



JENNIFER M. GRANHOLM
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF HUMAN SERVICES
LANSING



ISMAEL AHMED
DIRECTOR

October 28, 2010

The Honorable Bill Hardiman, Chair
Senate Appropriations Subcommittee on DHS
Michigan State Senate
Lansing, MI 48933

The Honorable Dudley Spade, Chair
House Appropriations Subcommittee on DHS
Michigan House of Representatives
Lansing, MI 48933

Dear Senator Hardiman and Representative Spade:

Section 902(3) of 2009 Public Act No. 129 requires the Department of Human Services (DHS) to submit semi-annual reports to the legislature on expenditures and improvements made as a result of this section of the appropriations act.

Please accept this letter as the DHS's second semi-annual report for fiscal year 2010. The Office of Child Support continued to fix and improve the Michigan Child Support Enforcement System (MiCSES) although there were no carry-forward funds available. All funds expended on MiCSES during the reporting period were from fiscal year 2010 appropriations.

During the second six months of the fiscal year the child support program had one major release on May 28, 2010. This purpose of this release was to upgrade MiCSES to operate on a new Oracle operating system. The old operating system was no longer supported by the vendor and continued use increased the risk of system failures and limited our ability to continue enhancing the system. The team also spent considerable time developing a two way interface between the MiCSES and BRIDGES applications. This interface is scheduled to be completed on November 11, 2010. MiCSES also had one small release on April 11, 2010 which created three new and four enhanced user reports. This release also improved the matching criteria with the Unemployment Agency.

The Office of Child Support also continued to work with GC Services, a private collection agency, on a pilot collection project with Calhoun County Friend of the Court. This pilot project was started in November 2009 with 4,209 hard to collect cases turned over to GC Services for collection activities. As of September 30, 2010, we have only seen a small increase in collections for the cases that were turned over to GC Services for collection activities. To try to improve results, GC Services has established a new collections unit for this project in Michigan. This unit has begun working more closely with the Friend of the Court to leverage resources and collection activities. However, the continued high rate of unemployment in Michigan appears to be a major factor in the collection results.

Hon. Bill Hardiman
Hon. Dudley Spade
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If you have any questions, please contact Susan Kangas, chief administrative officer, DHS, at (517) 373-7787.

Sincerely,

A handwritten signature in black ink that reads "Susan Kangas". The signature is written in a cursive, flowing style.

for Ismael Ahmed

c: Senate and House Appropriations on DHS
Senate and House Fiscal Agencies
State Budget Director