STATE OF WEST VIRGINIA

Update of the
PRELIMINARY PERFORMANCE REVIEW OF THE

BUREAU FOR CHILD SUPPORT ENFORCEMENT OF THE
DEPARTMENT OF HEALTH AND HUMAN RESOURCES

**Bureau for Child Support Enforcement is in
Partial or Planned Compliance with
Recommendations 1, 3, and 11**

**In Compliance with Recommendations
5, 6, 10 and 12**

Recommendation 9 Requires Legislation

OFFICE OF LEGISLATIVE AUDITOR
Performance Evaluation and Research Division
Building 1, Room W-314
State Capitol Complex

CHARLESTON, WEST VIRGINIA 25305
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Executive Summary

The Bureau for Child Support Enforcement (BCSE) is the state agency designated by the state of West Virginia to provide services federally mandated in Title IV-D of the Social Security Act. The Bureau has four primary functions: 1) establish paternity; 2) locate absent parents; 3) establish child support orders; and 4) enforce support orders through collecting and distributing child support obligations.[1]

The Legislative Auditor's Office conducted a preliminary performance review of the BCSE in 1997. The original audit examined only the function of enforcing child support obligations. The primary finding was that inaccurate financial data were present in nearly one-third of the agency's cases with court orders to enforce. These errors led to incorrect enforcement actions such as collecting the wrong amount from non-custodial parents, and distributing the wrong amount to custodial parents. In these cases, the agency must make manual adjustments to the financial information. Manual adjustments can be interpreted as an indicator of the extent to which errors occur at the agency. An update of the agency's progress in 1999 indicated that the adjustment rate had decreased from nearly one-third of the agency's cases with court orders, as found in the 1997 performance review, to 25%. In 2000, the rate has remained at approximately the same level.

There were 12 recommendations made in the original report. In the 1999 update, the BCSE was *In Compliance* with 4 recommendations, and was in *Partial or Planned Compliance* with 7 recommendations. Recommendation 9 required Legislation. This update will focus on those 7 recommendations that were not *In Compliance* as of the 1999 update and on Recommendation 9, which required Legislation. The following categories are used to describe the degree of compliance of the Bureau with recommendations made by Legislative Audit: .

Levels of Compliance
In Compliance - The Bureau has corrected the problems identified in the performance evaluation.
Partial Compliance - The Bureau has partially corrected the problems identified in the performance evaluation.
Planned Compliance - The Bureau has not corrected the problems but has provided sufficient documentary evidence to find what they will do in the future.
In Dispute - The Bureau does not agree with either the problem identified or the proposed solution.
Non-Compliance - The Bureau has not corrected the problem identified in the performance evaluation.
Requires Legislation - Cannot be addressed by the Bureau because statutory change is necessary.

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[1]*To comply with Yellow Book Standards, it is required to disclose that the Legislative Auditor is receiving child support payments through the Bureau. The Legislative Auditor began receiving child support after the Bureau of Child Support Enforcement's original audit was issued.*

In this update, the Bureau remains in *Partial* or *Planned Compliance* with three recommendations and is *In Compliance* with four recommendations. Recommendation 9 requires legislation.

Issue 1: **In 1996, almost one-third of cases in the agency's database required adjustments to case information; by 1999 the adjustment rate had decreased to 25%; in 2000 the rate has remained at approximately the same level.**

The BCSE is responsible for establishing and enforcing court ordered child support obligations. The agency utilizes the On-Line Support Collections and Reporting (OSCAR) automated system to maintain a database of all cases at the BCSE. In the event that inaccurate data is found within the OSCAR database, a *manual adjustment* must be performed to correct the data. Inaccurate data within the child support database at BCSE could have an adverse effect on the persons providing and receiving child support.
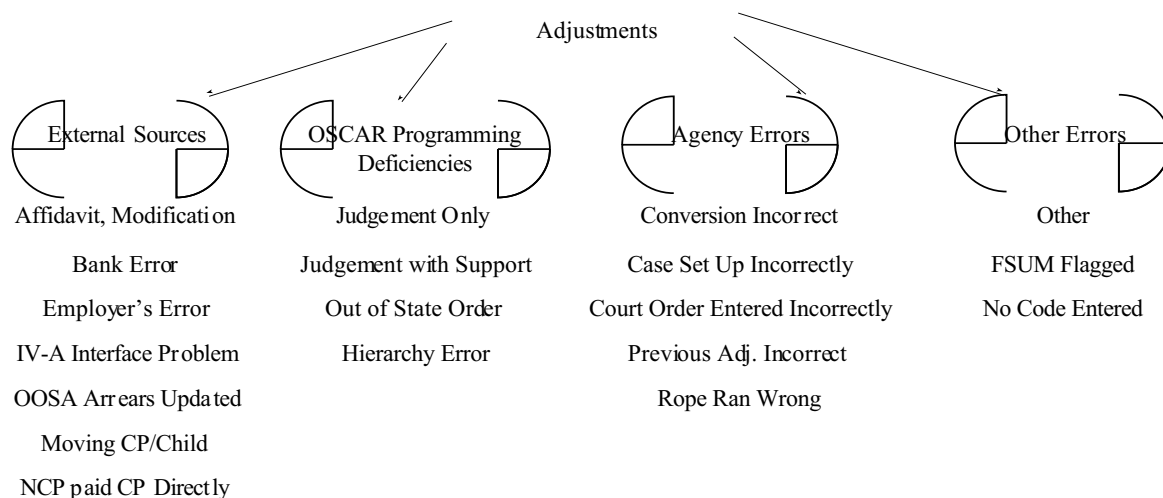
BCSE categorizes manual adjustments made within OSCAR to monitor Agency performance. The categories used by BCSE are defined in Table 1 below:

Table 1
REASONS FOR ADJUSTMENTS

1. Conversion Incorrect:	Use this if the information is correct but balances were brought over from APDS with incorrect amounts.
2. Affidavit, Modification:	Use if CP signs an affidavit or if there is a new Court Order modifying Support, Arrears, etc.
3. Judgement Only:	Use if there is a judgement and no current support ordered.
4. Judgement with Support:	Use if there is a judgement along with current support ordered.
5. Case Set Up Incorrectly:	Use if the information used to set up the case was incorrect, i.e. case type, w/w incorrect (i.e. APEM)...etc
6. Rope Ran Wrong:	Use if the incorrect information was used when Rope was ran, i.e. grant information incorrect...etc.
7. Court Order Entered Incorrectly:	Use if Court Order date(s), amount, etc. was entered incorrectly.
8. Previous Adj Incorrect:	Use if info. supplied to complete a prior adj. was incorrect or if adj. worker set balances incorrectly.
9. Bank Error:	Use if bank error caused money to apply to incorrect case.
10. Employer Error:	Use if Employer used wrong case number, sent wrong amount, etc.
11. IV-A Interface Issues:	Use if Welfare computer system communications with OSCAR, etc. caused the error.
12. Out of State Order:	Use if the Court Order is an Out of State Order and we are to remove the interest.
13. OOSA Arrears Update	Use when adjusting balance per an update from an Out of State Agency supplying new balances.
14. IRS Intercepts By Another State	Use when another state intercepts income tax and either retains for their arrears or send it to the CP.
15. Hierarchy Error:	Use when system did not distribute money according to the correct hierarchy sequence.
16. Moving Mom/Child:	Use when the obligation is ended in one case and moved to another case due to child moving...etc.
17. NCP Paid CP Directly:	Use when CP received money from NCP, and CP did not redirect through our Agency.
18. Arrears Paid in Full:	Use when either the arrears are paid and money is refunded to the NCP, i.e. w/w not modified in time.
19. Other:	Use this category only if the adjustment will not fit in one of the categories above. If used, give details.
20. IV-E Interface:	Use when Foster Care interface causes an error that has to be adjusted.
21. Military Income W/H:	Use when the income withholding date on military checks is the cause for the adjustment.
22. FSUM Flagged:	When a case is audited a date is placed on the screen to confirm that the balances were correct at that date.
Source: BCSE Manual Adjustment Code Sheet	

The manual adjustment codes can be separated into one of four categories according to the cause of the manual adjustment as follows:

Adjustments

External Sources	OSCAR Programming Deficiencies	Agency Errors	Other Errors
Affidavit, Modification	Judgement Only	Conversion Incorrect	Other
Bank Error	Judgement with Support	Case Set Up Incorrectly	FSUM Flagged
Employer's Error	Out of State Order	Court Order Entered Incorrectly	No Code Entered
IV-A Interface Problem	Hierarchy Error	Previous Adj. Incorrect	
OOSA Arrears Updated		Rope Ran Wrong	
Moving CP/Child			
NCP paid CP Directly			

- **External Errors** - External errors are generally out of the control of the BCSE. The large majority of these come from delays in receiving modifications to existing court orders. For the most part, the agency is not at fault in these cases, except in cases in which BCSE contributed to the delay in preparing the new order (see recommendation 1). The delay in receiving the modification causes the agency to continue enforcing the existing order (as it is required to by law). However, once the new order is received, the financial balances will be incorrect for the previous months the new order was effective. In some of these cases the non-custodial parent will be due a refund or the custodial parent will be due a check for support not received because of the delay.

- **OSCAR Programming Deficiencies** - These types of corrections are needed because OSCAR cannot adequately handle events that are outside of the standard case types. For example, when court orders have a judgement amount with or without child support, OSCAR does not enforce (collect) the judgement amount from the non-custodial parent. A programming deficiency continues to prevent OSCAR from automatically enforcing these judgements.

- **Agency Errors** - These corrections are clearly the result of BCSE error. For example, if BCSE incorrectly enters case information into the OSCAR database, the computer system will then calculate outstanding balances using the false information. The consequences could include money being applied incorrectly between companion cases, overpayments or underpayments to child care providers and non-custodial parents, or money being inappropriately credited to balances due the State as opposed to money due the caretaker.

- **Other Errors** - Other errors are those for which it is difficult to define the cause of the adjustment. These could be external, programming deficiencies, agency errors, or a combination of the three sources of error.

Sampling Methodology

During the calendar year 2000, BCSE had an average of 75,652 cases with court ordered support. To maintain the accuracy of these 75,652 cases, 22,962 manual adjustments were made. Of this total, 12,590 (54.8%) were the result of external factors, which are generally beyond the Agency's control. The remaining 45.2% of manual adjustments were attributed to Agency errors, OSCAR errors or other errors of indeterminate cause, collectively termed *Internal Adjustments*. Past audits have illustrated that external adjustments are out of the control of the Agency. As the remaining adjustments made (i.e. *Agency*, *OSCAR*, and *Other* Errors) could possibly be controlled by the Agency, the Legislative Auditors focused on these internal adjustments for review in this update. **Specifically, a random sample of 152 out of 10,372 internal adjustments was taken by the Legislative Auditor to highlight the causes of adjustments and their effect on those who receive and pay child support.** Selections were made proportionately from this population of 10,372 based on the total adjustments of each code as a weighted average of the total population. For example, if code A has 1,000 adjustments, the following methodology was used: 1,000 Adjustments in Code A / 10,372 Total Population = 9.6%. 9.6% x 152 Selections = 15 selections from Code A. Table 2 details the types of adjustments sampled by Legislative Audit.

TABLE 2
Reasons for Internal Adjustments - 2000

Code	Reason	Manual Adjustments in Population	% of Population	Cases Sampled ‡
Agency Errors				
1	Conversion Incorrect	382 cases	3.7%	6 cases
5	Case Set Up Incorrectly	3,751 cases	36.2%	54 cases
6	Rope Ran Wrong	268 cases	2.6%	4 cases
7	Court Order Entered Incorrectly	171 cases	1.6%	3 cases
8	Previous Adjustment Was Incorrect	663 cases	6.4%	9 cases
OSCAR Errors				
3	Judgement Only	1,327 cases	12.8%	20 cases
4	Judgement with Support	1,930 cases	18.6%	27 cases
12	Out of State Order (No Interest)	428 cases	4.1%	7 cases
15	Hierarchy Error	245 cases	2.4%	4 cases
Other Errors				
19	Other:	389 cases	3.8%	6 cases
22	FSUM Flagged	398 cases	3.8%	6 cases
	No Code Entered	420 cases	4.0%	6 cases
	Total	**10,372**	**100%**	152

Source: From 2000 Sample of Child Support Adjustments
‡The total number of selections chosen for each category may vary slightly from the sampling methodology equation due to rounding.

Results of Sample

The results of the sample indicate that the resolution and correction of an error can be a complex process. Each determination is based on information unique to an individual case. After reviewing all of the sample selections, however, it was possible to identify recurring trends. While not a comprehensive list, the following examples are reflective of these common characteristics:

Ambiguous Codes - It is sometimes unclear which code should be assigned to a manual adjustment. Due to the complexity of some cases, several manual adjustment codes could apply to a single case. In addition, Legislative Audit found a number of adjustments reviewed that were incorrectly coded. For example, an adjustment may have been mistakenly attributed to an OSCAR programming related source when it appeared the Agency was actually at fault. The following is representative of the ambiguity which sometimes occurs in a single case:

> *A pending court action was received on a case, triggering an audit to verify outstanding balances. The audit revealed the following issues in the case:*
>
> - ***Rope Ran Wrong*** *- The system did not correctly set the balances and payments for the case, because a judgement was entered with an incorrect effective date.*
>
> - ***IV-A Interface Problem*** *- OSCAR did not recognize grants that were paid to the caretaker for the months of June 1999 and May 2000, creating a repayment situation for the caretaker.*
>
> - ***Case Set Up Incorrectly*** *- Held tax money was not properly applied toward State debt. Outstanding arrears balances had to be adjusted.*
>
> *The actual code used for the adjustment was 'Rope Ran Wrong.'*

The ambiguity noted in the above example illustrates how the codes used by BSCE can be deceiving. In this case, one manual adjustment was made to correct at least three separate errors within the case information. This suggests that using the total number of manual adjustments as an indicator may understate the total number of errors within a case file.

Audits Frequently Result in Adjustments - Many of the adjustments sampled were a result of audits performed on the case by BCSE. Audits are conducted for a number of reasons. These can include a request by a parent, employer, or lawyer. In addition, audits occurred due to futures balances within the system, which are often an indicator that an error exists. Also, audits are initiated any time a court order is pending on a case due to the need to verify the accuracy of the balances. Two examples of adjustments resulting from requested audits are described below:

Example 1:   *An audit was initiated because an account was carrying future balances (i.e. had received overpayments). The audit found the wage withholding for the non-custodial parent was larger than required. The futures balance of $578.86 had to be refunded to the non-custodial parent as a result of the audit.*

Example 2:   *In November, 1999, a custodial parent expressed concern that the BCSE had not collected support from a lump sum payment recently received by the non-custodial parent, due to the fact that his employer had never been notified. In addition, she was seeking a modification to her child support order as her son had reached age 18, but was still in high school. This triggered an audit of the case. The audit was not conducted until January, 2000, despite a series of phone calls from the custodial parent. It was found that the case judgement entered in May 1998 was overstated, including both orders for child support and spousal support. The false arrears on the ledger resulted in a $1,732.45 overpayment to the custodial parent. She refused to sign a repayment agreement.*

The above examples detail situations where balances within the OSCAR database were incorrect. The improper balances were discovered due to requested audits. As can be seen in Example 2, the error in the case had gone uncorrected from May 1998 until the audit was performed in January 2000. Had an audit been performed earlier, the error could have been corrected with less confusion and frustration to the parties involved.

The two examples detailed above also reflect incidents of overpayments/underpayments to parties involved in child support cases. Incorrect balances within OSCAR cause significant problems for non-custodial parents and caretakers. In Example 2, the caretaker was requested to repay $1,732.45 of funds received. This can be a tremendous burden on a single parent who may be struggling to care for his/her children.

In the cases reviewed, it was often noted that overpayment/underpayments had occurred with the non-custodial parent and the custodial parent. Table 3 below indicates the cases sampled that resulted in overpayment/underpayments.

Table 3
Impact on Clients

Check owed to Non-Custodial/or Custodial Parent	47 cases	30.9 %
Custodial Parent Overpaid and Required to Repay	29 cases	19.7 %
Source: 2000 Sample of Child Support Adjustments taken by the Legislative Auditor's Office.		

Delays in Making Adjustments - Adjustments are not always entered in a timely fashion. An error affecting the custodial parent or non-custodial parent was compounded because of the time that elapsed between the origination of the error and its resolution. An example of this is provided below:

> *A judgement was entered on a case in July 1998; however, the balances were not adjusted correspondingly. As a result of the incorrect balances, 1998 held tax money was applied to welfare arrears instead of the non-custodial parent's arrears. This error occurred in 1998; however, it was not detected and resolved until 2000. By the time the error was found, the total amount due to the caretaker had accrued to $1,202.99.*

Delays in detecting false information can increase the total error as time passes. In the above example, the error accrued over time to a balance of over $1,000, which was ultimately paid to the caretaker. The delay in detecting the underpayment to the caretaker could have an adverse affect on the children whose welfare depends on the timely and accurate distribution of child support payments.

Misapplied Payments - Among other frequently noted adjustments were those necessitated by hierarchy errors. Hierarchy errors occur when a non-custodial parent has two or more child support cases. In these situations, OSCAR sometimes does not split a payment correctly between the cases. For example, if a wage withholding order exists on only one of the two cases, the entire payment will be credited to the case for which wages are being held. Conversely, if a payment is received from another source, it will be credited entirely to the case which does not have wage withholding.

> *A non-custodial parent had two cases; one with current support and one with arrears only. The caretaker receiving current support phoned BCSE when she did not receive her monthly support payment as scheduled. An audit was performed and it was discovered that wages had been applied to the non-custodial parent's secondary case. This hierarchy error occurred because the secondary case was coded incorrectly, causing funds to be inappropriately credited to the case having an arrears balance. As a result of the error, the caretaker on the secondary case was placed on repayment to BCSE and the current caretaker was due $350 in delayed support.*

The examples detailed above illustrate that the BCSE continues to have errors that affect child support recipients and providers. To gain an overall understanding of the manual adjustments taking place, Legislative Audit reviewed the total manual adjustments occurring as a percentage of cases with transactions. Table 4 illustrates manual adjustments as provided by the Bureau's internal assessment reports:

Table 4
Quarterly Adjustment Rates

Quarter	1998 Adjustment Rate	1999 Adjustment Rate	2000 Adjustment Rate
January to March	7.73%	6.12%	6.88%
April to June	5.79%	7.37%	6.83%
July to September	5.84%	7.17%	6.79%
October to December	5.81%	6.41%	5.32%
Annual Adjustment Rate	**25.1%**	**27.1%**	**25.8%**
Source: 1999 & 2000 OSCAR Case Processing Gauge Reports, Bureau for Child Support Enforcement			

While the above table does reflect those manual adjustments caused by both internal ***and*** external errors, it indicates that the overall adjustment rates have remained at approximately the same levels since the time of the last update in 1999 (which utilized data from 1998). As internal adjustments represent approximately 45.2% of the adjustments made during 2000, it appears that BCSE continues to have errors that could be prevented by the agency. The BCSE noted in their response to the prior update that "adjustments reflect case activity, not case errors." As can be seen in the examples provided earlier, this is not always the case. Many of the internal errors could clearly be prevented if proper steps were taken by the agency as detailed in the recommendations below.

Recommendation 1:

The Bureau for Child Support Enforcement should reduce delays in preparing support orders by delivering proposed recommended orders to Family Law Masters within seven days from the final hearing. BCSE should also reduce the number of days it takes to enter support orders into the OSCAR system after they are entered by Circuit Clerks, by developing a system which ensures the timely pick up of the order from the courthouse and timely entry of the order into OSCAR.

Level of Compliance: Partial Compliance

The BCSE has recently developed a new reporting system whereby each BCSE attorney submits reports detailing several aspects of their monthly litigation activities. One activity is the number or orders which the BCSE is responsible for, as well as the number of days within which each order is prepared. This system was first implemented in July, 2000 and was fully implemented by September 2000. Table 5 below shows for 2001, the average number of days which the BCSE prepares orders, the number of attorneys which were in full compliance with the 7 day time frame, as well as the lowest percentage of compliance with the 7 day time frame.

Table 5 BCSE Compliance with 7 Day Time Frame for Order Submittal for 2001			
Month	**Average Compliance Rate**	**Number of Staff in Full Compliance (Based on an Average Staff of 27 Attorneys)**	**Lowest Rate of Compliance**
January	90.4%	13	26.5%
February	89.9%	14	69.2%
March	91.5%	13	63.2%
April	88.7%	15	22.2%
May	88.5%	12	35.0%
June	92.4%	17	60.5%
July	89.3%	13	40.0%
August	96.4%	17	69.23%
Source of Data: BCSE 7 Day Order Turn Around Reports			

It is clear from Table 5 that the BCSE has shown significant improvement in the area of timely submittal of orders. However, it is also evident from Table 5 that the BCSE still has areas for improvement. As was mentioned in the previous update, although compliance varied significantly between staff attorneys, the BCSE report found that it is possible for its attorneys to comply with the seven day standard. However, in the agency response to the previous update, the DHHR indicated that "*the BCSE may not be able to achieve universal compliance.*" The BCSE should review the submittal process to determine if universal compliance is attainable and should take steps to ensure that it is attained.

Recommendation 3:

The BCSE should give higher priority to providing the necessary programming changes to the OSCAR system in order that every court ordered judgement is enforced automatically.

Level of Compliance: **Planned Compliance**

The BCSE has contracted with Policy Studies, Inc. (PSI) to design and implement a financial adjustment tool to develop a revised approach for calculating and adjusting child support arrearages. According to the BCSE, this tool will address 80-85% of all situations which currently require manual adjustments to be made. These include judgements applied retroactively, payments made directly from the non-custodial parent to the custodial parent, removing interest from cases with out-of-state orders and the correction of faulty information resulting from OSCAR's interface with the IV-A/IV-D system. The new tool will also prevent most hierarchy errors in which payments are misallocated between companion cases.

In the final phase of the project, which has not yet been approved or funded, the Agency plans to program OSCAR to perform these automated adjustments nightly, eliminating the excessive delay which often occurs between the detection of an error and the corrective adjustment. According to the BCSE, some manual adjustments attributed to OSCAR deficiencies can not be addressed by programming. For example, interest can not be eliminated automatically from cases having out-of-state orders, as it would require the varying interest rates of all the states to be programmed into the system. Hierarchy errors often occur due to the random order in which multiple payments are entered into the system. For example, payments can be misallocated between companion cases depending on whether a payment of arrears or one for current support is the first to be received and credited.

In addition to the pending OSCAR upgrade, the BCSE has recently introduced several programs that support automated enforcement action. Automated Income Withholding (AIW) was implemented for current support against obligors for whom new employment was reported to both the State Directory of New Hires (SDNH), as well as the National Directory of New Hires (NDNH). Furthermore, since the last update, procedural restrictions placed on the BCSE by the West Virginia Supreme Court of Appeals in the <u>Layne</u> decision regarding the collection of arrears have been abolished by the Legislature. This will allow the BCSE to use AIW to collect arrears in addition to current support.

Recommendation 5:

BCSE and the State Department of Tax and Revenue should develop a cooperative agreement to allow BCSE to update state tax offset information electronically and to allow BCSE to electronically receive state tax offset collections data from the State Tax Department.

Level of Compliance: **In Compliance**

According to the BCSE, the Bureau can now electronically update arrearage amounts submitted by the State Tax Department on a weekly basis. Furthermore, the BCSE can now electronically post State Tax Offset refund receipts without manual intervention. According to the BCSE, a cooperative agreement with the State Tax Department was not necessary to implement these changes.

Recommendation 6:

BCSE should comply with its own administrative policy and review each case annually for the purpose of checking the accuracy of financial information.

Level of Compliance: **In Compliance**

The BCSE has taken the following measures to provide its clientele with additional case information and improved customer service:

• Monthly billing statements now include case balances, allowing obligors to question perceived inaccuracies. The statements also include an 800 number that can be used to get further information, dispute balances or request an audit.

• Routine inquiries can be made via the Agency's website.

• Audits are conducted prior to cases that are returning to court for any reason in order to verify balances.

Forms are mailed to all caretakers annually for the purpose of conducting an annual review. If a caretaker returns a form to the Agency with new information, particularly concerning entry of a new court order or direct transactions between parties, the case is referred for a financial audit.

The onus remains on the parent(s) to recognize and report possible inaccuracies. A review of sample case files showed that audits are initiated primarily by complaints, pending court action or indicators within the OSCAR system, such as the presence of future balances or held money in a case.

Issue 2:   **CSED's Mismanagement of the OSCAR Data Conversion**
                 Contract has cost the State over $5 million.

The development of the automated system known as OSCAR was required by federal law. Federal funding for the system was at an enhanced rate of 90% of total costs. The original contract for OSCAR, with change orders, was $10.8 million. The entire contract was awarded to Network Six, Inc. (NSI). The federal government gave the OSCAR system a <u>conditional</u> certification.

A critical phase of implementing OSCAR required NSI to calculate certain financial balances for over 46,000 cases based on the information contained in case folders and store the information into OSCAR. This procedure is referred to as *manual data conversion*. Following implementation of the new system in 1996, CSED internal documents and the federal court's independent review concluded that the calculations stored into OSCAR by NSI were incorrect in as many as 50% of cases converted.

Recommendation 9:

The Legislature should consider amending the statute for purchasing to require all state agencies to submit Vendor Performance Forms to the Purchasing Division within the Department of Administration in cases where vendor performance has been unsatisfactory. These performance forms should become part of the evaluation process of perspective vendors.

Level of Compliance: Requires Legislation

Issue 3: The Child Support Enforcement Division Could Save Millions of Dollars by Reducing the Use of Checks and Converting to Electronic Transfer.

The BCSE sent child support payments to the caretaker by printing paper checks. Electronic Funds Transfer (EFT), or direct deposit is a more efficient practice in terms of time and cost savings. At the time of the 1997 performance review, BCSE issued between 60,000 and 70,000 checks a month. The cost of issuing paper checks was between $31,000 and $37,000 per month, or over $400,000 each year. Direct Deposit has the potential of reducing costs by over 80%.

Recommendation 10:

BCSE should aggressively market the use of Electronic Funds Transfer of child support payments by employers.

Level of Compliance: In Compliance

In April 2001, the BCSE completed programming in OSCAR which allows EFT payments to be posted electronically. Currently, the BCSE is receiving EFT of support payments from agencies in seven other states (Virginia, Washington, Arizona, North Carolina, Kentucky, Pensylvania, and Ohio). The BCSE is also currently receiving EFT payments from the West Virginia Auditor's Office for State employees, the United States Postal Service, and Verizon. According to the BCSE, the Bureau has sent outreach materials to numerous employers and is following up with telephone contact to encourage their participation in EFT. The BCSE has generated an OSCAR report which identifies employers with large number of income withholdings in place for child support.

Recommendation 11:

BCSE should develop a mandatory phase-in of electronic deposit to caretakers receiving child support payments.

Level of Compliance: Planned Compliance

Programming has not yet been completed to allow electronic deposit of child support disbursements to individual customers. The BCSE has completed the analysis necessary to develop programming to support this type of transaction. Furthermore, customer authorization forms and marketing outreach information have been developed.

Recommendation 12:

BCSE should meet with officials of the State Treasurer's Office for assistance in developing a cost efficient EFT/EDI system.

Level of Compliance: **In Compliance**

The BCSE has successfully implemented the EFT of child support payments on behalf of obligors who are employed by the State of West Virginia. However, as was previously mentioned, the programming is not yet in place which will allow the deposit of support payments directly in the accounts of individuals.