Title 18: Human Services

Part 16: Divisions of Community Services

Part 16: Chapter 1: Low-Income Home Energy Assistance Program

Rule 16.1 Low-Income Home Energy Assistance Program (LIHEAP) State Plan

Source: Miss Code Annotated 43-1-2.

LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP)

DETAILED MODEL PLAN

PUBLIC LAW 97-35, AS AMENDED

FISCAL YEAR (FY) 2017

GRANTEE STATE OF MISSISSIPPI

EIN: 64-6000807
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PLEASE CHECK ONE: TRIBE ☐ STATE ☒

Department of Health and Human Services
Administration for Children and Families
Office of Community Services
Washington, DC 20447

THE PAPERWORK REDUCTION ACT OF 1995 (Pub. L. 104-13)
Use of this model plan is optional. However, the information requested is required in order to receive a Low Income Home Energy Assistance Program (LIHEAP) grant in years in which the grantee is not permitted to file an abbreviated plan. Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, gathering and maintaining the data needed, and reviewing the collection of information. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

Section 1

Program Components, 2605(a), 2605(b)(1) – Assurance 1, 2605(c)(1)(C)

1.1 Check which components you will operate under the LIHEAP program. (Note: You must provide information for each component designated here as requested elsewhere in this plan.)

		Dates of Operation		
☒	Heating assistance	Start date:	October 1	End date: April 30
☒	Cooling assistance	Start date:	May 1	End date: September 30
☒	Crisis assistance	Start date:	January 1	End date: September 30
☒	Weatherization assistance	Start date:	September 1	End date: August 31

Estimated Funding Allocation, 2604(c), 2605(k)(1), 2605(b)(9), 2605(b)(16) – Assurances 9 and 16

1.2 Estimate what amount of available LIHEAP funds will be used for each component that you will operate: The total of all percentages must add up to 100%.

__37__% heating assistance

__30__% cooling assistance

__05__% crisis assistance

__12__% weatherization assistance

__01__% carryover to the following Federal fiscal year

__10__% administrative and planning costs

__05__% services to reduce home energy needs including needs assessment (Assurance 16)

__00__% used to develop and implement leveraging activities

_100_% **TOTAL**

Alternate Use of Crisis Assistance Funds, 2605(c)(1)(C)

1.3 The funds reserved for winter crisis assistance that have not been expended by March 15 will be reprogrammed to:

☐ Heating assistance

☐ Weatherization assistance

☒ Cooling assistance

☐ Other (specify): _____

Categorical Eligibility, 2605(b)(2)(A) – Assurance 2, 2605(c)(1)(A), 2605(b)(8A) – Assurance 8

1.4 Do you consider households categorically eligible if one household member receives one of the following categories of benefits in the left column below? ☐ Yes ☒ No

	Heating	Cooling	Crisis	Weatherization
SNAP				
TANF				
SSI				
Means-tested veteran's program				
Other (Specify): _____ _____				

1.5 Do you automatically enroll households without a direct annual application?

☐ Yes ☒ No -- If yes, explain:

1.6 How do you ensure there is no difference in the treatment of categorically eligible households from those not receiving other public assistance when determining eligibility and benefit amounts?

N/A

SNAP Nominal Payments

1.7 Do you allocate LIHEAP funds toward a nominal payment for SNAP clients?

☐ Yes ☒ No

Amount of Minimal Assistance: $_____
Frequency of Assistance:

☐ Once per year

☐ Once every five years

☐ Other (describe): _____

Determination of Eligibility – Countable Income

1. In determining a household's income eligibility for LIHEAP, do you use gross income or net income?

☒ Gross Income

☐ Net Income

2. Select all of the applicable forms of countable income used to determine a household's income eligibility for LIHEAP.

☒ Wages

☒ Self-employment income

☒ Contract income

☐ Payments from mortgage or sales contracts

☒ Unemployment Insurance

☐ Strike pay

☒ Social Security Administration (SSA) benefits

☒ Including MediCare deduction ☐ Excluding MediCare deduction

☒ Supplemental Security Income (SSI)

☒ Retirement / pension benefits
☐ General Assistance benefits

☐ Temporary Assistance for Needy Families (TANF) benefits

- ☐ Supplemental Nutrition Assistance Program (SNAP) benefits
- ☐ Women, Infants, and Children Supplemental Nutrition Program (WIC) benefits
- ☐ Loans that need to be repaid
- ☐ Cash gifts
- ☐ Savings account balance
- ☐ One-time lump-sum payments, such as rebates/credits, winnings from lotteries, refund deposits, etc.
- ☐ Jury duty compensation
- ☐ Rental income
- ☐ Income from employment through Workforce Investment Act (WIA)
- ☐ Income from work study programs
- ☒ Alimony
- ☒ Child support
- ☐ Interest, dividends, or royalties
- ☐ Commissions
- ☐ Legal settlements
- ☐ Insurance payments made directly to the insured
- ☐ Insurance payments made specifically for the repayment of a bill, debt, or estimate
- ☒ Veterans Administration (VA) benefits
- ☐ Earned income of a child under the age of 18
- ☐ Balance of retirement, pension, or annuity accounts where funds cannot be withdrawn without a penalty.
- ☐ Income tax refunds
- ☐ Stipends from senior companion programs, such as VISTA

- ☐ Funds received by household for the care of a foster child
- ☐ Ameri-Corp Program payments for living allowances, earnings, and in-kind aid.
- ☐ Reimbursements (for mileage, gas, lodging, meals, etc.)
- ☐ Other

Section 2 - HEATING ASSISTANCE

Eligibility, 2605(b)(2) – Assurance 2

2.1 Designate the income eligibility threshold used for the heating component:

2015 HHS poverty income level _____**%**

OR

FY 2016 state's median income ____60_____**%**

2.2 Do you have additional eligibility requirements for **HEATING ASSISTANCE?**

☒ Yes ☐ No

2.3 Check the appropriate boxes below and describe the policies for each.

	Yes	No
● Do you require an assets test?	☐	☒
● Do you have additional/differing eligibility policies for:		
• Renters?	☒	☐
• Renters living in subsidized housing?	☐	☒
• Renters with utilities included in the rent?	☒	☐
● Do you give priority in eligibility to:		
• Elderly?	☒	☐
• Disabled?	☒	☐
• Young children?	☒	☐
• Households with high energy burdens?	☒	☐
• Other?	☐	☒

Determination of Benefits, 2605(b)(5) – Assurance 5, 2605(c)(1)(B)

2.4 Describe how you prioritize the provision of heating assistance to vulnerable households, e.g., benefit amounts, application period, etc.

During the case management process, consideration is given to ensure compliance of this subsection. See Benefit Matrix and Eligibility and Benefit Determination Attachment for further description.

2.5 Check the variables you use to determine your benefit levels. (Check all that apply):

☒ Income

☒ Family (household) size

☐ Home energy cost or need:

- ☒ Fuel type
- ☐ Climate/region
- ☒ Individual bill
- ☐ Dwelling type
- ☐ Energy burden (% of income spent on home energy)
- ☐ Energy need
- ☐ Other (Describe)

Benefit Levels, 2605(b)(5) – Assurance 5, 2605(c)(1)(B)

2.6 Describe benefit levels:

$ 1.00 Minimum benefit $ 1,500 Maximum benefit

Total benefit for year (can be divided between heating. cooling or crisis).

2.7 Do you provide in-kind (e.g., blankets, space heaters) and/or other forms of benefits?

☒ Yes ☐ No -- If yes, describe.

Blankets, heating systems, furnaces and other heating, energy-related materials/services may be provided depending on need, the case management result and client complying fully with the established case plan.

Section 3: COOLING ASSISTANCE

Eligibility, 2605(c)(1)(A), 2605(b)(2) – Assurance 2

3.1 Designate the income eligibility threshold used for the cooling component:

2015 HHS poverty income level _____**%**

OR

FY 2016 median income ____60_____**%**

3.2 Do you have additional eligibility requirements for **COOLING ASSISTANCE**

☒ Yes ☐ No

3.3 Check the appropriate boxes below and describe the policies for each.

	Yes	No
● Do you require an assets test?	☐	☒
● Do you have additional/differing eligibility policies for:		
• Renters?	☒	☐
• Renters living in subsidized housing?	☐	☒
• Renters with utilities included in the rent?	☒	☐
● Do you give priority in eligibility to:		
• Elderly?	☒	☐
• Disabled?	☒	☐
• Young children?	☒	☐
• Households with high energy burdens?	☒	☐
• Other?	☐	☒

3.4 Describe how you prioritize the provision of cooling assistance to vulnerable households, e.g., benefit amounts, application period, etc.

During the case management process, consideration is given to ensure compliance of this subsection. See Benefit Matrix and Eligibility and Benefit Determination Attachment for further description.

Determination of Benefits, 2605(b)(5) – Assurance 5, 2605(c)(1)(B)

3.5 Check the variables you use to determine your benefit levels. (Check all that apply):

☒ Income

☒ Family (household) size

☒ Home energy cost or need

- ☒ Fuel type
- ☐ Climate/region
- ☒ Individual bill
- ☐ Dwelling type
- ☐ Energy burden (% of income spent on home energy)
- ☐ Energy need
- ☐ Other (describe)

Benefit Levels, 2605(b)(5) – Assurance 5, 2605(c)(1)(B

3.6 Describe benefit levels:

$ 1.00 Minimum benefit $ * 1,500 Maximum benefit

Total benefit for year (can be divided between heating. cooling or crisis.

3.7 Do you provide in-kind (e.g. fans, air conditioners) and/or other forms of benefits?

☒ Yes ☐ No -- If yes, describe.

Fans, air conditioners, cooling systems and other cooling energy-related service may be provided depending on needs, case management result and client complying fully with the established case plan.

Section 4: CRISIS ASSISTANCE

Eligibility - 2604(c), 2605(c)(1)(A)

4.1 Designate the income eligibility threshold used for the crisis component:

2015 HHS poverty income level _____**%**

OR

FY 2016 state median income ____60_____**%**

4.2 Provide your LIHEAP program's definition for determining a crisis.

See Crisis & Emergency Services Attachment

4.3 What constitutes a life-threatening crisis?

See Crisis & Emergency Services Attachment

Crisis Requirements, 2604(c)

4.4 Within how many hours do you provide crisis assistance that will resolve the energy crisis for eligible households? ____48_____ Hours

4.5 Within how many hours do you provide crisis assistance that will resolve the energy crisis for eligible households in life-threatening situations? _____18_____ Hours

Crisis Eligibility, 2605(c)(1)(A)

4.6 Do you have additional eligibility requirements for **CRISIS ASSISTANCE?**

☐ Yes ☒ No

4.7 Check the appropriate boxes below and describe the policies for each.

	Yes	No
● Do you require an assets test?	☐	☒
● Do you give priority in eligibility to:		
• Elderly?	☒	☐
• Disabled?	☒	☐
• Young children?	☒	☐

- Households with high energy burdens? ☐ ☒
- Other? ☐ ☒

● In order to receive crisis assistance:

- Must the household have received a shut-off notice or have a near empty tank? ☐ ☒
- Must the household have been shut off or have an empty tank? ☐ ☒
- Must the household have exhausted their regular heating benefit? ☐ ☒
- Must renters with heating costs included in their rent have received an eviction notice? ☐ ☒
- Must heating/cooling be medically necessary? ☐ ☒
- Must the household have non-working heating or cooling equipment? ☐ ☒
- Other? ☐ ☒

● Do you have additional/differing eligibility policies for:

- Renters? ☒ ☐
- Renters living in subsidized housing? ☐ ☒
- Renters with utilities included in the rent? ☒ ☐

Determination of Benefits

4.8 How do you handle crisis situations?

☒ Separate component

☐ Fast Track

☐ Other

4.9 If you have a separate component, how do you determine crisis assistance benefits?

☒ Amount to resolve crisis, up to a maximum of $ 1,500

☐ Other

Crisis Requirements, 2604(c)

4.10 Do you accept applications for energy crisis assistance at sites that are geographically accessible to all households in the area to be served?

☒ Yes ☐ No

4.11 Do you provide individuals who are physically disabled the means to:

■ Submit applications for crisis benefits without leaving their homes?

☒ Yes ☐ No If yes, explain.

Case Workers can conduct home visits or they can authorize someone to make an application on their behalf.

■Travel to the sites at which applications for crisis assistance are accepted?

☐ Yes ☒ No If yes, explain.

Benefit Levels, 2605(c)(1)(B)

4.12 Indicate the maximum benefit for each type of crisis assistance offered.

Winter Crisis $_____ maximum benefit

Summer Crisis $_____ maximum benefit

Year-round Crisis $ *1,500 maximum benefit

Total benefit for year (can be divided between heating, cooling or crisis).

4.13 Do you provide in-kind (e.g. blankets, space heaters, fans) and/or other forms of benefits?

☒ Yes ☐ No If yes, describe.

4.14 Do you provide for equipment repair or replacement using crisis funds?

☒ Yes ☐ No

4.15 Check appropriate boxes below to indicate type(s) of assistance provided:

	Winter Crisis	Summer Crisis	Year-round Crisis
Heating system repair			X
Heating system replacement			X
Cooling system repair			X
Cooling system replacement			X
Wood stove purchase			X
Pellet stove purchase			
Solar panel(s)			
Windmill(s)			
Utility poles / Gas line hook-ups			X
Other (Specify): _____			

4.17 Do any of the utility vendors you work with enforce a winter moratorium on shut offs?

☒ Yes ☐ No

4.18 Describe the terms of the moratorium and any special dispensation received by LIHEAP clients during or after the moratorium period.

If as of 8:00 a.m. on the day of a scheduled non-pay disconnect, an excessive heat warning or a freeze warning has been issued by the National Weather Service for the county of the scheduled disconnect, such disconnects are suspended.

Section 5: WEATHERIZATION ASSISTANCE

Eligibility, 2605(c)(1)(A), 2605(b)(2) – Assurance 2

5.1 Designate the income eligibility threshold used for the weatherization component:

2015 HHS poverty income level ___200_____**%**

OR

FY 2016 state median income _____**%**

5.2 Do you enter into an interagency agreement to have another government agency administer a **WEATHERIZATION component?** ☐ Yes ☒ No

5.3 Name the agency. _____

5.4 Is there a separate monitoring protocol for weatherization? ☐ Yes ☒ No

WEATHERIZATION - Types of Rules

5.5 Under what rules do you administer LIHEAP weatherization? (Check only one.)

☐ Entirely under LIHEAP (not DOE) rules

☒ Entirely under DOE WAP (not LIHEAP) rules

☐ Mostly under LIHEAP rules with the following DOE WAP rule(s) where LIHEAP and WAP rules differ: (Check all that apply.)

☐ Income Threshold

☐ Weatherization of entire multi-family housing structure is permitted if at least 66% of units (50% in 2- & 4-unit buildings) are eligible units or will become eligible within 180 days.

☐ Weatherization of shelters temporarily housing primarily low income persons (excluding nursing homes, prisons, and similar institutional care facilities) is permitted.

☐ Other (describe)

☐ Mostly under DOE WAP rules, with the following LIHEAP rule(s) where LIHEAP and WAP rules differ: (Check all that apply.)

☐ Income Threshold

☐ Weatherization not subject to DOE WAP maximum statewide average cost per dwelling unit.

☐ Weatherization measures are not subject to DOE Savings to Investment Ratio (SIR) standards.

☐ Other (describe)

Eligibility, 2605(b)(5) – Assurance 5

		Yes	No
5.6	Do you require an assets test?	☐	☒
5.7	Do you have additional/differing eligibility policies for:		
	• Renters?	☒	☐
	• Renters living in subsidized housing?	☐	☒
5.8	Do you give priority in eligibility to:		
	• Elderly?	☒	☐
	• Disabled?	☒	☐
	• Young children?	☒	☐
	• Households with high energy burdens?	☒	☐
	• Other?	☐	☒

Benefit Levels

5.9 Do you have a maximum LIHEAP weatherization benefit/expenditure per household?

☒ Yes ☐ No

5.10 What is the maximum amount? $___7,105_____

Types of Assistance, 2605(c)(1), (B) & (D)

5.11 What LIHEAP weatherization measures do you provide? (Check all categories that apply.)

☒ Weatherization needs assessments/audits

☒ Caulking and insulation

☐ Install storm windows

☒ Heating system repairs

☒ Heating system replacement

☒ Cooling system repairs

☒ Cooling system replacement

☒ Energy related roof repair

☐ Major appliance repairs

☐ Major appliance replacement

☒ Install windows/sliding glass doors

☒ Install doors (interior/exterior) *(if broken)*

☒ Install water heater

☒ Water conservation measures

☒ Compact florescent light bulbs

☐ Other (describe)

**All measures are based on a home energy audit and Priority Measure List*

Section 6: Outreach, 2605(b)(3) – Assurance 3, 2605(c)(3)(A)

6.1 Select all outreach activities that you conduct that are designed to assure that eligible households are made aware of all LIHEAP assistance available:

☒ Place posters/flyers in local and county social service offices, offices of aging, Social Security offices, VA, etc.

☒ Publish articles in local newspapers or broadcast media announcements.

☒ Include inserts in energy vendor billings to inform individuals of the availability of all types of LIHEAP assistance.

☐ Mass mailing(s) to prior-year LIHEAP recipients.

☒ Inform low income applicants of the availability of all types of LIHEAP assistance at application intake for other low-income programs.

☒ Execute interagency agreements with other low-income program offices to perform outreach to target groups.

☐ Other (specify):

Section 7: Coordination, 2605(b)(4) – Assurance 4

7.1 Describe how you will ensure that the LIHEAP program is coordinated with other programs available to low-income households (TANF, SSI, WAP, etc.)

☐ Joint application for multiple programs

☒ Intake referrals to/from other programs

☐ One-stop intake centers

☐ Other – describe:

Section 8: Agency Designation, 2605(b)(6) – Assurance 6

8.1 How would you categorize the primary responsibility of your State agency?

- ☐ Administration Agency
- ☐ Commerce Agency
- ☐ Community Services Agency
- ☐ Energy/Environment Agency
- ☐ Housing Agency
- ☒ Welfare Agency
- ☐ Other – describe:

Alternate Outreach and Intake, 2605(b)(15) – Assurance 15

8.2 How do you provide alternate outreach and intake for **HEATING ASSISTANCE?**

The State Agency also administers the State Welfare Program, however, different divisions administer the LIHEAP and Welfare Programs. The Division of Community Services partners with the Division of Economic Assistance, Division of Child Support and other divisions within the agency to ensure that low-income elderly, disabled families have access to all eligible services. All eighty-two counties across the state are serviced by qualified Case Manager/Caseworkers that provide outreach and intake services. The typical hours of operation for eligible entities are Monday-Friday from 7:30 am – 6:00 pm.

8.3 How do you provide alternate outreach and intake for **COOLING ASSISTANCE?**

The State Agency also administers the State Welfare Program, however, different divisions administer the LIHEAP and Welfare Programs. The Division of Community Services partners with the Division of Economic Assistance, Division of Child Support and other divisions within the agency to ensure that low-income elderly, disabled families have access to all eligible services. All eighty-two counties across the state are serviced by qualified Case Manager/Caseworkers that provide outreach and intake services. The typical hours of operations for eligible entities are Monday – Friday from 7:30 am – 6:00 pm.

8.4 How do you provide alternate outreach and intake for **CRISIS ASSISTANCE**?

The State Agency also administers the State Welfare Program, however, different divisions administer the LIHEAP and Welfare Programs. The Division of Community Services partners with the Division of Economic Assistance, Division of Child Support and other divisions within the agency to ensure that low-income elderly, disabled families have access to all eligible services. All eighty-two counties across the state are serviced by qualified Case Manager/Caseworkers that provide outreach and intake services. The typical hours of operations for eligible entities are Monday – Friday from 7:30 am – 6:00 pm.

	Heating	Cooling	Crisis	Weatherization
Who determines client eligibility?	*CAA*	*CAA*	*CAA*	*CAA*
Who processes benefit payments to gas and electric vendors?	*CAA*	*CAA*	*CAA*	N/A
Who processes benefit payments to bulk fuel vendors?	*CAA*	*CAA*	*CAA*	N/A
Who performs installation of weatherization measures?	N/A	N/A	N/A	*CAA*

8.5 What is your process for selecting local administering agencies?

We have chosen agencies based on prior experience administering similar programs. Agencies must submit a successful proposal for review, comply with audit requirements and have satisfactory performance reviews.

8.6 How many local administering agencies do you use?

19

8.7 Have you changed any local administering agencies from last year?

☒ Yes ☐ No

8.8 Why?

☒ Agency was in noncompliance with grantee requirements for LIHEAP

☐ Agency is under criminal investigation

☐ Added agency

☒ Agency closed

☐ Other - describe

Section 9: Energy Suppliers, 2605(b)(7) – Assurance 7

9.1 Do you make payments directly to home energy suppliers?

Heating	☒ Yes	☐ No
Cooling	☒ Yes	☐ No
Crisis	☒ Yes	☐ No
Are there exceptions?	☐ Yes	☒ No

9.2 How do you notify the client of the amount of assistance paid?

Agencies must provide written notification to clients regarding the status of their application within 72 hours of approval for services. The notification letter must be scanned into Virtual ROMA and a copy placed into client's file. In the case of an emergency, this notification should occur within 24 hours of application for services. The person who approves the request in Virtual ROMA should generate the letter and complete the form.

If a client's application is denied, the agency must provide written explanation with the reason for the denial. The Fair Hearing Process Form must be included in the letter sent to the client. The person who approves the request in Virtual ROMA should generate the letter and complete the form. It is up to the agency if it wishes to establish an internal policy for additional management oversight.

9.3 How do you assure that the home energy supplier will charge the eligible household, in the normal billing process, the difference between the actual cost of the home energy and the amount of the payment?

Vendor Agreements the CAA has with the energy supplier provides this assurance.

9.4 How do you assure that no household receiving assistance under this title will be treated adversely because of their receipt of LIHEAP assistance?

Vendor Agreements the CAA has with the energy supplier provides this assurance.

9.5 Do you make payments contingent on unregulated vendors taking appropriate measures to alleviate the energy burdens of eligible households?

☐Yes ☒ No. If so, how?

Section 10: Program, Fiscal Monitoring, and Audit, 2605(b)(10) – Assurance 10

10.1. How do you ensure good fiscal accounting and tracking of LIHEAP funds?

See Fiscal Accounting and Tracking requirements Attachment.

Audit Process

10.2. Is your LIHEAP program audited annually under the Single Audit Act and OMB Circular A-133?

☒ Yes ☐ No

10.3. Describe any audit findings rising to the level of material weakness or reportable condition cited in the A-133 audits, Grantee monitoring assessments, inspector general reviews, or other government agency reviews of the LIHEAP agency from the most recently audited federal fiscal year.

Finding	Type	Brief Summary	Resolved?	Action Taken
1 *FFATA Reporting*	*See Attachment*	*See Attachment*	*Yes*	*Yes*
2				
3				
4				
5				

10.4. Audits of Local Administering Agencies

- What types of annual audit requirements do you have in place for local administering agencies/district offices?

☒ Local agencies/district offices are required to have an annual audit in compliance with the Single Audit Act and OMB Circular A-133.

☐ Local agencies/district offices are required to have an annual audit (other than A-133).

☒ Local agencies/district offices' A-133 or other independent audits are reviewed by Grantee as part of compliance process.

☒ Grantee conducts fiscal and program monitoring of local agencies/district offices.

Compliance Monitoring

10.5. Describe the Grantee's strategies for monitoring compliance with the Grantee's and Federal LIHEAP policies and procedures by:

Grantee employees:

- ☒ Internal program review
- ☒ Departmental oversight
- ☒ Secondary review of invoices and payments
- ☐ Other program review mechanisms are in place. Describe:

Local Administering Agencies/District Offices:

- ☒ On-site evaluation
- ☒ Annual program review
- ☒ Monitoring through Central Database
- ☒ Desk reviews
- ☒ Client File Testing/Sampling
- ☐ Other program review mechanisms are in place. Describe:

10.6. Explain, or attach a copy of, your local agency monitoring schedule and protocol.

See MDHS Program Integrity (Monitoring) and DCS (T&TA) attachment

10.7. Describe how you select local agencies for monitoring reviews?

Site Visits: *All are monitored*

Desk Reviews: 6 *each year for T&TA. However, monthly reports are reviewed.*

10.8. How often is each local agency monitored?

Yearly

10.9. What is the combined error rate for eligibility determinations?

None

10.10. What is the combined error rate for benefit determinations?

None

10.11. How many local agencies are currently on corrective action plans for eligibility and/or benefit determination issues?

None

10.12. How many local agencies are currently on corrective action plans for financial accounting or administrative issues?

None

Section 11: Timely and Meaningful Public Participation, 2605(b)(12) – Assurance 12, 2605(c)(2)

11.1 How did you obtain input from the public in the development of your LIHEAP plan? Check all that apply:

- ☐ Tribal Council meeting(s)
- ☒ Public Hearing(s)
- ☒ Draft Plan posted to website and available for comment
- ☒ Hard copy of plan is available for public view and comment
- ☒ Comments from applicants are recorded
- ☐ Request for comments on draft Plan is advertised
- ☐ Stakeholder consultation meeting(s)
- ☐ Comments are solicited during outreach activities
- ☐ Other, describe:

11.2 What changes did you make to your LIHEAP plan as a result of this participation?

None

Public Hearings, 2605(a)(2)

11.3 List the date(s) and location(s) that you held public hearing(s) on the proposed use and distribution of your LIHEAP funds?

Date	Event Description
June 28, 2016	Mississippi Department of Human Services, 750 North State Street, Auditorium, Jackson, MS 39202

11.4 How many parties commented on your plan at the hearing(s)?

Will complete after hearing

11.5 Summarize the comments you received at the hearing(s).

Will complete after hearing

11.6 What changes did you make to your LIHEAP plan as a result of the public hearing(s)?
Will complete after hearing

Section 12: Fair Hearings, 2605(b)(13) – Assurance 13

12.1 How many fair hearings did the grantee have in the prior Federal fiscal year?

None

12.2 How many of those fair hearings resulted in the initial decision being reversed?

N/A

12.3 Describe any policy and/or procedural changes made in the last Federal fiscal year as a result of fair hearings?

N/A

12.4 Describe your fair hearing procedures for households whose applications are denied.

See Fair Hearing Policy Attachment

12.5 When and how are applicants informed of these rights?

Clients are informed of the Fair Hearing Process during orientation and/or intake process at the CAA. Upon denial of services, a copy of the Fair Hearing Process will be mailed with the denial letter to the applicant. The process for fair hearings is clearly posted in county offices.

12.6 Describe your fair hearing procedures for households whose applications are not acted on in a timely manner.

See Fair Hearing Policy Attachment

12.7 When and how are applicants informed of these rights?

Clients are informed of the Fair Hearing Process during orientation and/or intake process at the CAA. Upon denial of services, a copy of the Fair Hearing Process will be mailed with the denial letter to the applicant. The process for fair hearings is clearly posted in county offices.

Section 13: Reduction of home energy needs, 2605(b)(16) – Assurance 16

13.1 Describe how you use LIHEAP funds to provide services that encourage and enable households to reduce their home energy needs and thereby the need for energy assistance?

LIHEAP funds are used to conduct consumer education classes, vendor-sponsored workshops, and low-cost, no cost weatherization measures to eligible clients.

13.2 How do you ensure that you don't use more than 5% of your LIHEAP funds for these activities?

The State of Mississippi is aware of the limitation and assures that the 5% statutory ceiling requirement for assurance 16 will not be violated based on the allocation awarded to subgrantees and the Request for Cash and Reporting Worksheet.

13.3 Describe the impact of such activities on the number of households served in the previous Federal fiscal year.

A total of 00000 households were impacted by activities that included: consumer education classes, vendor-sponsored workshops, low-cost, no-cost weatherization measures for clients eligible for the program.

13.4 Describe the level of direct benefits provided to those households in the previous Federal fiscal year.

Information was not captured.

13.5 How many households applied for these services?

00000

13.6 How many households received these services?

00000

Section 14: Leveraging Incentive Program, 2607A

14.1 Do you plan to submit an application for the leveraging incentive program?

☒ Yes ☐ No

14.2 Describe instructions to the third parties and/or local agencies for submitting LIHEAP leveraging resource information and retaining records.

See Below

14.3 For each type of resource and/or benefit to be leveraged in the upcoming year that will meet the requirements of 45 C.F.R. § 96.87(d)(2)(iii), describe the following:

What is the type of resource or benefit?	What is the source(s) of the resource?	How will the resource be integrated and coordinated with the LIHEAP program?
See Below	*See Below*	*See Below*

The State shall participate in the LIHEAP Leveraging Program. The State and local subgrantees will solicit non-federal dollars in order to qualify to compete for leveraging incentive funds. Based on 2016 leveraging amounts, the State plans to leverage a minimum of 10 percent or more in FY 2017. Several organizations, individuals, etc. will be contacted to make cash and in-kind contributions, such as discounts, arrearage forgiveness, fuel funds, credit, volunteer, WX materials, waivers: disconnections, deposits and reconnect fees, etc.

The State coordinates leveraging with the LIHEAP program to provide consumer education with our clients to encourage them to conserve energy and the disadvantages of getting services interrupted. Leveraging resources also provide additional services to more clients in LIHEAP. Coordination also compliments our budget program in LIHEAP to allow clients to better manage resources.

**Leveraged resources/benefits that are counted under criterion (iii) in 45 CFR 96.87(d)(2) must be identified and described in the grantees LIHEAP plan and distributed as indicated in the plan. In addition, leveraging resources/benefits that are counted under criterion (ii) must be carried out under one or more components of the grantee's regular LIHEAP program*

Section 15: Training

15.1. Describe the training you provide for each of the following groups:

a. Grantee Staff:

☒ Formal training on grantee policies and procedures

How often?

☒ Annually

☐ Biannually

☒ As needed

☐ Other – Describe:

☒ Employees are provided with policy manual

☐ Other – Describe:

b. Local Agencies:

☒ Formal training conference

How often?

☒ Annually

☐ Biannually

☐ As needed

☐ Other – Describe:

☒ On-site training

How often?

☐ Annually

☒ Biannually

☒ As needed

☐ Other – Describe:

☒ Employees are provided with policy manual

☐ Other – Describe:

c. Vendors

☒ Formal training conference

How often?

☐ Annually

☐ Biannually

☒ As needed

☐ Other – Describe:

☒ Policies communicated through vendor agreements

☐ Policies are outlined in a vendor manual

☐ Other – Describe:

15.2. Does your training program address fraud reporting and prevention?

☒ Yes ☐ No

Section 16: Performance Goals and Measures, 2605(b)

16.1 Describe performance goals and measures that will be tracked for the upcoming Federal fiscal year.

See LIHEAP Service Delivery Plan Attachment

16.2 Summarize results of performance goals and measures for the prior Federal fiscal year.

See LIHEAP Service Delivery Plan Attachment

Section 17: Program Integrity, 2605(b)(10)

17.1 Fraud Reporting Mechanisms

a. Describe all mechanisms available to the public for reporting cases of suspected waste, fraud, and abuse.

☐ Online Fraud Reporting

☐ Dedicated Fraud Reporting Hotline

☒ Report directly to local agency/district office or Grantee office

☐ Report to State Inspector General or Attorney General

☒ Forms and procedures in place for local agencies/district offices and vendors to report fraud, waste, and abuse.

☐ Other – describe:

b. Describe strategies in place for advertising the above-referenced resources.

☒ Printed outreach materials

☐ Addressed on LIHEAP application

☐ Website

☒ Other – describe:

Orientation

17.2 Identification Documentation Requirements

a. Indicate which of the following forms of identification are required or requested to be collected from LIHEAP applicants or their household members.

REQUIRED Type of Identification Collected	Collected from Whom?		
	Applicant Only	All Adults in HH	HH Members Seeking Assistance*
Social Security Card is photocopied and retained	Required ☒	Required ☒	Required ☒
	Requested ☐	Requested ☐	Requested ☐
Social Security Number (without actual card)	Required ☐	Required ☐	Required ☐
	Requested ☐	Requested ☐	Requested ☐
Government-issued identification card (i.e.: driver's license, state ID, Tribal ID, passport, etc.)	Required ☒	Required ☒	Required ☐
	Requested ☐	Requested ☐	Requested ☐
Other: *Birth Certificates*	Required ☒	Required ☒	Required ☒

*Households may include members who are not seeking assistance and may not be included in the household count.

b. Describe any exceptions to the above policies.

Exceptions for new born.

17.3 Identification Verification

Describe what methods are used to verify the authenticity of identification documents provided by clients or household members.

☐ Verify SSNs with Social Security Administration

☐ Match SSNs with death records from Social Security Administration or state agency

☐ Match SSNs with state eligibility/management system (e.g., SNAP, TANF)

☐ Match with state Department of Labor system

☐ Match with state and/or federal corrections system

☐ Match with state child support system

☐ Verification using private software (e.g., The Work Number)

☐ In-person certification by staff

☐ Match SSN/Tribal ID number with tribal database

☒ Other – describe:

In Person Verification

17.4 **Citizenship/Legal Residency Verification**

What are your procedures for ensuring that household members are U.S. citizens or aliens who are qualified to receive LIHEAP benefits?

☐ Clients sign an attestation of citizenship or legal residency

☐ Clients' submission of Social Security cards is accepted as proof of legal residency

☒ Noncitizens must provide documentation of immigration status

☒ Citizens must provide a copy of their birth certificate, naturalization papers, or passport

☐ Noncitizens are verified through the SAVE system

☐ Tribal members are verified through Tribal database/Tribal ID card

☐ Other – describe:

17.5 **Income Verification**

What methods does your agency utilize to verify household income?

☒ Require documentation of income for all adult household members

- ☒ Pay stubs
- ☒ Social Security award letters
- ☐ Bank statements
- ☐ Tax statements
- ☒ Zero-income statements
- ☒ Unemployment Insurance letters

☐ Other – describe:

☐ Computer data matches:

☐ Income information matched against state computer system (e.g., SNAP, TANF)

☐ Proof of unemployment benefits verified with state Department of Labor

☐ Social Security income verified with SSA

☐ Utilize state directory of new hires

☐ Other – describe:

17.6 Protection of Privacy and Confidentiality

Describe the financial and operating controls in place to protect client information against improper use or disclosure.

☒ Policy in place prohibiting release of information without written consent

☒ Grantee LIHEAP database includes privacy/confidentiality safeguards

☒ Employee training on confidentiality for:

☒ Grantee employees

☒ Local agencies/district offices

☒ Employees must sign confidentiality agreement

☒ Grantee employees

☒ Local agencies/district offices

☒ Physical files are stored in a secure location

☐ Other – describe:

17.7 Verifying the Authenticity of Energy Vendors

What policies are in place for verifying vendor authenticity?

- ☐ All vendors must register with the State
- ☒ All vendors must supply a valid SSN or TIN/W-9 form
- ☒ Vendors are verified through energy bills provided by the household
- ☐ Grantee and/or local agencies/district offices perform physical monitoring of vendors
- ☐ Other – describe, and note any exceptions to policies above:

17.8 Benefits Policy – Gas and Electric Utilities

What policies are in place to protect against fraud when making benefit payments to gas and electric utilities on behalf of clients?

- ☒ Applicants required to submit proof of physical residency
- ☒ Applicants must submit current utility bill
- ☒ Data exchange with utilities that verifies:
  - ☒ Account ownership
  - ☐ Consumption
  - ☒ Balances
  - ☐ Payment history
  - ☒ Account is properly credited with benefit
  - ☐ Other – describe:
- ☒ Centralized computer system/database tracks payments to all utilities
- ☐ Centralized computer system automatically generates benefit level
- ☒ Separation of duties between intake and payment approval
- ☐ Payments coordinated among other heating assistance programs to avoid duplication of payments

☒ Payments to utilities and invoices from utilities are reviewed for accuracy

☒ Computer databases are periodically reviewed to verify accuracy and timeliness of payments made to utilities

☐ Direct payment to households are made in limited cases only

☐ Procedures are in place to require prompt refunds from utilities in cases of account closure

☐ Vendor agreements specify requirements selected above, and provide enforcement mechanism

☐ Other – describe:

17.9 **Benefits Policy — Bulk Fuel Vendors**

What procedures are in place for averting fraud and improper payments when dealing with bulk fuel suppliers of heating oil, propane, wood, and other bulk fuel vendors?

☐ Vendors are checked against an approved vendors list

☐ Centralized computer system/database is used to track payments to all vendors

☐ Clients are relied on for reports of non-delivery or partial delivery

☐ Two-party checks are issued naming client and vendor

☐ Direct payment to households are made in limited cases only

☐ Conduct monitoring of bulk fuel vendors

☐ Bulk fuel vendors are required to submit reports to the Grantee

☐ Vendor agreements specify requirements selected above, and provide enforcement mechanism

☒ Other – describe:

We do not have bulk fuel vendors in LIHEAP program.

17.10 Investigations and Prosecutions

Describe the Grantee's procedures for investigating and prosecuting reports of fraud, and any sanctions placed on clients/staff/vendors found to have committed fraud.

☐ Refer to state Inspector General

☐ Refer to local prosecutor or state Attorney General

☐ Refer to US DHHS Inspector General (including referral to OIG hotline)

☒ Local agencies/district offices or Grantee conduct investigation of fraud complaints from public

☒ Grantee attempts collection of improper payments. If so, describe the recoupment process.

See Waste, Fraud & Abuse Policy

☒ Clients found to have committed fraud are banned from LIHEAP assistance. For how long is a household banned?

See Waste, Fraud & Abuse Policy

☒ Contracts with local agencies require that employees found to have committed fraud are reprimanded and/or terminated

See Waste, Fraud & Abuse Policy

☒ Vendors found to have committed fraud may no longer participate in LIHEAP

See Waste, Fraud & Abuse Policy

☐ Other – describe:

Attachments

ATTACHMENT-TENTATIVE FFY 2017 ALLOCATIONS

(These levels are dependent on the Federal LIHEAP award at the FFY 2016 level. Adjustments will be made once the final FFY 2017 awards are known.)

Eligible Entities	Allocation
AJFC CAA	$ 1,248,764
Bolivar Co CAA	$510,858
Central Mississippi	$1,557,550
Coahoma Opportunities	$363,277
Hinds County HRA	$2,025,269
Jackson Co CAC	$1,805,032
LIFT	$1,966,236
Madison Co. CSA	$460,908
Mid-State Opportunities	$1,444,026
Multi County CSA	$1,918,556
Northeast MS	$876,406
PRVO	$3,056,067
Prairie Opportunity	$1,782,327
Rankin Co. HRA	$492,694
South Central CAA	$240,671
Southwest MS	$765,152
Sunflower-Humphreys Co	$490,424
United CAA	$270,187
WWISCAA	$1,430,403
Total	$22,704,808

2017 Tentative Allocations- June 2016							
	LIHEAP						
			Total Allocation	Admin	Prog Supp	Prog Asst	ECIP
AJFC							
	Adams	1.44%	$ 326,949	$ 8,836	$ 15,906	$ 287,097	$ 15,110
	Claiborne	0.62%	$ 140,770	$ 3,805	$ 6,848	$ 123,611	$ 6,506
	Copiah	1.10%	$ 249,753	$ 6,750	$ 12,150	$ 219,310	$ 11,543
	Franklin	0.32%	$ 72,655	$ 1,964	$ 3,535	$ 63,799	$ 3,358
	Jefferson	0.45%	$ 102,172	$ 2,761	$ 4,971	$ 89,718	$ 4,722
	Lawrence	0.43%	$ 97,631	$ 2,639	$ 4,750	$ 85,730	$ 4,512
	Lincoln	1.14%	$ 258,835	$ 6,996	$ 12,592	$ 227,285	$ 11,962
	Total	**5.50%**	**$ 1,248,764**	**$ 33,750**	**$ 60,751**	**$ 1,096,550**	**$ 57,713**
BOLIVAR							
	Bolivar	2.25%	$ 510,858	$ 13,807	$ 24,853	$ 448,589	$ 23,610
	Total		**$ 510,858**	**$ 13,807**	**$ 24,853**	**$ 448,589**	**$ 23,610**
CENTRAL MS							
	Attala	0.75%	$ 170,286	$ 4,602	$ 8,284	$ 149,530	$ 7,870
	Carroll	0.38%	$ 86,278	$ 2,332	$ 4,197	$ 75,762	$ 3,987
	Grenada	0.89%	$ 202,073	$ 5,461	$ 9,831	$ 177,442	$ 9,339
	Holmes	1.39%	$ 315,597	$ 8,530	$ 15,353	$ 277,128	$ 14,586
	Leflore	2.33%	$ 529,022	$ 14,298	$ 25,736	$ 464,539	$ 24,449
	Montgom	0.50%	$ 113,524	$ 3,068	$ 5,523	$ 99,686	$ 5,247
	Yalobusha	0.62%	$ 140,770	$ 3,805	$ 6,848	$ 123,611	$ 6,506
	Total	**6.86%**	**$ 1,557,550**	**$ 42,096**	**$ 75,773**	**$ 1,367,697**	**$ 71,984**
COAHOMA							
	Coahoma	1.60%	$ 363,277	$ 9,818	$ 17,673	$ 318,996	$ 16,789
	Total		$ 363,277	$ 9,818	$ 17,673	$ 318,996	$ 16,789

			Total Allocation	Admin	Prog Supp	Prog Asst	ECIP
HINDS							
	Hinds	8.92%	$ 2,025,269	$ 54,737	$ 98,527	$ 1,778,405	$ 93,600
	Total		$ 2,025,269	$ 54,737	$ 98,527	$ 1,778,405	$ 93,600
JACKSON CO.							
	Jackson	3.20%	$ 726,554	$ 19,637	$ 35,346	$ 637,993	$ 33,579
	George	0.44%	$ 99,901	$ 2,700	$ 4,860	$ 87,724	$ 4,617
	Harrison	4.31%	$ 978,577	$ 26,448	$ 47,606	$ 859,297	$ 45,226
	Total		$ 1,805,032	$ 48,785	$ 87,812	$ 1,585,013	$ 83,422
LIFT							
	Calhoun	0.51%	$ 115,795	$ 3,130	$ 5,633	$ 101,680	$ 5,352
	Chickasaw	0.77%	$ 174,827	$ 4,725	$ 8,505	$ 153,517	$ 8,080
	Itawamba	0.53%	$ 120,335	$ 3,252	$ 5,854	$ 105,668	$ 5,561
	Lafayette	1.54%	$ 349,654	$ 9,450	$ 17,010	$ 307,034	$ 16,160
	Lee	2.50%	$ 567,620	$ 15,341	$ 27,614	$ 498,432	$ 26,233
	Monroe	1.25%	$ 283,810	$ 7,671	$ 13,807	$ 249,216	$ 13,117
	Pontotoc	0.77%	$ 174,827	$ 4,725	$ 8,505	$ 153,517	$ 8,080
	Union	0.79%	$ 179,368	$ 4,848	$ 8,726	$ 157,504	$ 8,290
	Total	8.66%	$ 1,966,236	$ 53,142	$ 95,655	$ 1,726,568	$ 90,872
MADISON CO. CSA							
	Madison	2.03%	$ 460,908	$ 12,457	$ 22,423	$ 404,727	$ 21,301
	Total		$ 460,908	$ 12,457	$ 22,423	$ 404,727	$ 21,301

			Total Allocation	Admin	Prog Supp	Prog Asst	ECIP
MID-STATE							
	Desoto	2.30%	$ 522,211	$ 14,114	$ 25,405	$ 458,557	$ 24,135
	Panola	1.65%	$ 374,629	$ 10,125	$ 18,225	$ 328,965	$ 17,314
	Quitman	0.48%	$ 108,983	$ 2,945	$ 5,302	$ 95,699	$ 5,037
	Tallahatch	0.68%	$ 154,393	$ 4,173	$ 7,511	$ 135,573	$ 7,135
	Tate	0.75%	$ 170,286	$ 4,602	$ 8,284	$ 149,530	$ 7,870
	Tunica	0.50%	$ 113,524	$ 3,068	$ 5,523	$ 99,686	$ 5,247
	Total	**6.36%**	**$ 1,444,026**	**$ 39,028**	**$ 70,250**	**$ 1,268,011**	**$ 66,737**
MULTI-CO.							
	Clarke	0.62%	$ 140,770	$ 3,805	$ 6,848	$ 123,611	$ 6,506
	Jasper	0.64%	$ 145,311	$ 3,927	$ 7,069	$ 127,599	$ 6,716
	Kemper	0.37%	$ 84,008	$ 2,270	$ 4,087	$ 73,768	$ 3,883
	Lauderdal	2.68%	$ 608,489	$ 16,446	$ 29,602	$ 534,319	$ 28,122
	Newton	0.64%	$ 145,311	$ 3,927	$ 7,069	$ 127,599	$ 6,716
	Wayne	0.79%	$ 179,368	$ 4,848	$ 8,726	$ 157,504	$ 8,290
	EC- Nesho	1.05%	$ 238,400	$ 6,443	$ 11,598	$ 209,341	$ 11,018
	EC-Scott	1.17%	$ 265,646	$ 7,180	$ 12,923	$ 233,266	$ 12,277
	EC-Smith	0.49%	$ 111,254	$ 3,007	$ 5,412	$ 97,693	$ 5,142
	Total	**8.45%**	**$ 1,918,556**	**$ 51,853**	**$ 93,335**	**$ 1,684,700**	**$ 88,668**
NORTHEAST MS							
	Alcorn	0.99%	$ 224,778	$ 6,075	$ 10,935	$ 197,379	$ 10,388
	Marshall	1.29%	$ 292,892	$ 7,916	$ 14,249	$ 257,191	$ 13,536
	Prentiss	0.89%	$ 202,073	$ 5,461	$ 9,831	$ 177,442	$ 9,339
	Tishoming	0.69%	$ 156,663	$ 4,234	$ 7,621	$ 137,567	$ 7,240
	Total	**3.86%**	**$ 876,406**	**$ 23,687**	**$ 42,636**	**$ 769,579**	**$ 40,504**

			Total Allocation	Admin	Prog Supp	Prog Asst	ECIP
PRVO							
	Covington	0.86%	$ 195,261	$ 5,277	$ 9,499	$ 171,461	$ 9,024
	Forrest	3.20%	$ 726,554	$ 19,637	$ 35,346	$ 637,993	$ 33,579
	Jeff Davis	0.59%	$ 133,958	$ 3,620	$ 6,517	$ 117,630	$ 6,191
	Jones	2.59%	$ 588,055	$ 15,893	$ 28,608	$ 516,375	$ 27,178
	Lamar	1.07%	$ 242,941	$ 6,566	$ 11,819	$ 213,329	$ 11,228
	Marion	1.06%	$ 240,671	$ 6,505	$ 11,708	$ 211,335	$ 11,123
	Pearl Rive	1.95%	$ 442,744	$ 11,966	$ 21,539	$ 388,777	$ 20,462
	Perry	0.44%	$ 99,901	$ 2,700	$ 4,860	$ 87,724	$ 4,617
	Greene	0.34%	$ 77,196	$ 2,086	$ 3,755	$ 67,787	$ 3,568
	Hancock	0.96%	$ 217,966	$ 5,891	$ 10,604	$ 191,398	$ 10,074
	Stone	0.40%	$ 90,819	$ 2,455	$ 4,418	$ 79,749	$ 4,197
	Total	**13.46%**	**$ 3,056,067**	**$ 82,596**	**$ 148,674**	**$ 2,683,557**	**$ 141,240**
PRAIRIE							
	Choctaw	0.34%	$ 77,196	$ 2,086	$ 3,755	$ 67,787	$ 3,568
	Clay	0.82%	$ 186,179	$ 5,032	$ 9,057	$ 163,486	$ 8,605
	Lowndes	1.99%	$ 451,826	$ 12,212	$ 21,981	$ 396,752	$ 20,882
	Noxubee	0.63%	$ 143,040	$ 3,866	$ 6,959	$ 125,605	$ 6,611
	Oktibbeha	2.27%	$ 515,399	$ 13,930	$ 25,073	$ 452,576	$ 23,820
	Webster	0.41%	$ 93,090	$ 2,516	$ 4,529	$ 81,743	$ 4,302
	Winston	0.68%	$ 154,393	$ 4,173	$ 7,511	$ 135,573	$ 7,135
	EC- Leake	0.71%	$ 161,204	$ 4,357	$ 7,842	$ 141,555	$ 7,450
	Total	**7.85%**	**$ 1,782,327**	**$ 48,171**	**$ 86,708**	**$ 1,565,076**	**$ 82,372**
RANKIN CO. HRA							
	Rankin	2.17%	$ 492,694	$ 13,316	$ 23,969	$ 432,639	$ 22,770
	Total		$ 492,694	$ 13,316	$ 23,969	$ 432,639	$ 22,770
SOUTH CENTRAL CAA							
	Simpson	1.06%	$ 240,671	$ 6,505	$ 11,708	$ 211,335	$ 11,123
	Total		**$ 240,671**	**$ 6,505**	**$ 11,708**	**$ 211,335**	**$ 11,123**

			Total Allocation	Admin	Prog Supp	Prog Asst	ECIP
SOUTHWEST MS							
	Amite	0.59%	$ 133,958	$ 3,620	$ 6,517	$ 117,630	$ 6,191
	Pike	1.75%	$ 397,334	$ 10,739	$ 19,330	$ 348,902	$ 18,363
	Walthall	0.58%	$ 131,688	$ 3,559	$ 6,406	$ 115,636	$ 6,086
	Wilkinson	0.45%	$ 102,172	$ 2,761	$ 4,971	$ 89,718	$ 4,722
	Total	**3.37%**	**$ 765,152**	**$ 20,680**	**$ 37,224**	**$ 671,886**	**$ 35,362**
SUNFLOWER							
	Humphrey	0.64%	$ 145,311	$ 3,927	$ 7,069	$ 127,599	$ 6,716
	Sunflower	1.52%	$ 345,113	$ 9,327	$ 16,789	$ 303,047	$ 15,950
	Total	2.16%	$ 490,424	$ 13,255	$ 23,858	$ 430,645	$ 22,666
UNITED							
	Benton	0.36%	$ 81,737	$ 2,209	$ 3,976	$ 71,774	$ 3,778
	Tippah	0.83%	$ 188,450	$ 5,093	$ 9,168	$ 165,479	$ 8,709
	Total	**1.19%**	**$ 270,187**	**$ 7,302**	**$ 13,144**	**$ 237,254**	**$ 12,487**
WWISCAA							
	Issaquena	0.14%	$ 31,787	$ 859	$ 1,546	$ 27,912	$ 1,469
	Sharkey	0.29%	$ 65,844	$ 1,780	$ 3,203	$ 57,818	$ 3,043
	Warren	1.52%	$ 345,113	$ 9,327	$ 16,789	$ 303,047	$ 15,950
	Washingto	3.03%	$ 687,956	$ 18,593	$ 33,468	$ 604,099	$ 31,795
	Yazoo	1.32%	$ 299,703	$ 8,100	$ 14,580	$ 263,172	$ 13,851
	Total	**6.30%**	**$ 1,430,403**	**$ 38,660**	**$ 69,587**	**$ 1,256,048**	**$ 66,108**

ATTACHMENT- POVERTY GUIDELINES

CSBG and LIHEAP applicants must first meet income guidelines to be eligible for assistance. Also, non-elderly/non-disabled clients must be placed in case management.

A. CSBG: The income of all household members may not exceed 125% of the federal poverty guidelines as established by Department of Health and Human Services (HHS).

B. LIHEAP: The income of all household members may not exceed 60% of the state median income for Mississippi.

2016 FEDERAL POVERTY GUIDELINES ***FEDERAL POVERTY GUIDELINES EFFECTIVE 10/1/2015***				
CSBG, LIHEAP, LIHEAP WX, DOE WX		**CSBG**	**DOE/LIHEAP WX**	**LIHEAP**
Number in Household	**100 % Category**	**125% Category**	**200% Category**	**60% State Median Income**
unit	**Percent of Poverty**	**Percent of Poverty**	**Percent of Poverty**	**Percent of Poverty**
1	$11,880	$14,713	$23,760	$17,791
2	$16,020	$19,913	$32,040	$23,266
3	$20,160	$25,113	$40,320	$28,740
4	$24,300	$30,313	$48,600	$34,214
5	$28,440	$35,513	$56,880	$39,688
6	$32,580	$40,713	$65,160	$45,162
7	$36,730	$45,913	$73,460	$46,189
8	$40,890	$51,113	$81,780	$47,215
9	$45,050	$56,313	$90,100	$48,242
10	$49,210	$61,513	$98,420	$49,268
11	$53,370	$66,713	$106,740	$50,295
12	$57,530	$71,913	$115,060	$51,321
13	$61,690	$77,113	$123,380	$52,347
14	$65,850	$82,313	$131,700	$53,374
15	$70,010	$87,513	$140,020	$54,400
16	$74,170	$92,713	$148,340	$55,427
17	$78,330	$97,913	$156,660	$56,453
18	$82,490	$103,113	$164,980	$57,480
19	$86,650	$108,313	$173,300	$58,506
20	$90,810	$113,513	$181,620	$59,532

For each additional family member add:	4160	5200	8320	Contact MDHS/DCS@20 members for LIHEAP

ATTACHMENT- 2015 LIHEAP BENEFIT MATRIX

LIHEAP Benefit Matrix (Fuel Types)

The LIHEAP Act stipulates that households with high energy costs and needs receive the greatest benefit. LIHEAP Benefits are now capped based on income levels and size of household income. LIHEAP benefits are capped at $1500 per program year.

Note: Round amounts down ending in .49 or less
Round amounts up ending in .50 or higher

Household Data	HH Size / Annual Income	Energy Types					
	Household Size of 1	Propane	Electric	Natural Gas	Wood /Other Fuel	Maximum Benefit	Total Electric Benefit
Income is between	0 – 2943	800	700	600	400	1500	1500
	2944 – 5885	750	650	550	360	1400	1400
	5886 – 8828	700	600	500	320	1300	1300
	8828 – 11770	650	550	450	280	1200	1200
	11771 – 14713	600	500	400	240	1100	1100
	14714 – 17791	550	450	350	200	1000	1000
	Over 17,791.49 for HH of 1	0	0	0	0	0	0

Household Data	HH Size / Annual Income	Energy Types					
	Household Size of 2	Propane	Electric	Natural Gas	Wood /Other Fuel	Maximum Benefit	Total Electric Benefit
Income is between	0 -3983	800	700	600	400	1500	1500
	3984 – 7965	750	650	550	360	1400	1400
	7966 – 11948	700	600	500	320	1300	1300
	11949 – 15930	650	550	450	280	1200	1200
	15931 – 19913	600	500	400	240	1100	1100
	19914 – 23266	550	450	350	200	1000	1000

	Over $23,266.49 for HH of 2	0	0	0	0	0	0

Household Data	HH Size / Annual Income	**Energy Types**					
	Household Size of 3	Propane	Electric	Natural Gas	Wood /Other Fuel	Maximum Benefit	Total Electric Benefit
Income is between	0 - 5023	800	700	600	400	1500	1500
	5024 - 10045	750	650	550	360	1400	1400
	10046 - 15068	700	600	500	320	1300	1300
	15069 - 20090	650	550	450	280	1200	1200
	20091 - 25113	600	500	400	240	1100	1100
	25114 - 28740	550	450	350	200	1000	1000
	Over 28,740.49 for HH of 3	0	0	0	0	0	0

Household Data	HH Size / Annual Income	**Energy Types**					
	Household Size of 4	Propane	Electric	Natural Gas	Wood /Other Fuel	Maximum Benefit	Total Electric Benefit
Income is between	0 - 6063	800	700	600	400	1500	1500
	6064 - 12125	750	650	550	360	1400	1400
	12126 - 18188	700	600	500	320	1300	1300
	18189 - 24250	650	550	450	280	1200	1200
	24251 - 30313	600	500	400	240	1100	1100
	30314 - 34214	550	450	350	200	1000	1000
	Over 34,214.49 for HH of 4	0	0	0	0	0	0

Household Data	HH Size / Annual Income	**Energy Types**					
	Household Size of 5	Propane	Electric	Natural Gas	Wood /Other Fuel	Maximum Benefit	Total Electric Benefit
Income is between	0 - 7103	800	700	600	400	1500	1500
	7104 - 14205	750	650	550	360	1400	1400
	14206 - 21308	700	600	500	320	1300	1300
	21309 - 28410	650	550	450	280	1200	1200
	28411 - 35513	600	500	400	240	1100	1100

	35514 - 39688	550	450	350	200	1000	1000
	Over 39688.49 for HH of 5	0	0	0	0	0	0

Household Data	HH Size /Annual Income	**Energy Types**					
	Household Size of 6	Propane	Electric	Natural Gas	Wood /Other Fuel	Maximum Benefit	Total Electric Benefit
Income is between	0 - 8143	800	700	600	400	1500	1500
	8144 - 16285	750	650	550	360	1400	1400
	16286 - 24428	700	600	500	320	1300	1300
	24429 - 32570	650	550	450	280	1200	1200
	32571 - 40713	600	500	400	240	1100	1100
	40714 - 45162	550	450	350	200	1000	1000
	Over 45162.49 for HH of 6	0	0	0	0	0	0

Household Data	HH Size / Annual Income	**Energy Types**					
	Household Size of 7	Propane	Electric	Natural Gas	Wood /Other Fuel	Maximum Benefit	Total Electric Benefit
Income is between	0 - 9183	800	700	600	400	1500	1500
	9184 - 18365	750	650	550	360	1400	1400
	18366 -27548	700	600	500	320	1300	1300
	27549 - 36730	650	550	450	280	1200	1200
	36731 -45913	600	500	400	240	1100	1100
	45914 - 46189	550	450	350	200	1000	1000
	Over 46,189.49 for HH of 7	0	0	0	0	0	0

Household Data	HH Size / Annual Income	**Energy Types**					
	Household Size of 8	Propane	Electric	Natural Gas	Wood /Other Fuel	Maximum Benefit	Total Electric Benefit
Income is between	0 - 10223	800	700	600	400	1500	1500
	10224 - 20445	750	650	550	360	1400	1400
	20446 - 30668	700	600	500	320	1300	1300
	30669 - 40890	650	550	450	280	1200	1200

	40891 - 47215	600	500	400	240	1100	1100
	Over 47,215.49 for HH of 8	0	0	0	0	0	0

Household Data	HH Size / Annual Income	**Energy Types**					
	Household Size of 9	Propane	Electric	Natural Gas	Wood /Other Fuel	Maximum Benefit	Total Electric Benefit
Income is between	0 – 11263	800	700	600	400	1500	1500
	11264 - 22525	750	650	550	360	1400	1400
	22526 - 33788	700	600	500	320	1300	1300
	33789 - 45050	650	550	450	280	1200	1200
	45051 - 48242	600	500	400	240	1100	1100
	Over 48242.49 for HH of 9	0	0	0	0	0	0

Household Data	HH Size / Annual Income	**Energy Types**					
	Household Size of 10	Propane	Electric	Natural Gas	Wood /Other Fuel	Maximum Benefit	Total Electric Benefit
Income is between	0 – 12303	800	700	600	400	1500	1500
	12304 - 24605	750	650	550	360	1400	1400
	24606 – 36908	700	600	500	320	1300	1300
	36909 - 49210	650	550	450	280	1200	1200
	49211 – 49268	600	500	400	240	1100	1100
	Over 49268.49 for HH of 10	0	0	0	0	0	0

Household Data	HH Size / Annual Income	**Energy Types**					
	Household Size of 11	Propane	Electric	Natural Gas	Wood /Other Fuel	Maximum Benefit	Total Electric Benefit
Income is between	0 -13343	800	700	600	400	1500	1500
	13344 - 26685	750	650	550	360	1400	1400
	26686 – 40028	700	600	500	320	1300	1300
	40029 - 50295	650	550	450	280	1200	1200

	Over 50295.49 for HH of 11	0	0	0	0	0	0

Household Data	HH Size / Annual Income	Energy Types					
	Household Size of 12	Propane	Electric	Natural Gas	Wood /Other Fuel	Maximum Benefit	Total Electric Benefit
Income is between	0 – 14383	800	700	600	400	1500	1500
	14384 - 28765	750	650	550	360	1400	1400
	28766 – 43148	700	600	500	320	1300	1300
	43149 - 51321	650	550	450	280	1200	1200
	Over 51321.49 for HH of 12	0	0	0	0	0	0

Household Data	HH Size / Annual Income	Energy Types					
	Household Size of 13	Propane	Electric	Natural Gas	Wood /Other Fuel	Maximum Benefit	Total Electric Benefit
Income is between	0 – 15423	800	700	600	400	1500	1500
	15424 - 30845	750	650	550	360	1400	1400
	30846 – 46268	700	600	500	320	1300	1300
	46269 - 52347	650	550	450	280	1200	1200
	Over 52347.49 or HH of 13	0	0	0	0	0	0

Household Data	HH Size / Annual Income	Energy Types					
	Household Size of 14	Propane	Electric	Natural Gas	Wood /Other Fuel	Maximum Benefit	Total Electric Benefit
Income is between	0 – 16463	800	700	600	400	1500	1500
	16464 - 32925	750	650	550	360	1400	1400
	32926 – 49388	700	600	500	320	1300	1300
	49389 - 53374	650	550	450	280	1200	1200
	Over 53374.49 for HH of 14	0	0	0	0	0	0

ATTACHMENT-ELIGIBILITY

Statutory Reference 2605 (b) (5)
2605 (b) (2)
2605 (b) (8) (A)
2605(b) (10)

The State assures through Virtual ROMA that it will provide, in a timely manner, the highest level of assistance to those households (with the highest home energy needs which takes into account both the energy burden and the unique situation of the vulnerable population) which have the lowest incomes and the highest home energy cost in relation to income, taking into account family size, except that the State may not differentiate in implementing this section between the households described in the above referenced clauses.

The State further assures that it will not differentiate in the treatment of households eligible for services because of their income and as the recipients of TANF, Food Stamps, SSI or certain means-tested veterans program certified as "categorically eligible". This applies to all LIHEAP components (cooling, heating, crisis and weatherization).

The specific measures to ensure there is no difference in eligibility determination and benefit amounts is not to use categorical eligibility in all components. All applicant households must complete the established application process, case management process and eligibility determination.

The utilization of Virtual ROMA has resulted in additional fiscal control tracking capabilities for LIHEAP funds by:

- All LIHEAP funds expended must originate via Virtual ROMA.
- LIHEAP payments only occur based on client services that are in "approved" status in Virtual ROMA.
- Greater visibility by State to view, monitor and track fiscal process and payment on a state-wide basis across agencies.
- Programmatic staff must work closely with fiscal staff to determine timeframe for payment so that program reports are generated for the specified timeframe and given to fiscal.
- Fiscal compares, reviews and authorizes payment report before any payment. Any discrepancies identified between Program Reports and the electronic payment files are reconciled by Fiscal and Program before payment occurs.
- Virtual ROMA prohibits approvals from unauthorized program users and restricts any Fiscal User from the ability to approve client services.
- Energy vendors who are registered users of Virtual ROMA are able to review their clients' approved amounts and compare to ensure accuracy of amounts and clients' accounts.

ATTACHMENT- ELIGIBILITY AND BENEFIT DETERMINIATION

Statutory Reference 2605 (B) (2)

Each applicant household requesting for LIHEAP assistance must complete application process for eligibility determination. The application process involves a **case management approach**. This approach is an interaction between the client and a caseworker/manager. During the interaction process caseworker/case manager obtains vital information about social and economic conditions of the entire household. This process assists in identifying households' needs including those with high energy burdens. It also helps to identify those households that are at risk or in crisis so that a **service plan** can be developed to assist these households to become stable and self-reliant**.** Elderly and disabled are not required to participate in case management. Our policy requires an earlier appointment date for vulnerable households.

Income eligibility is set at or below 60% of the State Median Income guidelines that are in effect at the time of submission of the application**.** An application is taken on the applicant household by the local subgrantee agencies. All applications must be taken in the Virtual ROMA system. Assistance from another program may also be provided to eligible households, especially those households enrolled in and complying with the established service plan. If an eligible client declared zero income in prior year and is in compliance with their case management plan, the client's case must be reassessed before monetary assistance can be provided. If the client declared zero income in prior year and is not in compliance with the case management plan, the caseworker must show all attempts to assist the client in their efforts, but is not required to provide monetary assistance. Should a client who enrolled in case management fail to comply with the mutually agreed upon goals established in the service plan without a legitimate reason(s), cash assistance may be discontinued until there is evidence of compliance or legitimate reason(s)**.** No cash assistance will be provided if a custodial parent (client) fail to provide evidence that he/she has or is willing to pursue child support from the absent parent or is out of compliance with TANF or other public assistance programs. However, other non-financial assistance such as case management, referral, etc. may be provided. If a client has a two month bill, an eligible household may receive energy assistance for their current month's bill. The client is responsible for past due amount before agency can make a payment. Emergency situations may be reviewed by agency Supervisor and client may receive assistance for prior month bill. If an energy bill is in the deceased spouse's name, the current head of household may be eligible for energy assistance. However, case managers will assist the client with changing the bill into the living spouse's name where and when possible.

A household cannot receive more than $1,500 in benefits for the program year. Total benefit for year (can be divided between heating, cooling or crisis). This amount may be adjusted from year to year based on the state's allocation. An exception will be given to weatherization clients in need of a heating/cooling unit. The cost of the unit is not included in the $1,500 maximum benefit amount.

Priority is given to the elderly and disabled. In elderly/disabled zero income cases or crisis cases, clients will be assisted with LIHEAP and service plan done to access any resources available to the client, such as social security, disability, prescription assistance, etc. Live-in attendants income

can be excluded if it is determined that (1) the live-in is essential to the care and well-being of the person; and (2) would not be living in the unit except to provide the necessary supportive services.

NOTE: A Case Plan is a process whereby a client and a case worker/manager jointly establish goal(s) designed to enhance the client's educational and job opportunities in order for the client to become stable, self-sufficient or thriving.
The level of cash amount to be awarded to eligible households depends on the applicant's bill amount, the result of case management analysis and degree of participation on the established case plan.

ATTACHMENT-COORDINATION OF LIHEAP ACTIVITIES

Statutory reference 2605 (b) (4)

The State agrees to coordinate its activities under this title with similar and related programs administered by the Federal Government and the State, particularly low-income energy-related programs under Subtitle B of Title VI (relating to Community Services Block Grant Program), under the Supplemental Security Income Program under Part A of Title IV of the Social Security Act, under Title XX of the Social Security Act, under the Low-Income Weatherization Assistance Program, under Title IV of the Energy Conservation and Production Act, or under any other provision of law which carries out programs which were administered under the Economic Opportunity Act of 1964, before the date of the enactment of this Act.

The Division of Community Services (DCS) of the Mississippi Department of Human Services administers LIHEAP, the Community Services Block Grant (CSBG), and the Low-Income Weatherization Assistance Program (WAP). By operating these programs under one division, it provides high potential for enhancing coordination. Also, it minimizes duplication of services between LIHEAP and other related programs under the Social Security Act, the Energy Conservation and Production Act and other related programs which are administered under the Economic Opportunity Act of 1964. A referral mechanism is in place (through the case management approach) to refer to, and receive referrals from other social service providers and energy vendors. LIHEAP clients identified as high energy users due to the poor condition of their homes are referred to the Weatherization Assistance Program, and priority is given to elderly and disabled individuals. Also the program is coordinated with the United States Department of Agriculture – Rural Development, Housing and Urban Development and local city governments.

Other forms of coordination involves soliciting local funds as leveraging from organizations, individuals, philanthropy agencies and energy vendors. The leveraging funds generated are used to maintain the level of service or to assist additional eligible clients. Subgrantees are encouraged to participate in leveraging local funds to supplement LIHEAP.

DCS will use one automated intake application for all the programs (LIHEAP, WAP, and CSBG), called the Virtual ROMA Tracking System. In addition, each applicant household's case folder (personal data information) is placed in one file known as a single filing system. The one intake application process and single filing system are viable means of coordinating efforts. It has the potential of cost savings. Another attribute is it enhances a case management approach by allowing licensed social workers, case workers, and case managers the opportunity to do a more thorough and comprehensive assessment of the economic and social conditions of all the household members and to provide service(s) accordingly for the attainment of stability and self-sufficiency.

ATTACHMENT- CRISIS ASSISTANCE

Statutory reference 2604(c), 2605(c)(1)(A)

Mississippi offers a crisis assistance component through the Low Income Home Energy Assistance Program (LIHEAP). Specifically, The **Energy Crisis Intervention Program (ECIP)** provides assistance to low-income households that are in a crisis situation. Funds and financial assistance are made available year round to help individuals who are out of options, and who are therefore in a crisis situation. These individuals may be about to have their utility or heating service disconnected, they may have run out of heating fuel, are faced with extreme summer temperatures, or have some other emergency.

- Life Threatening Crisis Must be Relieved in 18 Hours
    - Eligible households with a life-threatening energy crisis, must have the crisis relieved within 18 hours of an approved application.
    - Resolution of a crisis include but are not limited to: arranging for an immediate supply of fuel, securing flexible payment arrangements with the energy supplier, pledging the benefit and therefore preventing shutoff, or purchase of portable space heater or air conditioner.
        - The Division of Community Services deems Life Threatening Crisis situations as:
            1. Natural disaster (Fire, tornado, flood, etc.), and extreme inclement weather conditions as determined by the National Weather Service
            2. Person(s) on life support or medical devices that require electricity
            3. Domestic Violence
            4. Elderly Abuse
- Non-Life Threatening Crisis Must be Relieved in 48 Hours
    - Eligible households with a non-life threatening energy crisis, must have the crisis relieved within 48 hours of an approved application.
    - Resolution of a non-life threatening crisis include but are not limited to: arranging for an immediate supply of fuel, securing flexible payment arrangements with the energy supplier, pledging the benefit and therefore preventing shutoff, or purchase of portable space heater or air conditioner.
        - The Division of Community Services deems Non-Life Threatening Crisis situations as:

1. Unexpected expense (Death of immediate family member, funeral expense, high medical expense, etc.)

2. Income loss within last 30 days due to layoff or consequences resulting in termination of benefits.

3. Services are disconnected for a household with children under six (6), elderly or disabled persons.

- Clients who are waiting on an approval/eligibility determination must be referred to other community organizations, programs that may be able to assist, emergency shelters/ hotels, and relationships should be established with energy vendors to prevent shut-off.

Clients who are found ineligible for crisis benefits must be referred to other community organizations or other programs that may be able to help.

ATTCAHMENT-RENTERS POLICY

Statutory reference 2605(c)(1)(A), (2605(b)(2)

Renters

The applicant should provide either a copy of their lease; a written, signed notarized statement from the landlord detailing the heating/cooling arrangement with the client; or collateral contract with the landlord that verifies the heating/cooling arrangement the landlord has with the household.

Renters with utilities included in the rent and Renters living in subsidized housing

Persons/households residing in public/subsidized housing have their eligibility determined the same as a persons/household living in a non-public housing dwelling unless their rent/mortgage includes utilities and they are not being billed separately for energy cost. These households are ineligible for energy assistance benefits.

Roomers/Boarders

Roomer/boarder status is given to an individual who is not a required household member and is paying the client to reside in their residence. To qualify as a roomer/boarder, the applicant/household must be the homeowner. Roomer/boarder payments are countable income as long as they are considered a profit to the household. Do not give roomer/boarder status to

- Anyone whose income can be applied to the household, or
- Any person who is involved in a relationship with a household member (i.e., boyfriend, girlfriend, etc.), or
- Any individual who is merely sharing expenses and the household is not making a profit.

ATTACHMENT-PROGRAM, FISCAL MONITORING AND AUDIT

Statutory reference 2605 (b)(10)

Fiscal, Accounting and Tracking Requirements

The State requires all local Subgrantees requesting LIHEAP funds to submit Monthly Reporting Worksheets. These Reporting Worksheets show expenditures such as Program Assistance (regular), ECIP, Program Support and Administration. They also show expenditures by cost category and line items. Documentation from Virtual ROMA will be required to support costs reflected on Reporting Worksheets and Requests for Cash as a means to adhere to mandates by DPI to monitor costs reported for the month. Also, Requests for Cash are submitted based on current needs. Federal funds made available to the State under this title will disburse administrative and programmatic funds to local Subgrantees in accordance with the LIHEAP Statute, and the overall contractual allocation for each subgrantee regulates the maximum allowable expenditures. Procedural manuals are in place which covers a range of fiscal and accounting rules and regulations with which Subgrantees must comply. Also, to further account for LIHEAP federal funds, 19 of 20 DCS Subgrantees use the same accounting software, GMS, which allows tracking through Virtual ROMA. It allows easy access in training new personnel, as well as existing personnel in the effective use of the GMS software and DCS requirements. DCS requires that Subgrantees use the MS State Personnel Board policies and procedures in filling vacant financial positions. These procedures assure that eligible entities require at least the minimum qualifications outlined by the MS State Personnel Board in order to maintain qualified financial staff. Subgrantees will not be required to replace existing staff who have already been employed in these positions, however, eligible entities must assure that existing staff is properly trained to function in their current capacity.

Local subgrantees are required to have and submit an annual audit performed annually by an independent Certified Public Accountant. Also, the State complies with the Single Audit Act requirement.

Subgrants will be monitored annually by the Division of Program Integrity. Periodic reviews to the subgrantee, both announced and unannounced will be conducted by the Division of Community Services.

The State continuously provides training and technical assistance to the subgrantees on program and fiscal management to enhance program compliance and quality service delivery to eligible households. DCS program and fiscal staff also conduct special training targeted at new subgrantee staff to ensure program compliance.

STATE OF MISSISSIPPI
OFFICE OF THE STATE AUDITOR
STACEY E. PICKERING
AUDITOR

March 7, 2016

Financial Audit Management Report

John Davis, Executive Director
Mississippi Department of Human Services
PO Box 352
Jackson, MS 39205

Dear Mr. Davis:

The Office of the State Auditor has completed its audit of selected accounts included on the financial statements of the Mississippi Department of Human Services for the fiscal year ended June 30, 2015. These financial statements will be consolidated into the State of Mississippi's *Comprehensive Annual Financial Report*. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The Office of the State Auditor's staff members participating in this engagement included Stephanie Palmertree, CPA, Jason Ashley, Haley Hesdorffer, David Hodges, Kari Horn and Cheryl Johnston, CPA.

Our procedures and tests cannot and do not provide absolute assurance that all state legal requirements have been met. In accordance with Section 7-7-211, Miss. Code Ann. (1972), the Office of the State Auditor, when deemed necessary, may conduct additional procedures and tests of transactions for this or other fiscal years to ensure compliance with legal requirements.

Internal Control over Financial Reporting

In planning and performing our audit of selected accounts included on the financial statements, we considered the Mississippi Department of Human Services' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on these accounts, but not for the purpose of expressing an opinion on the effectiveness of internal control. Accordingly, we do not express an opinion on the effectiveness of the Mississippi Department of Human Services' internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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Mississippi Department of Human Services
March 7, 2016
Page 2

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether selected accounts included on the financial statements of the Mississippi Department of Human Services are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of Mississippi Department of Human Services' internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Mississippi Department of Human Services' internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited.

I appreciate the cooperation and courtesy extended by the officials and employees of the Mississippi Department of Human Services throughout the audit. If you have any questions or need more information, please contact me.

Sincerely,

Sallie Dier

Sallie Dier, CPA
Director, Financial and Compliance Audit Division

STATE OF MISSISSIPPI
OFFICE OF THE STATE AUDITOR
STACEY E. PICKERING
AUDITOR

March 7, 2016

Single Audit Management Report

John Davis, Executive Director
Mississippi Department of Human Services
P. O. Box 352
Jackson, MS 39205

Dear Mr. Davis:

Enclosed for your review are the single audit findings and other audit findings for the Mississippi Department of Human Services for Fiscal Year 2015. In these findings, the Auditor's Office recommends the Mississippi Department of Human Services:

Single Audit Findings:

1. Strengthen controls over compliance with eligibility and benefit payment requirements of the Temporary Assistance for Needy Families (TANF) Program;
2. Strengthen controls over compliance with eligibility and benefit payment requirements of the Child Care and Development Fund (CCDF) cluster;
3. Strengthen controls over compliance with allowable cost requirements of the CCDF cluster;
4. Strengthen controls over submission of required federal reports of the Supplemental Nutrition Assistance Program (SNAP), CCDF and TANF programs;
5. Strengthen controls over on-site monitoring for SNAP, Social Services Block Grant (SSBG) and TANF Programs;
6. Strengthen controls over submission of required federal reporting elements and reports of the Low-Income Home Energy Assistance Program (LIHEAP);
7. Strengthen controls over the 20 percent exemption and five year time limit for the TANF Program;
8. Strengthen controls over termination of benefits for non-participation of work-eligible adults in the work activities program of the TANF Program;
9. Strengthen controls over subrecipient monitoring for OMB Circular A-133 audits for the SNAP, TANF, SSBG and LIHEAP Programs and for the CCDF Cluster;
10. Accurately report the status of prior year findings;
11. Ensure compliance with earmarking requirements of the CCDF Cluster; and
12. Ensure compliance with allowable cost requirements of the SNAP, TANF, CCDF, LIHEAP and SSBG Programs;

Other Audit Findings:

13. Strengthen controls over compliance with the Health and Safety requirements of the CCDF Program;
14. Strengthen controls over the data collection and submission of required federal reporting elements and reports for the TANF Program;

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Mississippi Department of Human Services
March 7, 2016
Page 2

15. Strengthen controls over segregation of duties and granting access to MAVERICS for the TANF Program; and
16. Strengthen controls over on-site monitoring for the CCDF and LIHEAP Programs.

Please review the recommendations and submit a plan to implement them by March 21, 2016. The enclosed findings contain more information about our recommendations.

During future engagements, we may review the findings in this management report to ensure procedures have been initiated to address these findings.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited.

I hope you find our recommendations enable the Mississippi Department of Human Services to carry out its mission more efficiently. I appreciate the cooperation and courtesy extended by the officials and employees of the Mississippi Department of Human Services throughout the audit. If you have any questions or need more information, please contact me.

Sincerely,

Sallie Dier, CPA
Director, Financial and Compliance Audit Division

Enclosures

SINGLE AUDIT FINDINGS

In conjunction with our audit of federal assistance received by the State of Mississippi, the Office of the State Auditor has completed its audit of the State's major federal programs administered by the Mississippi Department of Human Services for the year ended June 30, 2015. The Office of the State Auditor's staff members participating in this engagement included Sallie Dier, CPA; Stephanie Palmertree, CPA; Jason Ashley; Cheryl Johnston, CPA; Haley Hesdorffer; David Hodges; Kari Horn; and John Newell.

Our procedures and tests cannot and do not provide absolute assurance that all federal legal requirements have been met. In accordance with Section 7-7-211, Miss. Code Ann. (1972), the Office of the State Auditor, when deemed necessary, may conduct additional procedures and tests of transactions for this or other fiscal years to ensure compliance with legal requirements.

Report on Compliance for Each Major Federal Program

We have audited the Mississippi Department of Human Services' compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on the federal programs selected for audit that are administered by the Mississippi Department of Human Services for the year ended June 30, 2015.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the State of Mississippi's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Mississippi Department of Human Services' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. However, our audit does not provide a legal determination of the Mississippi Department of Human Services' compliance.

Results of Compliance Audit Procedures

The results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are identified in this letter as items 2015-001, 2015-002, 2015-003, 2015-006, 2015-007, 2015-008, 2015-010, 2015-011 and 2015-012. In addition, we noted other instances of noncompliance that we have reported on the attached document, "Other Audit Findings," as item Oth-03 and Oth-04.

Internal Control over Compliance

Management of the Mississippi Department of Human Services is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Mississippi Department of Human Services' internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal controls over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do

not express an opinion on the effectiveness of Mississippi Department of Human Services' internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance identified in this letter as items 2015-001, 2015-002, 2015-003, 2015-004, 2015-005 and 2015-006 to be material weaknesses.

A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance identified in this letter as items 2015-007, 2015-008 and 2015-009 to be significant deficiencies.

In addition, we noted other deficiencies in internal control over compliance that require the attention of management that we have reported on the attached document, "Other Audit Findings," as items Oth-03, Oth-04, Oth-05, and Oth-06.

CFDA/Finding Number	Finding and Recommendation
	ELIGIBILITY
	Material Noncompliance ***Material Weakness***
93.558	Temporary Assistance for Needy Families
	Federal Award Number and Year:
	G1502MSTANF 2015 G1401MSCCDF 2014
	Questioned Costs: $5,215
2015-001	Controls Should Be Strengthened over the Compliance with Eligibility and Benefit Payment Requirements

Finding:

Per the *Code of Federal Regulations* (45 CFR Part 264.1), states have the option to extend assistance paid for by the Federal Temporary Assistance for Needy Families (TANF) program beyond the five year limit for up to 20 percent of the average monthly number of families receiving assistance during the fiscal year or the immediately preceding fiscal year, which-ever the state elects. States are permitted to extend assistance to families only on the basis of hardship or if the family includes someone who has been battered.

The Mississippi Department of Human Services has published *Volume III, TANF Policy Manual*, which establishes criteria for eligibility under the Temporary Assistance for Needy Families (TANF) program.

Chapter 3, Non-Financial Criteria, requires a MDHS-EA-312, Personal Responsibility Contract, be signed by each adult in the TANF assistance unit at the time of application; all TANF children under the age of 18 must have proof of current immunizations according to the schedule recommended by the Department of Health; and a parent or other relative who accepts a TANF benefit for a child due to the continued absence of a parent must assign support rights to the State by cooperating with the Division of Child Support Enforcement.

Chapter 4, Income and Eligibility Verification System (IEVS), requires all appropriate actions for IEVS data to be resolved in 45 days of the date the Agency receives the data.

Chapter 7, Eligibility Determination Process, requires the TANF case worker to review the Wired Third Party Query (WTPQ) inquiries for each household member age 16 and above at application and redetermination for TANF benefits.

Chapter 10, TANF Work Program Payment Process, states that for a person to receive TANF transitional services, the appropriate application for TANF

transitional services must be received within 30 days after the TANF case closes due to earned income; if applicable, requires completion of a TANF Child Care Application (MDHS-EA-379); and, if applicable, requires completion of a MDHS-EA-352 to verify number of classroom hours scheduled and attended. Additionally, if receiving a TANF Job Retention Bonus, applicants are required to complete a MDHS-EA-360. This chapter also requires participants of the TANF work component to meet specific participation hours to receive a TANF Work Transportation (J1) stipend and to verify employment and work hours every three months to receive Transitional TANF services. J1 stipends can be paid to TANF participants at the following levels: $180 for working 20 to 25 hours a week, $240 for working 26 to 31 hours a week, and $300 for working 32 to 40 hours a week.

During testing of TANF benefits paid during the fiscal year 2015, we noted the following exceptions:

- Two out of 62 Basic TANF cases tested are not exempt from incrementing the 60 month counter; however, the counter is not incrementing.
- Two out of 26 Transitional Work Transportation Assistance cases tested did not have a signed Transitional Service Application on file.
- Three out of 62 Basic TANF cases tested did not have a signed Personal Responsibility Contract on file.
- Four out of 26 Transitional Work Transportation Assistance cases tested did not have a signed Transitional Service Child Care Services Application on file.
- Four out of 62 Basic TANF cases tested had an open alert in IEVS longer than 45 days from the date the case was opened.
- Five out of 62 Basic TANF cases tested were missing acceptable forms of documentation for one or more children.
- Five out of 22 Work Transportation Stipend cases tested did not have supporting documentation for hours worked to support benefit paid.
- Six out of 62 Basic TANF cases tested did not have verification of immunization for a child not attending school.
- Seven out of 26 Transitional Work Transportation cases tested received benefits but did not have supporting documentation for hours worked to support benefits paid.
- Thirteen out of 62 Basic TANF cases tested were not complying with Child Support Enforcement on a child for which benefits were being received.

In performing testwork on TANF benefits paid to participants during fiscal year 2015, we noted the following questioned costs:

- Thirty two out of 62 Basic TANF benefits tested, or 52%, resulted in $2,695 of known questioned costs. Because of the lack of readily available access to all factors needed to determine the precise population, it is not practical to project known questioned costs.
- Five out of 22 J1 stipends paid to participants tested, or 23%, resulted in $720 of known questioned costs and $607,187 of projected questioned costs.

- Seventeen out of 26 Work Transportation stipends tested, or 65%, paid to participants resulted in $1,800 of known questioned costs and $1,288,746 of projected questioned costs.

The results of our testwork described above indicates total projected questioned costs of $1,895,933.

Failure to maintain supporting documentation for eligibility determination as well as not monitoring and reducing benefits to coincide with hours participated in TANF work component could result in questioned costs and recoupment of costs by the federal granting agency.

Recommendation:

We recommend the Mississippi Department of Human Services ensure compliance with TANF Eligibility determination and benefit requirements by strengthening control procedures to ensure all supporting documentation is reviewed and maintained and benefits are paid in accordance with the *Volume III, TANF Policy Manual.*

ELIGIBILITY

Material Noncompliance
Material Weakness

93.575 Child Care and Development Block Grant
93.596 Child Care Mandatory and Matching Funds of the Child Care and Development Fund

Federal Award Number and Year:

G1401MSCCDF 2014 G1501MSCCDF 2015

Questioned Costs: $7,201

2015-002 Controls Should Be Strengthened to Ensure Compliance with Eligibility and Benefit Payment Requirements of the CCDF Cluster

Finding:

The *Code of Federal Regulations* (45 CFR Part 98.20) sets forth the eligibility requirements for a child to receive child care services. The *Code of Federal Regulations* (45 CFR Part 98.50) further states how the Child Care and Development Block Grant (CCDF) funds should be expended for issuance of child care certificates. The Mississippi Department of Human Services' Division of Early Childhood Care and Development (DECCD) has published the *Mississippi Child Care Payment Program Policy Manual*, based on the CCDF State Plan, which incorporates applicable federal regulations and establishes eligibility criteria to receive child care certificate payments under the CCDF program. Specifically, Chapter 1 of this manual addresses family and child eligibility requirements, including the requirement that an eligible child be less

than 13 years of age, or 18 if the eligible child has special needs. This policy manual also provides for periodic re-determination of continuing eligibility.

In performing testwork on 60 child care certificate payments related to a child's eligibility for a child care certificate based on child care provider payments made during fiscal year 2015, we noted the following weaknesses:

- 29 instances, or 48 percent, in which the child's eligibility for the child care certificate could not be verified due to the child care certificate application and supporting documentation not being maintained by DECCD. This resulted in known questioned costs of $6,863. It was not feasible to project questioned costs associated with this exception due to insufficient information and the lack of child care applications and supporting documents.
- 16 instances, or 27 percent, in which the certificates were identified as being based on the initial determination of the child's eligibility for the child care certificate as a referral from the Division of Field Operations due to the parent/caretaker receiving basic TANF benefits or transitional TANF benefits, which is the first priority level for a child care certificate. However, based on auditor's review of the TANF case in MAVERICS and/or transitional TANF case in JAWS, the auditor determined that the parent/caretaker was no longer receiving any type of TANF benefits as of the child care certificate benefit date selected for testing, and; therefore should not have been continuing to receive the child care certificate benefit at the TANF priority level. It was not feasible to determine or project questioned costs associated with this exception due to the possibility that the parent/caretaker may still be eligible to receive child care assistance at a different priority level based on reapplying.
- 26 instances, or 43 percent, in which there were improper copay amounts based on the priority level and number of children in the family with an active child care certificate. This resulted in known questioned costs of $338 and projected questioned costs of $321,849.
- Seven instances, or 15 percent, in which provided social security numbers could not be verified due to supporting documentation not being maintained by DECCD.

Failure of DECCD to perform re-determination of a child's eligibility to ensure a child care certificate is properly issued could result improper payments to a child care provider representing questioned costs, and the possible recoupment of funds by the federal granting agency.

Recommendation:

We recommend the Mississippi Department of Human Services' Division of Early Childhood Care and Development ensure compliance with the eligibility costs requirements of the Child Care and Development Block Grant by strengthening control procedures to ensure child care certificate rates and copays are assigned in accordance with the requirements set forth in the *Code of Federal Regulations* and the *Mississippi Child Care Payment Program Policy Manual*.

ALLOWABLE COSTS/COST PRINCIPLES

Material Noncompliance
Material Weakness

93.575 Child Care and Development Block Grant
93.596 Child Care Mandatory and Matching Funds of the Child Care and Development Fund

Federal Award Number and Year:

G1401MSCCDF 2014 G1501MSCCDF 2015

Questioned Costs: $5,214

2015-003 Controls Should Be Strengthened to Ensure Compliance with Allowable Cost Requirements of the CCDF Cluster

Finding:

The *Code of Federal Regulations* (45 CFR 98) regulates expenditures of funds under the Child Care and Development Block Grant (CCDF), including the identification of allowable costs for CCDF expended through the child care certificate program. The Mississippi Department of Human Services' Division of Early Childhood Care and Development (DECCD) has published the *Mississippi Child Care Payment Program Policy Manual*, based on the CCDF State Plan, which incorporates applicable federal regulations and establishes allowable costs for child care certificate payments under the CCDF program. Specifically, Section 103.02 of this manual addresses co-payment fees and Section 104.04 addresses child care certificate rates. Therefore, eligible school-aged children should be issued certificates that state both full-time and part-time rates eligibility so that the provider can record the proper attendance each day (full-time when school is not in session or part-time when school is in session).

In performing allowable costs testwork related to certificate rates and co-pays during fiscal year 2015, we noted the following:

- Six instances out of 60, or 10 percent, in which a school-aged child was issued a child care certificate that provided for only full-time attendance rates and co-pays to be paid to a child care provider, resulting in payment of full-time rates and co-pays for part-time attendance. These six instances resulted in known questioned costs of $3,440 out of total year-end school-aged certificate payments of $18,013,581 and projected questioned costs of $2,151,374.
- Three instances out of 60, or 5 percent, in which school-aged children were issued a child care certificate that provided both full-time and part-time attendance rates, but the provider recorded, and was paid, only full-time rates during months school was in session. These three instances resulted in known questioned costs of $1,497 out of total year-end school-aged certificate payments of $18,013,581 and projected questioned costs of $936,136.

- Two instances out of 60 in which issued child care certificates authorized only 21/23 days attendance, but the provider recorded, and was paid for, 31 days attendance. These two instances resulted in known questioned costs of $277 out of total year-end certificate payments of $63,547,740 and projected questioned costs of $261,644.
- One instance out of 60 in which the approved Child Care Payment Program provider information could not be verified due to the provider application and supporting documentation not being maintained by DECCD.
- One instance out of 60 in which the provider payment for the tested benefit month could not be verified in the Agency's accounting records.

Failure of DECCD to properly provide for the payment of part-time rates on the certificates for school-aged children and to properly maintain supporting documentation for benefits issued can result in improper payments to child care providers, questioned costs and the possible recoupment of funds by the federal granting agency.

Recommendation:

We recommend the Mississippi Department of Human Services' Division of Early Childhood Care and Development ensure compliance with the allowable costs requirements of the Child Care and Development Block Grant by strengthening control procedures to ensure child care certificate rates and co-pays are assigned and providers paid in accordance with the requirements set forth in the *Code of Federal Regulations* and the *Mississippi Child Care Payment Program Policy Manual*.

REPORTING

Material Weakness

10.551	Supplemental Nutrition Assistance Program
10.561	State Administrative Matching Grants for the Supplemental Nutrition Assistance Program
93.558	Temporary Assistance for Needy Families State Programs
93.575	Child Care and Development Block Grant
93.596	Child Care Mandatory and Matching Funds of the Child Care and Development Fund

Federal Award Number and Year:

12-35-2841– B13	2013	G1402MSTANF	2014
12-35-2841 – B14	2014	G1502MSTANF	2015
12-35-2841– B15	2015	G1201MSCCDF	2012
2013IS750345	2013	G1301MSCCDF	2013
2014IS750345	2014	G1401MSCCDF	2014
2015IS750345	2015	G1501MSCCDF	2015

Questioned Costs: None

2015-004 Controls Should Be Strengthened over the Submission of Required Federal Reports

Finding:

The *Code of Federal Regulations* (45 CFR Part 265.3) requires a "TANF Data Report" (ACF-199) for the Temporary Assistance to Needy Families (TANF) program to be completed and submitted in accordance with instructions provided by the Administration for Children and Families. Those instructions require States to submit quarterly reports for each open fiscal year of grant funds until all funds are expended; therefore, States will likely submit separate forms for multiple grant award years simultaneously. These reports are due and must be submitted 45 days after the end of each quarter – February 14th, May 15th, August 14th and November 14th.

During testwork performed for the reporting requirements of the TANF program during fiscal year 2015, we noted the following exceptions:

- Sections two, three and four of the December 31, 2014 quarterly reports were not submitted within 45 days after the end of the reporting period. Reports averaged 7 days late.
- Sections one, two, and four of the June 30, 2015 quarterly reports were not submitted within 45 days after the end of the reporting period. Reports averaged 49 days late.

The *Code of Federal Regulations* (45 CFR Part 265.6) requires a "Quarterly Financial Status Report" (ACF-196) for the TANF program to be completed and submitted in accordance with instructions provided by the Administration for Children and Families. Those instructions require States to submit quarterly reports for each open fiscal year of grant funds until all funds are expended; therefore, States will likely submit separate forms for multiple grant award years simultaneously. These reports are due and must be submitted 45 days after the end of each quarter – February 14th, May 15th, August 14th and November 14th.

During testwork performed for the program specific reporting requirements of the TANF program during fiscal year 2015, we noted five out of seven reports submitted were not submitted within 45 days after the end of the reporting period. Reports averaged 14 days late.

The *Code of Federal Regulations* (45 CFR Part 98.70) requires a "Quarterly Financial Status Report" (ACF-696) for the Child Care and Development Fund (CCDF) program to be completed and submitted in accordance with instructions provided by the Administration for Children and Families. Those instructions require States to submit quarterly reports for each open fiscal year of grant funds until all funds are expended; therefore, States will likely submit separate forms for multiple grant award years simultaneously. These reports are due and must be submitted 30 days after the end of each quarter – January 31st, April 30th, July 31st and October 31st.

During testwork performed for the program specific reporting requirements of the CCDF program during fiscal year 2015, we noted 12 out of 12 reports submitted were not submitted within 30 days after the end of the reporting period. Reports averaged 14 days late.

The *Code of Federal Regulations* (45 CFR Part 75.341) grants the Health and Human Services awarding agency authority to require financial reporting for effective monitoring of federal awards. The Federal Financial Report (FFR) is required to be completed and submitted in accordance with instructions provided by the Administration for Children and Families, and must be submitted quarterly, semiannually or annually, based on instructions from the ACF and awarding agency. Those instructions require States to submit quarterly and semi-annual reports no later than 30 days after the end of each reporting period and annual reports no later than 90 days after the end of each reporting period or grant period end date.

During testwork performed for reporting requirements of the TANF, CCDF, and Supplemental Nutrition Assistance Program (SNAP) programs during fiscal year 2015, we noted the following exceptions:

- Two of the two reports tested for the quarterly TANF FFR-425 reports were not submitted within 30 days after the end of the reporting period. Reports averaged 21 days late.
- Two of the two reports tested for the quarterly CCDF FFR-425 reports were not submitted within 30 days after the end of the reporting period. Reports averaged 21 days late.
- Four of the six reports tested for the quarterly SNAP FFR-425 reports were not submitted within 30 days after the end of the reporting period. Reports averaged 14 days late.

Good internal controls over reporting should include a timely and independent review of information reported. Failure to timely review and submit reports could result in reporting penalties and could impact ACF's funding determinations.

Recommendation:

We recommend MDHS strengthen the controls over the preparation, review and timely submission of required performance and financial reports prior to submission to the Department of Health and Human Services.

SUBRECIPIENT MONITORING

Material Weakness

10.551	Supplemental Nutrition Assistance Program
10.561	State Administration Matching Grants for the Supplemental Nutrition Assistance Program
93.558	Temporary Assistance for Needy Families
93.667	Social Services Block Grant

Federal Award Number and Year:

12-35-2841 – B14	2014	G1402MSTANF	2014
12-35-2841– B15	2015	2014IS750345	2014
G1201MSSOSR	2012	G1401MSSOSR	2014

Questioned Costs: None

2015-005 Controls Should Be Strengthened over On-Site Monitoring

Finding:

The terms and conditions of the grant agreements between the Mississippi Department of Human Services (MDHS) and the U.S. Department of Health and Human Services require MDHS to administer grants in compliance with the Code of Federal Regulations (45 CFR Part 92). The Code of Federal Regulations (45 CFR Part 92.40) designates MDHS for managing the day-to-day operations of grant and subgrant supported activities. Grantees must monitor grant and subgrant supported activities to assure compliance with applicable Federal requirements and to ensure performance goals are being achieved. Grantee monitoring must cover each program, function or activity.

We evaluated MDHS's compliance with subrecipient monitoring requirements based on written policies and procedures designed by MDHS's Division of Program Integrity – Office of Monitoring (OM) to satisfy during-the-award monitoring requirements. OM procedures require an on-site monitoring review of each subgrantee contract at least once during the subgrant period. A tracking mechanism is used to ensure all subgrantee contracts are properly identified and monitored. Monitoring tools/checklists are used during each on-site monitoring review to provide guidance and to document a review was performed. The on-site monitoring workpapers are reviewed and approved by OM supervisory personnel prior to issuance of a written report, the Initial Report of Findings & Recommendations, which is used for communicating finding(s) and/or questioned costs to subgrantees. The written report should be issued within 30 working days from the date of the exit conference, which is normally held on the last day of the on-site review.

During testwork performed on subrecipient on-site monitoring for 32 subgrant contracts during state fiscal year 2015, we noted the following weaknesses:

- Eight contracts tested, or 25 percent, were not monitored within the contract period as required by Program Integrity's Division of Monitoring procedures. Contracts were monitored between 58 and 180 working days later, with an average of 108 working days after the contract end date.
- Eight contracts, or 25 percent, were noted where Corrective Actions were not received from the subrecipient within 15 working days from the date the Initial Monitoring Report (IMR) was issued:

- Corrective Actions were received between 17 and 26 days from the IMR, with an average of 18 days passing between the IMR and subgrantee's response.
- Two contracts never received a Corrective Actions response; however, demand letters were sent and an Administrative Hearing was requested.

- Nine contracts, or 28 percent were noted in which the Initial Monitoring Report was not issued within 60 days of the exit conference:
  - IMR's were issued between 66 and 155 days late, with an average of 105 working days after the exit conference took place.
- Three contracts, or nine percent, in which the Fact Finding Sheet showed no evidence of the Subgrantee's signature.
- Four contracts, or 13 percent, in which Question Costs had not been completely resolved as of the date of testwork.
- During our verification of the completeness of the sample population of 115, we noted three contracts that were listed on the GM18 report and had expenditures in FY2014 were not included on the SFY2014 Subgrant Monitoring Tracking document. Of the three contracts, two contracts were not subjected to on-site monitoring within the contract period. These two contracts total $1,146,490 out of $62,957,259 (1.8%) in the population

MDHS programmatic funding divisions rely upon OM monitoring procedures to verify compliance with program regulations and to identify potential problem areas needing corrective action. Failure to properly monitor subrecipients in a timely manner could allow noncompliance with federal regulations to occur and go undetected, potentially resulting in questioned costs.

Recommendation:

We recommend the Mississippi Department of Human Services' Division of Program Integrity – Office of Monitoring (OM) strengthen its existing internal controls over on-site monitoring to ensure all active subgrantee contracts are timely monitored during-the-award in accordance with OM policies and procedures. We also recommend that the agency ensure that the Report of Findings & Recommendations prepared as a result of the on-site monitoring be issued in a timely manner to enable immediate corrective action procedures to be initiated. We further recommend that the agency maintain all supporting monitoring tools, reports, and correspondence in the monitoring file.

REPORTING

Immaterial Noncompliance
Material Weakness

93.568 Low Income Home Energy Assistance Program

Federal Award Number and Year:

G13B1MSLIEA – 2013
G14B1MSLIEA – 2014
G15B1MSLIEA – 2015

Questioned Costs: None

2015-006 Controls Should Be Strengthened over the Submission of Required Federal Reporting Elements and Reports.

Finding:

The *Code of Federal Regulations* (45 CFR Part 75.341) grants the Health and Human Services awarding agency authority to require financial reporting for effective monitoring of federal awards. The Federal Financial Report (FFR) is required to be completed and submitted in accordance with instructions provided by the Administration for Children and Families, and must be submitted quarterly, semiannually or annually, based on instructions from the ACF and awarding agency. Those instructions require States to submit quarterly and semi-annual reports no later than 30 days after the end of each reporting period and annual reports no later than 90 days after the end of each reporting period or grant period end date.

Additionally, the *Office of Management and Budget Circular A-133* compliance supplement requires submitted reports agree to the reporting entity's accounting records that support the audited financial statements and the Schedule of Expenditures of Federal Awards.

During testwork performed for reporting requirements for LIHEAP for fiscal year 2015, we noted the following exceptions:

- One instance in which the amount reported on the FFR-425 for Line F "Federal Share of Unliquidated Obligations" does not agree to the amount on the supporting accounting records. The amount reported on the FFR-425 listed the balance of Unliquidated Obligations as $17,099,467; however, the supporting accounting records listed the amount as $12,701,200.
- One instance in which the amount reported on the FFR-425 for Line H "Unobligated Balance of Federal Funds" does not agree to the amount on the supporting account records. The amount reported on the FFR-425 listed the balance of Unobligated Obligations as $0; however, the supporting accounting records listed the amount as $4,398,267.
- The FFR-425 report required to be submitted for the Final reporting period of the 13B1MSLIEA federal grant was not submitted.
- $117,345 of expenditures allocated to the LIHEAP program during the Cost Allocation Process were not reported as expenditures on the FFR-425.

Good internal controls over reporting should include an independent review of information reported. Failure to review for anomalies in the data and timely filing of reports could impact ACF's funding determinations.

Recommendation:

We recommend MDHS strengthen the controls over the preparation, review and timely submission of required performance and financial reports prior to submission to the Department of Health and Human Services.

EARMARKING

Immaterial Noncompliance
Significant Deficiency

93.558 Temporary Assistance for Needy Families State Programs

Federal Award Number and Year:

G1502MSTANF 2015

Questioned Costs: $6,210

2015-007 Controls Should Be Strengthened over 20 Percent Exemption and Five Year Time Limit

Finding:

Per the *Code of Federal Regulations* (45 CFR Part 264.1), states have the option to extend assistance paid for by the Federal Temporary Assistance for Needy Families (TANF) program beyond the five year limit for up to 20 percent of the average monthly number of families receiving assistance during the fiscal year or the immediately preceding fiscal year, which-ever the state elects. States are permitted to extend assistance to families only on the basis of hardship or if the family includes someone who has been battered.

The Mississippi Department of Human Services (MDHS) has published a *Volume III, TANF Policy Manual*, which establishes internal control procedures to be used in the administration of TANF benefits. Specifically, Chapter 3 of the *Volume III, TANF Policy Manual* includes procedures for ensuring compliance with applicable time limits and extension criteria. The "Statewide TANF 20 Percent Exemption Summary Report" (TA120B) identifies the number of cases over 60 months receiving benefits. The TA120B is distributed to county and regional offices monthly and should be used to monitor compliance with the 20 percent maximum earmark. Additionally, a "TANF High Counter Report" is generated monthly and details each case over 60 months receiving benefits. The "TANF High Counter Report" should be reviewed by county/regional personnel to ensure time limits are not exceeded for cases approaching the 60 month time limit unless a proper exemption is granted.

During testwork related to the 20 percent maximum earmark, we reviewed both monthly reports and noted the following:

- No documented review exists of the "Statewide TANF 20 Percent Exemption Summary Report" (TA120C/TA120B Report).
- No documented review exists of the "TANF High Counter Report" (JC250A Report).
- Of 10 cases examined, four cases received a benefit after the 60 month counter was exhausted and did not meet the criteria for an exemption per policy Volume III Chapter 3.

Failure to monitor the "Statewide TANF 20 Percent Exemption Summary Report" could result in the State exceeding the percent of allowed exemptions for TANF assistance. However, our testwork did not reveal evidence of the 20 percent maximum earmark being exceeded at any point during fiscal year 2015.

Failure to sufficiently monitor the "TANF High Counter Report" and perform appropriate actions for recipients approaching or exhausting the five-year time limit resulted in benefit payments of $6,210 to ineligible participants during fiscal year 2015.

Recommendation:

We recommend the Mississippi Department of Human Services strengthen control procedures to include a documented review of the monthly "Statewide TANF 20 Percent Exemption Summary Report" and "TANF High Counter Report." Further, we recommend the central office implement procedures to confirm county/regional personnel have performed the required reviews of their respective reports and take appropriate action to either terminate benefits or grant permissible exemptions for cases exhausting the five year limit for benefits.

SPECIAL TESTS

Immaterial Noncompliance
Significant Deficiency

93.558 Temporary Assistance for Needy Families State Programs

Federal Award Number and Year:

G1502MSTANF 2015

Questioned Costs: $3,705

2015-008 Controls Should Be Strengthened over Termination of Benefits for Non-Participation of Work-Eligible Adults in the Work Activities Program

Finding:

The *Code of Federal Regulations* (45 CFR Part 261.10) states a parent or caretaker receiving assistance as part of the Temporary Assistance for Needy Families (TANF) program must engage in work activities when the State has determined an individual is ready to engage in work or when he or she has received assistance for a total of 24 months, whichever is earlier.

Volume III, TANF Policy Manual, published by the Mississippi Department of Human Services (MDHS), establishes requirements for satisfactory participation in the TANF work program. Specifically, Chapter 9 of the *Volume III, TANF Policy Manual* requires all adult TANF recipients who are determined work-eligible to participate in the TANF work program in order to continue receiving benefits. State law limits the receipt of TANF benefits to a maximum of 24 months for work-eligible adults who fail to participate without good cause in allowable TANF work program activities.

Discussions with agency personnel in the Division of Field Operations indicate there is currently no policy requiring review of the "TANF High Counter Report", which tracks the months a TANF recipient has not participated in a TANF work activity. Review of the report at the county/regional offices and in the central office would have allowed prevention/detection of the errors by MDHS personnel.

Due to the lack of controls being in place, auditors substantively tested a sample of the transactions to verify that benefits were not paid in error and noted six of out 15 cases tested that continued to receive benefits after exceeding the 24 month counter.

In performing testwork on TANF benefits paid to participants during fiscal year 2015, we noted six out of 15 benefits tested, or 40 percent, continued to receive benefits after exceeding the 24 month counter, which resulted in $3,705 of known questioned costs. Because of the lack of readily available access to all factors needed to determine the precise population, it is not practical to project known questioned costs.

Failure to properly reduce or terminate benefits could result in questioned costs and recoupment of costs by the federal granting agency. Additionally, per the *Code of Federal Regulations* (45 CFR Part 261.14 and 261.54), if MDHS does not properly reduce or terminate benefits, the Department of Health and Human Services may penalize MDHS by reducing grant assistance between one and five percent.

Recommendation:

We recommend the Mississippi Department of Human Services strengthen control procedures over work-eligible recipients who are not participating in work activities. Control procedures should include a documented review of the monthly "TANF High Counter Report". Further, we recommend the central office implement procedures to confirm county/regional personnel have reviewed their respective reports and taken appropriate action to either terminate/reduce benefits or grant permissible exemptions for cases exhausting the 24 month maximum for non-participation in a work program.

SUBRECIPIENT MONITORING

Significant Deficiency

10.561	State Administrative Matching Grants for the Supplemental Nutrition Assistance Program
93.558	Temporary Assistance for Needy Families State Programs
93.568	Low-Income Home Energy Assistance Program
93.575	Child Care and Development Block Grant
93.596	Child Care Mandatory and Matching Funds of the Child Care Development Fund
93.667	Social Services Block Grant

Federal Award Number and Year:

SNAP Letter of Credit		G1201MSSOSR	2011
G1102MSTANF	2011	G1301MSSOSR	2012
G1202MSTANF	2012	G1301MSSOSR	2013
G1302MSTANF	2013	G11B1MSLIEA	2011
G1001MSCCDF	2010	G12B1MSLIEA	2012
G1101MSCCDF	2011	G13B1MSLIEA	2013
G1201MSCCDF	2012		
G1301MSCCDF	2013		

Questioned Costs: None

2015-009 Controls Should Be Strengthened over Subrecipient Monitoring for OMB Circular A-133 Audits for the SNAP, TANF, SSBG and LIHEAP Programs and for the CCDF Cluster

Finding:

The Office of Management and Budget (OMB) Circular A-133 states the pass-through entity is responsible for (1) ensuring that subrecipients expending $500,000 or more in Federal awards during their fiscal year have met the audit requirements of OMB Circular A-133 and that the required audits are completed within nine months of the end of the subrecipient's audit period; (2) issuing a management decision on findings within 6 months after receipt of the subrecipient's audit report; and (3) ensuring that the subrecipient takes timely and appropriate corrective action on all audit findings. In cases of continued inability or unwillingness of a subrecipient to have the required audits, the pass-through entity shall take appropriate action using sanctions.

During our audit of the Mississippi Department of Human Services (MDHS), we reviewed the Division of Program Integrity – Office of Monitoring (OM) audit files and Monitoring Tracking Document for MDHS Subgrantees for state fiscal year 2013. During our review, we noted the following problems.

- Of 23 subgrantees tested, we noted seven instances in which the OMB A-133 audit reports/SAIF forms for the subgrantee were not received by Office of Monitoring within nine months of the subgrantee's fiscal year end. In each instance where an audit was received, we noted that the OMB A-133 audit report was dated within the nine month period of the subgrantee's fiscal year end. Office of Monitoring sent an initial letter and a reminder letter to each subgrantee regarding their OMB A-133 audit report requirements. Subgrantee audit reports were received on average 98 days after the nine month deadline.
- Of seven subgrantees tested on Attachment B of the Status Report, we noted seven instances in which the OMB A-133 audits or Subgrantee Audit Information Forms (SAIF) for the subgrantees were not received by Office of Monitoring within nine months of the subgrantee's fiscal year end. In four of the seven instances in which an audit was received, we noted that the OMB A-133 audit report was dated within the nine month period of the subgrantee's fiscal year end. Office of Monitoring sent an initial letter, a

reminder letter, and a demand letter to each subgrantee regarding their OMB A-133 audit report requirements, but no additional follow-up to obtain the OMB A-133 audit/SAIF was made by Office of Monitoring prior to the auditor's request. Subgrantee audit reports were received on average 405 days after the nine month deadline.

- During testing of completeness, we noted seventeen instances in which subrecipients were not included on the FY2013 tracking report utilized by Office of Monitoring but had expenditures in FY2013 and should have been included for tracking purposes.

Failure to properly monitor subrecipients could allow noncompliance with federal regulations to occur and go undetected, potentially resulting in questioned costs.

Recommendation:

We recommend the Mississippi Department of Human Services' Division of Program Integrity – Office of Monitoring (OM) strengthen controls over subrecipient monitoring for OMB A-133 audits to ensure recipients expending $500,000 or more in Federal funds during their fiscal year are appropriately monitored and an OMB A-133 audit is obtained. We also recommend that the agency follow-up more frequently with the funding divisions to ensure corrective action was taken when a subgrantee's audit report contains findings. We further recommend that OM should ensure all subrecipients are included on the tracking report and continue to follow-up to obtain an OMB A-133 audit or Subgrantee Audit Information Form after the demand letter is issued.

REPORTING

Immaterial Noncompliance

93.558 Temporary Assistance for Needy Families State Programs
93.568 Low-Income Home Energy Assistance Program

Federal Award Number and Year:

1402MSTANF (2014)	G14B1MSLIEA (2014)
1502MSTANF (2015)	G15B1MSLIEA (2015)

Questioned Costs: None

2015-010 Agency Should Accurately Report the Status of Prior Year Findings

Finding:

The *Code of Federal Regulations* (2 CFR Part 200.511) tasks auditees with the responsibility for follow-up and corrective action on all audit findings. As a part of this responsibility, auditees are required to report the status of all audit findings included in the prior audit's schedule of findings and questioned costs. Auditees may either note that the finding has been 1)fully corrected, 2)partially corrected, or 3)not corrected. Additionally, the *Code of Federal Regulations* (2 CFR Part 200.516) requires that the auditee prepared "Summary Schedule of

Prior Year Findings" must not materially misrepresent the status of any prior year audit finding.

During testwork performed for the Mississippi Department of Human Services for fiscal year 2015, we noted that the Summary Schedule of Prior Year Findings provided by the agency reported that the status of prior year reporting findings related to the Federal Funding Accountability and Transparency Act (FFATA) was "FULLY CORRECTED" for the Temporary Assistance for Needy Families (TANF) State Programs and the Low-Income Home Energy Assistance Programs (LIHEAP). However, upon verification of this status, we noted the following.

- Of the six LIHEAP awards tested that met the FFATA reporting requirements, 100 percent of the subawards were not reported in the FSRS system by the last day of the month following the obligation date.
- Of the six LIHEAP awards tested that met the FFATA reporting requirements, 100 percent of the subaward amounts were incorrectly reported in the FSRS system.
- Of the 12 TANF awards tested that met the FFATA reporting requirements, eight of the subawards subaward amounts were incorrectly reported in the FSRS system.
- Of the 12 TANF awards tested that met the FFATA reporting requirements, four of the subawards were not reported in the FSRS system by the last day of the month following the obligation date.

The Division of Field Operations has not established internal control policies or procedures nor is a supervisory review performed of the subrecipient contract information that is reported to verify the data is reported accurately or timely.

Noncompliance with federal requirements could result in reduced funding for applicable programs.

Recommendation:

We recommend that the Mississippi Department of Human Services ensure compliance with reporting requirements by accurately reflecting the status and corrective action of prior year findings.

EARMARKING

Immaterial Noncompliance

93.575 Child Care and Development Block Grant
93.596 Child Care Mandatory and Matching Funds of the Child Care and Development Fund

Federal Award Number and Year:

G1202MSCCDF 2012

Questioned Costs: $99,295

2015-011 Agency Should Ensure Compliance with Earmarking and Minimum Targeted Funds Provisions and Requirements

Finding:

The terms and conditions of the 2012 federal grant agreement between the Mississippi Department of Human Services (MDHS) and the Department of Health and Human Services - Administration for Children and Families Division (ACF) include provisions of the 2012 Omnibus Appropriations Bill (Public Law. 111-8) which targeted specific amounts for the following activities related to the Child Care and Development Block Grant (CCDF):

- Child Care Quality Improvements
- Infant and Toddler Quality Improvement
- Child Care Resource and Referral and School Aged Child Care Activities

ACF posts on its website the CCDF allocation tables with the minimum amount of funds each state must expend in targeted areas. The minimum expenditures are determined by ACF based on various statistics and population data received by ACF from each state.

During our testing of MDHS's final ACF-696 financial report for federal grant year 2012, we noted the minimum expenditure requirements for Mississippi, as established by ACF, were not met as follows for CCDF Discretionary awards.

- Expenditures were $3,582 below the minimum requirement of $1,603,828 for the Infant and Toddler Quality Improvements earmark on 2012 CCDF Discretionary funds.
- Expenditures were $95,713 below the minimum requirement of $2,769,344 for the Child Care Quality Improvements earmark on 2012 CCDF Discretionary funds.

Failure to monitor earmarks for minimum compliance throughout the financial reporting period could result in questioned costs and recoupment of costs by the federal granting agency.

Recommendation:

We recommend the Mississippi Department of Human Services ensure minimum targeted funds are obligated and expended to meet the Child Care and Development Block Grant (CCDF) earmarking requirements.

ALLOWABLE COSTS/COST PRINCIPLES

Immaterial Noncompliance

10.551 Supplemental Nutrition Assistance Program
10.561 State Administrative Matching Grants for the Supplemental Nutrition Assistance Program

93.558	Temporary Assistance for Needy Families State Programs
93.568	Low-Income Home Energy Assistance Program
93.575	Child Care and Development Block Grant
93.596	Child Care Mandatory and Matching Funds of the Child Care Development Fund
93.667	Social Services Block Grant

Federal Award Number and Year:

SNAP Letter of Credit		G1301MSSOSR	2013
G1402MSTANF	2014	G1401MSSOSR	2014
G1502MSTANF	2015	G1501MSSOSR	2015
G1201MSCCDF	2012	G12B1MSLIEA	2012
G1301MSCCDF	2013	G13B1MSLIEA	2013
G1401MSCCDF	2014	G14B1MSLIEA	2014
G1501MSCCDF	2015	G14B1MSLIEA	2015

Questioned Costs: $347,248

2015-012 Agency Should Ensure Compliance with Allowable Costs Requirements.

Finding:

The Code of Federal Regulations (45 CFR Part 95 and 2 CFR Part 200) requires that programs administered by the respective federal authority adhere to the cost principles of OMB Circular A-87. OMB Circular A-87, Attachment C requires the distribution of joint costs related to a grant program to be supported by a cost allocation plan (CAP). Further, 45 CFR Part 95.517 states that a State may claim costs based on a proposed plan, unless otherwise advised by the Division of Cost Allocation in the appropriate HHS Regional Office.

During testwork performed for the Division of Cost Allocation for allocated costs during fiscal year 2015, we noted that certain shared costs that should have been charged directly to cost centers/cost pools for further allocation were instead charged in error to "roll up" cost centers and did not flow through the cost allocation process.

The above instances of noncompliance resulted in known questioned costs of $347,248.

Noncompliance with federal allowable costs requirements could potentially result in costs not being accumulated and allocated correctly and could result in questioned costs and recoupment of costs by the federal granting agency.

Recommendation:

We recommend the Mississippi Department of Human Services strengthens its policies to ensure that joint indirect costs are charged to the proper cost centers so that they flow through the cost allocation process for proper assignment to the agency's federal programs.

OTHER AUDIT FINDINGS

In planning and performing our audit of the federal awards received by the Mississippi Department of Human Services for the year ended June 30, 2015, we considered internal control over compliance with the requirements that could have a direct and material effect on the major federal programs. Matters which require the attention of management were noted. These matters which do not have a material effect on the agency's ability to administer major federal programs in accordance with applicable laws, regulations, or provisions of contracts or grant agreements involve an immaterial instance of noncompliance and other control deficiencies.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis.

CFDA/Finding Number	Finding and Recommendation
	SPECIAL TESTS
	Immaterial Noncompliance ***Control Deficiency***
93.575 93.596	Child Care and Development Block Grant Child Care Mandatory and Matching Funds of the Child Care and Development Fund
	Federal Award Number and Year:
	G1502MSCCDF20145
	Questioned Costs: None
Oth-03	Controls Should Be Strengthened over Compliance with the Health and Safety Requirements.

Finding:

The *Code of Federal Regulations* (45 CFR 98.11) requires the Mississippi Department of Human Services (MDHS) as the lead agency to monitor Child Care and Matching Funds of the Child Care and Development Funds (CCDF) programs and services.

Per Section 98.41 of the Code of Federal Regulations, MDHS must certify that monitoring and enforcement procedures are in place to verify that child care providers (unless they meet an exception) serving children who receive subsidies satisfy the requirements pertaining to preventions and control of infectious diseases, building and physical premises safety, and basic health and safety training for providers.

MDHS has published the State Plan for the Child Care and Development Fund for fiscal year 2014/2015, which establishes procedures and policy under the CCDF program. According to the State Plan, the Division of Early Child Care

Development (DECCD) will rely on the Mississippi Department of Health (MDH) to ensure compliance with the health and safety requirements.

In performing testwork of compliance with health and safety requirements, we noted no documentation of communication with MDH to confirm providers are complying with the applicable health and safety requirements.

Failure of DECCD to properly confirm providers are complying with applicable health and safety requirements could result in unlicensed providers receiving program benefits.

Recommendation:

We recommend that DECCD strengthen controls related to the monitoring and enforcement of health and safety requirements for childcare providers participating in the child care certificate program.

REPORTING

Immaterial Noncompliance
Control Deficiency

93.558 Temporary Assistance for Needy Families State Programs

Federal Award Number and Year:

G1402MSTANF 2014
G1502MSTANF 2015

Questioned Costs: None

Oth-04 Controls Should Be Strengthened over the Data Collection and Submission of Required Federal Reporting Elements and Reports

Finding:

The *Code of Federal Regulations* (45 CFR Part 265.3) requires a "TANF Data Report" (ACF-199) to be filed quarterly by all states receiving assistance under the Temporary Assistance for Needy Families (TANF) grant. Each quarterly "TANF Data Report" should contain two sections of disaggregated data on a sample of TANF cases and two sections of aggregated data elements. The *Office of Management and Budget Circular A-133* compliance supplement lists key line items of the "TANF Data Report" which contain critical elements used by the Department of Health and Human Services - Administration for Children and Families Division (ACF) in evaluating work participation and other TANF program information.

When performing testwork related to TANF Reporting requirement as of June 30, 2015, the auditor reviewed the submitted ACF-199 reports and noted, of the 20 cases selected for review, one instance was noted in which the key line item number 17 (Receives Subsidized Child Care) reported that there was a child

receiving child care funded entirely or in part with Federal Funds when in fact the case does not have an active child care certificate.

The OMB Circular A-133 Compliance Supplement, Part 4 Department of Health and Human Services, TANF Cluster, Section L Reporting states the ACF-204 must contain information on the TANF program and the State's Maintenance of Effort (MOE) programs for that year, including strategies to implement the Family Violence Option, State diversion programs, and other program characteristics. Each State must complete the ACF-204 for each program for which the State has claimed basic MOE expenditures for the fiscal year. The total MOE expenditures reported on the ACF-204 for each program should equal the total MOE expenditures reported on the federal fiscal year fourth quarter ACF-196 TANF Financial Report.

The TANF 2014 ACF-204 is an annual report on the TANF program and the State's MOE programs for the fiscal year. States must complete the ACF-204 for each program for which the State has claimed basic MOE expenditures for the fiscal year. Two of the key items required to be included in the annual report are "Total State MOE Expenditures on each program" (claimed on the State's FFY fourth quarter 2013 ACF-196 TANF Financial Report) and "Number of Families Served with MOE Funds on each program" (calculated as a pro rata portion of total TANF grant awarded to percent of total MOE awarded).

The *Code of Federal Regulations* (45 CFR Part 75.341) grants the Health and Human Services awarding agency authority to require financial reporting for effective monitoring of federal awards. The Federal Financial Report (FFR) is required to be completed and submitted in accordance with instructions provided by the Administration for Children and Families, and must be submitted quarterly, semiannually or annually, based on instructions from the ACF and awarding agency. Those instructions require States to submit quarterly and semi-annual reports no later than 30 days after the end of each reporting period and annual reports no later than 90 days after the end of each reporting period or grant period end date.

Additionally, the *Office of Management and Budget Circular A-133* compliance supplement requires submitted reports agree to the reporting entity's accounting records that support the audited financial statements and the Schedule of Expenditures of Federal Awards.

During testwork performed for reporting requirements for TANF for fiscal year 2015, we noted the following exceptions:

- The 2014 ACF-204 reported "Administration" expenditures as $73,390 versus $62,971 as reported on the 2014 QE 9/30/14 ACF-196.
- The 2014 ACF204 reported "Other" expenditures as $0 versus $10,419 as reported on the 2014 QE 9/30/2014 ACF-196.
- Seven instances in which the "Total Number of Families Served" as calculated on the 2014 ACF-204 does not match as calculated on the 2014 QE 9/30/14 ACF-196.

- The Total Number of TANF Cases used to calculate the "Total Number of Families Served" in the 2014 ACF-204 was 104,130 versus the actual Total Number of TANF Cases of 104,328.
- $11,178 of expenditures allocated to the TANF program during the Cost Allocation Process were not reported on the FFR-425.

Good internal controls over reporting should include an independent review of information reported. Failure to review for anomalies in the data of reports could impact ACF's funding determinations.

Recommendation:

We recommend the Mississippi Department of Human Services (MDHS) strengthen controls over the accumulation of data via updating the computer program utilized in extracting data for the "TANF Data Report" to accurately capture key line item information regarding whether a Temporary Assistance for Needy Families case is required to participate in the TANF Work Program. We also recommend MDHS strengthen the controls over the preparation and review of the TANF ACF-204 annual report prior to submission to the Department of Health and Human Services.

ELIGIBILITY

Control Deficiency

93.558 Temporary Assistance for Needy Families State Programs

Federal Award Number and Year:

G1502MSTANF 2015

Questioned Costs: None

Oth-05 Controls Should Be Strengthened over Segregation of Duties and Granting Access to MAVERICS

Finding:

Good internal controls state that segregation of duties must be in place to help prevent and detect misappropriation of funds due to error or fraud. Because of the high percentage of employees with access to the Mississippi Application Verification Eligibility Reporting and Information Control Systems (MAVERICS), it is necessary to maintain controls over who can both enter and approve benefits so that an unnecessary risk to Mississippi Department of Human Services (MDHS) does not exist. MAVERICS serves as the primary TANF computer interface for Eligibility determinations for the State of Mississippi.

Under TANF Eligibility Determination Process in Chapter 7, Certification and Authorization, of the TANF policy published on the MDHS website, authorization is an official act, usually performed by the county director or their designee, certifying as to the eligibility or continuing eligibility of any assistance

payments group. The authorization requests the issuance of a TANF benefit and authorizes the expenditures of public tax funds.

Additionally, the MDHS Management Information Systems (MIS) Division policy states that system administrators will conduct Self-Audits of all user accounts on a semi-annual basis, at a minimum and that user accounts that have been inactive for 90 days or more will be disabled or deleted.

During testwork performed on MAVERICS User Access during fiscal year 2015, we noted the following weaknesses.

- Formal, written internal control policies were established during fiscal year 2015; however, these policies were not distributed or communicated to employees and contract workers.
- The Semi-Annual Spring 2015 RACF Self-Audit was not performed during fiscal year 2015.
- Of the 57 MAVERICS profiles examined, eleven did not have valid RACF profiles.
- Of the 57 MAVERICS profiles examined, eleven had security profiles that had been inactive for over 90 days without being disabled or deleted.
- Of the 57 MAVERICS profiles examined, three instances were noted in which the employee was terminated and the security profiles were not deleted at termination.
- Of the 57 MAVERICS profiles examined, one instance was noted in which the employee was terminated and neither the security profile nor RACF profile were deleted at termination.

Failure on the part of MDHS to strengthen controls could allow basic TANF benefits to be certified/approved by unauthorized personnel.

Recommendation:

We recommend the Mississippi Department of Human Services strengthen controls over access to the MAVERICS.

SUBRECIPIENT MONITORING

Control Deficiency

93.568 Low Income Home Energy Assistance Program
93.575 Child Care and Development Block Grant
93.596 Child Care Mandantory and Matching Funds of the Child Care Development Fund

Federal Award Number and Year:

G1201MSCCDF	2012	G13B1MSLIEA	2013
G1301MSCCDF	2013	G14B1MSLIEA	2014
G1401MSCCDF	2014		

Questioned Costs: None

Oth-06 Controls Should Be Strengthened over On-Site Monitoring

Finding:

The terms and conditions of the grant agreements between the Mississippi Department of Human Services (MDHS) and the U.S. Department of Health and Human Services require MDHS to administer grants in compliance with the Code of Federal Regulations (45 CFR Part 92). The Code of Federal Regulations (45 CFR Part 92.40) designates MDHS for managing the day-to-day operations of grant and subgrant supported activities. Grantees must monitor grant and subgrant supported activities to assure compliance with applicable Federal requirements and to ensure performance goals are being achieved. Grantee monitoring must cover each program, function or activity.

We evaluated MDHS's compliance with subrecipient monitoring requirements based on written policies and procedures designed by MDHS's Division of Program Integrity – Office of Monitoring (OM) to satisfy during-the-award monitoring requirements. OM procedures require an on-site monitoring review of each subgrantee contract at least once during the subgrant period. A tracking mechanism is used to ensure all subgrantee contracts are properly identified and monitored. Monitoring tools/checklists are used during each on-site monitoring review to provide guidance and to document a review was performed. The on-site monitoring workpapers are reviewed and approved by OM supervisory personnel prior to issuance of a written report, the Initial Report of Findings & Recommendations, which is used for communicating finding(s) and/or questioned costs to subgrantees. The written report should be issued within 30 working days from the date of the exit conference, which is normally held on the last day of the on-site review.

During testwork performed on subrecipient on-site monitoring for 19 subgrant contracts during state fiscal year 2015, we noted the following weaknesses:

- One contract tested, or five percent, was not monitored within the contract period as required by Program Integrity's Division of Monitoring procedures. Contract was monitored 58 days late.
- One contract, or five percent, in which the monitoring file had no evidence of the Programmatic Tool or Fiscal Monitoring Tool.
- During our verification of the completeness of the sample population of 115, we noted one additional contract on the FY14 tracking document (outside the parameters of our testing population) for which recorded monitoring date indicates that monitoring occurred subsequent to contract end date.

MDHS programmatic funding divisions rely upon OM monitoring procedures to verify compliance with program regulations and to identify potential problem areas needing corrective action. Failure to properly monitor subrecipients in a timely manner could allow noncompliance with federal regulations to occur and go undetected, potentially resulting in questioned costs.

Recommendation:

We recommend the Mississippi Department of Human Services' Division of Program Integrity – Office of Monitoring (OM) strengthen its existing internal controls over on-site monitoring to ensure all active subgrantee contracts are timely monitored during-the-award in accordance with OM policies and procedures. We also recommend that the agency ensure that the Report of Findings & Recommendations prepared as a result of the on-site monitoring be issued in a timely manner to enable immediate corrective action procedures to be initiated. We further recommend that the agency maintain all supporting monitoring tools, reports, and correspondence in the monitoring file.

End of Report

ATTACHMENTS

PHIL BRYANT
GOVERNOR

March 17, 2016

Ms. Jeannie Chaffin, Director
Office of Community Services
Administration for Children and Families
U. S. Department of Health and Human Services
370 L'Enfant Promenade, S. W., 5th Floor, West
Washington, D.C. 20447

Dear Ms. Chaffin:

I hereby authorize Mr. John Davis, Executive Director of the Mississippi Department of Human Services (MDHS), to be the official signature authority for all funds appropriated to MDHS by the U. S. Department of Health and Human Services. In addition, I authorize Mr. Davis to sign all assurances for the Community Services Block Grant and Low-Income Home Energy Assistance Program (LIHEAP) grant applications outlined in the respective statute, as amended. To comply with the LIHEAP stature, Mr. Davis is duly authorized to certify that MDHS will comply with the 16 assurances contained in the LIHEAP Act, Title XXVI of the Omnibus Budget Reconciliation Act of 1981 as amended, in the administration and operation of its Low-Income Home Energy Assistance Program.

Should you need additional information, please contact Mr. Davis at (601)359-4457 or Post Office Box 352, Jackson, Mississippi 39205.

Sincerely,

Phil Bryant
GOVERNOR

PB:JD:tr

cc: Mr. John Davis

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ATTACHMENT-LIHEAP SERVICE DELIVERY PLAN

Statutory reference 2605 (b)

The LIHEAP statute identifies the following group of low-income households below as having the "highest home energy needs":

- High Burden Households: High burden households are those households with the lowest incomes and highest home energy costs. The concern is that such households will face safety risks in trying to heat or cool their home if they cannot pay their heating or cooling bills. Safety risks can include use of makeshift heating sources or inoperative/faulty heating or cooling equipment that can lead to indoor fires, sickness, or asphyxiation.

Administration for Children and Families (ACF) has included in its LIHEAP performance plan the program goal of "increasing the availability of LIHEAP fuel assistance to vulnerable and high burden households whose health and/or safety are endangered by living in a home without sufficient heating or cooling." ACF has translated the program goal into the following explicit targeting performance goals of increasing the targeting index of:

- LIHEAP recipient households having at least one member 60 years or older compared to non-vulnerable LIHEAP recipient households;

- LIHEAP recipient households having at least one member five years or younger compared to non-vulnerable LIHEAP recipient households; and

- LIHEAP recipient high-energy burden households compared to LIHEAP recipient low-energy burden households.

LIHEAP's targeting performance is a proxy measure for health and safety outcomes. Improving targeting performance for eligible vulnerable households can help such households avoid serious health risks if they cannot afford to adequately heat or cool their homes.

ATTACHMENT-LIHEAP SERVICE DELIVERY PLAN

Statutory reference 2605 (b)

LIHEAP Performance Measures

The State will comply with reporting on the LIHEAP Performance Measures for FFY 2016. Coordination with the 5 largest electric vendors and 5 largest gas vendors in the state will enable the state to provide data for the LIHEAP Performance Measures report due at the end of FFY 2016.

Data will be collected on the three major areas of the Performance Measures Report:

1. Energy Burden
2. Restoration of home energy service
3. Prevention of loss of home energy service

LIHEAP Objectives

Each agency **must** address the six LIHEAP goals shown in the attached goal section and each LIHEAP goal and outcome measure **must be quantified**. Agencies must ensure that they have reviewed previous year totals to estimate more accurate totals for upcoming year. The LIHEAP goals and objectives should be integrated and reported as part of Virtual ROMA. All clients with high energy burdens **must** be referred to Weatherization.

A. GOAL

To target and provide financial assistance and consumer education to all low income households being served, taking into account both energy consumption and vulnerability of one or more household members (disabled, elderly and children) while at the same time reducing the client's burden of energy costs/consumption.

Note: The goals may be measured by one or more of the following outcome measures as shown after each goal. Each Agency may select one or more of the outcome measures for each goal. Quantify the number of clients to be assisted under each goal.

OUTCOME MEASURES

1. Stabilize clients after LIHEAP and/or weatherization assistance.

2. Stabilize the vulnerable (disabled, elderly, and children) targeted households served, as well as those involved in case management to become self-sufficient.

MEASURABLE ACTIVITIES

1. Obtain energy statements and/or bills of clients 6 months before and 6 months after energy assistance. Calculate and compare the statements and/or bills for the (12) month period, paying particular attention to justify the increase and decrease of the clients' statements and/or bills. Maintain an accurate record and/or bills of clients 6 months before and 6 months after energy assistance. Calculate and compare the statements and/or bills for the (12) month period, paying particular attention to justify the increase and decrease of the clients' statements and/or bills.

2. Provide counseling and maintain an accurate record of energy consumption orientations and private individual sessions. Maintain an accurate record of LIHEAP households who completed financial assistance/counseling sessions.

3. Maintain an accurate record of the number of clients referred to the Weatherization Assistance Program that actually received services.

B. GOAL

To increase energy affordability for LIHEAP recipient households.

OUTCOME MEASURES

1. Increase the number of households participating in the vendor- sponsored low-income programs, for example, vendor participation workshops.

2. Increase the number of previously served LIHEAP recipients making regular utility payments to vendor/suppliers.

MEASURABLE ACTIVITIES

1. Obtain from vendors a copy of the clients' payments 6 months before and 6 months after energy assistance for a comparison analysis.

2. Maintain an accurate record of the clients participating in vendor- sponsored programs.

3. Provide counseling and maintain an accurate record of energy conservation orientations and provide individual sessions.

C. GOAL

To increase efficiency of energy consumption for LIHEAP recipient households.

OUTCOME MEASURES

1. Increase the serviceable number of LIHEAP recipient households weatherized, including low/no-cost energy related home repair(s).

2. Increase the number of LIHEAP recipient households practicing energy conservation and receiving energy counseling and/or education.

3. Decrease the number of repeat LIHEAP households requiring intense targeting for regular assistance or crisis intervention.

MEASURABLE ACTIVITIES

1. Maintain an accurate record of the number of recipient households that were served.

2. Maintain an accurate record of the number of referrals to other programs/services.

3. Maintain an accurate record of the number of recipient households practicing effective energy conservation from the "client survey".

4. Maintain an accurate record of the number of clients whose energy burden was reduced due to LIHEAP in combination with other energy resources, i.e., utility discounts.

D. GOAL

Perform leveraging activities to serve additional LIHEAP clients or provide a greater level of assistance to stabilize clients.

OUTCOME MEASURES

1. Serve additional LIHEAP clients.

2. Increase leveraging activities to generate a minimum amount of 15% of funds from the prior year to serve additional LIHEAP clients.

3. Solicit non-federal funds from philanthropic organizations.

4. Solicit in-kind gifts from philanthropic organizations and individuals.

MEASURABLE ACTIVITIES

1. Maintain an accurate number of LIHEAP clients served from leveraged funds.

2. Maintain an accurate listing of solicitations and funds received from foundations, corporations, and organizations.

3. Maintain an accurate number of households who were referred to non-LIHEAP energy related programs.

E. GOAL

To perform whole-house weatherization measures to a designated number of homes using LIHEAP funds, targeting households in which at least one member is elderly, disabled or a small child to reduce the energy cost/consumption of the household.

OUTCOME MEASURES

1. To decrease the energy cost/consumption of low-income households.

2. To increase the indoor quality of the homes of low-income households by addressing health and safety issues within the home.

MEASURABLE ACTIVITIES

1. Provide consumer education to household members participating and maintain record of all sessions.

2. Maintain an accurate record of the make-up of all households participating to include vulnerable household members.

3. Obtain statements from an adult household member to verify if the weatherization measures completed on the home have made a noticeable difference in the heating/cooling of the home.

4. Obtain energy bills for participating households for comparison over a 6-month period to observe actual increases/decreases in energy cost/consumption.

F. GOAL

Low income people, especially vulnerable populations, achieve their potential by Strengthening Family and Other Supportive Services.

OUTCOME MEASURES

1. To increase the number of low-income individuals or families served by

Community Action that sought emergency assistance and increase the percentage of those households for which assistance was provided, including LIHEAP.

2. To increase the number of vulnerable population showing improvement as a result of receiving LIHEAP assistance or benefit.

3. To increase the number of households for which LIHEAP assistance avoids a loss of energy service.

4. Increase the number of households in crisis whose emergency needs are ameliorated due to LIHEAP assistance or benefit.

5. Increase the number of high consumption households realizing a reduction in energy burden as a result of receiving LIHEAP assistance or benefit and increase the number of households for which LIHEAP assistance avoids a loss of energy service.

6. Increase the number of LIHEAP recipients making regular payments to energy suppliers as a result of financial counseling and increase the number of LIHEAP recipient households who received low/no cost energy related home repair through WAP.

7. Increase the number of LIHEAP households who completed financial assistance/counseling sessions.

MEASURABLE ACTIVITIES

1. Maintain an accurate record of the number of individuals or families that sought emergency assistance and note the percentage of those households assisted.

2. Maintain an accurate record of the number of households whereby supportive services were provided.

3. Maintain an accurate record of the households that avoided energy service

ATTACHMENT-COMPLIANCE MONITORING

Statutory Reference 2605(b)(10)

Division of Monitoring (DPI)

MONITORING

The Mississippi Department of Human Services (MDHS) is required to monitor the activities of its subgrantees by following the Single Audit Act Amendments of 1996, the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the OMB Circular A-133 Compliance Supplement. MDHS shall monitor each project, program, subgrant, function, or activity supported by a Federal award to assure compliance with applicable Federal regulations and that performance goals are achieved.

POLICY

MDHS has established uniform monitoring policies designed to ensure that all subgrants under the jurisdiction of MDHS are administered in compliance with Federal requirements and with the terms of the subgrant agreements. Monitoring subgrants, for compliance with the applicable Federal regulations, State laws, Agency policies, and the terms of the subgrant agreements, is the responsibility of the MDHS Division of Program Integrity.

Subgrant monitoring procedures may include several of the various options available. These options include: reviewing reports submitted by the subgrantee; reviewing documentation supporting expenses reported under MDHS subgrants; reviewing the subgrantee‟s single audit or program-specific audit results and evaluating audit findings and the subgrantee‟s corrective action plan; performing on-site reviews of fiscal and programmatic records and observing subgrantee operations; and/or, arranging for limited scope audits of specific compliance areas.

Planning Considerations

When determining the extent of monitoring procedures to perform, MDHS will consider factors such as the amount of the subgrant, the percentage of a Federal program’s total funds awarded to subgrantees, and the complexity of the compliance requirements. To determine the appropriateness of monitoring procedures, MDHS will consider the cost-effectiveness of monitoring procedures compared to the relative size and complexity of the Federal awards administered by the subgrantee. The following factors will also be considered when determining the monitoring procedures to be performed to ensure compliance with the Federal regulations, State laws, Agency policies and procedures, and the terms of the subgrant agreement:

1. The amount of the subgrant in relation to the total amount of the program;

2. Prior experience of the subgrantee operating subgrants supported by Federal funds;

3. Results of the MDHS follow-up on prior year single audit findings;

4. Results of the review of documents submitted by the subgrantee;

5. Results of the desk review of supporting documentation for expenditures;

6. Results of previous on-site fiscal and programmatic reviews; and/or,

7. Specific requests by the MDHS Executive Director or Funding Division Director.

Monitoring Procedures

1. **Review of Reports Submitted by Subgrantees**

Subgrants may be monitored by reviewing reports submitted by the subgrantee for compliance with the subgrant agreement and program instructions. For example, the monthly reporting worksheets may be reviewed for accuracy and completeness or the quarterly programmatic report may be reviewed to ensure that each element of the Scope of Services is being met.

2. **Review of Supporting Documentation for Expenditures**

Subgrants may be monitored by performing a desk review of supporting documentation for expenditures reported under the subgrant. This review consists of contacting the subgrantee and requesting documents to support certain amounts included on the subgrantee‟s reporting worksheets. These documents will be examined by the monitors to determine compliance with the subgrant agreement and with State and Federal regulations. The results of the desk review will be communicated in a written report to the subgrantee and to the MDHS Funding Division.

Desk reviews may be conducted at any time by staff of the MDHS, Division of Program Integrity. The desk review procedure may be used in lieu of or in conjunction with an on-site fiscal review or as a follow-up to an on-site fiscal review to ensure that corrective actions have been implemented.

Fiscal monitoring through a desk review will include, at a minimum, a review of all documents to support all expenses reported for one month of the subgrant period. Documents shall be reviewed to support costs reported on the reporting worksheet submitted for the month in which the highest dollar amount of expenses was reported as of the date that the schedule letter was prepared to begin the desk review and request support documents.

When fiscal monitoring is initiated through a desk review and sufficient documents are not provided by the subgrantee/contractor to support costs reported on the reporting worksheet, the desk review shall cease and fiscal monitoring shall be completed through an on-site review.

Fiscal monitoring shall not be performed through a desk review on the first subgrant awarded to a subgrantee. In addition, monitoring through a desk review shall be alternated with on-site reviews so that on-site fiscal monitoring is performed at least every other year.

Monitoring for programmatic compliance cannot be performed through a desk review.

3. Review of the Subgrantee's Single Audit Report for Compliance, Evaluation of Audit Findings, and Follow-up on Corrective Actions

Subgrantees that expend $500,000.00 or more of Federal financial assistance during the subgrantee‟s fiscal year shall have an audit performed by an independent Certified Public Accountant in accordance with the Single Audit Act and OMB Circular A-133. As a part of MDHS‟ monitoring of each of its subgrants, these independent auditor's reports shall be obtained from the subgrantees and reviewed for compliance with Federal regulations.

Any audit findings identified in the independent auditor's reports, as well as the subgrantees proposed corrective action plans, shall be evaluated by the MDHS Funding Divisions. If the subgrantee‟s corrective action plan is acceptable, a management decision will be issued by the MDHS Funding Division to resolve the audit findings. The MDHS Division of Program Integrity will follow-up on the subgrantee‟s corrective action plan during the next on-site fiscal review that is conducted.

4. On-Site Reviews for Program Compliance

On-site reviews for program compliance are required to be conducted at least once during the subgrant period for every MDHS subgrant. On-site reviews for program compliance may be performed on any subgrant at any time and may be repeated as often as deemed necessary by MDHS. These reviews for program compliance will be conducted by the MDHS Division of Program Integrity.

The on-site programmatic reviews are formal in nature and are normally preceded by written notification to the subgrantee and to the appropriate MDHS Funding Division Directors. However, unannounced on-site programmatic reviews may also be conducted. On-site entrance and exit conferences will be conducted with subgrantee officials and a written report will be issued communicating the results of the review to the subgrantee and to the MDHS Funding Divisions. The Agency shall follow-up on the subgrantee‟s corrective action plan for any programmatic monitoring findings.

5. On-Site Reviews for Fiscal Compliance

On-site reviews for fiscal compliance will be conducted by the Division of Program Integrity, as provided under this section. These visits may also be conducted at the request of the MDHS Executive Director or the MDHS Funding Division Director.

These reviews are formal in nature and are normally preceded by written notification to the subgrantee. The appropriate Funding Division Directors shall also receive written notification of on-site fiscal reviews. However, unannounced on-site fiscal reviews may also be conducted. On-site entrance conferences will be conducted with subgrantee officials. Exit conferences will be conducted and a written report will be issued communicating the results of the review to the subgrantee and to the MDHS Funding Divisions. MDHS shall follow-up on the subgrantee‟s corrective action plan for any fiscal monitoring findings.

6. Limited Scope Audits of Specific Compliance Areas

The Agency may engage an independent Certified Public Accountant to perform a Limited Scope Audit of certain MDHS subgrants. The need for this type of review shall be determined on an individual basis and shall be documented by the Division of Program Integrity. The results of this review shall be communicated to the subgrantee and to the MDHS Funding Divisions in a written report.

Corrective Action Process

The Initial Report of Findings and Recommendations that is forwarded to the subgrantee and to the MDHS funding division shall require a written response from the subgrantee within fifteen (15) working days. Upon receipt of the response from the subgrantee, the Director of the Office of Monitoring and other appropriate staff shall assess each response for adequacy. If all responses are adequate, a letter will be issued to the subgrantee clearing all findings. If any responses do not adequately address the findings, the subgrantee will be notified in writing by the issuance of a Status Report acceptable to MDHS requiring a second response from the subgrantee within ten (10) working days.

If the subgrantee fails to satisfactorily resolve all of the monitoring findings, the Office of Monitoring will issue a Final Notice Letter to the subgrantee demanding that the subgrantee refund the amount of questioned costs and advising the subgrantee of the procedures to follow if they wish to request an administrative hearing with the MDHS Executive Director.

If the subgrantee does not respond to the Final Notice Letter, the subgrantee will be referred to the State of Mississippi Office of the Attorney General to recover the unresolved questioned costs, and the Agency may begin procedures for debarment and suspension against the subgrantee organization and the subgrantee authorized official.

Discovery of Possible Fraud, Mismanagement, or Program Abuse

In the event indications of possible fraud, mismanagement, or program abuse are discovered during the course of monitoring subgrants, the Director of the Office of Monitoring shall notify the Director of the Division of Program Integrity, who shall notify the MDHS Executive Director. The MDHS Executive Director and appropriate personnel will decide the course of action to be taken,

including the degree of disclosure to subgrantee personnel and to the MDHS Funding Divisions. The format for reporting such incidents will be determined by the Director of the Office of Monitoring and/or the Director of the Division of Program Integrity, after consultation with the MDHS Executive Director.

Division of Community Services (DCS)

Statutory Reference 2605(b)(10)

TRAINING & TECHNICAL ASSISTANCE (T&TA)

DCS staff uses several tools and checklists to conduct an overall comprehensive review of the agencies' operations. Throughout both the programmatic and fiscal review process there should be ongoing, open communication with the staff to facilitate clarification of facts and prevent misunderstandings, provide the reviewer with a full understanding of the agencies' operations, and provide the agency with a full understanding of the review process.

Preliminary areas of noncompliance should be summarized and discussed with the Executive Director and/or designated staff during the exit conference. Copies of specific documents, supporting schedules, and reports obtained during the site visit to facilitate preparation of the report should be discussed during the exit conference. The agency is given the opportunity to provide comments and present additional information or explanation regarding a specific finding before it is included in the report.

The report should include specific timelines for any required corrective action associated with each finding. Copies of the report should be mailed to agency's Board and the agency's Executive Director. A copy should also be provided to the DCS Program Director and Compliance Officer.

The agency is required to respond in writing to each of the findings and observations mentioned in the report, including a detailed plan for taking corrective actions and implementing required changes. The initial response is due within 30 days from the date of the report. The agency's plan for resolution and corrective action will be reviewed by Compliance Team to ensure that all findings have been adequately addressed.

In the event an agency is unable or unwilling to correct a specified area of noncompliance within the prescribed timeline, DCS will report the deficiency to MDHS-Division of Program Integrity. If MDHS determines that the agency remains noncompliance in a specified area, DCS may contact DHHS to initiate proceedings to terminate the organization's designation as a Community Action Agency.

ATTACHMENT-FAIR HEARING PROCESS

Statutory reference 2605(b) (13)

Client Level

Client Rights

A client must be apprised of his/her right to a fair hearing at the time the application is made. Each entity has established a set of procedures which explicitly detail the proper local channels, with the appropriate time frames a client should follow, in his/her request for a fair hearing.

All appeals must be routed through the Division of Community Services.

Step I

After having exhausted all channels of resolution at the local level, the complainant has five (5) working days to submit an appeal to:

Director
Division of Community Services
Mississippi Department of Human Services
Post Office Box 352
Jackson, Mississippi 39205

This appeal must include, but not limited to, the following:

1. Name and address of complainant.
2. Name of entity in dispute.
3. Date of denial notification.
4. Reason for denial.
5. Justification noting why service(s) should be rendered.
6. Two (2) signed and dated copies of the appeal (an original and one copy).

The Director of the Division of Community Services shall have a period of ten (10) working days to research the matter, conduct a hearing, and render a written decision. If this decision is not satisfactory, the complainant may proceed with Step II.

Step II

The complainant shall have five (5) working days after receiving a decision in Step I to file an appeal with:

Executive Director
Mississippi Department of Human Services
Post Office Box 352
Jackson, Mississippi 39205

The procedures for filing such a complaint are the same as those listed in numbers 1-6 of Step I. The Executive Director of the Mississippi Department of Human Services shall have fifteen (15) working days to research the matter, conduct a hearing, and render a decision. Should the complainant deem this decision to be unsatisfactory, he/she may proceed to Step III.

Step III

If the complainant is dissatisfied with the decision rendered by the Executive Director of the Mississippi Department of Human Services, the complainant shall have five (5) working days after receiving a written decision in Step II to file a complaint with the Secretary of the U.S. Department of Health and Human Services. The procedures for filing such a complaint are the same as those listed in Steps I and II. The complaint shall be filed with:

Secretary
U.S. Department of Health and Human Services
Office of Community Services
370 L'Enfant Promenade, S.W., 5th Floor
Washington, DC 20447

At this point the time frame for a response shall be determined solely by the Secretary of the U.S. Department of Health and Human Services. The Secretary's decision is final and binding.

Entity Level

TERMINATION AND/OR SUSPENSION OF COMMUNITY ACTION ENTITIES

The State shall notify, in writing, any community action entity which received funding under the Community Services Block Grant that a hearing on the proposed termination or suspension of such a community action entity, as result of alleged subgrant violation(s), State and/or Federal non-compliance, will be held. The procedures for such hearing are stated below.

A. Hearing notices will be directed from:

Executive Director
Mississippi Department of Human Services
Post Office Box 352
Jackson, Mississippi 39205

B. The notice will include, but not limited to, the following:

1. Name and address of the community action entity whose grant is to be terminated or suspended.

2. Date and location of hearing.

3. Reason(s) for hearing, that is, the alleged violations which are to result in termination or suspension.

C. The Executive Director shall have a period of ten (10) working days after the hearing to render a decision, notify the entity, and forwarded all evidence and its conclusion to the Secretary of the U.S. Department of Health and Human Services for final review and determination.

NOTE: This procedure does not preclude or otherwise limit an eligible entity from seeking review and/or other remedy through the courts.

ATTACHMENT- WASTE, FRAUD & ABUSE

The Division of Community Services has a zero tolerance for the commission or concealment of acts of waste, fraud and abuse. Allegations of such acts will be investigated and pursued to their logical conclusion, including legal action where warranted.

Whistleblower Protection

According to Mississippi Code Section 25-9-171, et seq. an employer can not dismiss or otherwise adversely affect the compensation or employment status of an employee who testifies or provides information to an investigative body.

Definitions of Waste, Fraud and Abuse

According to the U.S. Office of Inspector General

Waste- involves the taxpayers not receiving reasonable value for money in connection with any government funded activities due to an inappropriate act or omission by players with control over or access to government resources.

Fraud- a type of illegal act involving the obtaining of something of value through willful misrepresentation. A false representation of a material fact, whether by words or by conduct, by false or misleading allegations, or by concealment of that which should have been disclosed, which deceives another so that he acts, or fails to act to his detriment.

Abuse- involves behavior that is deficient or improper when compared with behavior that a prudent person would consider reasonable and necessary business practice given the facts and circumstances. Abuse also includes misuse of authority or position for personal financial interests or those of an immediate or close family member or business associate.

Responsibilities

Employee (Grantee Level)

Any employee who has knowledge of waste, fraud or abuse, or has a good reason to suspect that such conduct has occurred, shall adhere to the procedure in this policy. When suspected fraudulent activity, waste, or abuse is observed by, or made known to, an employee, the employee shall immediately report the activity to his/her direct supervisor. If the employee believes that the supervisor is involved with the activity, he/she shall immediately report the activity to the Deputy Director. If the employee believes that the Deputy Director may be involved with the activity, the employee shall report the activity to the Division Director.

Employee (Subgrantee Level)

Any employee who has knowledge of waste, fraud or abuse, or has a good reason to suspect that such conduct has occurred, shall adhere to the procedure in this policy. When suspected fraudulent

activity, waste, or abuse is observed by, or made known to, an employee, the employee shall immediately report the activity to his/her direct supervisor. If the employee believes that the supervisor is involved with the activity, he/she shall immediately report the activity to the Executive Director. If the employee believes that the Executive Director may be involved with the activity, the employee shall report the activity to the Board of Directors.

Client

The Division of Community Services cannot compel citizens and customers to report suspected instances of waste, fraud and abuse. However, the Division of Community Services strongly encourages them to do so. Once management at the agency level or at the state level has been informed of suspected waste, fraud or abuse, management shall provide the client with the established procedures for filing a report.

Vendor

Any citizens, customer, vendor or agency that has knowledge of waste, fraud or abuse, or has a good reason to suspect that such conduct has occurred should report the occurrence to the Division of Community Services where an investigation will be launched.

Types of Waste, Fraud and Abuse

Employee: Omitting client information, ghost clients, charging application fees, former employee having access to software, receiving kickback from vendor, etc.

Client: Hiding income, household size incorrect, forging documents needed to complete intake, etc.

Vendor/Contractor: Charging a higher amount than the lowest allowable, doctoring delivery tickets, providing financial incentive to staff to overlook unallowable charges, double charges, incorrect pricing, etc.

Ways to Report Waste, Fraud and Abuse

- Fill out a form located on https://virtualroma.mdhs.ms.gov/
- Email: virtualroma@mdhs.ms.gov
- Call: 1-800-421-0762
- Fax: 601-359-4370
- Write:
  Division of Community Services
  Attention: Director
  750 North State Street
  Jackson, MS 39202

What Information to Submit

Provide as much detail as possible. You do not need to provide your name.

What Happens Next:

Information will be reviewed by the Division Director and an investigation will be conducted.

Employee: Persons who have been found guilty of waste, fraud and abuse are subject to prosecution and/or recoupment of any benefits provided, following due process as defined in agency regulations and may will be terminated.

Client: If it is the client's first offense he/she will be ineligible for services for an entire year from the date of the decision. If it is the client's second offense, he/she will be disqualified permanently from the program and is subject to prosecution and/or recoupment of any benefits provided, following due process as defined in agency regulations.

Vendor/Contractors- Vendors/Contractors suspected of fraud and/or misrepresentation, may be suspended from participation and is subject to prosecution and/or recoupment of any benefits provided, following due process as defined in agency regulations.

ATTACHMENT-LEGAL NOTICE & PUBLIC COMMENTS

Statutory reference 2605 (b) (12)

LEGAL GRANTS
(Block Grants)
MISSISSIPPI DEPARTMENT OF
HUMAN SERVICES
Division of Community Services
Legislative Public Hearing

The Mississippi Department of Human Services, Division of Community Services will be conducting the Legislative Public Hearing on the Community Services Block Grant and Low-Income Home Energy Assistance Programs under Title 26 of the Omnibus Budget Reconciliation Act of 1981, as amended. The hearing for the 2017 programs is scheduled for Tuesday, June 28, 2016, at 9:00 a.m. in the new Training Room at the Mississippi Department of Human Services, 750 North State Street, Jackson, Mississippi.

The Community Services Block Grant provides funds for a range of activities to ameliorate the causes and effects of poverty. For Fiscal Year 2017, at least 90 percent of the funds allocated to the State through these grants will be contracted to non-profit community action agencies, migrant seasonal farm worker organizations or community-based organizations that meet the eligibility requirements as described in Section 675 of the Community Services Block Grant Act, as amended. The eligibility requirements for the program are outlined in the application process.

The Low-Income Home Energy Assistance Program assists eligible households to pay the costs of home energy bills and other energy-related services, for example, wood, kerosene, electricity, gas, heaters, blankets, fans and air conditioners. For Fiscal Year 2017, at least 90 percent of the funds allocated to the State through these grants will be contracted to private, nonprofit, and public agencies designated in accordance with Public Law 97-35, as amended. The eligibility requirements for the program are outlined in the application process.

Copies of the state plans are available for review at the Mississippi Department of Human Services by calling 601-359-4768 or 1-800-421-0762.

Inquiries, comments or suggestions regarding the block grant plans and/or eligibility requirements must be received on or before July 5, 2016 by the Division of Community Services, P. O. Box 352, Jackson, Mississippi 39205. Public comments will be reviewed before finalizing the 2017 State Plans for these programs.

DIVISION OF COMMUNITY SERVICES
MEMORANDUM

TO: Katrina Smith, Director
Office of Accounting

FROM: Nicole McBeath
Division of Community Services

DATE: May 11, 2016

SUBJECT: Publication of Legal Notice

The Division of Community Services requests that a legal notice concerning the Legislative Public Hearing on the Community Services Block Grant and Low-Income Home Energy Assistance Programs be published in the classified section of the twelve newspapers listed (See attachment). The information should be advertised on June 14, 2016 and June 21, 2016 and should appear one time in each newspaper. **Please send us the copies of the newspaper advertisements from three different publishers as soon as they are announced.**

Should you have any questions, please contact Nicole McBeath at 9-4765.

TMR:nm

Attachments

Mississippi Department of Human Services
Division of Community Services

NEWSPAPERS

1. **The Jackson Advocate**
   115 East Hamilton
   Jackson, MS 39202

2. **The Clarion Ledger**
   Post Office Box 40
   Jackson, MS 39205-0040

3. **The Natchez Democrat**
   Post Office Box 1447
   Natchez, MS 39121-39221

4. **The Vicksburg Evening**
   Post Office Box 951
   Vicksburg, MS 39180

5. **The Commercial Dispatch**
   Post Office Box 511
   Columbus, MS 39703

6. **The Northeast MS Daily Journal**
   Post Office Box 909
   Tupelo, MS 38801

7. **The Delta Democrat Times**
   Post Office Box 1618
   Greenville, MS 38701

8. **The Hattiesburg American**
   Post Office Box 1111
   Hattiesburg, MS 39401

9. **The Daily Corinthian**
   Post Office Box 119
   Corinth, MS 38834

10. **The Clarksdale Press Registrar**
    Post Office Box 1119
    Clarksdale, MS 38614

11. **The Gulf Publishing Company**
    Post Office Box 4567
    Biloxi, MS 39535

12. **The Meridian Star**
    Post Office Box 1591
    Meridian, MS 39301

ATTACHMENT-LEGAL NOTICE & PUBLIC COMMENTS

COMMENTS FROM THE 2017 LEGISLATIVE PUBLIC HEARING

Will be attached once public hearing is held.

ATTACHMENT-CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

Public law 103-227, also known as the Pro-Children Act of 1994 (act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, early childhood development services, education or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State or local governments, by Federal grants, contract loan, or loan guarantee. The law also applies to children's services that are provided in indoor facilities that are constructed operated, or maintained with such Federal funds, The law does not apply to children's services provided in private residences, Portions of facilities used for inpatient drug or alcohol treatment; service providers whose sole source of applicable Federal funds is Medicare or Medicaid; or facilities where WIC coupons are redeemed. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to $1,000 for each violation and. / or the imposition an administrative compliance order on the responsible entity.

By signing this certification, the offer or/contractor (for acquisitions) or applicant/grantee (for grants) certifies that the submitting organization will comply with the requirements of the Act and will not allow smoking within any portion of any indoor facility used for the provision of services for children as defined by the Act.

The submitting organization agrees that it will require that the language of this certification be included in any subawards which contain provisions for children's services and that all subrecipients shall certify accordingly.

_____ _____

John Davis, Executive Director Date
Mississippi Department of Human Services

ATTACHMENT-CERTIFICATION REGARDING LOBBYING

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, ``Disclosure Form to Report Lobbying," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

Statement for Loan Guarantees and Loan Insurance

The undersigned states, to the best of his or her knowledge and belief, that:

If any funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this commitment providing for the United States to insure or guarantee a loan, the undersigned shall complete and submit Standard Form-LLL, ``Disclosure Form to Report Lobbying," in accordance with its instructions. Submission of this statement is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required statement shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

_____ _____

John Davis, Executive Director
Mississippi Department of Human Services

Date

ATTACHMENT-CERTIFICATION REGARDING DEBARMENT, SUSPENSION AND OTHER RESPONSIBILITY MATTERS

Certification Regarding Debarment, Suspension, and Other Responsibility Matters--Primary Covered Transactions

Instructions for Certification

1. By signing and submitting this proposal, the prospective primary participant is providing the certification set out below.

2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The prospective participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.

3. The certification in this clause is a material representation of fact upon which reliance was placed when the department or agency determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.

4. The prospective primary participant shall provide immediate written notice to the department or agency to which this proposal is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

5. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded, as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549. You may contact the department or agency to which this proposal is being submitted for assistance in obtaining a copy of those regulations.

6. The prospective primary participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.

7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled ``Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction,'' provided by the department or agency

entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and Non-procurement Programs.

9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.

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Certification Regarding Debarment, Suspension, and Other Responsibility Matters--Primary Covered Transactions

(1) The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:

(a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal department or agency;

(b) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and

(d) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

(2) Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion--Lower Tier Covered Transactions

Instructions for Certification

1. By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below.

2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

3. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or had become erroneous by reason of changed circumstances.

4. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded, as used in this clause, have the meaning set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations.

5. The prospective lower tier participant agrees by submitting this proposal that, [[Page 33043]] should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.

6. The prospective lower tier participant further agrees by submitting this proposal that it will include this clause titled ``Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from covered transactions,

unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and Non-procurement Programs.

8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

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Certification Regarding Debarment, Suspension, Ineligibility an Voluntary Exclusion--Lower Tier Covered Transactions

(1)The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

(2)Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

_____ _____

John Davis, Executive Director
Mississippi Department of Human Services

Date

ATTACHMENT-CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

This certification is required by the regulations implementing the Drug-Free Workplace Act of 1988: 45 CFR Part 76, Subpart, F. Sections 76.630(c) and (d)(2) and 76.645(a)(1) and (b) provide that a Federal agency may designate a central receipt point for STATE-WIDE AND STATE AGENCY-WIDE certifications, and for notification of criminal drug convictions. For the Department of Health and Human Services, the central pint is: Division of Grants Management and Oversight, Office of Management and Acquisition, Department of Health and Human Services, Room 517-D, 200 Independence Avenue, SW Washington, DC 20201.

Certification Regarding Drug-Free Workplace Requirements (Instructions for Certification)

1. By signing and/or submitting this application or grant agreement, the grantee is providing the certification set out below.

2. The certification set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. If it is later determined that the grantee knowingly rendered a false certification, or otherwise violates the requirements of the Drug-Free Workplace Act, the agency, in addition to any other remedies available to the Federal Government, may take action authorized under the Drug-Free Workplace Act.

3. For grantees other than individuals, Alternate I applies.

4. For grantees who are individuals, Alternate II applies.

5. Workplaces under grants, for grantees other than individuals, need not be identified on the certification. If known, they may be identified in the grant application. If the grantee does not identify the workplaces at the time of application, or upon award, if there is no application, the grantee must keep the identity of the workplace(s) on file in its office and make the information available for Federal inspection. Failure to identify all known workplaces constitutes a violation of the grantee's drug-free workplace requirements.

6. Workplace identifications must include the actual address of buildings (or parts of buildings) or other sites where work under the grant takes place. Categorical descriptions may be used (e.g., all vehicles of a mass transit authority or State highway department while in operation, State employees in each local unemployment office, performers in concert halls or radio studios).

7. If the workplace identified to the agency changes during the performance of the grant, the grantee shall inform the agency of the change(s), if it previously identified the workplaces in question (see paragraph five).

8. Definitions of terms in the Non-procurement Suspension and Debarment common rule and Drug-Free Workplace common rule apply to this certification. Grantees' attention is called, in particular, to the following definitions from these rules:

   Controlled substance means a controlled substance in Schedules I through V of the Controlled Substances Act (21 U.S.C. 812) and as further defined by regulation (21 CFR 1308.11 through 1308.15);

   Conviction means a finding of guilt (including a plea of nolo contendere) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the Federal or State criminal drug statutes;

   Criminal drug statute means a Federal or non-Federal criminal statute involving the manufacture, distribution, dispensing, use, or possession of any controlled substance;

   Employee means the employee of a grantee directly engaged in the performance of work under a grant, including: (i) All direct charge employees; (ii) All indirect charge employees unless their impact or involvement is insignificant to the performance of the grant; and, (iii) Temporary personnel and consultants who are directly engaged in the performance of work under the grant and who are on the grantee's payroll. This definition does not include workers not on the payroll of the grantee (e.g., volunteers, even if used to meet a matching requirement; consultants or independent contractors not on the grantee's payroll; or employees of subrecipients or subcontractors in covered workplaces).

Certification Regarding Drug-Free Workplace Requirements Alternate I. (Grantees Other Than Individuals)

The grantee certifies that it will or will continue to provide a drug-free workplace by:

(a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;

(b) Establishing an ongoing drug-free awareness program to inform employees about –

   (1)The dangers of drug abuse in the workplace;

   (2) The grantee's policy of maintaining a drug-free workplace;

   (3) Any available drug counseling, rehabilitation, and employee assistance programs; and

   (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;

(c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);

(d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will –

(1) Abide by the terms of the statement; and

(2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;

(e) Notifying the agency in writing, within ten calendar days after receiving notice under paragraph (d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

(f) Taking one of the following actions, within 30 calendar days of receiving notice under paragraph (d)(2), with respect to any employee who is so convicted –

(1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or

(2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

(g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e) and (f).

(B) The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant:

Place of Performance (Street address, city, county, state, zip code)

750 North State Street

Jackson, MS 39202 (Hinds County)

Check if there are workplaces on file that are not identified here.
Alternate II. (Grantees Who Are Individuals)

(a) The grantee certifies that, as a condition of the grant, he or she will not engage in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance in conducting any activity with the grant;

(b) If convicted of a criminal drug offense resulting from a violation occurring during the conduct of any grant activity, he or she will report the conviction, in writing, within 10 calendar days of the conviction, to every grant officer or other designee, unless the Federal agency designates a central point for the receipt of such notices. When notice is made to such a central point, it shall include the identification number(s) of each affected grant.

[55 FR 21690, 21702, May 25, 1990]

John Davis, Executive Director
Mississippi Department of Human Services

Date

ATTACHMENT-ASSURANCES

The State of Mississippi agrees to:
(Grantee name)

1. Use of Funds

   a. Use the funds available under this title to—

      i. conduct outreach activities and provide assistance to low income households in meeting their home energy costs, particularly those with the lowest incomes that pay a high proportion of household income for home energy, consistent with paragraph (5);

      ii. intervene in energy crisis situations;

      iii. provide low-cost residential weatherization and other cost-effective energy-related home repair; and

      iv. plan, develop, and administer the State's program under this title including leveraging programs, and the State agrees not to use such funds for any purposes other than those specified in this title;

2. Eligibility

   a. Make payments under this title only with respect to—

      i. households in which 1 or more individuals are receiving—

         - assistance under the State program funded under part A of title IV of the Social Security Act;

         - supplemental security income payments under title XVI of the Social Security Act;

         - food stamps under the Food Stamp Act of 1977; or

         - payments under section 415, 521, 541, or 542 of title 38, United States Code, or under section 306 of the Veterans' and Survivors' Pension Improvement Act of 1978; or

      ii. households with incomes which do not exceed the greater of—

         - an amount equal to 150 percent of the poverty level for such State; or

- an amount equal to 60 percent of the State median income; except that a State may not exclude a household from eligibility in a fiscal year solely on the basis of household income if such income is less than 110 percent of the poverty level for such State, but the State may give priority to those households with the highest home energy costs or needs in relation to household income;

3. Outreach

Conduct outreach activities designed to assure that eligible households, especially households with elderly individuals or disabled individuals, or both, and households with high home energy burdens, are made aware of the assistance available under this title, and any similar energy-related assistance available under subtitle B of title VI (relating to community services block grant program) or under any other provision of law which carries out programs which were administered under the Economic Opportunity Act of 1964 before the date of the enactment of this Act;

4. Coordination

Coordinate its activities under this title with similar and related programs administered by the Federal Government and such State, particularly low-income energy-related programs under subtitle B of title VI (relating to community services block grant program), under the supplemental security income program, under part A of title IV of the Social Security Act, under title XX of the Social Security Act, under the low-income weatherization assistance program under title IV of the Energy Conservation and Production Act, or under any other provision of law which carries out programs which were administered under the Economic Opportunity Act of 1964 before the date of the enactment of this Act;

5. Varying Benefits

Provide, in a timely manner, that the highest level of assistance will be furnished to those households which have the lowest incomes and the highest energy costs or needs in relation to income, taking into account family size, except that the State may not differentiate in implementing this section between the households described in clauses (2)(A) and (2)(B) of this subsection;

6. Local Agencies

a. to the extent it is necessary to designate local administrative agencies in order to carry out the purposes of this title, to give special consideration, in the designation of such agencies, to any local public or private nonprofit agency which was receiving Federal funds under any low-income energy assistance program or weatherization program under the Economic Opportunity Act of 1964 or any other provision of law on the day before the date of the enactment of this Act, except that—

i. the State shall, before giving such special consideration, determine that the agency involved meets program and fiscal requirements established by the State; and

ii. if there is no such agency because of any change in the assistance furnished to programs for economically disadvantaged persons, then the State shall give special consideration in the designation of local administrative agencies to any successor agency which is operated in substantially the same manner as the predecessor agency which did receive funds for the fiscal year preceding the fiscal year for which the determination is made;

7. Vendor Payments

a. if the State chooses to pay home energy suppliers directly, establish procedures to—

i. notify each participating household of the amount of assistance paid on its behalf;

ii. assure that the home energy supplier will charge the eligible household, in the normal billing process, the difference between the actual cost of the home energy and the amount of the payment made by the State under this title;

iii. assure that the home energy supplier will provide assurances that any agreement entered into with a home energy supplier under this paragraph will contain provisions to assure that no household receiving assistance under this title will be treated adversely because of such assistance under applicable provisions of State law or public regulatory requirements; and

iv. ensure that the provision of vendored payments remains at the option of the State in consultation with local grantees and may be contingent on unregulated vendors taking appropriate measures to alleviate the energy burdens of eligible households, including providing for agreements between suppliers and individuals eligible for benefits under this Act that seek to reduce home energy costs, minimize the risks of home energy crisis, and encourage regular payments by individuals receiving financial assistance for home energy costs;

8. Renters

a. provide assurances that

i. the State will not exclude households described in clause (2)(B) of this subsection from receiving home energy assistance benefits under clause (2), and

ii. the State will treat owners and renters equitably under the program assisted under this title;

9. Admin Cost

a. provide that—
   i. the State may use for planning and administering the use of funds under this title an amount not to exceed 10 percent of the funds payable to such State under this title for a fiscal year; and

   ii. the State will pay from non-Federal sources the remaining costs of planning and administering the program assisted under this title and will not use Federal funds for such remaining cost (except for the costs of the activities described in paragraph (16));

10. Monitoring, Fiscal Control, Accounting, Single Audit Act

    Provide that such fiscal control and fund accounting procedures will be established as may be necessary to assure the proper disbursal of and accounting for Federal funds paid to the State under this title, including procedures for monitoring the assistance provided under this title, and provide that the State will comply with the provisions of chapter 75 of title 31, United States Code (commonly known as the "Single Audit Act");

11. Cooperate with Federal Investigations

    Permit and cooperate with Federal investigations undertaken in accordance with section 2608;

12. Public Participation

    Provide for timely and meaningful public participation in the development of the plan described in subsection (c);

13. Fair Administrative Hearing

    Provide an opportunity for a fair administrative hearing to individuals whose claims for assistance under the plan described in subsection (c) are denied or are not acted upon with reasonable promptness;

14. Cooperate with Data Collection and Reporting

    Cooperate with the Secretary with respect to data collecting and reporting under section 2610;

15. Preference in Awarding Grants for Outreach and Intake

    Beginning in fiscal year 1992, provide, in addition to such services as may be offered by State Departments of Public Welfare at the local level, outreach and intake functions for crisis situations and heating and cooling assistance that is administered by additional State and local governmental entities or community-based organizations (such as community

action agencies, area agencies on aging, and not-for-profit neighborhood-based organizations), and in States where such organizations do not administer intake functions as of September 30, 1991, preference in awarding grants or contracts for intake services shall be provided to those agencies that administer the low-income weatherization or energy crisis intervention programs; and

16. Efforts to Reduce Home Energy Needs

Use up to 5 percent of such funds, at its option, to provide services that encourage and enable households to reduce their home energy needs and thereby the need for energy assistance, including needs assessments, counseling, and assistance with energy vendors, and report to the Secretary concerning the impact of such activities on the number of households served, the level of direct benefits provided to those households, and the number of households that remain unserved.

Certification to the Assurances: As Chief Executive Officer, I agree to comply with the sixteen assurances contained in Title XXVI of the Omnibus Budget Reconciliation Act of 1981, as amended. * By signing these assurances, I also agree to abide by the standard assurances on lobbying, debarment, suspension, and a drug-free workplace.

Signature of the Tribal or Board Chairperson or Chief Executive Officer of the State or Territory.**

_____ _____

John Davis, Executive Director Date
Mississippi Department of Human Services

*Indian tribes/tribal organizations and territories with annual regular LIHEAP allotments of $200,000 or less, are not subject to assurance 15, and thus must only certify to 15 assurances.

** If a person other than the Chief Executive Officer of the State or territory, or Tribal Chairperson or Board Chairperson of a tribal organization, is signing the certification to the assurances, a letter must be submitted delegating such authority. (PLEASE ATTACH DELEGATION AUTHORITY.) The delegation must include authority to sign the assurances, not just to administer the program.

*** HHS needs the EIN (Entity Identification Number) of the State, territory or Tribal agency that is to receive the grant funds before it can issue the grant.

In the above assurances which are quoted from the law, "State" means the 50 States, the District of Columbia, and Indian Tribe or Tribal Organization, or a Territory; "title" of the Act refers to Title XXVI of the Omnibus Budget Reconciliation Act of 1981 (OBRA), as amended, the "Low Income Home Energy Assistance Act"; "section" means Section 2605 of OBRA; and, "subsection" refers to Section 2605(b) of OBRA.