



Department of
Job and Family Services

John R. Kasich, Governor
Michael B. Colbert, Director

OFFICE OF
INSPECTOR GENERAL
2013 AUG 20 AM 11:34

August 20, 2013

Randall J. Meyer, Inspector General
30 East Broad Street, Suite 2940
Columbus, Ohio 43215-3414

Dear Inspector General Meyer:

This letter is in response to the recommendations made by your office to the Ohio Department of Job and Family Services (ODJFS) on File ID Number 2012-CA00053 regarding the State Contractor, Xerox Business Services, failure to follow terms of the contract. The following is a summary of our response to your recommendations.

Recommendation #1: Review the actions of Xerox, in conjunction with the contract, and seek any and all remedies available to the state of Ohio, including, but not limited to, Specific Remedies and Liquidated Damages

Pursuant to our existing contract under **Liquidated Damages, Incident Reporting – The Contractor must pay the State:**

- \$5,000 for the first occurrence in which the Contractor fails to report a high risk issue within 30 minutes of actual occurrence or discovery. High risk is defined as issues that affect the completion of 100% of the daily collections and disbursements, file transfers, potential media situations and issues that have statewide or countywide impact.
- \$10,000 for each subsequent occurrence in which the Contractor fails to report a high risk issue within 30 minutes of actual occurrence or discovery.

In April 2013, the Office of Child Support imposed a \$25,000.00 penalty on the contractor, Xerox Business Services, for failure to report a high-risk issue within 30 minutes of actual occurrence or discovery. The e-QuickPay Call Center management staff have been advised by Xerox, fka ACS, management staff, located at the Ohio CSPC location, that incidents of this level must be reported immediately and within the terms of the contract

Recommendation #2: Work with Xerox to implement a system where both JFS and Xerox would be notified at the same time of any suspected activity that violates the terms of the contract.

As referenced in Recommendation #1, ODJFS maintains financial remedies for the failure of the vendor to notify ODJFS of a high risk issue. ODJFS acknowledges that Xerox call centers support multiple states child support disbursement centers and we have informed Xerox of their contractual obligation to report high-risk issues within 30 minutes of actual occurrence or discovery. ODJFS Office of Child Support will continue to work with Xerox on its communication and escalation plans for high risk matters.

Recommendation #3: Consider including language in the contract between Xerox and JFS so that moving or adding a call center location can only be done with prior JFS approval.

The ODJFS Office of Child Support will consider revising the contract to include language regarding prior notification before adding or moving a call center. ODJFS will work with the Department of Administrative Services to evaluate possible contractual language pursuant to this recommendation.

Recommendation #4: Work with Xerox to consider a different way to verify the caller's identity besides asking for the full SSN or DOB.

The e-QuickPay Call Center is exploring options to integrate technology so that if an individual calls into the IVR and uses card number and pin to validate, the IVR will send the EPPIC ID to the agents system and will display the record. No SSN would be required. This integration is still in the embryonic stages at this time.

Current process first inquires to the parties' case number and if available the parties' info is pulled down for the customer service representative.

If the caller does not have case number available, then SSN will be required to access the info. When entering the SSN, the first 5 numbers in the search are masked.

Additionally, the call centers have a strict clean desk policy. No paper, pens, or cell phones are permitted on agent desks. All USB ports are disabled on agent workstations. There is a zero tolerance policy on this.

Furthermore, the Office of Child Support implemented a contract amendment in July 2013 that incorporates an annual Statement on Standards for Attestation Engagements (SSAE) No. 16 audit. The audit will cover the common processes controlled and performed by the Contractor at the Contractor's primary SDU site, and Customer Call Center(s), specifically the e-QuickPay Call Center(s).

Sincerely,



Robert L. Ferguson
Chief Inspector

Cc: Sonnetta Sturkey, ODJFS Chief Operations Officer
Michael McCreight, ODJFS Assistant Director
Lewis George, ODJFS Chief Legal Counsel