Highlights of Legislative Auditor report on the Department of Health and Human Services, Division of Welfare and Supportive Services issued on September 19, 2012.

Background
The Welfare Division was created in 1937 and was renamed the Division of Welfare and Supportive Services in 2005. The Division is part of the Department of Health and Human Services. The Division’s mission is to provide quality, timely, and temporary services enabling Nevada families, the disabled, and elderly to achieve their highest levels of self-sufficiency. The Division had 1,335 legislatively approved full-time equivalent positions as of July 1, 2010, and expenditures totaling over $496 million during fiscal year 2011. The Division’s main source of funding is the federal government. The Division’s administrative office is in Carson City. In addition, the Division has 13 District Offices: one each in Carson City, Elko, Ely, Fallon, Hawthorne, Reno, Pahrump, Yerington, and Henderson, and four in Las Vegas.

Purpose of Audit
The purpose of this audit was to: 1) determine if the Division’s controls over benefits issued through Electronic Benefits Transfer (EBT) cards were sufficient to reduce the risks of benefits being paid to deceased clients and of unauthorized persons using those benefits, and 2) determine if payments made to the vendor for EBT account services were accurate.

Audit Recommendations
This audit report contains five recommendations to improve administrative controls over EBT cards and the EBT account services vendor. These recommendations include developing policies and procedures to help ensure benefits are not issued to deceased clients, accounts are modified to prevent the use of EBT cards after clients’ deaths, and to improve controls related to the Division’s monitoring of the information received from and the amount paid to the EBT vendor to help ensure reports and payments are accurate.

The Division accepted the five recommendations.

Recommendation Status
The Division’s 60-day plan for corrective action is due on December 18, 2012. In addition, the six-month report on the status of audit recommendations is due on June 18, 2013.

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