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## Report Highlights

# Progress Report: Prevention, Detection, and Recovery of Improper Payments in the Child Care Assistance Program • *La. Department of Education*

Audit Control # 40170009

Performance Audit Services • June 2018

### Why We Conducted This Audit

This report provides the results of our evaluation of the Louisiana Department of Education's (LDE) progress in addressing issues identified in an April 2012 performance audit on the Child Care Assistance Program (CCAP). During the 2012 audit, CCAP was administered by the Department of Children and Family Services (DCFS). On July 1, 2015, CCAP was transferred from DCFS to LDE. This audit focused on whether LDE addressed the issues identified in the 2012 audit during the first two years it administered CCAP.

### What We Found

Overall, we found that LDE fully implemented nine recommendations and partially implemented one recommendation as of June 30, 2017, which has reduced the amount of potentially improper payments we identified to approximately \$24,000. Specifically, we found the following:

- **LDE has implemented procedures during the eligibility process to prevent providers from caring for children who reside with them, which is a violation of program rules.** We analyzed provider and recipient data for fiscal year 2017 and identified only three cases in which the provider and children they cared for shared the same residential address. These providers received approximately \$21,011 in CCAP funds for these children.
- **LDE has implemented procedures during the eligibility process to prevent providers from being authorized as household designees to scan children in and out of care on behalf of parents.** However, electronically collecting household designees' information, including addresses, would allow LDE to more efficiently verify that only appropriate individuals are authorized to scan children in and out of care for all CCAP cases. The agency is in the beginning stages of implementing a new data system that will have this capability.
- **Although the percent of payments outside the automated process, known as manual payments, have increased by 1.8% since our 2012 audit, LDE has implemented review procedures to ensure these payments are reviewed and supported.** Manual payments are often needed when the child begins attending day care but the household designees have not completed the process to scan the child's attendance using TOTS. According to LDE, the increase in manual payments is due to the numerous changes to the program in the past two years, which allowed more families to qualify to participate in CCAP. We only identified approximately \$1,000 in duplicate manual payments, which is a 95% decrease from the 2012 audit.
- **While LDE has developed a monthly report that flags instances of excessive back scanning of children's attendance, a more automated process of reviewing these cases would be less resource intensive and strengthen LDE's oversight of the program.** LDE staff review a sample of cases listed in monthly excessive back scanning reports, but this manual process only allows LDE to identify and investigate a small percentage of instances of excessive back scanning.

View the full report, including management's response, at [www.la.la.gov](http://www.la.la.gov).