



ARRA REPORT BY THE  
INSPECTOR GENERAL AND STATE BOARD OF ACCOUNTS

2009-12-0276

December 29, 2009

ARRA DCS TITLE IV-D

*Indiana Inspector General Staff Attorney Todd Shumaker and State Examiner Bruce A. Hartman of the Indiana State Board of Accounts report as follows:*

This report addresses an evaluation of the Child Support Title IV-D program (IV-D)<sup>1</sup> activities within the Indiana Department of Child Services (DCS).<sup>2</sup>

The IV-D program addresses child support and paternity issues, including support obligations and locating of noncustodial parents, establishing paternity, and obtaining child and spousal support.<sup>3</sup>

On February 17, 2009, the United States Government enacted the American Recovery and Reinvestment Act<sup>4</sup> (ARRA). The ARRA intends to

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<sup>1</sup> 42 USC § 651 *et seq.*

<sup>2</sup> The Department of Child Services is established pursuant to I.C. 31-25-1 *et seq.*

<sup>3</sup> See footnote 1, *supra*.

<sup>4</sup> American Recovery and Reinvestment Act of 2009, P.L. No. 111-5, 123 Stat. 115 (2009).

provide a stimulus to the United States economy by providing \$787 billion in program funding and tax credits.<sup>5</sup>

The purpose of this report is to document a preliminary ARRA compliance review of the IV-D program by the State Board of Accounts (SBOA) and the Office of the Inspector General (OIG).

## I

DCS was initially awarded \$15,841,300 in ARRA funding. DCS management estimates that it will receive an additional \$15,500,000 subject to the spending approval of incentive funds during the eligible reimbursement period. These funds must be liquidated by September 30, 2010, and used to improve the Child Support program in Indiana.

## II

The OIG's enabling statute provides that the OIG "is responsible for addressing fraud, waste, abuse and wrongdoing in agencies." IC 4-2-7-2(b).

The SBOA has similar duties, including the authority to develop and publish "accounting and uniform compliance guidelines manuals" ("Manuals") to provide guidance to public entities, IC 5-11-1-24(a), to perform audits, IC 5-11-1-9, and to make written findings regarding violations of its Manuals or "any law." IC 5-11-5-1(a).

Within these authorities, a preliminary review of the IV-D program was

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<sup>5</sup> See: <http://www.recovery.gov>.

made. This review included, but was not limited to, reviewing the program objectives, meeting with the program staff, reviewing agency-completed spending plans, reviewing monthly update reports submitted to the Indiana Office of Management and Budget (OMB) and an assessment of the program's risks.

From this preliminary review, we make the following findings and recommendations.

### III

#### A

#### Findings

1

We find from our initial review, except for the issues addressed below, that the controls over the IV-D program ARRA funding are adequate to meet the respective federal ARRA and State OMB guidelines and requirements.

2

We noted that ARRA program expenditures were not posted to the ARRA fund/center or subsequent fund as designated by the State Budget Agency.

3

We also noted that the existing Child Support program has six unresolved federal A-133 findings, which will be addressed during our 2009 A-133 audit of Child Support.

At a later date, we may perform additional procedures as deemed necessary to verify compliance requirements.

B

Recommendations

We accordingly recommend:

1

That any future ARRA expenditures as addressed above be posted to the ARRA fund/center or subsequent fund as designated by the State Budget Agency.

2

That DCS resolve the issues surrounding the A-133 findings.

Dated this 29<sup>th</sup> day of December, 2009.

APPROVED BY:



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David O. Thomas, Inspector General