services (MDHHS)

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MDHHS administers the CCF, which supports a collaborative effort between the State and county governments and tribes to fund programs that serve neglected, abused, and delinquent youth in Michigan. The State reimburses counties and tribes 50% for eligible CCF activities. MDHHS reviews and approves annual county and tribe CCF program and spending plans and monthly reimbursement requests, and it conducts on-site monitoring reviews to ensure that county and tribe services comply with State statute and MDHHS policies and procedures applicable to CCF reimbursements. CCF reimbursements to counties and tribes totaled \$262.6 million for the 21-month period October 1, 2017 through June 30, 2019.

Audit Objective			Conclusion
Objective #1: To assess the sufficiency of MDHHS's efforts in monitoring the appropriateness of CCF expenditures reimbursed to counties and tribes.			Sufficient, with exceptions
Findings Related to This Audit Objective	Material Condition	Reportable Condition	Agency Preliminary Response
MDHHS did not select Wayne County for an on-site CCF monitoring review for a nearly five-year period, although it accounted for more than 30% of reimbursements and consistently ranked as one of the highest risk counties (Finding #1).	X		Agrees

Audit Objective			Conclusion
Objective #2: To assess the timeliness of MDHHS's CCF expenditure reimbursements to counties and tribes.			Timely
Findings Related to This Audit Objective	Material Condition	Reportable Condition	Agency Preliminary Response
None reported.	Not applicable.		

Audit Objective		Conclusion	
Objective #3: To assess the sufficiency of MDHHS's efforts to approve county and tribe CCF annual plans and budgets that comply with State statute and CCF Handbook requirements.		Sufficient	
Findings Related to This Audit Objective	Material Condition	Reportable Condition	Agency Preliminary Response
None reported.		Not applicable.	

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