

**UTAH**  
**DEPARTMENT OF HUMAN SERVICES**  
Executive Director's Office  
Bureau of Internal Review and Audit



A Limited Review of the  
**One-Time Payment (Form 295) Approval Process**

May 9, 2017  
(Report No. 2016-15)



State of Utah

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Governor

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Lieutenant Governor

Department of Human Services

ANN SILVERBERG WILLIAMSON  
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MEMORANDUM

DATE: May 9, 2017

TO: Angella Pinna, Director, Division of Services for People with Disabilities  
Susan Burke, Director, Division of Juvenile Justice Services  
Tonya Myrup, Interim Director, Division of Child and Family Services  
Dawn Hollingsworth, Director, Division of Child and Family Services Northern Region  
Casey Christopherson, Director, Division of Child and Family Services Western Region  
Kyle Garrett, Director, Division of Child and Family Services Southwest Region  
Ray Harris, Director, Division of Child and Family Services Salt Lake Valley Region  
Shawn Jack, Director, Division of Child and Family Services Eastern Region  
Jennifer Evans, Director, Office of Fiscal Operations

FROM: Richard Sallstrom, Director of Fiscal Audit  
Bureau of internal Review and Audit

THROUGH: Mark L. Brasher, Deputy Director  
Department of Human Services

SUBJECT: A Limited Review of the One-Time Payment (Form 295) Approval Process

We have enclosed the final Limited Review of the One-Time Payment (Form 295) Approval Process. This review summarizes the findings and recommendations, and includes your response.

We extend our appreciation to the Division of Juvenile Justice Services (DJJS), Division of Services for People with Disabilities (DSPD), Division of Child and Family Services (DCFS), and Office of Fiscal Operations (OFO) staff for your cooperation and assistance during the review.

If any additional information or clarification is needed, please contact Susan Martell at (801) 538-4043, or Rich Sallstrom at (801) 538-9895.

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## Limited Review of the One-Time Payment (Form 295) Approval Process

### Introduction and Objectives

The Bureau of Internal Review and Audit (BIRA) has completed a limited review of the one-time payment (Form 295) approval process.<sup>1</sup> Our objectives were to determine 1) if there are internal control weaknesses in the Form 295 payment approval process for the Division of Child and Family Services (DCFS), Division of Juvenile Justice Services (DJJS), and Division of Services for People with Disabilities (DSPD);<sup>2</sup> and 2) if these Divisions are in compliance with Department of Human Services (DHS) and Division policies.

This review was performed in accordance with generally accepted government auditing standards.

### Executive Summary

DCFS, DJJS, and DSPD have adequate internal controls regarding the Form 295 process, except in two areas. In the first area, a DSPD employee had unnecessary access to some USTEPS<sup>3</sup> business roles, which would allow her to create a budget, create and approve billable transactions, and add new service codes to a provider's record. This access could potentially allow her to collude with a provider to obtain fraudulent funds without being easily detected. This unnecessary access has been removed.<sup>4</sup> In the second area, a Department of Technology Services (DTS) employee assigned to the USTEPS development team had access to USTEPS business roles, which allowed him to give himself or others access to any production roles. This potentially enabled him to make inappropriate changes to production without being easily detected.<sup>5</sup> DSPD has recently limited this employee's access and will monitor future access.

In most cases, Divisions are in compliance with DHS and Division policies regarding Form 295 payments. However, we found problems with smaller dollar amounts that could have larger impact if not corrected. BIRA has identified five duplicate payments issued by the DCFS Northern Region, DJJS Office of Community Programs, and DSPD Clearfield Office, totaling \$605.00.<sup>6</sup> In the DCFS Northern Region, one duplicate payment was created because a DCFS receptionist gave the wrong client \$125.00 in preloaded debit cards. This resulted in the DCFS caseworker issuing another Form 295 for the same amount to the same client.<sup>7</sup> The DCFS Northern Region also double paid Ross Dress for Less on two separate occasions, totaling \$300.00.<sup>8</sup> In addition, the DJJS Office of Community Programs overpaid Country Cottage, Inc. \$60.00 and the DSPD Clearfield Office overpaid SP Foundation Corp \$110.10.<sup>9</sup>

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<sup>1</sup> This review does not include DSPD Self-Administered Service (SAS) payments and Form 520 payments.

<sup>2</sup> These are the only three Divisions that use the Form 295.

<sup>3</sup> USTEPS stands for Utah System for Tracking Eligibility, Planning, and Services, and is DSPD's management information system.

<sup>4</sup> See **Finding 1-A**.

<sup>5</sup> See **Finding 1-B**.

<sup>6</sup> See **Finding 2** and **Table 3**.

<sup>7</sup> See **Finding 2-A**.

<sup>8</sup> See **Finding 2-A**.

<sup>9</sup> See **Finding 2-B** and **Finding 2-C**.

DCFS is also inconsistent in how different Regions calculate Form 295 client travel expenses for in-home services.<sup>10</sup> We recommend that DCFS create a separate form to calculate and pay these costs similar to the form they use to pay foster parents for out-of-home care travel. In addition, the DCFS Northern Region prepays travel expenses while all other Regions generally reimburse mileage after it has occurred. We recommend that the DCFS Northern Region reimburse these travel expenses and prepay only in emergency situations.

The DCFS Northern Region has also issued several preloaded debit and gift cards using a Form 295, but do not have documentation that they were used for the intended purpose.<sup>11</sup> We recommend these cards be used sparingly and have the same internal controls as cash.

### **Background**

The Form 295 is the DHS one-time payment form used to pay providers for one-time<sup>12</sup> client services from the Contracts, Approvals, and Payments System (CAPS).<sup>13</sup> Form 295 payments represent approximately two percent of total transactions, and less than one percent of total provider payments from CAPS in Fiscal Year (FY) 2015 and FY 2016 (see **Appendix A, Table 8**). Form 520 payments account for the majority of total payments. BIRA previously completed a limited review of the Form 520 approval process (see March 31, 2014 report).

DCFS, DJJS, and DSPD have each implemented workflow policies and procedures to manage their Form 295 payments. The Form 295 workflow is divided into the following steps:

1. Divisions identify a need for a one-time service.
2. Divisions work with the DHS Bureau of Contract Management (BCM) to create a provider record in CAPS, if one has not already been created.<sup>14</sup>
3. DCFS and DSPD create and modify service approvals<sup>15</sup> in SAFE<sup>16</sup> and USTEPS, respectively. For DJJS, service approvals are not entered into CARE,<sup>17</sup> but are added to a file by the DJJS Research Evaluation Bureau Director for later submittal to CAPS (see step 8).
4. Divisions complete the Form 295 and send it to the provider.
5. Providers sign the Form 295, add supporting documentation, and return both to the Divisions.
6. Divisions review and approve the Form 295 and supporting documentation.

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<sup>10</sup> See **Finding 3**.

<sup>11</sup> See **Finding 4**.

<sup>12</sup> One-time client services include special needs and emergency services.

<sup>13</sup> CAPS is the DHS provider payment system owned by the Office of Fiscal Operations (OFO).

<sup>14</sup> A limited number of DCFS workers can create provider records for foster care, kinship, adoption, and transition to adult living programs.

<sup>15</sup> Each contract includes a list of potential services the provider can deliver. However, a provider can only be paid for a service after a service approval has been entered into each Division's management information system. In addition, the service approval must match the service in the contract.

<sup>16</sup> SAFE is Utah's Child Welfare Information System and is DCFS' management information system.

<sup>17</sup> CARE stands for Courts and Agencies Records Exchange, and is DJJS' management information system.

7. Divisions enter Form 295 information into each Division's management information system (CARE, SAFE, and USTEPS).
8. SAFE (DCFS) and USTEPS (DSPD) automatically forward the approved information to CAPS for provider payment. For DJJS, the DJJS Administrative Services Director manually uploads a file into CAPS for provider payment.<sup>18</sup>

### **Methodology**

During this review, BIRA completed the following:

- Flowcharted DCFS, DJJS, and DSPD's Form 295 payment process to understand business flow and identify internal control weaknesses.
- Reviewed access controls in CARE, SAFE, and USTEPS to identify separation of duties and other internal control issues (see **Finding 1-A** and **Finding 1-B**).
- Identified all service codes used in Form 295 payments (FY 2014, FY2015, and FY 2016).
- Identified a judgmental sample of the codes with the highest risk.<sup>19</sup>
- Created ad hoc ACL<sup>20</sup> reports from the DHS Data Warehouse and CAPS to identify potential duplicate payments (see **Findings 2-A**, and **2-B**) in FY 2015 and FY 2016.<sup>21</sup>
- Compared Office of Public Guardian (OPG) trust fund payments for five DSPD clients with DSPD Form 295 payments to determine if there were potential duplicate payments (see **Finding 2-C**).
- Reviewed supporting documentation of Form 295 payments in our samples (see **Finding 3**, **Finding 4**, **Finding 6**).
- Interviewed DCFS Eastern, Northern, Western, Southwest, and Salt Lake Valley Regions to determine how they pay and calculate Form 295 travel expenses for in-home clients (see **Finding 3**).
- Reviewed duplicate payments for Joyous Season Payments (JSP) which are automatically generated by SAFE (see **Finding 5**) in December 2014, 2015, and 2016.<sup>22</sup>

This report is divided into six sections: Separation of Duties (**Finding 1-A**, **Finding 1-B**), Duplicate Form 295 Payments (**Finding 2-A**, **Finding 2-B**, **Finding 2-C**), Travel Related Internal Controls of Form 295 Payments (**Finding 3**), Preloaded Debit and Gift Cards (**Finding 4**), Duplicate Joyous Season Payments (**Finding 5**), and Supporting Documentation (**Finding 6**).

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<sup>18</sup> The DJJS Research Evaluation Bureau Director sends the file to the DJJS Administrative Services Director (see step 3).

<sup>19</sup> We sampled 84 payments using service codes EA1, FPA, PPF, FPR, HBN, ICP, MFC, SAR, SM1, SNB, SNC, SNG, SNM, SNP, STC, STP, YTP.

<sup>20</sup> ACL (Audit Command Language) is a data analytics tool.

<sup>21</sup> For DCFS we reviewed 41 potential duplicates (see **Finding 2-A**); for DJJS we reviewed 38 potential duplicates (see **Finding 2-B**).

<sup>22</sup> JSPs are not generated through a Form 295 or a Form 520.

## Findings and Recommendations

### Separation of Duties

**Finding 1-A. A DSPD employee had unnecessary access to some USTEPS business roles, resulting in potential inappropriate use.**

Best practice suggests that creating provider approvals should be a separate function from creating a budget, creating billable transactions, and approving payments. It is important that provider roles be separate from budget and payment roles, as it limits the potential for collusion between payment and provider approvals. It is also important that DSPD review role functions before granting employee access to prevent problems with separation of duties.

**Table 1** identifies a DSPD employee with access to both payment and provider approval roles in USTEPS, which created a lack of separation of duties (see yellow highlighted role in **Table 1**).

**Table 1: DSPD Employee with Access to both Payment and Provider Approval Roles in USTEPS**

Last Name	EIN	USTEPS User ID	Role Description	Role Number	Role Function	Last Update Timestamp	Last Update User ID
James	197162	88025	ROLE_BUDGET_COORD	17	Create and update Pro Forma Budget	6/8/2015 8:35	1237
			ROLE_CW	3	DSPD Employee Base Level Access	6/8/2015 8:35	1237
			ROLE_PAY_APPROVAL_2	20	Approve a payment (1st or 2nd level)	6/8/2015 8:35	1237
			ROLE_PAY_CREATE	22	Enter and approve a payment (2nd level)	6/8/2015 8:35	1237
			ROLE_PAY_EMERGENCY	23	Create emergency payments (one-time)	6/8/2015 8:35	1237
			ROLE_PROVDR_APPROVAL	19	Create and edit provider approvals	6/8/2015 8:35	1237
			ROLE_USTEPS_UPI	28	Access to USTEPS Provider Interface	6/8/2015 8:35	1237

With this access, this employee could:

- create a fictitious budget (ROLE\_BUDGET\_COORD), create a billable transaction (ROLE\_PAY\_EMERGENCY), and approve a pending payment as a first or second approver (ROLE\_PAY\_CREATE and ROLE\_PAY\_APPROVAL\_2); and,
- add a new service code to a provider record (ROLE\_PROVDR\_APPROVAL).

With access to all these roles, this employee could create fictitious billings, add new service codes to a provider record, and collude with a provider to obtain fraudulent funds, without being easily detected. We spoke with the DSPD USTEPS Manager and he agreed that this employee's access to create provider approvals should be removed. He then immediately removed her access to that role.<sup>23</sup>

The DSPD USTEPS Manager is responsible to add and change role functions to USTEPS. In the future, it is important that he review these functions before granting employee access to prevent problems with separation of duties.

*Finding 1-A. Recommendations:*

<sup>23</sup> BIRA verified this access was removed.

1. We recommend the DSPD USTEPS Manager review role functions before granting employee access.

**Finding 1-B. A Department of Technology Services (DTS) employee, assigned to the DSPD USTEPS development team, had unlimited access to USTEPS business roles, resulting in potential inappropriate use.**

Best practice suggests that technical users, such as software developers, should not have access to production systems. As a general principle, development and production should always be separate. Technical users may be granted production access for emergency changes using pre-established accounts at the time of need, and then removed after the need has been met.

Table 2 identifies the DTS employee’s access to business roles, which created a lack of separation of duties (see yellow and blue highlighted roles in Table 2).

**Table 2: DTS Employee with Access to USTEPS Business Roles**

First Name	Last Name	EIN	USTEPS User ID	Role Description	Role Number	Role Function	Last Update Timestamp	Last Update User ID
Walid	Saeed	168521	22699	ROLE ABISC	5	ABISC	9/25/2016 12:05	22699
				ROLE ADMIN	9	USTEPS Administrator	9/25/2016 12:05	22699
				ROLE CW	3	DSPD Employee	9/25/2016 12:05	22699
				ROLE INCIDENT REPORT	26	Can view incident report	9/25/2016 12:05	22699
				ROLE PROVDR APPROVAL	19	Can create and edit Provider Approvals	9/25/2016 12:05	22699
				ROLE QMRP	4	QMRP	9/25/2016 12:05	22699
				ROLE RFS	30	RFS role	9/25/2016 12:05	22699
				ROLE RFS SU	38	Super User Role for RFS	9/25/2016 12:05	22699
				ROLE USTEPS UPI	28	UPI basic role	9/25/2016 12:05	22699

The DTS employee discussed in Table 2 is a software developer. His USTEPS User ID is 22699. Note that the User IDs in Column “Last Update User ID” is the same as his USTEPS User ID. This means that he gave himself access to all of these roles. The ROLE\_ADMIN enables him to create and update his own account.

With his current access, this employee could:

- activate a person centered support plan (ROLE\_ABISC and ROLE\_QMRP),
- create and update user accounts, including his own (ROLE\_ADMIN),
- search for people and enter all data that does not require an additional role (ROLE\_CW),
- view incident reports for a selected person (ROLE\_INCIDENT\_REPORT),
- view clients served by a provider (ROLE\_USTEPS\_UPI),
- review, respond to, and manage requests for services (ROLE\_RFS),
- perform Request for Services (RFS) committee functions (ROLE\_RFS\_SU); and,
- create provider approvals (ROLE\_PROVIDER\_APPROVAL).

Because he has the “USTEPS Administrator” role, he could add business roles to his own user account, make inappropriate changes in production, and then remove his access without easily being detected. He could also create and change user accounts for other employees, allowing them to potentially make inappropriate changes without being easily detected. As discussed above, he has given himself access to several roles in production.

We spoke with the DSPD USTEPS Manager and he agreed that this DTS employee's access to ROLE\_ADMIN should be removed. He then immediately removed his access to that role. He also removed the DTS employee's access to all other roles except ROLE\_CW, ROLE\_INCIDENT\_REPORT, and ROLE\_USTEPS\_UPI, because the DTS employee needs access to these roles to troubleshoot problems. The DSPD USTEPS Manager is willing to set up a process for monitoring this DTS employee's use. We followed up with the DHS Information Technology (IT) Director and the DTS IT Manager and they agreed with the DSPD USTEPS Manager's actions.

*Finding 1-B. Recommendation:*

1. *We recommend that USTEPS roles to which this DTS employee has been given access should be time limited, as needed, and the DSPD USTEPS Manager should regularly monitor his use.*

**Duplicate Form 295 Payments**

**Finding 2. BIRA identified five duplicate payments (or overpayments) issued by the DCFS Northern Region (three), DJJS Office of Community Programs (one), and DSPD Clearfield Office (one), totaling \$605.**

**Table 3** identifies the five duplicate payments (or overpayments) issued by DCFS, DJJS, and DSPD (see yellow highlighted cells). In addition, **Table 3** identifies the “1<sup>st</sup> Approval EIN” and the “2<sup>nd</sup> Approval EIN” that approved both duplicate payments (see orange highlighted cells).

**Table 3: FY 2016 – Five Duplicate Payments (or Overpayments) Made to Providers**

Row #	Division	Region	Fiscal Year	Payment Start Date	Receipt Date	Paid Date	Provider	High Level Client Index Number	Service Code	Amount Paid	Duplicate	CAPS ID	1st Approval EIN**	2nd Approval EIN**
1	DCFS	Northern	2016	11/12/2015	11/12/2015	11/18/2015	Shopko	060776810	SNM	134.90		3608410	185993	114233
2	DCFS	Northern	2016	11/30/2015	Date cut off	12/2/2015	Shopko	060776810	TLN	134.90	\$134.90	3630099	150964	114233
							Shopko Subtotal				\$134.90			
3	DCFS	Northern	2016	8/10/2015	8/5/2015	9/2/2015	Ross Dress	080435437	SNM	150.00		3517778	191547	103143
4	DCFS	Northern	2016	8/5/2015	8/5/2015	9/16/2015	Ross Dress	080435437	SNM	150.00	\$150.00	3532517	191547	103143
5	DCFS	Northern	2016	8/24/2015	8/28/2015	10/14/2015	Ross Dress	080443216	SNM	150.00		3566661	165770	114233
6	DCFS	Northern	2016	8/28/2015	Date cut off	11/4/2015	Ross Dress	080443216	SNM	150.00	\$150.00	3592461	165770	114233
							Ross Subtotal				\$300.00			
							DCFS Total				\$434.90			
7	DJJS	Community Programs	2016	7/2/2015	7/2/2015	8/19/2015	Country Cottage	090669763	SNP	60.00	\$30.00	3496938	182032	103846
8	DJJS	Community Programs	2016	7/2/2015	7/2/2015	8/19/2015	Country Cottage	080494168	SNP	60.00	\$30.00	3496999	159947	103846
							DJJS Total				\$60.00			
9	OPG*		2016	*	8/17/2015	9/18/2015	SP Foundation	060369971	*	110.10		*	*	*
10	DSPD	Northern	2016	8/15/2015	8/17/2015	10/21/2015	SP Foundation	060369971	STC	551.93	\$110.10	3572647	100075477	156122
							DSPD Total				\$110.10			
							Grand Total				\$605.00			

\* Office of Public Guardian (OPG) makes payments from a client trust account and not through CAPS.  
 \*\* Employee Identification Number

See **Finding 2-A**, **Finding 2-B**, and **Finding 2-C** below:

**Finding 2-A. DCFS Northern Region double paid Shopko (one time) and Ross Dress for Less (two times), resulting in overpayments totaling \$434.90.**

Best practice suggests employees responsible for approving a payment should verify that a Form 295 has not already been processed before issuing a second one. The DCFS Northern Region should also have sufficient internal controls to prevent duplicate payments.

In addition, best practice suggests that Division Form 295s contain the fields necessary to identify duplicate payments. The DHS Office of Fiscal Operations (OFO) staff should periodically monitor CAPS to detect potential duplicate payments and train Divisions to properly enter data into Form 295 fields.

When errors or duplicates are discovered, DCFS Northern Region staff should complete and submit a CAPS Adjustment Form to OFO, reflecting the revised changes.

The DCFS Northern Region has an agreement with Ross Dress for Less (Ross Dress) and Shopko for DCFS clients to purchase items at set amounts based on a pre-authorized Form 295. The DCFS caseworker completes and signs a Form 295 and gives it to the client. The client then goes to Ross Dress or Shopko and gives the store the Form 295, after which the client makes the purchase. After the purchase, the store mails a copy of the Form 295 and receipt to the DCFS Northern Region Ogden Office. DCFS then makes the payment after the caseworker and his/her supervisor approve the Form 295.

#### Duplicate Payment – Shopko

In the first set of duplicate payments, Shopko was paid \$134.90 on November 18, 2015, for two preloaded debit cards (\$25 and \$100 with \$9.90 in service charges) to purchase a bicycle for a client using service code Special Needs Miscellaneous (SNM) (see **Table 3**, row 1). The receipt was dated November 12, 2015. Shopko was also paid \$134.90 on December 2, 2015, for two additional preloaded debit cards (\$25 and \$100 with \$9.90 in service charges) to purchase a bicycle for the same client, using service code Transitional Living Needs (TLN) (see **Table 3**, row 2). In the second payment, the receipt date was cut off, so there is no documentation of when the purchase occurred. In total, there were four preloaded debit cards issued.

Both Form 295s were authorized by the same caseworker and the same payment technician.<sup>24</sup>

BIRA asked the DCFS Northern Region to account for the \$269.80 (\$134.90 + \$134.90, see **Table 3**, rows 1 and 2) spent on preloaded debit cards, as there was no documentation, such as receipts to verify the funds were used to purchase a bicycle. According to Melissa McDonough, the caseworker who authorized the purchases, the first set of preloaded debit cards (\$134.90) were to be given to Amanda Brough, an investigator for the Utah Guardian Ad Litem's (GAL) Office. Ms. Brough was going to give the client the preloaded debit cards to purchase a \$279 bicycle (part of which would come from the preloaded debit cards) from Sports Authority. Ms. McDonough stated, "I left the cards in the possession of the receptionist, Janie Cunningham, as I did not feel comfortable leaving them in a hanging file in reception. When Amanda Brough

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<sup>24</sup> In CAPS, they were authorized by two separate caseworkers and the same payment technician.

arrived the following morning to pick up the preloaded debit cards, it was discovered that Janie Cunningham had actually given the preloaded debit cards away to the wrong client.”

In determining what happened to the first set of preloaded debit cards, Ms. McDonough stated that Crystal Vail, another DCFS employee, had left \$40 in gift cards for her client to pick up at the Ogden Office.<sup>25</sup> This is when Janie Cunningham inadvertently gave Ms. Vail’s client the wrong cards. The client used the preloaded debit cards before Ms. Vail could get them back from her. We confirmed this with Ms. Vail. The DCFS Northern Region staff attempted to correct this problem by issuing another set of preloaded debit cards for the intended client, using service code TLN, as the client who used the first set of gift cards was an independent living client. The independent living client was not required to pay back the preloaded debit cards, given to her in error.

The DCFS Northern Region should have completed a CAPS Adjustment Form for the purchase to reflect the actual client who received the original preloaded debit card. In addition, the second purchase should have been coded as SNM, not TLN, as the client did not receive independent living services.

According to Ms. McDonough, she gave the second set of preloaded debit cards to Melanie Speechy from GAL who purchased the bicycle for the client’s birthday on November 30, 2015. We validated this through emails from Ms. Speechy to Ms. McDonough.

#### First Duplicate Payment – Ross Dress

In the first set of Ross Dress duplicate payments, Ross Dress was paid \$150 on September 2, 2015, for “Clothing needs,” using service code SNM (see **Table 3**, Row 3). The customer receipt was dated August 5, 2015, for \$151.89, with an additional \$1.89 in cash given to Ross Dress.<sup>26</sup> The receipt was for various items of clothing such as a skirt, top, vest, etc. Ross Dress was also paid \$150 on September 16, 2015, for “Clothing needs,” using service code SNM (see **Table 3**, Row 4). The second receipt was for the same items at the exact same time and date (August 5, 2015) and is identical to the first receipt. Both of these payments were authorized by the same worker, supervisor, and payment technician.

It is unclear how Ross Dress was paid twice for the same purchase.

#### Second Duplicate Payment – Ross Dress

In the second set of Ross Dress duplicate payments, Ross Dress was paid \$150 on October 14, 2015, for “Shoes, clothing, bag/luggage/purse,” using service code SNM (see **Table 3**, Row 5). The receipt was dated August 28, 2015, for \$211.83 for various items such as a wrap, jeans, tops, etc. Ross Dress was also paid \$150 on November 4, 2015, for “shoes, clothing, bag/luggage/purse,” using service code SNM (see **Table 3**, Row 6). The second receipt was for \$211.83 and listed the exact same items. It also showed that there was a debit card transaction of

<sup>25</sup> Ms. Vail told BIRA that the \$40 gift card was donated to the DCFS Northern Region from Christmas Box House International.

<sup>26</sup> The client apparently had used \$1.89 in her own money to cover the additional expense.

\$61.83 for the additional purchases over \$150.<sup>27</sup> Both receipts discussed above appear to be identical.

As in the above example, it is unclear how Ross Dress could be paid twice for the same purchase. After we discussed these two duplicate payments with the DCFS Northern Region, they met with Ross Dress. Ross Dress agreed these were overpayments and credited the Region \$300.

Currently, CAPS has some edits in place to prevent duplicate Form 295 payments. Two payments will error out when the following data elements are identical: 1) Client ID, 2) Eligibility, 3) Provider ID, 4) Amount Paid, 5), Service Type (Code), and 6) Service Start Date. However, the "Service Start Date" field has a different name than the corresponding Form 295 field.

For example, the DCFS Form 295 includes "Payment Start Date" and "Payment End Date," which are entered into CAPS as "Service Start Date" and "Service End Date." For DCFS, duplicate payments will not error out because the "Payment Start Date" will most likely be a different date. For example, DCFS may enter the "receipt date" as the "Payment Start Date" (see **Table 3**, rows 3 and 4). They may also enter the date on which the Form 295 was entered into CAPS (see **Table 3**, rows 7 and 13), or another date. DJJS and DSPD have the same issues, as their Form 295 also includes "Payment Start Date" and "Payment End Date," instead of "Service Start Date" and "Service End Date," respectively.

We discussed these problems with the OFO Bureau of Finance Director. He is planning on changing each of the Division's Form 295s to be consistent with the CAPS fields. In other words, DCFS Form 295s will be changed from "Payment Start Date" to "Service Start Date," and "Payment End Date" to "Service End Date." In the case of the Ross Dress and Shopko Form 295 payments, the "Service Start Date" is the "Receipt Date." OFO should also train the Divisions to enter these fields correctly.

In two of three duplicate payments identified above, the service codes were different and CAPS would not have identified these as potential duplicate payments. Therefore, we believe it is important that OFO staff periodically monitor CAPS for duplicate payments.

*Finding 2-A. Recommendations:*

- 1. We recommend that before issuing a second Form 295, DCFS Northern Region employees responsible for approving a payment verify that a Form 295 has not already been processed. DCFS Northern Region should also ensure that internal controls are in place to prevent duplicate payments.*
- 2. We recommend that when DCFS Northern Region finds a duplicate payment or error, they should complete and submit a CAPS Adjustment Form to OFO, reflecting the revised changes.*

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<sup>27</sup> It appears the client had a preloaded debit card to pay for the additional \$61.83. The customer receipt was cut off and did not show the date.

3. *We recommend that OFO and the Divisions change Form 295 fields so they are consistent with CAPS fields. For example, DCFS should replace the fields "Payment Start Date" and "Payment End Date," with the fields "Service Start Date" and "Service End Date," respectively. OFO should also train the Divisions to enter these fields correctly.*
4. *We recommend that OFO periodically monitor CAPS for duplicate payments.*

**Finding 2-B. DJJS Office of Community Programs double paid Country Cottage, Inc., resulting in overpayments totaling \$60.00.**

Best practice suggests employees responsible for approving a Form 295 payment should verify that the payment is correct.

Country Cottage, Inc. (Country Cottage) was paid \$60 on July 2, 2015, for a client's monthly bus pass using service code Special Needs Payments (SNP) (see **Table 3**, Row 7). The receipt was dated July 2, 2015, for two monthly bus passes. On July 2, 2015, Country Cottage was paid the second time \$60 for a client's monthly bus pass using service code SNP (see **Table 3**, Row 8). The second receipt was for the same items at the exact time and date. Both receipts above appear to be identical.<sup>28, 29</sup>

We talked to the DJJS Office of Community Programs Support Services Coordinator and she agreed that this was a duplicate payment.

It appears that Country Cottage was overpaid \$30.00 for each Form 295. We found through reviewing other Form 295s that it was common practice for Country Cottage to purchase two bus passes for two different clients at the same time. DJJS generally uses one Form 295 to pay for each client's \$30 bus pass. This is what should have happened in the case discussed above. Country Cottage should properly identify all clients on the receipt when more than one bus pass is purchased.

The DJJS Administrative Services Director agreed to request the \$60 overpayment from Country Cottage.

*Finding 2-B. Recommendations:*

1. *We recommend that DJJS ensures that the receipts are properly itemized when the receipt is for more than one client.*
2. *We recommend that DJJS ask Country Cottage to pay the Division \$60 for the overpayment.*

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<sup>28</sup> DJJS also uses a Needs Reimbursement Authorization Form (or Purchase Order), in addition to a Form 295, to authorize services. One purpose for this form is to ensure procurement policy is followed. However, in this case, these forms were not helpful because they were incorrect or did not match the Form 295s discussed above. For example, one purchase order authorized a different client to receive services than the client listed on the Form 295. The other purchase order authorized \$60 for the monthly bus pass when it should have been \$30.

<sup>29</sup> Both Form 295s were authorized by the same caseworker and payment technician. However, in CAPS, they were authorized by two separate caseworkers and the same payment technician.

**Finding 2-C. DSPD and OPG double paid the SP Foundation Corp, resulting in an overpayment totaling \$110.10.**

Best practice suggests that DSPD should coordinate with OPG, or other representative payees, before authorizing Form 295 payments when they have common clients.

On September 18, 2015, OPG (the client's representative payee) paid through the client's trust fund account, \$110.10 to SP Foundation Corp. (SP Foundation) for emergency placement needs, which included food, socks, shorts, shirts, etc (see **Table 3**, row 9).

On October 21, 2015, DSPD paid SP Foundation \$551.93<sup>30</sup> using service code Start Up Costs (STC) for the same client. DSPD paid for a bookcase/chest (\$138.89), a mattress/boxspring (\$218.00), towels, mattress cover, and toiletries (\$85.04), and emergency placement needs (\$110.10) which included food, socks, shorts, shirts, etc (see **Table 3**, row 10). The receipt for the emergency placement needs payment was identical to the receipt OPG paid earlier.

DSPD paid this provider for their client's emergency placement needs when some of these needs had already been paid from the client's trust fund. It is important that DSPD not authorize client expenses until they ensure that the client is unable to pay for them. This requires coordination between DSPD and the representative payee (who, in this case, was OPG). We believe if DSPD had done this they would not have authorized these identical client expenses.

The DSPD Administrative Services Director agreed to ask SP Foundation for the \$110.10 overpayment.

*Finding 2-C. Recommendations:*

1. *We recommend that DSPD coordinate with OPG or other client representative payees before paying for client expenses.*
2. *We recommend that DSPD ask SP Foundation to pay the Division \$110.10 for the overpayment.*

**Travel-Related Internal Controls of Form 295 Payments**

**Finding 3. DCFS Regions are inconsistent in how they calculate and pay Form 295 client travel expenses for in-home services. In addition, BIRA could not verify that 11 Northern Region Brigham City Office Smith's gift cards were used for gas.**

Best practice suggests that client mileage be reimbursed rather than prepaid, if possible. Best practice also suggests that DCFS should be consistent in how they calculate and pay Form 295 client travel expenses for in-home services.

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<sup>30</sup> The DSPD Form 295 payment amount is 551.93 and should have been \$552.03.

For example, DCFS could create a standard form for in-home mileage reimbursement, similar to the Foster Parent Private Vehicle Usage Report, which foster parents use to be reimbursed for out-of-home care mileage. This standard form should calculate the rate (to be reimbursed or prepaid) by multiplying round trip miles by the average cost per mile. There also needs to be a way to pay for exceptions, in emergency situations.

**Table 4** identifies the methods DCFS Regions use to calculate and pay for in-home travel expenses, using the Form 295.

**Table 4: DCFS Regions and their Methods to Calculate and Pay In-Home Travel Expenses**

DCFS Region	Method of Payment		Cost Calculation		Method of Prepayment		
	Reimburse Mileage (Form 295)	Prepay Mileage (Form 295)	Round Trip Mileage * Fixed Rate per Mile	Round Trip Mileage / Vehicle's Avg. Miles Per Gallon * Gas Cost Per Gallon	Prepay by Issuing a Check (Form 295)	Prepay by Issuing a Gift Card / Gas Card (Form 295)	Prepay Exception Process (Pcard, Form 295, Petty Cash)
A	B	C	D	E	F	G	H
Eastern	Yes	No, with exception	No	12 cents per mile (144 round trip miles / 20 mpg * 2.50 price per gallon / 144 round trip miles)	No	No	Sends an employee to gas pump with Pcard
Northern	No	Yes	No	25 cents per mile (144 round trip miles / 10 mpg * 2.50 price per gallon / 144 round trip miles) *	Yes	Yes	
Salt Lake Valley	Yes	No, with exception	38 cents per mile	No	No	No	May make a utility payment to free up client's money for gas
Southwest	Yes	No, with exception	20 cents per mile	No	No	No	Sends an employee to gas pump with petty cash, but wants to use a Pcard
Western	Yes	No, with exception	No	20-25 cents per mile (144 round trip miles / 11 mpg * 2.50 price per gallon / 144 round trip miles)	No	No	Sends an employee to gas pump with Pcard

\* The Northern Region generally doesn't pay the full amount of this calculation and reduces the amount dramatically.

Four of the five DCFS Regions reimburse in-home mileage rather than prepay, although all of the Regions prepay mileage in emergencies. The DCFS Northern Region prepays all in-home mileage. In the Ogden area they use Blair's to prepay using a gas card. This card can only be used to pay for gas at the Blair's station. In the Logan and Brigham City Offices, the Region uses Smith's gift cards to prepay for gas.

We identified 11 payments, totaling \$470, (see **Table 5**) from the Northern Region Brigham City Office for which we validated that gift cards had been purchased, but we could not verify that they were used for gas. Smith's cards can be used for anything Smith's sells, including preloaded debit cards, which can be used at any retailer.

**Table 5: 11 DCFS Northern Region Brigham City Office Payments to Smith's Could Not be Verified to have been Used for Gas**

Division	Region	Office	Fiscal Year	Provider	High Level Client Index Number	Service Code	Paid Date	Amount Paid	CAPS ID
DCFS	Northern	Brigham City	2015	Smith's	020118422	HBN	9/17/2014	\$20.00	3087116
DCFS	Northern	Brigham City	2015	Smith's	030032986	HBN	9/17/2014	\$50.00	3087114
DCFS	Northern	Brigham City	2015	Smith's	040042094	HBN	9/17/2014	\$50.00	3087115
DCFS	Northern	Brigham City	2015	Smith's	041013332	SNM	4/15/2015	\$30.00	3348704
DCFS	Northern	Brigham City	2015	Smith's	081035507	SNM	5/20/2015	\$30.00	3384944
DCFS	Northern	Brigham City	2015	Smith's	041013332	SNM	5/27/2015	\$30.00	3388812
			Subtotal					\$210.00	
DCFS	Northern	Brigham City	2016	Smith's	060429409	HBN	8/5/2015	\$40.00	3477694
DCFS	Northern	Brigham City	2016	Smith's	060215442	SNM	9/9/2015	\$40.00	3523329
DCFS	Northern	Brigham City	2016	Smith's	060215442	SNM	9/16/2015	\$40.00	3531071
DCFS	Northern	Brigham City	2016	Smith's	060215442	SNM	10/28/2015	\$40.00	3575564
DCFS	Northern	Brigham City	2016	Smith's	060773615	SNM	11/4/2015	\$100.00	3586260
			Subtotal					\$260.00	
			Total					\$470.00	

We asked the Northern Region why they prepaid all gas purchases while other Regions generally reimbursed clients. They told us many of their families do not have the resources to provide for "concrete supports in times of need," so DCFS helps them pay for transportation costs. The other Regions have the same issue, but they prepay gas only on an exception basis. We believe that the Northern Region should reimburse clients and prepay on an exception basis like the other Regions.<sup>31</sup>

We also believe it is appropriate for DCFS Regions to continue prepaying mileage for emergencies only.

**Table 4** also identifies how each Region pays for mileage. Most Regions pay by taking the round trip mileage divided by the vehicle's miles per gallon multiplied by the gas price per gallon. The Regions vary, using between 10 to 20 miles per gallon. These numbers are arbitrary and not based on actual mileage per gallon for each client. In most Regions, they use the going gas rate for the area. Often, caseworkers, who are not accountants, must do these calculations.

The DCFS Northern Region, even though they have a set methodology to calculate gas payments, does not use that amount. For example, in one case they calculated they owe a client \$57.15, but only prepaid \$40, which is \$17.15 less than the calculated amount. The amount they pay appears to be arbitrary. This is true for each sample we pulled that had documentation.

The Salt Lake Valley and Southwest Regions reimburse in-home mileage by multiplying the roundtrip mileage by a fixed rate. We believe this is a better way to calculate the mileage rate, as there are fewer variables. It would be helpful to have a standard form for all DCFS Regions, similar to their current practice for out-of-home care.

<sup>31</sup> On January 30, 2017, Smith's informed Northern Region workers they would no longer sell gift cards using a Form 295. Consequently, the Region will not have this option in the future.

*Finding 3. Recommendations:*

1. *We recommend all DCFS Regions, including the Northern Region, reimburse most in-home mileage expenses and prepay mileage only on an exception basis.*
2. *We recommend that DCFS create a standard mileage form based on round trip mileage multiplied by a set rate per mile.*

**Preloaded Debit and Gift Cards**

**Finding 4. The DCFS Northern Region has issued some preloaded debit cards and gift cards, but do not have documentation that validates they were used for the intended purpose.**

Preloaded debit cards and gift cards are similar to cash (whether donated to the Division or purchased), and should have the same documentation requirements as other petty cash monies. Good business practice<sup>32</sup> requires the following:

1. *The employee responsible for purchasing the preloaded debit cards or gift cards, or when they are donated, should record the card numbers on a log at the time they are acquired.*
2. *Caseworkers and supervisors should sign the log, documenting they have authorized the issuance and intended use of the preloaded debit cards or gift cards.*
3. *The client should sign the log, indicating they have received the preloaded debit card or gift card and will use it for the intended purpose stated in the log.*
4. *Each DCFS Region should account for and track all used and unused cards.*

According to DCFS financial staff, the Northern and Western Regions purchase gift cards. Western Region has issued a policy on gift cards, which specifies when gift cards may be used. Generally, they are only used for Family Drug Court rewards, and not for general client needs, such as diapers, food, gasoline, clothing, etc. These gift cards are issued through FINET,<sup>33</sup> and not with a Form 295. Western Region has a policy with procedures for maintaining and controlling gift cards, including a log that documents the following information:

- date gift card was acquired,
- location where the card may be used,
- date given to the client,
- client name,
- reason for award, and
- caseworker who authorized the card.

In 2016, the DCFS Northern Region financial staff gave guidance to supervisors Region-wide regarding gift cards, which states:

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<sup>32</sup> These best practices are the same as recommended in our Region reviews. It is important to be consistent in how preloaded debit cards and gift cards are tracked and administered.

<sup>33</sup> FINET is the State of Utah's financial accounting system.

*Please do not purchase gift cards for your client's needs. 295s are accepted at Shopko, Smith's, and Ross Dress for Less, along with a few other places. The reason is because the receipt for back-up only shows "Gift Card" as the item purchased. Auditors would look at that as free money to buy beer, cigarettes, or other questionable items, instead of the need. Could you imagine what the public might say? There are very few exceptions to this rule, so please ask.*

The Northern Region does not have sufficient internal controls in place when preloaded debit and gift cards are used, such as a log, documentation as to who received the card, and assurance that the card was used for its intended purpose. Northern Region's general practice is to keep a copy of the receipt that shows a preloaded debit or gift card was purchased. However, there is no other documentation indicating who used the card, and if the card was used for the purpose shown on the Form 295. In **Finding 2-A**, a DCFS receptionist gave \$125 of preloaded debit cards to the wrong client, resulting in funds being spent inappropriately.

*Finding 4. Recommendations:*

- 1. We recommend that DCFS Regions sparingly purchase preloaded debit cards or gift cards for clients.*
- 2. When DCFS Northern Region staff receive donated preloaded debit cards or gift cards, or purchase them, we recommend they record all cards in a log. The log should contain the following information: date purchased, amount, card number, date issued to client, card usage purpose, worker requesting the gift card, supervisor signature authorizing the gift card issuance and usage, and the signature of the person receiving the gift card. The log should be attached to the Form 295 as supporting documentation.*

**Duplicate Joyous Season Payments**

**Finding 5. Six Joyous Season Payments (JSP) were paid to foster parents twice in the same fiscal year, resulting in overpayments of \$340.**

The CAPS Reference Manual - Payments, H-2 Direct Payment Process (SAFE) Key Controls states:

*For JSP payments, only one payment may be made within a fiscal year based on period start date of the payment (not date paid), and the client's date of birth is checked. If the child is over 19, payment is not generated.*

Once each December, SAFE automatically generates a JSP for each youth in custody.<sup>34</sup>

**Table 6** identifies the DCFS clients who received two JSPs in December 2014 and 2015. All the duplicate JSPs were paid to foster parents.

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<sup>34</sup> These payments do not originate with a Form 295.

We interviewed the DTS Information Technology Analyst knowledgeable about the SAFE script which sends JSP information to CAPS for payment, and he agreed that duplicates had been made. He further mentioned that on February 29, 2016, he made changes to his validation procedure to prevent any future duplicate JSP payments from being made. His changes to the validation procedure appear to have worked, as no duplicate JSPs were made in December 2016.

**Table 6: Duplicate Joyous Season Payments in FY 2015 and FY 2016**

Division	Region	Office	Fiscal Year	Service Start Date	Service Paid Date	Provider	High Level Index Client Number	Service Code	Amount Paid	Duplicate	CAPS ID
DCFS	Western	Orem	2015	12/16/2014	12/17/2014	Gifford, Erica D	020538455	JSP	\$65.00		3199045
DCFS	Western	American Fork	2015	12/17/2014	12/17/2014	Gifford, Erica D	020538455	JSP	\$65.00	\$65.00	3200007
DCFS	Western	Orem	2015	12/16/2014	12/17/2014	Gifford, Erica D	081012706	JSP	\$60.00		3199044
DCFS	Western	American Fork	2015	12/17/2014	12/17/2014	Gifford, Erica D	081012706	JSP	\$60.00	\$60.00	3200008
DCFS	Salt Lake Valley	Oquirrh	2015	12/8/2014	12/10/2014	Davis, Roseann C	091000470	JSP	\$65.00		3193753
DCFS	Salt Lake Valley	Oquirrh	2015	12/10/2014	12/10/2014	Davis, Roseann C	091000470	JSP	\$65.00	\$65.00	3193769
							<b>Subtotal</b>			<b>\$190.00</b>	
DCFS	Salt Lake Valley	Salt Lake	2016	12/10/2015	12/22/2015	Sampson, Billie Jo	041153591	JSP	\$50.00		3649685
DCFS	Salt Lake Valley	Mid Towne	2016	12/16/2015	12/22/2015	Sampson, Billie Jo	041153591	JSP	\$50.00	\$50.00	3649237
DCFS	Salt Lake Valley	Salt Lake	2016	12/10/2015	12/22/2015	Sampson, Billie Jo	061153591	JSP	\$50.00		3649684
DCFS	Salt Lake Valley	Mid Towne	2016	12/16/2015	12/22/2015	Sampson, Billie Jo	061153591	JSP	\$50.00	\$50.00	3649236
DCFS	Salt Lake Valley	Salt Lake	2016	12/4/2015	12/9/2015	Holley, Barbara Jean	091147264	JSP	\$50.00		3639258
DCFS	Eastern	Price	2016	12/5/2015	12/9/2015	Holley, Barbara Jean	091147264	JSP	\$50.00	\$50.00	3638567
							<b>Subtotal</b>			<b>\$150.00</b>	
							<b>Total</b>			<b>\$340.00</b>	

*Finding 5. Recommendation: None.*<sup>35</sup>

### Supporting Documentation

**Finding 6. The DCFS Eastern Region inappropriately prepaid Dr. Beisinger \$800.80 for seven hours of neuropsychological services. The services were later provided.**

The Form 295 requires documentation to support the payment. If DCFS Eastern Region intends to prepay for services they should follow the DHS Bureau of Finance Prepaid Expenditure Procedures 03.003.00.

On April 18, 2013, a DCFS caseworker completed a “Promoting Safe and Stable Families Services Grant Request” Form which authorized \$1,601.60 of neuropsychological services for a client’s mother. This form was signed by the caseworker’s supervisor and approved by a DCFS Eastern Region contract grant analyst. After this form was completed, the same caseworker created a Form 295.

**Table 7** identifies the DCFS Eastern Region payment where the amount paid was different from the amount billed. DCFS Eastern Region told BIRA that they did not intend to prepay these services. Therefore, the Bureau of Finance prepay policy mentioned above is not applicable.

<sup>35</sup> We did not ask DCFS to collect the \$340.00 overpayments from the foster parents.

**Table 7: DCFS Eastern Region Amount Paid Different from Amount Billed**

Division	Region	Fiscal Year	Paid Date	Provider Name	High Level Client Index Number	Service Code	Amount Billed	Amount Paid	Difference	CAPS ID
DCFS	Eastern	2014	8/7/2013	Rick Beisinger	030152058	FPR	\$800.80	\$1,601.60	\$800.80	2623563

On August 7, 2013, DCFS Eastern Region paid Dr. Rick Beisinger \$1,601.60 for these services. The receipt attached to the Form 295 (Invoice #143) documented that seven hours of services were provided for \$800.80 during May and June, 2013. The invoice also stated, “[The client] has missed several appointments since then, and is currently in jail. The full evaluation will not be done until September sometime, depending on her ability to complete her appointments. The remainder of the testing hours will be billed upon completion of the evaluation.” According to the invoice, \$800.80 of the \$1,601.60 authorized services had not been provided when the Form 295 was paid.

BIRA asked the DCFS Eastern Region Administrative Services Manager to follow up to determine if services were later provided. He obtained documentation that stated seven hours of services were provided between August 22, 2013, and November 6, 2013. However, the Form 295 should not have been paid until after all the services were provided.

*Finding 6. Recommendation:*

1. *We recommend that DCFS Eastern Region workers verify that documentation matches the amount to be paid before processing a payment.*

## Appendix A

**Table 8: Form 295 DHS Division Transactions and Payments Compared to All DHS Division Transactions and Payments for FY 2015 and FY 2016**

Division	Fiscal Year	Number of Form 295 Transactions	Number of Total Transactions (1)	Percent of Form 295 Transactions	Total Form 295 Payments	Total All Payments (2)	Percent of Total Form 295 Payments
DCFS	2015	10,046	127,613	7.87%	\$1,988,963	\$63,001,788	3.16%
DJJS	2015	605	13,747	4.40%	\$46,986	\$19,094,950	0.25%
DSPD	2015	66	298,470	0.02%	\$112,929	\$194,954,658	0.06%
	<b>Total FY 2015</b>	<b>10,717</b>	<b>439,830</b>	<b>2.44%</b>	<b>\$2,148,879</b>	<b>\$277,051,396</b>	<b>0.78%</b>
DCFS	2016	9,242	124,744	7.41%	\$1,861,083	\$60,109,153	3.10%
DJJS	2016	443	12,090	3.66%	\$35,595	\$17,118,696	0.21%
DSPD	2016	78	307,777	0.03%	\$146,392	\$222,718,725	0.07%
	<b>Total FY 2016</b>	<b>9,763</b>	<b>444,611</b>	<b>2.20%</b>	<b>\$2,043,070</b>	<b>\$299,946,574</b>	<b>0.68%</b>
(1) Includes Form 295 and Form 520 transactions							
(2) Includes Form 295 and Form 520 payments							



Susan Martell (DHS) &lt;smartell@utah.gov&gt;

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**One-Time Payment (Form 295) Approval Process Limited Review Draft Report**

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Richard Sallstrom (DHS) <rsallstr@utah.gov>  
To: Susan Martell <smartell@utah.gov>

Tue, May 2, 2017 at 9:22 AM

----- Forwarded message -----

From: **Jeremy Hirschi (DHS)** <jehirschi@utah.gov>  
Date: Mon, May 1, 2017 at 5:58 PM  
Subject: Re: One-Time Payment (Form 295) Approval Process Limited Review Draft Report  
To: "Richard Sallstrom (DHS)" <rsallstr@utah.gov>, Tonya Myrup <tmyrup@utah.gov>

Rich,

Here is my response to the audit finding #3.

DCFS appreciates the professional approach that BIRA took in administering this audit and eliciting feedback from each region about the findings that particularly apply to them. In response to BIRA Finding #3, DCFS agrees that there needs to be consistency in how the amount of reimbursement is calculated. Because we recognize that each region has been inconsistent in their calculations, we have determined a standard rate of 20 cents per mile would be used to reimburse in-home clients for mileage so the Division can enable clients to pay for gas in their needed travels to appointments, school, and meetings. The mileage was determined based on what it would typically cost someone to pay for their gas without considering any other costs of paying for vehicle ownership such as depreciation or other maintenance which came to approximately 20 cents per mile. We feel that this is a fair amount to reimburse in-home clients for the fuel required for the necessary trip. The Division leadership acknowledges that the safeguarding of state resources is important in the way we demonstrate accountability to the community we serve and we strive to maintain proper oversight and internal controls as required by authoritative bodies. Thank you for the opportunity to provide response to this finding.

Jeremy Hirschi, CPA  
DCFS Finance DirectorPlease let me know if you have any questions.  
Thanks,**Jeremy Hirschi, CPA**  
Finance Director  
State of Utah Child and Family Services  
195 North 1950 West  
Salt Lake City, Utah 84116  
Office: (801) 538-4801  
Cell: (385) 321-3276  
Fax: (801) 538-3993On Mon, Mar 20, 2017 at 5:07 PM, Richard Sallstrom (DHS) <rsallstr@utah.gov> wrote:  
[Quoted text hidden]

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**INTEROFFICE MEMORANDUM**

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**TO:** RICHARD SALLSTROM, DIRECTOR OF FISCAL AUDIT, BIRA  
**FROM:** CODI F WHITE, DCFS EASTERN REGION ASM  
**SUBJECT:** ONE TIME PAYMENT AUDIT RESPONSE  
**DATE:** MARCH 23, 2017  
**CC:** JEREMY HIRSCHI  
SHAWN JACK

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The Division of Child and Family Services, Eastern Region offers the following response to the Limited Review of One-Time Payment (Form 295) Approval Process.

**Finding 6     The DCFS Eastern Region inappropriately prepaid Dr. Biesinger \$800.80 for seven hours of neuropsychological services. The services were later provided.**

The findings as described in the review are accurate and factual. The prepayment of the service was not authorized or intended. The miscommunication between worker and payment tech, along with the payment techs lack of detail review of documentation resulted in this inappropriate prepayment, even though the services were later provided as paid.

The local office payment tech responsible for this transaction has been visited with concerning the need and appropriateness of verifying all documentation and payment information before processing payments. (The actual caseworker had terminated several months prior to this review.) A more detailed Region internal review is planned to check for other inappropriate payments for this office.

DCFS Northern Region Response to Finding 2-A and Finding 4  
DHS One-Time Payment Approval Process Review  
April 28, 2017

Finding 2-A

DCFS Northern Region double paid Shopko (one-time) and Ross Dress for Less (two times), resulting in overpayments total \$434.90.

Recommendation 1: We agree. When “second payment requests” are received from providers, they will be forwarded to the Northern Region accountant for review before payment.

Recommendation 2: We agree. When DCFS Northern Region finds a duplicate payment or error, we will complete and submit a CAPS Adjustment Form to OFO reflecting the revised changes.

Finding 4

The DCFS Northern Region has issued some preloaded debit cards and gift cards, but do not have documentation that validates they were used for the intended purpose.

Recommendation 1: We agree. Preloaded debit and gift cards will be used sparingly for clients.

Recommendation 2: We agree. DCFS Northern Region will develop and maintain a log (with criteria as recommended) to record all donated or purchased preloaded debit cards or gift card.

NOTE: In Finding 6 (page 17), please change “Northern” to “Eastern” in Table 7/”Region”

For further questions or clarification, please contact Wayne Airmet, DCFS Northern Region ASM, 801-725-5335, or [wairmet@utah.gov](mailto:wairmet@utah.gov).



State of Utah

GARY R. HERBERT  
Governor

SPENCER J. COX  
Lieutenant Governor

DEPARTMENT OF HUMAN SERVICES

ANN SILVERBERG WILLIAMSON  
Executive Director

DIVISION OF JUVENILE JUSTICE SERVICES

SUSAN V. BURKE  
Director

DEBBIE WHITLOCK  
Deputy Director

MEMORANDUM

To: Richard Sallstrom, Director of Fiscal Audit  
DHS, Bureau of Internal Review and Audit  
From: Susan Burke, Director *SB*  
DHS, Division of Juvenile Justice Services  
Re: Audit Response, One-Time Payment (Form 295) Approval Process  
Date: March 21, 2017

Thank you for your efforts and recommendations in your limited review of the "One-Time Payment (Form 295) Approval Process. I appreciate your thoroughness to improve fiscal accuracy for this process.

Your audit found that in August 2015 a duplicate payment of \$60 was made to a private provider on Form 295 for bus passes for a DJJS client in their placement. JJS agrees with the finding.

BIRA recommendations and DJJS responses are as follows:

1. *We recommend that DJJS ensures that the receipts are properly itemized when the receipt is for more than one client.*

DJJS concurs with this recommendation. To correct the finding and prevent further issues, DJJS finance staff now double check all one-time payment requests to ensure that the Form 295, purchase order, and submitted receipts match for each client. There is no assumption that what the private providers submit is correct.

2. *We recommend that DJJS ask Country Cottage to pay the Division \$60 for the overpayment.*

DJJS concurs with this recommendation. On March 7, 2017 DJJS requested that Country Cottage pay DJJS \$60 for the overpayment. As of today, March 21<sup>st</sup>, the reimbursement has not been received. The responsible Support Services Coordinator is sending a reminder notice today. She will follow-up to ensure repayment is received.

Again, thank you for your thoroughness.

DSPD Response to Finding 1-A, Finding 1-B, and Finding 2-C  
A Limited Review of the One-Time Payment (Form 295) Approval Process

Finding 1-A. A DSPD employee had unnecessary access to some USTEPS business roles, resulting in potential inappropriate use.

Recommendation:

1. We recommend the DSPD USTEPS Manager review role functions before granting employee access.

DSPD Response:

DSPD agrees with this finding and has removed the access for creating Provider Approvals. The USTEPS team has added an additional control that will require a USTEPS manager (project manager or business analyst supervisor) to review all DSPD employee access applications for segregation of duty conflicts.

Finding 1-B. A Department of Technology Service (DTS) employee, assigned to the DSPD USTEPS development team, had unlimited access to USTEPS business roles, resulting in potential inappropriate use.

Recommendation:

1. We recommend that USTEPS roles to which this DTS employee has been given access should be time limited, as needed, and that the DSPD USTEPS Manager should regularly monitor his use.

DSPD Response:

DSPD agrees with this finding and has removed the Administrative Role access from this employee. The impact is that this employee can no longer manage the access roles in the USTEPS production system. In addition, the USTEPS team will engage in periodic review of development employee access roles.

Finding 2-C. DSPD and OPG double paid the SP Foundation Corp, resulting in an overpayment totaling \$110.10.

Recommendations:

1. We recommend that DSPD coordinate with OPG or other client representative payees before paying for client expenses.
2. We recommend that DSPD ask SP Foundations to pay the Division \$110.10 for the overpayment.

DSPD Response:

1. DSPD agrees with this finding and has contacted OPG and developed a list of clients served by both agencies. The list will be updated as OPG adds new clients. The list will be checked and contact will be made with OPG before any One-Time Payments are made to for any individuals included on the list. DSPD will also check the list of DCFS DJJS clients (maintained in USTEPS) before any One-time payments are made by DSPD.
2. DSPD has requested that SP Foundation pay back the duplicate payment of \$110.10. The payment was received from SP Foundation on 3/22/17



State of Utah

GARY R. HERBERT  
Governor

SPENCER J. COX  
Lieutenant Governor

## Department of Human Services

ANN SILVERBERG WILLIAMSON  
*Executive Director*

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LANA STOML  
*Deputy Director*

Office of Fiscal Operations  
JENNIFER C. EVANS  
*Director*

Date: December 8, 2016

To: Rich Sallstrom, Director of Fiscal Audit  
Bureau of Internal Review and Audit

From: Jennifer C. Evans, Director  
Office of Fiscal Operations

Subject: A Limited Review of the One-Time Payment (Form 295) Approval Process

This memorandum is in response to the above mentioned audit. We appreciate the thorough, objective review of the Department's one-time payment process. Thank you for the opportunity to respond to your findings.

**Finding 2-A: DCFS Northern Region double paid Shopko (one time) and Ross Dress for Less (two times), resulting in overpayments totaling \$434,90.**

- We recommend that OFO and the Divisions change Form 295 fields so they are consistent with CAPS fields. For example, DCFS should replace the fields "Payment Start Date" and "Payment End Date," with the fields "Service Start Date" and "Service End Date," respectively. OFO should also train the Divisions to enter these fields correctly.*

Forms have been revised and communicated to Divisions for their usage. At least for DCFS, there will be a delay in implementation due to existing form stock. E-mail instruction was sent regarding service dates.

- We recommend that OFO periodically monitor CAPS for duplicate payments.*

We agree some OFO monitoring be performed; however, Divisions are responsible for appropriate control and processing to avoid duplicate payments. The extent of Bureau of Finance monitoring may depend on available resources, and decisions involving use and focus of resources.

c: Don Moss, Finance Director