



Michigan
Office of the Auditor General
REPORT SUMMARY

Performance Audit
Recovery Process for Overissuances of
Public Assistance Benefits
Department of Human Services

Report Number:
 43-150-04

Released:
 August 2006

The Department of Human Services' (DHS's) responsibilities include recovering overissuances of public and food assistance benefits made to DHS recipients. An overissuance occurs when benefits in excess of those legally due are provided to a public assistance recipient. Overissuances, identified by a variety of sources, are processed by recoupment specialists and fiscal office staff at DHS local offices.

Audit Objective:

To assess the effectiveness of DHS in identifying and validating overissuances of public assistance benefits.

Audit Conclusion:

We concluded that DHS was moderately effective in identifying and validating overissuances of public assistance benefits. Our assessment disclosed reportable conditions related to recipient wage data matches, new employment data matches, welfare fraud hotline referrals, supervisory case reads, and the Recoupment Tracking System (Findings 1 through 5).

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Audit Objective:

To assess the completeness of DHS's efforts in pursuing overissuance recoveries.

Audit Conclusion:

We concluded that DHS's efforts were substantially complete in pursuing overissuance recoveries. Our assessment disclosed reportable conditions related to unrecorded Local Accounting System Replacement (LASR) overissuances, debt collection status listing, and local fiscal office internal control (Findings 6 through 8).

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Agency Response:

Our audit report contains 8 findings and 13 recommendations. DHS's preliminary response indicated that it agreed with 11 of the recommendations. In addition, DHS indicated that it either had implemented corrective action or was in the process of implementing corrective action for 6 of the recommendations.

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A copy of the full report can be
obtained by calling 517.334.8050
or by visiting our Web site at:
<http://audgen.michigan.gov>



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