



Michigan
Office of the Auditor General
REPORT SUMMARY

*Performance Audit
Michigan State Disbursement Unit
Office of Child Support
Department of Human Services*

Report Number:
431-0142-06

Released:
April 2007

The Department of Human Services (DHS) operates the Michigan State Disbursement Unit (MiSDU) to centrally collect and disburse child support remittances in accordance with federal child support enforcement program requirements. Act 161, P.A. 1999, authorized DHS to establish MiSDU as the State's centralized collection and disbursement unit for all child support remittances and requires an audit of MiSDU.

Audit Objective:

To assess the effectiveness of MiSDU's efforts in monitoring the contract with its service provider.

Audit Conclusion:

We concluded that MiSDU's efforts in monitoring the contract with its service provider were effective. However, our assessment disclosed reportable conditions related to improvement of the quality assurance process and compliance with contract requirements (Findings 1 and 2).

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Audit Objective:

To assess the effectiveness of MiSDU's efforts in ensuring that the receipt and disbursement of child support remittances were accurate and timely.

Audit Conclusion:

We concluded that MiSDU's efforts were effective in ensuring that the receipt and disbursement of child support remittances were accurate and timely. However, our assessment disclosed a reportable

condition related to procedures for the receipt of child support remittances (Finding 3).

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Audit Objective:

To assess the effectiveness of MiSDU's efforts in resolving unidentified child support remittances.

Audit Conclusion:

We concluded that MiSDU's efforts were effective in resolving unidentified child support remittances. Our audit report does not include any reportable conditions related to this audit objective.

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Agency Response:

Our audit report includes 3 findings and 3 corresponding recommendations. DHS's preliminary response indicates that it agrees with the recommendations.

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