
MINISTRY OF THE ATTORNEY GENERAL

4.01–Family Responsibility Office

(Follow-up to VFM Section 3.01, 1999 Annual Report)

BACKGROUND

The Family Responsibility Office (the Office), formerly the Family Support Plan, is responsible for enforcing support orders. A support order is an order issued by the court or an agreement between two parties for the payment of money towards the support or maintenance of a child and/or spouse. The Office's responsibility includes collecting and disbursing support payments. All Ontario court orders made since July 1987 are automatically filed with the Office. In the cases of separation agreements and pre-July 1987 court orders, recipients of support payments may voluntarily elect to file with the Office.

For the 1998/99 fiscal year, the Office had 340 staff and incurred expenditures of approximately \$28.2 million. Over \$500 million was collected and disbursed during the year. As of March 31, 1999, the Office had over 170,000 registered cases. At that time, approximately 128,000 (75%) of the active cases registered with the Office were in arrears. The arrears totalled \$1.2 billion.

We concluded in 1999 that, when payors went into arrears, the Office did not have a satisfactory system for initiating contact and taking appropriate enforcement action. Where enforcement action was taken, we found gaps of more than six months between actions and, when unsuccessful, frequent failure on the part of the Office to pursue more aggressive action.

The Office's policy of issue management, under which the responsibility of enforcement officers was limited to the issues on which they worked, resulted in inefficiencies in case management. We noted many examples where more than three enforcement officers had worked on the same case; in one instance, 11 different offices were involved in one case over a span of two years.

The Office had spent over \$2.3 million on a computer-services consulting contract relating to the installation of a front-end interface to the existing computer system. However, these technology enhancements did not address our 1994 audit findings relating to the computer-system performance problems. According to the enforcement officers surveyed during this audit, the computer system was slow and often unavailable.

In addition, with respect to the acquisition of the computer consulting-services contract, we found that the Office had not complied with significant aspects of the relevant Management Board of Cabinet directive and could not demonstrate that the project was managed with due regard for economy.

Accordingly, we made recommendations for improving the Office's systems and procedures and the management of its resources.

In April 2001, the Ministry of Community and Social Services assumed responsibility for administration of the program.

CURRENT STATUS OF RECOMMENDATIONS

We concluded that continuing action was required to implement most of our recommendations. For some recommendations, the Office had not taken substantive action. The Office indicated that further substantial progress in addressing many of our recommendations was dependent on improvements to the Office's business processes and information-technology systems, which were under review at the time of our follow-up.

ENFORCING SUPPORT ORDERS

Enforcement Actions

Recommendation

To help ensure recipients are getting the support payments to which they are entitled, the Ministry should improve its procedures for enforcing support orders. Specifically, it should:

- *initiate contact with payors as soon as payments are in arrears; and*
- *take more timely and aggressive enforcement actions.*

Current Status

The Office indicated that the following steps have been taken to improve enforcement processes:

- Letters are written to delinquent payors when their accounts are 30 days in arrears. As part of this follow-up process, responses from delinquent payors are requested within approximately 30 days. A monthly report has been programmed to list accounts that are 60 days overdue. These reports are then assigned to a special team of client service associates (CSAs) to initiate some kind of enforcement action.
- In cases where a delinquent payor's driver's licence was suspended as an enforcement alternative and the payor continues to be in arrears, default hearings are scheduled.
- A process was initiated to review cases where amounts in arrears fall within specified dollar ranges. For example, over the winter of 2000–01 and the spring of 2001, reviews were conducted of all cases with arrears of over \$100,000, \$75,000, and \$50,000, respectively. Depending on the circumstances of each case, CSAs either initiated enforcement actions or updated case information. Some cases were closed; some were sent to other jurisdictions for enforcement; in yet other cases, arrears were adjusted based on a review of the case-file information. In some cases, new information was received, such as amended court orders that changed the amount of arrears that could be enforced or notification that direct payments had been made between the parties.

In addition, the Office indicated that the Enhanced Collection Agency Project, involving four private collection agencies, was to proceed in the fall of 2001. The enforcement focus of this project is to be on cases where no payment activity has occurred for six months or more.

As part of its *2001/02 Business Plan*, the Ministry has established a target of full or partial compliance in an average of 71% of the cases managed by the Office. This is a new performance target for 2001/02. The old target of 61% included in the calculation cases that

were not enforceable by the Office, such as cases where: the payor was in jail for an extended period of time; enforcement has been stayed by court order; or the support payor or recipient could not be located. For 2001/02, the unenforceable cases are to be excluded from the compliance calculation.

Interest

Recommendation

To help ensure compliance with support orders and to encourage prompt payment from payors, the Ministry should compute and charge interest on arrears for those cases where the court orders stipulate that interest is applicable.

Current Status

The Office maintained the position that the calculation of interest is the responsibility of the recipient who registered with the program and that the existing computer system cannot support the calculation. The Ministry has added information to its brochure flagging the recipient's responsibility to calculate and report interest and has added instructions on the calculation of interest to the recipient filing package.

The Ministry's internal auditors recommended that the Office ensure that the calculation of interest is considered as a programming option when a new computer system is developed. We concurred with that recommendation. The Office responded that this recommendation would be considered as part of the development of Internet- and other electronic-based tools that would help clients access information about the Office or their cases.

Account Information

Recommendation

To ensure accurate, up-to-date records are kept on payors' and recipients' accounts, the Ministry should establish a process to periodically verify with payors and recipients important information pertaining to their accounts.

Current Status

A payor or recipient may request a Director's Statement of Account at any time during the life of the case file. Effective April 1, 2000, the statement is provided free of charge upon the first request, and each statement requested thereafter costs \$25.

The Standing Committee on Public Accounts made the following recommendation in its November 2000 report, which was based on hearings conducted on February 16, 2000 on our audit of the Office: "The Family Responsibility Office should provide payors and recipients with a history of their financial relations (Schedule A) with the Office upon request on an annual basis, free of charge." The Office has not taken substantive action to implement the Committee's recommendation.

In addition, a process has not been established to periodically verify with payors and recipients important information pertaining to their accounts. However, the Office expected that its initiatives to pursue enforcement actions in a more timely manner and to better educate clients would encourage payors and recipients to fulfill their obligations to provide the Office with up-to-date and accurate information on their cases.

Case Management

Recommendation

To be more effective in collecting support payments and to ensure better accountability and efficiency, the Ministry should review its current approach to deploying enforcement officers and take appropriate action to correct any deficiencies.

Current Status

According to the Office, its existing computer system was not adequate to meet the Office's current business requirements and high volumes. In the fall of 2000, the Office examined a case-management computer system in use in British Columbia for possible adaptation for the Office.

In January 2001, a proposal for studying the feasibility of a case-management system was presented to Management Board for approval. Management Board subsequently approved a one-time expenditure increase of \$525,000 for the Office to explore the merits and staff impacts of moving to a case-management delivery model. The Board also directed the Ministry to include in any future requests related to this initiative an implementation plan that spells out linkages to and plans for integrating with the Ministry's other information-management systems.

Management Information

Recommendation

To ensure timely, appropriate enforcement action is taken, the Ministry should improve the quality of management information and make better use of the available information.

Current Status

According to the Office, a review of the existing management reports determined that 11 out of 16 reports were not useful. These have either been discontinued or were under further review. Management was in the process of developing new reports that were to be used to monitor enforcement activity. As of March 2001, six new reports were in the evaluation phase. However, the Office indicated that developing new reports on a timely basis using the current computer system was difficult due to the outdated programming language in use.

Computer System

Recommendation

To prevent disruption of services, the Ministry should take steps to improve the performance and availability of its computer system, including:

- *correcting the problems that have caused the system to be slow or unavailable; and*
- *developing and implementing a data archive function.*

Current Status

Efforts to improve computer-system performance have met with limited success. Notwithstanding the upgrading of document-imaging software and the refreshment of the database server and desktop computers to help improve the stability of the system, performance issues remain. According to the Ministry, accelerated efforts are being made to explore new

options for service delivery, including an analysis of existing and new information technology requirements.

Since January 2001, a staff systems person has been assigned the task of developing a data-archiving function. When the function is completed, over one-third of the cases in the database are expected to be removed, which is expected to improve system performance.

Computer System Development Contract

Recommendation

To ensure that the acquisition of consulting services is obtained at the best price, the Ministry should comply with Management Board directives, including undertaking a competitive selection process and obtaining the appropriate level of approvals for all future contracts and change orders.

Current Status

A new controller was recently hired whose responsibilities include establishing appropriate control processes for ensuring all senior managers comply with all the requirements of the Consulting Services Directive.

MEASURING AND REPORTING ON PROGRAM EFFECTIVENESS

Performance Indicators

Recommendation

To better measure its success in increasing compliance with support obligations and improving service to the public, the Family Responsibility Office should develop and report additional performance measures, including:

- *the age of accounts in arrears;*
- *the number of blocked calls to its call centre; and*
- *the results of periodic client satisfaction surveys.*

Current Status

In regard to this recommendation, the November 2000 report of the Standing Committee on Public Accounts made the following recommendation: “The Family Responsibility Office’s performance measures should be evaluated to determine their appropriateness and to identify outstanding areas in need of such measures. In the event that shortcomings in performance measures are identified, the Family Responsibility Office should prepare new measures, indicating administrative benchmarks.”

The Office has only recently initiated action to assess its performance information. However, as yet, new measures have not been established to monitor the age of accounts in arrears, and a client satisfaction survey had not been conducted in the last two years. We also noted that, while information was available to monitor the number of blocked calls, this information was not reported or used by the Office to monitor the performance of its call centre.

RECEIPT AND DISBURSEMENT OF SUPPORT PAYMENTS

Assigned Cases

Recommendation

To ensure the province receives all the funds to which it is entitled, the Ministry should work with the Ministry of Community and Social Services to ensure assignment notices are received on a timely basis.

The Ministry should also ensure that the Family Responsibility Office's database is updated immediately on receipt of the assignment notices from the Ministry of Community and Social Services.

Current Status

The Office indicated that over the past two years it has worked to improve the speed with which assignment notices are forwarded. It noted that:

- Ontario Works delivery agents now fax assignments directly to the Family Responsibility Office. Previously, assignment notices were sent by mail.
- All assignments are now processed centrally by Ontario Works Support Arrangement Services, which make up part of the Ontario Works Branch. This change occurred as a result of a transfer of responsibility for sole-support parents from the Family Benefits program to the Ontario Works program in 1999.

However, the Ministry of Community and Social Services does not track the amount of time it takes a delivery agent to forward a completed assignment notice to the Family Responsibility Office. As a result, it could not provide us with information to indicate whether assignment notices were processed on a timely basis.