

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) -FINAL DETAILED MODEL PLAN

PUBLIC LAW 97-35, AS AMENDED

FISCAL YEAR (FY) 2022

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

<input checked="" type="checkbox"/>	Heating assistance	Start date:	October 1	End date: April 30
<input checked="" type="checkbox"/>	Cooling assistance	Start date:	May 1	End date: September 30
<input checked="" type="checkbox"/>	Crisis assistance	Start date:	October 1	End date: September 30
<input checked="" type="checkbox"/>	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%.

40 % heating assistance

35 % cooling assistance

10 % crisis assistance

5 % weatherization assistance

00 % carryover to the following Federal fiscal year

10 % administrative and planning costs

0 % 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?

The benefit matrix determines benefit amounts and does not consider categorically eligible households.

SNAP Nominal Payments

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

- Yes No

If you answered “Yes” to question 1.7a, you must provide a response to questions 1.7b, 1.7c, and 1.7d.

1.7b Amount of Minimal Assistance: \$_____

1.7c Frequency of Assistance:

- Once per year
 Once every five years
 Other (describe): _____

1.7d How do you confirm that the household receiving a nominal payment has an energy cost or need?

Determination of Eligibility – Countable Income

1.8 In determining a household’s income eligibility for LIHEAP, do you use gross income or net income?

- Gross Income
 Net Income

1.9 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:

FY 2021 state's median income 60 % for all Household sizes

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.

	<u>Yes</u>	<u>No</u>
● Do you require an assets test?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
● Do you have additional/differing eligibility policies for:		
● Renters?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
● Renters living in subsidized housing?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
● Renters with utilities included in the rent?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
● Do you give priority in eligibility to:		
● Elderly?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
● Disabled?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
● Young children?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
● Households with high energy burdens?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
● Other?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Explanations of policies for each “yes” checked above:

See Eligibility and Benefit Determination Attachment.

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

Persons/households residing in public/subsidized housing dwelling unless their rent/mortgage includes utilities and they are not being billed separately for energy cost.

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.

The elderly and disabled populations are given half of the benefit amount on the benefit matrix during the first month of the program year. 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)

See the LIHEAP Benefit Matrix Attachment. The benefit matrix has maximum amounts. The amounts of the client's bills can be paid up to the maximum amount. We do not place a minimum on the benefit matrix because the amount of the bill is paid.

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.

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:

FY 2021 state median income 60 % for all Household sizes

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.

	<u>Yes</u>	<u>No</u>
● Do you require an assets test?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
● Do you have additional/differing eligibility policies for:		
● Renters?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
● Renters living in subsidized housing?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
● Renters with utilities included in the rent?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
● Do you give priority in eligibility to:		
● Elderly?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
● Disabled?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
● Young children?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
● Households with high energy burdens?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
● Other?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Explanations of policies for each “yes” checked above:

See Eligibility and Benefit Determination Attachment.

The applicant should provide either a copy of their lease; a notarized statement from the landlord detailing the heating/cooling arrangement with the client; or contract with the

landlord that verifies the heating/cooling arrangement that the landlord has with the household. Persons/households residing in public/subsidized housing dwelling unless their rent/mortgage includes utilities and they are not being billed separately for energy cost.

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

The elderly and disabled populations are given half of the benefit amount on the benefit matrix during the first month of the program year. 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)

See the LIHEAP Benefit Matrix Attachment. The benefit matrix has maximum amounts. The amounts of the client's bills can be paid up to the maximum amount. We do not place a minimum on the benefit matrix

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 need.

Section 4: CRISIS ASSISTANCE

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

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

FY 2021 state median income 60 % for all Household sizes

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. For declared natural disasters, the State will use LIHEAP funds to provide emergency housing for eligible households for up to five days to remove the household from the emergency situation. Households will be referred to other programs such as CSBG and state/local resources to provide other emergency needs to include housing/food/clothing if the home is inhabitable.

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.

	<u>Yes</u>	<u>No</u>
● Do you require an assets test?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
● Do you give priority in eligibility to:		
● Elderly?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
● Disabled?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
● Young children?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

- 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?

Explanations of policies for each “yes” checked above:

See Eligibility and Benefit Determination Attachment.

The applicant should provide either a copy of their lease; a notarized statement from the landlord detailing the heating/cooling arrangement with the client; or contract with the landlord that verifies the heating/cooling arrangement that the landlord has with the household. Persons/households residing in public/subsidized housing dwelling unless their rent/mortgage includes utilities and they are not being billed separately for energy cost.

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 depending on the Benefits Matrix amount for the household. See the LIHEAP Benefit Matrix attachment.

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 may 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.

Blankets, heating systems, furnaces and other heating, energy-related materials/services may be provided during the winter. Fans, air conditioners, cooling systems, and other cooling energy-related services may be provided during the summer.

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): <u>Meter Bases, Propane Tank Installation/removable</u>			X
Intervention for vulnerable households can be done until the repair or replacement of units can be completed. Emergency housing in cases of extreme heat or cold, or federal/state declared disaster can be provided up to five days until crisis is solved. Meter bases on homes may be repaired or replaced.			

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

Yes No

4.17 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:

HHS poverty income level 200% for all Household sizes

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

		<u>Yes</u>	<u>No</u>
5.6	Do you require an assets test?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5.7	Do you have additional/differing eligibility policies for:		
	• Renters?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	• Renters living in subsidized housing?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5.8	Do you give priority in eligibility to:		
	• Elderly?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	• Disabled?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	• Young children?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	• Households with high energy burdens?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	• Other?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

If you selected "Yes" for any of the options in questions 5.6, 5.7, or 5.8, you must provide further explanation of these policies in the text field below.

See Renter Eligibility for Weatherization Assistance and Eligibility and Benefit Determination Attachments.

Benefit Levels

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

Yes No

5.10 What is the maximum amount? \$ 7,776

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

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

- | | |
|----------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|
| <input checked="" type="checkbox"/> Weatherization needs assessments/audits | <input type="checkbox"/> Major appliance repairs |
| <input checked="" type="checkbox"/> Caulking and insulation | <input type="checkbox"/> Major appliance replacement |
| <input type="checkbox"/> Install storm windows | <input checked="" type="checkbox"/> Install windows/sliding glass doors |
| <input checked="" type="checkbox"/> Furnace/Heating system modifications/repairs | <input checked="" type="checkbox"/> Install doors (interior/exterior) (<i>if broken</i>) |
| <input checked="" type="checkbox"/> Furnace replacement | <input checked="" type="checkbox"/> Install water heater |
| <input checked="" type="checkbox"/> Cooling system modifications/repairs | <input checked="" type="checkbox"/> Water conservation measures |
| <input checked="" type="checkbox"/> Cooling system replacement | <input checked="" type="checkbox"/> Compact fluorescent light bulbs |
| <input checked="" type="checkbox"/> Energy related roof repair | <input checked="" type="checkbox"/> 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/fliers 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:

See Coordination of LIHEAP Activities Attachment

The State has one application for three programs – LIHEAP, CSBG and Weatherization. Therefore, an application may apply for all programs during the intake process. If the weatherization agency is different from the LIHEAP agency, the LIHEAP agency refers to the weatherization agency to complete the assessment for this program. Local agencies offer all programs administered by that agency, especially to the vulnerable populations of elderly, disabled, and families with children. Local agencies refer applicants to other local offices such as SNAP and TANF if applicant is not currently receiving these services.

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.

8.5. LIHEAP Component Administration.

	<u>Heating</u>	<u>Cooling</u>	<u>Crisis</u>	<u>Weatherization</u>
8.5a: Who determines client eligibility?	CAA	CAA	CAA	CAA
8.5b: Who processes benefit payments to gas and electric vendors?	CAA	CAA	CAA	N/A
8.5c: Who processes benefit payments to bulk fuel vendors?	CAA	CAA	CAA	N/A
8.5d: Who performs installation of weatherization measures?	N/A	N/A	N/A	CAA

8.6 What is your process for selecting local administering agencies?

We have chosen agencies based on prior experience administering similar programs such as CSBG. The State sends the Notice of Funding Availability (NOFA) to local agencies to respond and submit a subgrant proposal for review. The subgrant is reviewed by the Division of Community Services and Division of Procurement Services and AGs Office to ensure all fiscal and programmatic requirements are met. The subgrant is sent to the Executive Director's office for signature after division reviews have been completed and approved.

8.7 How many local administering agencies do you use?

18

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

Yes No

8.9 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

If yes, describe.

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.

If a client's application is denied, the agency must provide written explanation with the reason for the denial. The Fair Hearing Process must be included in the letter sent to the client. The person who approves the request in Virtual ROMA should generate the letter. 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, describe the measures unregulated vendors may take.

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	Monitoring	<i>Strengthen controls over on-site DHS monitoring.</i>	Yes	<i>Compliance Unit Created, MDHS Organizational changes, Training, and Procedures/Policy Changes</i>
2	Monitoring	<i>Strengthen controls over DHS subrecipient monitoring.</i>	Yes	<i>Compliance Unit Created, MDHS Organizational changes, Training, and Procedures/Policy Changes</i>
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 Division of Monitoring and DCS (T&TA) attachment

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

Site Visits: All are monitored.

Desk Reviews: Monthly financial and program reports are reviewed.

10.8. How often is each local agency monitored?

Yearly

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

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

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 (in the Legal Notice)
- Stakeholder consultation meeting(s)
- Comments are solicited during outreach activities
- Other, describe: Draft plan posted by the Secretary of State's Office for public view and comments. Draft plan is reviewed by DHS Compliance Division.

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
July 13, 2021	Mississippi Department of Human Services, 200 South Lamar St., Jackson, MS 39201, “Zoom Meeting”

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

None (The comment was for the 2020 LIHEAP Program funds.)

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

None

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

None

- 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?

None

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

None

- 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 intake process at the CAA. Upon denial of services, a copy of the Fair Hearing Process is given or will be mailed with the denial letter to the applicant. The process for fair hearings is clearly posted in county offices. The Fair Hearing process is posted on Virtual ROMA so applicants have access during pre-application process.

- 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 intake process at the CAA. Upon denial of services, a copy of the Fair Hearing Process is given or will be mailed with the denial letter to the applicant. The process for fair hearings is clearly posted in county offices. The Fair Hearing process is posted on Virtual ROMA so applicants have access during pre-application process.

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?

N/A

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

N/A

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

N/A

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

N/A

- 13.5 How many households applied for these services?

0

- 13.6 How many households received these services?

0

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.

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 2021 leveraging amounts, the State plans to leverage a minimum of 5 percent or more in FY 2022. 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. * 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.

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:

Resource	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?
1	<i>Cash and in-kind contributions, such as discounts, arrearage forgiveness, fuel funds, credit, volunteer, WX materials, waivers: disconnections, deposits, and reconnect fees, etc.</i>	<i>Several organizations, individuals</i>	<i>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.</i>
2	<i>Private sources</i>	<i>Energy Helping Hands</i>	<i>Partnerships donated funds to pay energy related bills</i>

**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 your progress toward meeting the data collection and reporting requirements of the four required LIHEAP performance measures. Include timeframes and plans for meeting these requirements and what you believe will be accomplished in the coming federal fiscal year.

The State of MS is updating its centralized client tracking system (Virtual ROMA-VR) to capture, analyze and submit information regarding energy burden, targeting, restoration/prevention of loss of home energy service. As of August 2016, we have signed vendor agreements to include performance language, new performance related fields in VR system to allow collection and reporting of energy information required to produce the performance report and identify high energy users. The State successfully submits the LIHEAP Performance Measures Report. We continue to work with APPRISE to analyze report and use data to enhance the LIHEAP program.

See 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 - MDHS website
- Other – describe:

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 <input checked="" type="checkbox"/>	Required <input checked="" type="checkbox"/>	Required <input checked="" type="checkbox"/>
	Requested <input type="checkbox"/>	Requested <input type="checkbox"/>	Requested <input type="checkbox"/>
Social Security Number (without actual card)	Required <input type="checkbox"/>	Required <input type="checkbox"/>	Required <input type="checkbox"/>
	Requested <input type="checkbox"/>	Requested <input type="checkbox"/>	Requested <input type="checkbox"/>
Government-issued identification card (i.e.: driver's license, state ID, Tribal ID, passport, etc.)	Required <input checked="" type="checkbox"/>	Required <input checked="" type="checkbox"/>	Required <input type="checkbox"/>
	Requested <input type="checkbox"/>	Requested <input type="checkbox"/>	Requested <input type="checkbox"/>
Other:	Required <input type="checkbox"/>	Required <input type="checkbox"/>	Required <input type="checkbox"/>

*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 children. During the Coronavirus pandemic, Social Security (SS) card requirement is waived. Head of Household must give SS numbers.

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:

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? 1 year or more

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 2022 ALLOCATIONS

(These levels are dependent on the Federal LIHEAP award at the FFY 2021 level.
Adjustments will be made once the final FFY 2022 awards are known.)

Eligible Entities	Allocation
AJFC CAA	\$ 1,764,305
Bolivar Co CAA	\$721,761
Central Mississippi	\$2,200,569
Coahoma Opportunities	\$513,252
Hinds County HRA	\$2,861,381
Jackson Co CAC	\$2,550,222
LIFT	\$2,777,978
Madison Co. CSA	\$651,189
Mid-State Opportunities	\$2,040,178
Multi County CSA	\$2,710,613
Northeast MS	\$1,619,952
PRVO	\$4,317,735
Prairie Opportunity	\$2,518,144
Rankin Co. HRA	\$696,098
South Central CAA	\$340,030
Southwest MS	\$1,081,038
Sunflower-Humphreys Co	\$692,891
WWISCAA	\$2,020,931
Total	\$32,078,267

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.

<u>Federal Poverty Guidelines / State Median Income</u>				
<u>Effective Dates</u>		<u>10/1/2021</u>	<u>10/1/2021</u>	<u>10/1/2021</u>
<u>GRANTS</u>		<u>CSBG</u>	<u>DOE/LIHEAP WX/CSBG COVID</u>	<u>LIHEAP, LIHEAP ARP, Water Grants (CAA, ARP)</u>
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	\$12,880	\$16,100	\$25,760	\$21,488
2	\$17,420	\$21,775	\$34,840	\$28,100
3	\$21,960	\$27,450	\$43,920	\$34,711
4	\$26,500	\$33,125	\$53,000	\$41,323
5	\$31,040	\$38,800	\$62,080	\$47,935
6	\$35,580	\$44,475	\$71,160	\$54,546
7	\$40,120	\$50,150	\$80,240	\$55,786
8	\$44,660	\$55,825	\$89,320	\$57,026
9	\$49,200	\$61,500	\$98,400	\$58,265
10	\$53,740	\$67,175	\$107,480	\$59,505
11	\$58,280	\$72,850	\$116,560	\$60,745
12	\$62,820	\$78,525	\$125,640	\$61,985
13	\$67,360	\$84,200	\$134,720	\$63,224
14	\$71,900	\$89,875	\$143,800	\$64,464
15	\$76,440	\$95,550	\$152,880	\$65,704
16	\$80,980	\$101,225	\$161,960	\$66,943
17	\$85,520	\$106,900	\$171,040	\$68,183
18	\$90,060	\$112,575	\$180,120	\$69,423
19	\$94,600	\$118,250	\$189,200	\$70,662
20	\$99,140	\$123,925	\$198,280	\$71,902
For each additional family member add:				Contact MDHS/DCS@20 members for LIHEAP
		4540	5675	9080

ATTACHMENT-2022 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.

2022 LIHEAP BENEFIT MATRIX							
Household Data	HH Size / Income	Energy Types					
	Household Size of 1	Propane	Electric*	Natural Gas	Wood /Other Fuel	Maximum Benefit	Total Electric Benefit**
Income is between	0 – 3220	800	700	700	400	1500	1500
	3221 – 6440	750	650	650	360	1400	1400
	6441 – 9660	700	600	600	320	1300	1300
	9661 – 12880	650	550	550	280	1200	1200
	12881 – 16100	600	500	500	240	1100	1100
	16101 – 21488	550	450	450	200	1000	1000
	Over 21,488.49 for HH of 1	0	0	0	0	0	0
Household Data	HH Size / Income	Energy Types					
	Household Size of 2	Propane	Electric	Natural Gas	Wood /Other Fuel	Maximum Benefit	Total Electric Benefit
Income is between	0 – 4355	800	700	700	400	1500	1500
	4356 – 8710	750	650	650	360	1400	1400
	8711 – 13065	700	600	600	320	1300	1300
	13066 – 17420	650	550	550	280	1200	1200
	17421 – 21775	600	500	500	240	1100	1100
	21776 – 28100	550	450	450	200	1000	1000
	Over \$28,100.49 for HH of 2	0	0	0	0	0	0

Household Data	HH Size / Income	Energy Types					
	Household Size of 3	Propane	Electric	Natural Gas	Wood /Other Fuel	Maximum Benefit	Total Electric Benefit
Income is between	0 - 5490	800	700	700	400	1500	1500
	5491 - 10980	750	650	650	360	1400	1400
	10981 - 16470	700	600	600	320	1300	1300
	16471 - 21960	650	550	550	280	1200	1200
	21961 - 27450	600	500	500	240	1100	1100
	27451 - 34711	550	450	450	200	1000	1000
	Over 34,711.49 for HH of 3	0	0	0	0	0	0
Household Data	HH Size / Income	Energy Types					
	Household Size of 4	Propane	Electric	Natural Gas	Wood /Other Fuel	Maximum Benefit	Total Electric Benefit
Income is between	0 - 6625	800	700	700	400	1500	1500
	6626 - 13250	750	650	650	360	1400	1400
	13251 - 19875	700	600	600	320	1300	1300
	19876 - 26500	650	550	550	280	1200	1200
	26501 - 33125	600	500	500	240	1100	1100
	33126 - 41323	550	450	450	200	1000	1000
	Over 41,323.49 for HH of 4	0	0	0	0	0	0
Household Data	HH Size / Income	Energy Types					
	Household Size of 5	Propane	Electric	Natural Gas	Wood /Other Fuel	Maximum Benefit	Total Electric Benefit
Income is between	0 - 7760	800	700	700	400	1500	1500
	7761 - 15520	750	650	650	360	1400	1400
	15521 - 23280	700	600	600	320	1300	1300
	23281 - 31040	650	550	550	280	1200	1200
	31041 - 38800	600	500	500	240	1100	1100
	38801 - 47935	550	450	450	200	1000	1000
	Over 47,935.49 for HH of 5	0	0	0	0	0	0

Household Data	HH Size / Income	Energy Types					
	Household Size of 6	Propane	Electric	Natural Gas	Wood /Other Fuel	Maximum Benefit	Total Electric Benefit
Income is between	0 - 8895	800	700	700	400	1500	1500
	8896 - 17790	750	650	650	360	1400	1400
	17791 - 26685	700	600	600	320	1300	1300
	26686 - 35580	650	550	550	280	1200	1200
	35581 - 44475	600	500	500	240	1100	1100
	44476 - 54546	550	450	450	200	1000	1000
	Over 54,546.49 for HH of 6	0	0	0	0	0	0
Household Data	HH Size / Income	Energy Types					
	Household Size of 7	Propane	Electric	Natural Gas	Wood /Other Fuel	Maximum Benefit	Total Electric Benefit
Income is between	0 - 10030	800	700	700	400	1500	1500
	10031 - 20060	750	650	650	360	1400	1400
	20061 - 30090	700	600	600	320	1300	1300
	30091 - 40120	650	550	550	280	1200	1200
	40121 - 50150	600	500	500	240	1100	1100
	50151 - 55786	550	450	450	200	1000	1000
	Over 55,786.49 for HH of 7	0	0	0	0	0	0
Household Data	HH Size / Income	Energy Types					
	Household Size of 8	Propane	Electric	Natural Gas	Wood /Other Fuel	Maximum Benefit	Total Electric Benefit
Income is between	0 - 11165	800	700	700	400	1500	1500
	11166 - 22330	750	650	650	360	1400	1400
	22331 - 33495	700	600	600	320	1300	1300
	33496 - 44660	650	550	550	280	1200	1200
	44661 - 57026	600	500	500	240	1100	1100
	Over 57,026.49 for HH of 8	0	0	0	0	0	0

Household Data		HH Size / Income	Energy Types					
	Household Size of 9	Propane	Electric	Natural Gas	Wood /Other Fuel	Maximum Benefit	Total Electric Benefit	
Income is between	0 - 12300	800	700	700	400	1500	1500	
	12301 - 24600	750	650	650	360	1400	1400	
	24601 - 36900	700	600	600	320	1300	1300	
	36901 - 49200	650	550	550	280	1200	1200	
	49201 - 58265	600	500	500	240	1100	1100	
	Over 58, 265.49 for HH of 9	0	0	0	0	0	0	
Household Data		HH Size / Income	Energy Types					
	Household Size of 10	Propane	Electric	Natural Gas	Wood /Other Fuel	Maximum Benefit	Total Electric Benefit	
Income is between	0 - 13435	800	700	700	400	1500	1500	
	13436 - 26870	750	650	650	360	1400	1400	
	26871 - 40305	700	600	600	320	1300	1300	
	40306 - 53740	650	550	550	280	1200	1200	
	53741 - 59505	600	500	500	240	1100	1100	
	Over 59,505.49 for HH of 10	0	0	0	0	0	0	
Household Data		HH Size / Income	Energy Types					
	Household Size of 11	Propane	Electric	Natural Gas	Wood /Other Fuel	Maximum Benefit	Total Electric Benefit	
Income is between	0 -14570	800	700	700	400	1500	1500	
	14571 - 29140	750	650	650	360	1400	1400	
	29141 -43710	700	600	600	320	1300	1300	
	43711 - 60745	650	550	550	280	1200	1200	
	Over 60,745.49 for HH of 11	0	0	0	0	0	0	

Household Data	HH Size / Income	Energy Types					
	Household Size of 12	Propane	Electric	Natural Gas	Wood /Other Fuel	Maximum Benefit	Total Electric Benefit
Income is between	0 - 15705	800	700	700	400	1500	1500
	15706 - 31410	750	650	650	360	1400	1400
	31411 - 47115	700	600	600	320	1300	1300
	47116 - 61985	650	550	550	280	1200	1200
	Over 61,985.49 for HH of 12	0	0	0	0	0	0
Household Data	HH Size / Income	Energy Types					
	Household Size of 13	Propane	Electric	Natural Gas	Wood /Other Fuel	Maximum Benefit	Total Electric Benefit
Income is between	0 - 16840	800	700	700	400	1500	1500
	16841 - 33680	750	650	650	360	1400	1400
	33681 - 50520	700	600	600	320	1300	1300
	50521 - 63224	650	550	550	280	1200	1200
	Over 63,224.49 or HH of 13	0	0	0	0	0	0
Household Data	HH Size / Income	Energy Types					
	Household Size of 14	Propane	Electric	Natural Gas	Wood /Other Fuel	Maximum Benefit	Total Electric Benefit
Income is between	0 - 17975	800	700	700	400	1500	1500
	17976 - 35950	750	650	650	360	1400	1400
	35951 - 53925	700	600	600	320	1300	1300
	53926 - 64464	650	550	550	280	1200	1200
	Over 64,464.49 for HH of 14	0	0	0	0	0	0

Household Data	HH Size / Income	Energy Types					
	Household Size of 15	Propane	Electric	Natural Gas	Wood /Other Fuel	Maximum Benefit	Total Electric Benefit
Income is between	0 - 19110	800	700	700	400	1500	1500
	19111 - 38220	750	650	650	360	1400	1400
	38221 - 57330	700	600	600	320	1300	1300
	57331 - 65704	650	550	550	280	1200	1200
	Over 65,704.49 for HH of 15	0	0	0	0	0	0
Household Data	HH Size / Income	Energy Types					
	Household Size of 16	Propane	Electric	Natural Gas	Wood /Other Fuel	Maximum Benefit	Total Electric Benefit
Income is between	0 - 20245	800	700	700	400	1500	1500
	20246 - 40490	750	650	650	360	1400	1400
	40491 - 60735	700	600	600	320	1300	1300
	60736 - 66943	650	550	550	280	1200	1200
	Over 66,943.49 for HH of 16	0	0	0	0	0	0
Household Data	HH Size / Income	Energy Types					
	Household Size of 17	Propane	Electric	Natural Gas	Wood /Other Fuel	Maximum Benefit	Total Electric Benefit
Income is between	0 - 21380	800	700	700	400	1500	1500
	21381 - 42760	750	650	650	360	1400	1400
	42761 - 64140	700	600	600	320	1300	1300
	64141 - 68183	650	550	550	280	1200	1200
	Over 68,183.49 for HH of 17	0	0	0	0	0	0

Household Data	HH Size / Income	Energy Types					
	Household Size of 18	Propane	Electric	Natural Gas	Wood /Other Fuel	Maximum Benefit	Total Electric Benefit
Income is between	0 - 22515	800	700	700	400	1500	1500
	22516 - 45030	750	650	650	360	1400	1400
	45031 - 69423	700	600	600	320	1300	1300
	Over 69,423.49 for HH of 18	0	0	0	0	0	0
Household Data	HH Size / Income	Energy Types					
	Household Size of 19	Propane	Electric	Natural Gas	Wood /Other Fuel	Maximum Benefit	Total Electric Benefit
	0 - 23650	800	700	700	400	1500	1500
	23651 - 47300	750	650	650	360	1400	1400
	47301 - 70662	700	600	600	320	1300	1300
	Over 70,662.49 for HH of 19	0	0	0	0	0	0
Household Data	HH Size / Income	Energy Types					
	Household Size of 20	Propane	Electric	Natural Gas	Wood /Other Fuel	Maximum Benefit	Total Electric Benefit
Income is between	0 - 24785	800	700	700	400	1500	1500
	24786 - 49570	750	650	650	360	1400	1400
	49571 - 71902	700	600	600	320	1300	1300
	Over 71,902.49 for HH of 20	0	0	0	0	0	0
*The electric column represents the amount for households with main heating fuel other than electric.							
**The total electric column represents the amount that can be paid for households with electric as their main heating fuel.							
Note: The minimum amount that a household can receive is \$1 because the State of Mississippi pays the amount of the bill.							

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-RENTERS ELIGIBILITY FOR WEATHERIZATION

Statutory reference 2605(b) (5)

Rental Procedures

The benefits of the Weatherization Assistance Program to occupants of rental units have been enhanced by the recent revisions to the rental agreement which follows and addresses the requirements of 440.22. The restriction regarding the time when an owner can increase the cost of the unit has been extended to two (2) years and the specificity with regard to what constitutes an allowable increase in the rent during the two (2) year period has been greatly enhanced.

Before the weatherization of any dwelling is allowable, proof of ownership must be established regardless of who is living in the dwelling (required for both owner occupied and rental units). Lifetime estates are to be treated as owner occupied dwellings. The following documents are acceptable as proof of ownership:

- 1) Copy of Deed;
- 2) Copy of Mortgage or Mortgage Payment Book;
- 3) Property Tax Receipts (must show address of property to be weatherized); or
- 4) Statement from the Office of the Tax Assessor, Chancery Clerk, or Record of Deeds.

If a dwelling is to be weatherized for a client who is not the owner of the dwelling, an agreement must be entered into between the landlord and the subgrantee agency, which outlines the owner's responsibilities. The agreement must be signed before work can begin on the weatherization project. In the Weatherization Selection Tool, priority, with regard to the selection of homes to be weatherized, will be given to landlords who provide assistance in the weatherization of their property. This assistance may be given through donated materials, monetary assistance or a combination of the two. A condition of the agreement includes the agreement not to raise the tenant's rent for two (2) years (some exceptions apply) beginning on the date of the weatherization projection completion (that is the approved post inspection date). Additionally, the owner cannot evict the tenant without cause during that period. Should the owner chose to violate the agreement, he or she may be billed for the pro-rated share of cost of the weatherization project.

The allowable exceptions to the prohibition of the two (2) year rent increase include increases due to higher property taxes, insurance premiums, necessary replacement (or extensive repairs) to appliances, plumbing, or wiring. These allowable costs must be spread over the period of one (1) year.

The owner agrees that the dwelling is not presently being offered for sale and agrees to give the subgrantee agency thirty (30) day's notice of the sale should the property be

offered for sale prior to the expiration of the rental agreement. At least ten (10) days prior to the sale, the owner agrees to obtain a notarized statement of the purchaser's consent to assume the rental agreement obligation. If this consent is not obtained, the owner agrees to pay the full cost of the weatherization project based on the pro-rated number of months remaining in the rental agreement. Should the property be transferred via a will or heir ship, the same obligations would be placed on the new owners.

Additionally, the owner agrees that the terms and obligations of the rental agreement shall supersede any inconsistent provision of any oral or written lease or other agreement affecting the rent collected for the eligible dwelling unit.

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.

MDHS elects to approach recipients of the LIHEAP program in a manner with the goal of assisting those in need of immediate assistance and to assist with the long-term success of the whole family through the use of referrals and assessments.

ATTACHMENT- CRISIS ASSISTANCE

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

MISSISSIPPI

CHAPTER 7: CRISIS AND EMERGENCY SERVICES

Mississippi offers a year-round crisis assistance component of LIHEAP entitled the Energy Crisis Intervention Program (ECIP) to provide assistance to low-income households in crisis situations.

- A. Life Threatening Crisis- Eligible households with a life threatening energy crisis must have the crisis relieved within 18 hours of an approved application. Resolution of a life threatening crisis may include, but is not limited to: arranging for an immediate supply of fuel, securing a payment arrangement with the energy vendor, pledging the amount of bill to prevent shutoff or to restore service, purchase of heating/cooling equipment, etc. The following are considered life threatening:
 1. Natural disaster (fire, hurricane, tornado, flood, etc.) and extreme inclement weather conditions as determined by the National Weather Service and/or declared by the President or Governor,
 2. Disaster (fire, gas leak, etc.),
 3. Person(s) on life support or have medical devices that require electricity,
 4. Domestic violence, and
 5. Elderly or child abuse/neglect.

- B. Non-Life Threatening Crisis- Eligible households with a non-life threatening energy crisis must have the crisis relieved within 48 hours of an approved application. Resolution of a life threatening crisis may include, but is not limited to: arranging for an immediate supply of fuel, securing a payment arrangement with the energy vendor, pledging the amount of bill to prevent shutoff or to restore service, purchase of heating/cooling equipment, etc. The following are considered non-life threatening:
 1. Unexpected expense such as: death of an immediate family member, funeral expenses, high medical expenses, etc.
 2. Income loss within the last thirty (30) days (of date the subgrantee was contacted) due to layoff or termination of benefits,
 3. Energy services are disconnected or threatened to be turned off for a household with a child under six (6), elderly, or disabled persons, and the household has accounted for their income,
 4. Theft,
 5. To avoid the displacement of a minor child (under the age of 18) due to client's inability to pay utilities, rent, etc., and
 6. Other documented emergency within the last thirty (30) days, as deemed by the subgrantee.

C. LIHEAP Assistance for Disaster Relief- Allowable uses of LIHEAP funds for home energy-related needs resulting from a natural disaster or disasters as listed in Section A,1-2 of this chapter include:

1. Costs to temporarily house or shelter individuals in hotels (up to 5 days), apartments (1 month rent and deposit), or other living situations in which homes have been destroyed or damaged, i.e., placing people in settings to preserve health and safety and to move them away from the crisis situation;
2. Costs for transportation (such as cars, shuttles, buses) to move individuals away from the crisis area to shelters, when health and safety is endangered by loss of access to heating or cooling;
3. Utility reconnection costs (does not include water and sewage);
4. Repair or replacement cost for furnaces, air conditioners and heaters;
5. Insulation repair;
6. Coats and blankets, as tangible benefits to keep individuals warm;
7. Crisis payments for utilities and utility deposits;
8. Purchase and installation of fans, air conditioners and heaters;
9. Purchase and installation of generators;
10. Costs associated with mobile outreach; and
11. For other things as needed, please contact State Office for approval.

*These costs will not be counted against the benefit matrix amount for household.

Subgrantees shall under no circumstances tell a client that they must have a disconnect notice to apply for assistance. This may put a household in a crisis situation which could be avoided by assisting with regular LIHEAP assistance.

Applicants who are ineligible for crisis benefits must be referred to other organizations that may be able to assist, or the subgrantee may contact energy vendor on applicant's behalf to see if payment arrangement or extension is available.

ATTACHMENT-PROGRAM, FISCAL MONITORING AND AUDIT

Statutory reference 2605 (b)(10)

Fiscal, Accounting and Tracking Requirements

The State requires Subgrantees requesting LIHEAP funds to submit Monthly Cost Worksheets in Smartsheet. These Cost Worksheets show expenditures such as Program Assistance (regular), ECIP, Assurance 16 (if budgeted) and Administration. Subgrantees are required to submit Claim Support Forms (to request funds) based on Current Needs. Federal funds made available to the State under this title will disburse administrative and programmatic funds to Subgrantees in accordance with the LIHEAP Statute, and the overall contractual allocation for each subgrantee regulates the maximum allowable expenditures. The expenditures and draw downs are processed in the MDHS-Division of Budgets and Accounting, Office of Procurement Services where the SF-425 Federal Fiscal Reports (FFR) are generated as well as the monthly reports for DCS verification and tracking. Documentation from Virtual ROMA will be required to support costs reflected on Cost Worksheets and Claims Support Forms as a means to adhere to mandates by Division of Monitoring to monitor costs reported for the month. 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, 16 of 18 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.

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.

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, and special training for new staff to ensure program compliance.

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

The Director of Monitoring reviews audit findings and forward them to the Division of Community Services and the Monitoring Supervisor. Audit findings are placed on a spreadsheet and addressed during monitoring visits with the entity and addressed on the monitoring report.

ATTACHMENTS

SINGLE AUDIT MANAGEMENT REPORT AND FINDINGS REPORT



STATE OF MISSISSIPPI
OFFICE OF THE STATE AUDITOR
SHAD WHITE
June 11, 2021

Single Audit Management Report

Robert Anderson, Executive Director
Mississippi Department of Human Services
200 South Lamar St.
Jackson, MS 39201

Dear Mr. Anderson:

Enclosed for your review are the single audit findings and other audit findings for the Mississippi Department of Human Services for Fiscal Year 2020. In these findings, the Auditor's Office recommends the Mississippi Department of Human Services:

Single Audit Findings:

1. Strengthen Controls to Ensure Compliance with Subrecipient Allowable Cost Activities of the Supplemental Nutrition Assistance Program (SNAP), Child Care and Development Block Grant (CCDF), and Temporary Assistance for Needy Families (TANF) Programs;
2. Strengthen Controls to Ensure Compliance with Allowable Cost Requirements of the TANF Program;
3. Strengthen Controls to Ensure Compliance with Cash Management Requirements of the TANF Program;
4. Strengthen Controls to Ensure Compliance with the Matching Requirements of the CCDF Cluster;
5. Strengthen Controls to Ensure Compliance with the Award's Period of Availability/Period of Performance for the CCDF Program;
6. Strengthen Controls Over Procurement Policies and Awarding Subgrants for the TANF program;
7. Strengthen Controls Over On-site Monitoring for the SNAP, CCDF, TANF, Social Services Block Grant (SSBG) and Low Income Home Energy Assistance (LIHEAP) Programs; and
8. Strengthen Controls Over Subrecipient Monitoring Requirements for the TANF, CCDF, LIHEAP, and SSBG Programs.

Please review the recommendations and submit a plan to implement them by June 18, 2021. 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 Uniform Guidance. 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.

POST OFFICE BOX 956 • JACKSON, MISSISSIPPI 39205 • (601) 576-2800 • FAX (601) 576-2650

Mississippi Department of Human Services
June 11, 2021

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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,

Stephanie C. Palmertree, CPA, CGMA
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, 2020.

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, Mississippi Code Annotated (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 Uniform Guidance 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, 2020.

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 Office of Management and Budget (OMB) *Uniform Administrative Requirements, Cost Principles and Audit Requirements* (*Uniform Guidance*). Those standards and *Uniform Guidance* 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 Uniform Guidance and which are identified in this letter as items 2020-024, 2020-025, 2020-026, 2020-027, 2020-028, 2020-029, 2020-030, and 2020-031.

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 Uniform Guidance, 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 2020-024, 2020-025, 2020-026, 2020-029, 2020-030, and 2020-031 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 2020-027 and 2020-028 to be significant deficiencies.

Findings and Recommendations

ACTIVITIES ALLOWED/ALLOWABLE COSTS

Material Weakness

Material Noncompliance

2020-024 Strengthen Controls to Ensure Compliance with Subrecipient Allowable Cost Activities of the Supplemental Nutrition Assistance Program (SNAP), Child Care and Development Block Grant (CCDF), and Temporary Assistance for Needy Families (TANF) Programs.

CFDA Number(s) 10.551 Supplemental Nutrition Assistance Program (SNAP)
 10.561 State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (SNAP)
 93.558 Temporary Assistance for Needy Families (TANF)
 93.575 Child Care and Development Block Grant (CCDF)
 93.596 Child Care Mandatory and Matching Funds of the Child Care and Development Fund (CCDF)
 93.667 Social Services Block Grant (SSBG)

Federal Award	201818Q390345	G1801MSCCDFB	G1801MSLIEAR
	12352841-B19	G1801MSCCDFC-CMIA	G1801MSLIEAW
	12352841-619	G1901MSCCDFB	G1801MSLIE4

	12352841-519 12352841-B10 12352841/410 12352841-610 12352841/910	G1901MSCCDFC G2001MSCCDFC G1901MSLIEAW G1901MSLIEA4 G2001MSLIEAR
		G1801MSSORS G1901MSSORS G2001MSSORS
		G1901MSTANFS-CMIA G2001MSTANFS-CMIA
Pass-Through		U.S. Department of Agriculture, U.S. Department of Health and Human Services
Questioned Costs		\$10,163,957 in total, which includes the following broken down by program: \$536,785 for SNAP; \$1,273,753 for CCDF; and \$8,353,419 for TANF
Background		During the FY 2019 MDHS audit, Auditors found numerous issues regarding fraud, waste, and abuse at two Mississippi Department of Human Services (MDHS) subrecipients - Mississippi Community Education Center (MCEC) and Family Resource Center of North Mississippi (FRC). Due to the issues noted during the prior year audit involving MDHS' lack of adequate subrecipient monitoring, auditors determined on-site testing of subrecipients to be necessary audit procedures to ensure allowability provisions are properly monitored and reported for the FY2020 audit of MDHS. Additionally, due to the known fraud, waste, and abuse found at both MCEC and FRC during the FY 2019 audit, and the federal and state investigations into the financial operations of these entities, auditors questioned the payments made to both organizations in total for SNAP, TANF, and CCDF grants for multiple years (over \$94 million). MDHS is currently undergoing a forensic audit to determine how much, if any, of the costs paid to these organizations those auditors deem appropriate. However, due to the risk involved, the on-going nature of the investigations, and the additional indictments faced by owners of MCEC for fraudulent activity for other federal grants, auditors felt it prudent to question the FY 2020 payments in total as well.
Criteria		<i>The Committee of Sponsoring Organizations of the Treadway Commission (COSO) and the United States Government Accountability Office (GAO) Green Book</i> dictates that in order for organizations to have effective internal control, the organization should have an effective control environment. A component of an effective control environment is proper oversight ability, accountability and commitment to ethical values. A control environment is most effective when all five components of controls (control environment, risk assessments, information and technology, monitoring and communication, and existing control activities) are working together in tandem. <i>The Code of Federal Regulations (2 CFR 200.403)</i> states that, in order to be allowable under federal guidelines, costs must be necessary, reasonable, and adequately documented. <i>The Code of Federal Regulations (2 CFR 200.404)</i> states "A cost is reasonable - if in its nature and amount, it does not exceed that which would be incurred by a prudent

person under the circumstances prevailing at the time the decision was made to incur the cost. The question of reasonableness is particularly important when the entity is predominately federally funded. In determining reasonableness of a given cost, consideration must be given to: (a) Whether the cost is of a type generally recognized as ordinary and necessary for the operation of the non-Federal entity or the proper and efficient performance of the Federal award. (b) The restraints or requirements imposed by such factors as: sound business practices; arm's-length bargaining; Federal, state, local, tribal, and other laws and regulations; and terms and conditions of the Federal award. (c) Market prices for comparable goods or services for the geographic area. (d) Whether the individuals concerned acted with prudence in the circumstances considering their responsibilities to the non-Federal entity, its employees, where applicable its students or membership, the public at large, and the Federal Government. (e) Whether the non-Federal entity significantly deviates from its established practices and policies regarding the incurrence of costs, which may unjustifiably increase the Federal award's cost."

The Code of Federal Regulations (2 CFR 200.405 (a)) states "A cost is allocable to a particular Federal award or other cost objective if the goods or services involved are chargeable or assignable to that Federal award or cost objective in accordance with relative benefits received."

MDHS requires each subrecipient to attest by signature that they have read and understood the Subgrantee Manual issued by MDHS before payments on awards can be made. Additionally, each subgrant administered by MDHS is governed by the standard Subgrantee Agreement which sets out specific regulations that govern the subgrant.

The Office of Family Assistance, a Division of the Office of Administration for Children and Families and the grantor of TANF funds, states there are four tenets of the TANF program –

- 1) To provide assistance to needy families so that children can be cared for in their own homes or in the homes of relatives;
- 2) End the dependence of needy parents by promoting job preparation, work, and marriage;
- 3) Prevent and reduce the incidence of out-of-wedlock pregnancies; and
- 4) Encourage the formation and maintenance of two-parent families.

The Office of Family Assistance produced *Q&A: Use of Funds*, published on May 2, 2013, which clarifies the use of funds for "needy" families and is copied, verbatim, below:

"Q1: May States help the non-needy with services that are consistent with TANF purpose one or two as long as those services fall outside the definition of assistance?"

"A1: No. The first two statutory purposes (related to caring for children in their own homes and ending dependence) are expressly for the needy. Therefore, the statute envisions that States would serve only the needy when they are conducting activities or providing benefits that are reasonably calculated to accomplish TANF purpose one or two. This means that States would have to develop and apply criteria of financial need in these cases. However, States may use Federal TANF funds to

help both the needy and the non-needy with benefits or services that are reasonably calculated to accomplish TANF purpose three or four (which relate to reducing out-of-wedlock pregnancies and the formation and maintenance of two-parent families). In serving the non-needy, States may use only segregated Federal TANF funds.”

The Code of Federal Regulations (2 cfr 200.450) states that the cost of certain influencing activities associated with obtaining grants, contracts, cooperative agreements, or loans is an unallowable cost. Additionally, paragraph (c) puts additional restrictions on nonprofit organizations, such as MCEC and FRC. Those restrictions include any costs to influence the outcome of any federal, state, or local election, referendum, initiative, or similar procedure through in-kind or cash contributions, endorsements, publicity, or similar activity is unallowable. Any legislative liaison activity, including attendance at legislative sessions or committee hearings, gathering information regarding legislation, and analyzing the effects of legislation is also unallowable.

The Code of Federal Regulations Title 45. Public Welfare (45 cfr 93.100(a)) states that no appropriated funds may be expended by the recipient of a Federal contract, grant, loan, or cooperative agreement to pay 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 any of the following covered Federal actions: 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.

The MDHS Subgrant/Contract Manual, which subgrantees must attest to have read and understood prior to receiving grant awards, sets out and defines the regulations that subgrantees and lower-tier subrecipients must follow, including the “*Restrictions on Lobbying – Common Rule (P.L. 101-121, Section 319)*.”

Internal Revenue Service Publication 4221-PC (Revised 3-2018) states “A public charity is not permitted to engage in substantial legislative activities (commonly known as lobbying). An organization will be regarded as attempting to influence legislation if it contacts, or urges the public to contact, members or employees of a legislative body for purposes of proposing, supporting or opposing legislation, or advocates the adoption or rejection of legislation.... a 501(c)(3) organization may...risk losing its tax-exempt status and/or be liable for excise taxes.”

Condition

During fiscal year 2020, MDHS began the year with funding commitments to both MCEC and FRC. These funding commitments were made under the prior Executive Director’s (JD) leadership and direction. Both organizations were owed monies under grants from federal fiscal years 2018 and 2019; MCEC was also owed money from federal fiscal year 2020. MDHS began the fiscal year with a new Executive Director (CF) who began in August 2019. In June of 2019, MDHS reported possible fraudulent activity to the then Governor of Mississippi, who in turn reported it to investigators and auditors. OSA began the fiscal year 2019 single audit in July 2019, and reported to MDHS personnel in August 2019 that auditors

noted significant red flags with the amounts paid to MCEC and FRC. At this time, the Office of the State Auditor (OSA) and MDHS began to discuss the need for MDHS to procure a forensic audit to determine the extent of improper payments that were made by MCEC, FRC, and other possible subrecipients of TANF, SNAP, and CCDF. A Request for Proposals was drafted, and OSA and MDHS were in discussion about the process when MDHS informed OSA that they would not be procuring a forensic audit at that time. Additionally, in September 2019, OSA was informed that the Mississippi Community College Board (MCCB) had issued FRC a monitoring report detailing questionable costs, and that these concerns related to money passed through from MDHS. Due to the suspected fraud, waste, and abuse, and the intention of MDHS to not pursue a forensic audit, OSA requested copies of all MCEC and FRC financial records related to MDHS grants from MDHS personnel in order to perform risk based testing. MDHS did not have sufficient copies of information on hand to verify allowability of purchases; therefore, OSA requested the information directly from the two subrecipients in October of 2019. Executive Director CF and personnel from OSA met in October to discuss these document requests, the alleged fraud investigation, and the audit in general. At this time, MDHS was again informed of significant concerns with MCEC and FRC grants and spending, and executive leadership was aware of an open investigation. However, it was not until December 2019 that both MCEC and FRC were alerted by MDHS that their future grant awards would be “frozen” until the FY 2019 audit was completed.

Regardless of the information provided to MDHS about the alleged fraud, waste, and abuse at MCEC and FRC, the agency performed the following grant awards and modifications:

- In September 2019, MDHS modified a 2019 grant to MCEC by an increase of \$4,822,992;
- In November 2019, MDHS modified a 2019 grant to FRC by an increase of \$1,500,000;
- MCEC was paid \$8,091,212 in grant advances and reimbursements in FY 2020;
- FRC was paid \$2,072,745 in grant advances and reimbursements in FY 2020; and,
- MCEC was awarded new grants for federal fiscal year 2020 (these were later frozen, and no monies were awarded).

Nomenclature review of the financial records of MCEC and FRC for fiscal year 2020 verified that the entities funded similar payments in FY 2020 as they had in FYs 2017, 2018, and 2019. For example, funds were paid to lobbyists, a fitness boot camp, rental payments to family members, inflated rental payments of leased space owned by the principals of MCEC, payments for private school supplies, payments for construction and renovation of property, and payments to other nonprofits owned and operated by the owners of MCEC. Both organizations also did not have any supporting methodology for the allocation of costs – both direct and indirect – among the variety of grants received.

MDHS did not require the two subrecipients to submit detailed, supporting information relating to claim reimbursements; therefore, reasonableness and allowability of all payments to MCEC and FRC in FY 2020 are unable to be determined by MDHS before payments were made in advance or reimbursement to the two subrecipients.

The following funding was issued during FY 2020:

	SNAP	TANF	CCDF	Total
MCEC - 2018 Grant			1,134,864	1,134,864
MCEC - 2019 Grant	468,894	6,419,563		6,888,457
MCEC - 2020 Grant	67,891			67,891
TOTALS MCEC	536,785	6,419,563	1,134,864	8,091,212
FRC - 2018 Grant			138,889	138,889
FRC - 2019 Grant		1,933,856		1,933,856
TOTALS FRC	-	1,933,856	138,889	2,072,745
GRAND TOTAL				10,163,957

Due to the aforementioned issues, payments made to MCEC and FRC resulted in total questioned costs of \$10,163,957.

Cause	MDHS did not appropriately monitor or review expenditures at the subrecipient level to ensure adherence to allowable cost and activities allowed guidelines. Personnel at MDHS are not properly trained or educated in regards to allowable cost provisions. Lastly, personnel at MDHS either disregarded established policies and procedures, or were not aware policies and procedures existed.
Effect	Uniform Grant Guidance includes remedies for non-compliance with federal regulations, including, but not limited to, requesting a dollar for dollar reduction in the subsequent year's grant award for any money misappropriated or misspent under the Temporary Assistance for Needy Families Grant. Additionally, the widespread fraud, waste, and abuse associated with MCEC and FRC has led to public distrust of MDHS, and a loss of integrity in the public welfare system in the State of Mississippi.
Recommendation	We recommend the Mississippi Department of Human Services:
	<ol style="list-style-type: none">1) Strengthen existing controls to ensure non-compliance with federal regulations does not continue;2) Procure adequate and appropriate training for all staff who are involved in any federal allowable costs and activities allowed monitoring;3) Increase awareness and training to subrecipients of allowable cost and activities allowed regulations.
Repeat Finding	Yes; 2019-030.

Statistically Valid No.

Material Weakness

Material Noncompliance

2020-025 [Strengthen Controls to Ensure Compliance with Allowable Cost Requirements of the TANF Program](#)

CFDA Number 93.558 Temporary Assistance for Needy Families State Programs

Federal Award No. G1801MSTANF 2018
 G1901MSTANF 2019
 G2001MSTANF 2020

Federal Agency U.S. Department of Health and Human Services

Questioned Costs \$377,852

Criteria *The Committee of Sponsoring Organizations of the Treadway Commission (COSO) and the United States Government Accountability Office (GAO) Green Book* dictates that in order for organizations to have effective internal control, the organization should have an effective control environment. A component of an effective control environment is proper oversight ability, accountability and commitment to ethical values.

The Code of Federal Regulations (2 CFR 200.403) states that, in order to be allowable under federal guidelines, costs must be necessary and reasonable, and adequately documented.

The Code of Federal Regulations (2 CFR 200.404) states "A cost is reasonable – if in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost. The question of reasonableness is particularly important when the entity is predominately federally funded. In determining reasonableness of a given cost, consideration must be given to... (b) The restraints or requirements imposed by such factors as: sound business practices; arm's-length bargaining..."

Additionally, *The Code of Federal Regulations (2 CFR 200.459(a))* states that costs of professional and consultant services rendered by persons who are members of a particular profession or possess a special skill, and who are not officers or employees of the non- Federal entity, are allowable, subject to paragraphs (b) and (c) when reasonable in relation to the services rendered and when not contingent upon recovery of the costs from the Federal government.

The MDHS Subgrant/Contract Manual, which subgrants must attest to have read and understood prior to receiving grant awards, states in Section 6, under the heading "Open and Free Competition" that "all procurement transactions shall be conducted in a manner that provides maximum open and free competition

consistent with...applicable federal law. Procurement procedures shall not restrict or eliminate competition...Examples of what is considered to be restrictive of competition include, but are not limited to...noncompetitive contracts to consultants that are on retainer contracts...organizational conflicts of interest.

The *Mississippi Department of Human Services' Subgrant Agreement*, Section IX-COMPLIANCE WITH LAWS, RULES, AND REGULATIONS, states that, "If the Subgrantee advertises or prints brochures, flyers or any other material, printed or otherwise, relating to, or promoting, the services which it is providing through this Subgrant, it shall acknowledge that said funding for said Subgrant and for said advertising was provided by MDHS."

Condition During the testing of allowable costs for the TANF grant for fiscal year 2020, auditors noted:

- Three instances in which the auditor was unable to determine the allowability of costs due to the known circumvention of controls by the prior executive director, the known issues with the subrecipient Heart of David noted in the FY2019 audit, and MDHS not requiring subrecipients to provide detailed back up support for reimbursement requests. Which resulted in a total questioned cost of \$199,169.
- The only required documentation for subrecipients to submit related to advanced and/or reimbursement payments are claim forms with amounts requested totaled by reporting category (Salaries, Contractual, etc.) and monthly expenditure reports by total amounts. Subrecipients do not submit invoices, receipts, or other supporting documentation to substantiate claims, or to allow MDHS to verify allowability of subgrant payments. Due to the extensive fraud, waste, and abuse found at the subrecipient level during the FY 2019 audit, auditor finds documentation as required by MDHS to be insufficient for MDHS to adequately determine the allowability of costs incurred by the subrecipients.
- MDHS updated its TANF state plan during the FY'19 audit period. However, when auditors requested a copy of the most recent state plan in fiscal year 2019 and fiscal year 2020, personnel provided OSA with the incorrect state plan. The updated state plan had updated thresholds for determining whether applicants qualified as "needy" as well as other eligibility and allowability policies and procedures. Auditors confirmed with MDHS staff on multiple occasions that the plans provided were in fact the most up to date plans, and received confirmation. Auditors were able to determine, however, that a new and updated state plan existed, and were able to obtain the copy of that state plan from the federal granting authority. It should also be noted that the incorrect state plan was also published on the MDHS webpage. It is MDHS personnel's obligation to understand the agency's most current information and internal regulations to ensure allowable cost provisions are met, and that payments to subrecipients are allowed.

Due to the increased risk of questioned costs relating from the lack of appropriate pre and post subrecipient payment review by MDHS, the audit team conducted

detailed testing for allowable cost compliance requirements at three additional TANF subrecipients for the fiscal year 2020 audit.

During this testing, the following was noted:

Subrecipient 1:

- Subrecipient maintained no written policies, procedures, and/or methodologies for determining cost allocation rates for expenditures for the agency. The auditor noted that the subrecipient received multiple grants from different agencies and programs, however, 100 percent of the items tested were charged to the TANF grant.
- 58 instances in which TANF funds expended were either for or directly related to entertainment costs; therefore, costs are unallowable.

These instances resulted in questioned costs of \$41,101.

- Two instances in which TANF funds expended were for clothing items containing business logos that were used as advertisements for the subrecipient and not the program.

These instances resulted in questioned costs of \$3,791.

- 171 instances in which auditor could not determine what funding source was used for expenditures due to subrecipient comingling funds without proper processes in place to distinguish funding sources.
- Three instances in which proper documentation supporting expenditures was not maintained by the subrecipient and auditor could not determine the allowability or reasonableness of the expenditures. These instances resulted in questioned costs of \$1,451.
- Five instances in which expenditures did not reasonably promote the objectives of the TANF program. These instances resulted in questioned costs of \$83,133.

In total, auditor noted \$129,476 of questioned costs at Subrecipient 1.

Subrecipient 2:

- Subrecipient 2 maintained no written policies, procedures, and/or methodologies for determining cost allocation rates for Salary and Fringe expenditures. Furthermore, auditor noted that costs over rent, commodities, telephone and internet, and equipment were not properly allocated.
- Travel reimbursement expenditures relating to a Title V grant were reimbursed erroneously with TANF funds. These expenditures resulted in questioned costs of \$1,029.

- One instance in which reasonableness and accuracy of mileage reimbursement could not be determined due to employee having two residences.

In total, auditor noted \$1,029 of questioned costs at Subrecipient 2.

Subrecipient 3:

- Reimbursement for advertising expenditures in the amount of \$1,000 did not meet the advertisement requirements set forth in MDHS' Subgrant agreement.
- Reimbursement for facility rental expenditures in the amount of \$18,200 were not supported by a valid rental agreement covering the reimbursement periods. Additionally, auditor noted that subrecipient was paying the aforementioned facility rental fees to a for-profit entity comprised of the same founders and/or directors as subrecipient. Due to the relationships noted between the subrecipient and the private company, the facility rental is not considered arm's-length bargaining.
- Reimbursements for commodities in the amount of \$2,085 and Indirect costs in the amount of \$709 were not adequately supported. Therefore, the reasonableness and allowability of costs could not be determined.
- MDHS determined that "equipment" related to a reimbursement claim was unallowable; however, MDHS did not collect reimbursement for the entirety of the claim. MDHS reimbursed subrecipient \$1,414 for 30 tablets purchased. MDHS noted during monitoring of the subrecipient that 42 tablets were purchased for \$979 with TANF funds. MDHS determined these purchases to be unallowable TANF expenditures and received a refund check from the subrecipient in the amount of \$979. The remaining \$433 of the purchase was not returned to MDHS.
- Reimbursements for workforce training fees associated with a Business Technology and Office Skills program from April to June 2020 were to pay for serving 60 individuals; however, subrecipient was only able to provide support detailing 12 individuals being served beginning in May 2020.

Auditor noted that MDHS advanced \$25,751 in February 2020 for three months of startup fees, supplies, and materials. Subrecipient could not provide documentation of enrollment or attendance of individuals to the Business Technology and Office Skills Program during the three months that the advancement of funds included.

Furthermore, fees associated with the Business Technology and Office Skills program offered by Subrecipient were paid a private entity composed of some of the same incorporators and/or directors as Subrecipient; therefore, auditor determined these workforce training programs to not be entered into at arm's-length bargaining.

In total, auditor noted \$48,178 of questioned costs at Subrecipient 3.

Due to the unique circumstances involving each of the questioned costs at the three subrecipients tested, it is not feasible to project the error rate of questioned costs to the entire population.

Cause	Staff were either unaware or did not follow policies and procedures related to Activities Allowed and Allowable Costs of TANF funds. The Mississippi Department of Human Services also continued to provide federal funding to subrecipients with known issues of fraud, waste, and abuse without additional scrutiny of payments.
Effect	Failure to verify expenditures are allowable and appropriately pay expenditures out of federal or private funds can lead to federal funding being withdrawn or expenditures being paid with incorrect funds. This can also lead to fraud, waste, and abuse within an agency.
Recommendation	We recommend the Mississippi Department of Human Services strengthen control procedures in order to properly verify expenditures are allowable and appropriate. We also recommend that the agency appropriately pay expenditures out of the correct federal or private funds.
Repeat Finding	Yes; 2019-032.
Statistically Valid	No.

CASH MANAGEMENT

Material Weakness

Material Noncompliance

2020-026	<u>Strengthen Controls to Ensure Compliance with Cash Management Requirements of the TANF program.</u>
CFDA Number	93.558 Temporary Assistance for Needy Families State Programs
Federal Award No.	G1801MSTANF 2018 G1901MSTANF 2019 G2001MSTANF 2020
Federal Agency	U.S. Department of Health and Human Services
Questioned Costs	None.
Criteria	The <i>Code of Federal Regulations (2 CFR 200.514(C)(4))</i> states, "When internal control over some or all of the compliance requirements for a major program are likely to be ineffective in preventing or detecting noncompliance, the planning and performing of testing described in paragraph (c)(3) of this section are not required for those compliance requirements. However, the auditor must

report a significant deficiency or material weakness in accordance with § 200.516 Audit findings, assess the related control risk at the maximum, and consider whether additional compliance tests are required because of ineffective internal control.”

Additionally, the *Code of Federal Regulations (2 CFR 200.305(b))* states that payment methods must minimize the time elapsing between the transfer of funds from the United States Treasury or the pass-through entity and the disbursement by the non-Federal entity. Advance payments are allowed provided the non-Federal entity maintains or demonstrates the willingness to maintain both written procedures that minimize the time elapsing between the transfer of funds and disbursement by the non-Federal entity, and financial management systems that meet the standards for fund control and accountability as established in this part. Advance payments to a non-Federal entity must be limited to the minimum amounts needed and be timed to be in accordance with the actual, immediate cash requirements of the non-Federal entity in carrying out the purpose of the approved program or project. The timing and amount of advance payments must be as close as is administratively feasible to the actual disbursements by the non-Federal entity for direct program or project costs and the proportionate share of any allowable indirect costs. Reimbursement is the preferred method when these advance payment requirements cannot be met.

Furthermore, the *Code of Federal Regulations (2 CFR 200.62)*, states that a non-Federal entity must have internal control over compliance designed to provide reasonable assurance that:

- (a) Transactions are properly recorded and accounted for, in order to:
 - (1) Permit the preparation of reliable financial statements and Federal reports;
 - (2) Maintain accountability over assets; and
 - (3) Demonstrate compliance with Federal statutes, regulations, and the terms and conditions of the Federal award;
- (b) Transactions are executed in compliance with:
 - (1) Federal statutes, regulations, and the terms and conditions of the Federal award that could have a direct and material effect on a Federal program; and
 - (2) Any other Federal statutes and regulations that are identified in the Compliance Supplement; and
- (c) Funds, property, and other assets are safeguarded against loss from unauthorized use or disposition.

Condition	MDHS does not require subrecipients to submit adequate supporting documentation for claims. Therefore, auditor was unable to determine the allowability of costs for some subrecipients. Additionally, auditors noted that MDHS made advanced payments to subrecipients during the fiscal year without following the appropriate federal regulations.
Cause	Staff were either unaware or did not follow identified policies and procedures for areas that impact the cash management requirements related to Uniform Guidance.

Effect	Failure to follow cash management regulations can lead to subrecipients holding federal funds and utilizing those funds for other purposes rather than the programmatic intent. Additionally, requesting drawdowns inappropriately from the federal pass through entity can cause loss of available interest payments made at the state and federal levels.
Recommendation	We recommend the Mississippi Department of Human Services strengthen controls in order ensure federal funds are drawn down in accordance with the <i>Cash Management Information Act</i> and are designed to minimize the time elapsing between the transfer of funds from the United States Treasury and to the disbursement of funds. Additionally, we recommend the Mississippi Department of Human Services strengthen control procedures in order to properly verify expenditures to correctly draw amounts necessary for the program.
Repeat Finding	Yes; 2019-035.
Statistically Valid	No.

MATCHING, LEVEL OF EFFORT, EARMARKING

Significant Deficiency
Immaterial Noncompliance

2020-027	<u>Strengthen Controls to Ensure Compliance with Matching Requirements of the CCDF Cluster.</u>
CFDA Number	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	1701MSCCDF 2017 1801MSCCDF 2018 1901MSCCDF 2019 2001MSCCDF 2020
Federal Agency	U.S. Department of Health and Human Services
Questioned Costs	None.
Criteria	Per the <i>Code of Federal Regulations (2 CFR 200 Appendix XI, Compliance Supplement)</i> , In-Kind contributions should be valued in accordance with 2 CFR sections 200.306, 200.434 and 200.414 along with the terms and conditions of the award. Additionally, the <i>Code of Federal Regulations (2 CFR 200.62)</i> , states that a non-Federal entity must have internal control over compliance designed to provide reasonable assurance that; (a) Transactions are properly recorded and accounted for, in order to:

- (1) Permit the preparation of reliable financial statements and Federal reports;
 - (2) Maintain accountability over assets; and
 - (3) Demonstrate compliance with Federal statutes, regulations, and the terms and conditions of the Federal award;
- (b) Transactions are executed in compliance with:
- (1) Federal statutes, regulations, and the terms and conditions of the Federal award that could have a direct and material effect on a Federal program; and
 - (2) Any other Federal statutes and regulations that are identified in the Compliance Supplement; and
- (c) Funds, property, and other assets are safeguarded against loss from unauthorized use or disposition.

Furthermore, the MDHS Subgrantee Manual page 26 and 27, states subrecipients should be able to provide documentation to support Matching Non-Cash Contributions. This documentation should verify that expenses reported as in-kind match were in proportion to the benefits received by the subgrant that was matched.

Condition	Based on matching testwork for the CCDF program, auditors noted that MDHS was not able to provide monthly reporting worksheets of in-kind donations. Additionally, MDHS does not require subrecipients to attach supporting documentation for in-kind expenditures. Due to the lack of supporting documentation, the auditor was unable to verify the values placed of those in-kind contributions are in accordance with Uniform Grant Guidance.
Cause	MDHS does not require sub-recipients to submit supporting documentation for in-kind contributions.
Effect	Failure to require sub-recipients to submit supporting documentation regarding their claims for in-kind contributions could result in the improper valuation of in-kind contributions, inaccurate reporting of those in-kind contributions on the quarterly AFC-696 reports, and improper matching of federal funds.
Recommendation	We recommend the Mississippi Department of Human Services require subrecipients to provide supporting documentation, such as a listing of contributions and the method of the valuation of those contributions, for in-kind contributions claimed by the Mississippi Department of Human Services on its quarterly AFC-696 reports.
Repeat Finding	Yes; 2019-037.
Statistically Valid	Yes.

PERIOD OF PERFORMANCE

*Significant Deficiency
Immaterial Noncompliance*

2020-028	<u>Strengthen Controls to Ensure Compliance with the Period of Performance for the CCDF Program.</u>
CFDA Number	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	1801MSCCDF 2018
Federal Agency	U.S. Department of Health and Human Services
Questioned Costs	\$39,391
Criteria	The <i>Code of Federal Regulations (45 CFR 98.60)</i> , requires both the Federal and non-Federal share of the Matching Fund be obligated in the fiscal year in which the funds are granted and liquidated no later than the end of the succeeding fiscal year. The <i>Code of Federal Regulations (2 CFR 200.62)</i> , states that a non-Federal entity must have internal control over compliance designed to provide reasonable assurance that: (a) Transactions are properly recorded and accounted for, in order to: (1) Permit the preparation of reliable financial statements and Federal reports; (2) Maintain accountability over assets; and (3) Demonstrate compliance with Federal statutes, regulations, and the terms and conditions of the Federal award; (b) Transactions are executed in compliance with: (1) Federal statutes, regulations, and the terms and conditions of the Federal award that could have a direct and material effect on a Federal program; and (2) Any other Federal statutes and regulations that are identified in the Compliance Supplement; and (c) Funds, property, and other assets are safeguarded against loss from unauthorized use or disposition.
Condition	During testwork performed over Period of Performance requirements, auditor noted three instances in which the liquidation of funds totaling \$39,391 did not occur within the Period of Performance of the federal grants.
Cause	Subrecipient close-out reports were not submitted timely, and staff were either unaware of or did not follow policies and procedures to ensure expenditures made to federal awards/grants were made within the period of performance.
Effect	Expenditures were made to a federal award/grant beyond the period of performance, resulting in questioned costs.
Recommendation	We recommend the Mississippi Department of Human Services strengthen controls over the grant close-out process, as well as properly review transactions to ensure liquidations are performed during the grant period.

Repeat Finding Yes; 2019-038

Statistically Valid Yes.

PROCUREMENT, SUSPENSION, AND DEBARMENT

Material Weakness

Material Noncompliance

2020-029 Controls Should Be Strengthened Over Procurement Policies for the Awarding of Subgrants and Contracts for the TANF Program.

CFDA Number 93.558 Temporary Assistance for Needy Families State Programs

Federal Award No. G1901MSTANF 2019
G2001MSTANF 2020

Federal Agency U.S. Department of Health and Human Services

Questioned Costs None.

Criteria Per the *Code of Federal Regulations, Title 2-Subtitle A- Subchapter D- Part 200.318*, The non-Federal entity must maintain records sufficient to detail the history of procurement. These records will include, but are not necessarily limited to, the following: Rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price.

Additionally, MDHS' Evaluation Committee Guidelines state that "Each solicitation contains the scoring criteria by which the evaluation committee will score submitted applications. Evaluation committee members are tasked with initially reviewing and scoring applications individually. The evaluation committee is then convened to view the average of individual scores and comments to specifications and to collectively reach a consensus score for each solicitation requirement. Each evaluation committee member is provided a score sheet to record their scores and comments....", as well as "A score of 75 is the minimum score allowed to be considered for award."

Furthermore, MDHS' RFP Procedures Manual states that MDHS will maintain copies of score sheets and any and all pertinent documentation related to the process from beginning to end.

Finally, *The Internal Control – Integrated Framework published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) Manual* specifies that a satisfactory control environment is only effective when there are adequate control activities in place. Effective control activities dictate that the agency perform appropriate, multi-level reviews over the contracting process.

Condition	<p>During testwork over procurement requirements of the TANF program, auditor noted:</p> <ul style="list-style-type: none">• For Procurement, Suspension and Debarment relating to Subgrants, the Mississippi Department of Human Services did not require at least three proposal reviewers to individually score proposals received from subrecipients. Therefore, auditor was unable to determine that the proposals were evaluated by at least three reviewers, total scores per grading sheet were accurately calculated, total scores were in agreement with reviewers' comments, subrecipient(s) received an actual score of at least 75, and awarding of funds was based on the ranking and recommendation of reviewers.• For Procurement, Suspension and Debarment relating to Contractuals, auditor noted one instance in which proper controls were not followed over the contracting process for capital lease agreement(s). This capital lease was modified in 2018 and should have gone through the Administrative Review Memorandum (ARM) process; however, MDHS could not provide documentation supporting the ARM process.
Cause	Staff were not aware or did not follow policies and procedures over the procurement of contractual services, or adequate controls were not in place over granting subgrants and entering into procurement contracts.
Effect	Failure to abide by federal procurement guidelines, as well as internal policies and controls, could result in inappropriate contracts and payments as well as fraud, waste, and abuse. All of which could result in a claw-back of federal monies.
Recommendation	We recommend the Mississippi Department of Human Services strengthen controls to ensure compliance with federal regulations and internal policies over the procurement of contractual services as well as the awarding of subgrants.
Repeat Finding	Yes; 2019-039
Statistically Valid	Yes.

SUBRECIPIENT MONITORING

Material Weakness

Material Noncompliance

2020-030	<u>Strengthen Controls over On-Site Monitoring for the Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF), Child Care and Development Block Grant (CCDF), Low Income Home Energy Assistance Program (LIHEAP), and Social Services Block Grant (SSBG) Programs.</u>
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CFDA Number	10.551 Supplemental Nutrition Assistance Program 93.558 Temporary Assistance for Needy Families State Programs 93.667 Social Services Block Grant
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93.575 Child Care and Development Block Grant
93.596 Child Care Mandatory and Matching Funds of the Child Care and Development Fund
93.568 Low Income Home Energy Assistance Program

Federal Award No.	G1901MSTANF 2019 G1801MSTANF 2018 G1901MSCCDF 2019	SNAP – Letter of Credit G1901MSSOSR 2019 G19B1MSLIEA 2019
Federal Agency	United States Department of Agriculture, U.S. Department of Health and Human Services	
Questioned Costs	None.	
Criteria		<p>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 <i>Code of Federal Regulations (2 CFR Part 200)</i>. The <i>Code of Federal Regulations (2 CFR Part 200.331)</i> designates MDHS as a pass through entity to properly identify subgrant requirements to subrecipients, evaluate the risk of noncompliance for each subrecipient, and monitor the activities of subrecipients as necessary to ensure that subgrants are used for authorized purposes, complies with the terms and conditions of the subgrants and achieves performance goals.</p> <p>The auditor 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 subrecipient contract at least once during the subgrant period. A tracking mechanism is used to ensure all subrecipient 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 subrecipients. 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.</p> <p>The <i>Code of Federal Regulations (2 CFR 200.328(a))</i>, states the non-Federal entity is responsible for oversight of the operations of the Federal award supported activities. The non-Federal entity must monitor its activities under Federal awards to assure compliance with applicable Federal requirements and performance expectations are being achieved. Monitoring by the non-Federal entity must cover each program, function or activity. See also § 200.331 Requirements for pass-through entities.</p> <p>The <i>Code of Federal Regulations (2 CFR 200.328(b)(2))</i>, states the non-Federal entity must submit performance reports using OMB-approved government-wide standard information collections when providing performance information. As</p>

appropriate in accordance with above mentioned information collections, these reports will contain, for each Federal award, brief information on the following unless other collections are approved by OMB:

- (i) A comparison of actual accomplishments to the objectives of the Federal award established for the period. Where the accomplishments of the Federal award can be quantified, a computation of the cost (for example, related to units of accomplishment) may be required if that information will be useful. Where performance trend data and analysis would be informative to the Federal awarding agency program, the Federal awarding agency should include this as a performance reporting requirement.
- (ii) The reasons why established goals were not met, if appropriate.
- (iii) Additional pertinent information including, when appropriate, analysis and explanation of cost overruns or high unit costs.

The *Code of Federal Regulations* (2 CFR 200.331(b)), states: Evaluate each subrecipient's risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the subgrant for purposes of determining the appropriate subrecipient monitoring described in paragraph (e) of this section.

Additionally, the *Code of Federal Regulations* (45 CFR 200.62), states that a non-Federal entity must have internal control over compliance designed to provide reasonable assurance that:

- (a) Transactions are properly recorded and accounted for, in order to:
 - (1) Permit the preparation of reliable financial statements and Federal reports;
 - (2) Maintain accountability over assets; and
 - (3) Demonstrate compliance with Federal statutes, regulations, and the terms and conditions of the Federal award;
- (b) Transactions are executed in compliance with:
 - (1) Federal statutes, regulations, and the terms and conditions of the Federal award that could have a direct and material effect on a Federal program; and
 - (2) Any other Federal statutes and regulations that are identified in the Compliance Supplement; and
- (c) Funds, property, and other assets are safeguarded against loss from unauthorized use or disposition.

Furthermore, The *Internal Control – Integrated Framework* published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) Manual specifies that a satisfactory control environment is only effective when there are adequate control activities in place. Effective control activities dictate that the agency perform appropriate, multi-level reviews over the monitoring process.

Condition

During testwork performed on subrecipient on-site monitoring for 77 subgrant contracts during state fiscal year 2019, auditor noted the following exceptions:

- Based on inquiry with MDHS personnel, Former Executive Director JD overrode existing controls in the monitoring process of some recipients to

avoid MDHS personnel scrutiny into purchases.

- Two contracts, or 3 percent, in which auditor could not verify monitoring took place due to no Initial Report, Supervisor's Checklist, Fiscal Tool, or Programmatic Tool included for the subrecipient on the FY 2019 Monitoring Reviews Smartsheet.
- Six contracts, or 7 percent, in which the Supervisor's Checklist was not included for subrecipient on the FY 2019 Monitoring Reviews Smartsheet; therefore, auditor could not verify Supervisory Review of the Monitoring process.
- Nineteen contracts, or 25 percent, in which Initial Report of Findings and Recommendations or No Findings Letter were not included for subrecipient on FY 2019 Monitoring Reviews Smartsheet, were issued before the Supervisor's Checklist was signed and approved, or auditor could not verify Supervisor's approval before Initial Report issuance.
- Thirteen contracts, or 17 percent, in which subrecipient was not monitored during grant period, or auditor could not verify monitoring due to no Initial Report or No Findings Letter included for subrecipient on FY 2019 Monitoring Reviews Smartsheet.
- Two contracts, or 3 percent, in which the Programmatic Tool was not included for subrecipient on FY 2019 Monitoring Reviews Smartsheet, or was not in format readable by auditor.
- Twenty-four (24) contracts, or 31 percent, in which Initial Report was not issued within 30 working days of the exit conference, or auditor could not verify attribute due to Initial Report not being included on FY 2019 Monitoring Reviews Smartsheet.
- Four contracts, or 5 percent, in which Corrective Actions were not received within 30 days of Initial Report being issued, or Auditor could not determine if Corrective Actions were received within the appropriate timeframe after the issuance of the Initial Report due to lack of support from subrecipient on FY 2019 Monitoring Reviews Smartsheet.
- One instance, or 1 percent, in which monitoring for a subrecipient was postponed due to a request by upper management.

In addition, OM did not evaluate the risk of noncompliance of its subrecipients in order to perform monitoring procedures based upon identified risks, as is a requirement of Uniform Guidance.

Cause	Staff were either unaware or did not follow identified policies and procedures for monitoring requirement.
Effect	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 controls over subrecipient monitoring. OM should evaluate the risk of noncompliance of each subrecipient and perform monitoring procedures based upon identified risks. We also recommend the agency ensure subgrants are monitored timely and 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.
Repeat Finding	Yes – 2019-042 in 2019; 2018-046 in 2018; 2017-037 in 2017; 2016-027 in 2016; 2015-005 in 2015; 2014-017 in 2014; 2013-015 in 2013.
Statistically Valid	Yes.

Material Weakness

Material Noncompliance

2020-031	<u>Strengthen Controls Over Subrecipient Monitoring to Ensure Compliance with OMB Uniform Guidance Auditing Requirements.</u>
CFDA Number	10.551 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 93.667 Social Services Block Grant 93.568 Low Income Home Energy Assistance Program
Federal Award No.	SNAP – Letter of Credit TANF – G1901MSTANF CCDF – G1801MSCCDF, G1901MSCCDF SSBG – G1901MSSOSR LIHEAP – G18B1MSLIEA, G19B1MSLIEA
Federal Agency	U.S. Department of Agriculture, U.S. Department of Health and Human Services
Questioned Costs	None.
Criteria	<i>The Internal Control - Integrated Framework</i> published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) specifies that a satisfactory control environment is only effective when there are adequate control activities in place. Adequate controls would allow for a tracking system that includes all sub-recipients receiving federal funds from the agency as well as the maintenance of OMB monitoring files.

The Office of Management and Budget (OMB) Uniform Guidance states the pass-through entity is responsible for (1) ensuring that subrecipients expending \$750,000 or more in Federal awards during their fiscal year have met the audit requirements of OMB Uniform Guidance 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.

Additionally, the *Code of Federal Regulations* (45 CFR 200.62), states that a non-Federal entity must have internal control over compliance designed to provide reasonable assurance that:

- (a) Transactions are properly recorded and accounted for, in order to:
 - (1) Permit the preparation of reliable financial statements and Federal reports;
 - (2) Maintain accountability over assets; and
 - (3) Demonstrate compliance with Federal statutes, regulations, and the terms and conditions of the Federal award;
- (b) Transactions are executed in compliance with:
 - (1) Federal statutes, regulations, and the terms and conditions of the Federal award that could have a direct and material effect on a Federal program; and
 - (2) Any other Federal statutes and regulations that are identified in the Compliance Supplement; and
- (c) Funds, property, and other assets are safeguarded against loss from unauthorized use or disposition.

The *Code of Federal Regulations* (2 CFR §200.331(f)) states all pass-through entities (PTE's) must verify that every subrecipient is audited as required by Subpart F - Audit Requirements of this part when it is expected that the subrecipient's Federal awards expended during the respective fiscal year equaled or exceeded the threshold set forth in § 200.501 Audit requirements.

The *Code of Federal Regulations* (2 CFR §200.332) states that all pass-through entities must:

- (d) Monitor the activities of the subrecipient as necessary to ensure that the subgrant is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subgrant; and that subgrant performance goals are achieved. Pass-through entity monitoring of the subrecipient must include:

- (1) Reviewing financial and performance reports required by the pass through entity.
- (2) Following-up and ensuring that the subrecipient takes timely and appropriate action on all deficiencies pertaining to the Federal award provided to the subrecipient from the pass-through entity detected through audits, on-site reviews, and written confirmation from the subrecipient,

highlighting the status of actions planned or taken to address Single Audit findings related to the particular subgrant.

The *Code of Federal Regulations (2 CFR § 200.512(a)(1))* states the audit must be completed and the data collection form described in paragraph (b) of this section and reporting package described in paragraph (c) of this section must be submitted within the earlier of 30 calendar days after receipt of the auditor's report(s), or nine months after the end of the audit period. If the due date falls on a Saturday, Sunday, or Federal holiday, the reporting package is due the next business day.

Furthermore, MDHS' Policy regarding the Responsibilities of the Monitoring Unit Related to Uniform Guidance Audit Requirements Audits includes:

- (1) Providing an Initial Notice Letter to subrecipients to notify them of the audit requirements under the OMB Uniform Guidance Audit Requirements and providing the Subrecipient Audit Information Form to document that an audit is not required for subrecipients that expend less than \$750,000.
- (2) Issuing a Reminder Letter to subrecipients that have not submitted either an audit report or SAIF form to document that an audit was not required.
- (3) Issuing a Demand Letter to subrecipients that fail to submit an audit report or SAIF form to document that an audit was not required.
- (4) Identifying any audit findings contained in the audit reports and notifying the responsible MDHS Funding Division so that the audit findings can be resolved within the six-month deadline imposed under OMB Uniform Guidance Audit Requirements.
- (5) Maintaining an audit file for each MDHS subrecipient which includes an archive copy of the audit report or Subrecipient Audit Information Form, the Uniform Guide for Initial Review of Audit Reports, copies of the transmittal memorandum sent to each MDHS Funding Division, copies of any reminder letters sent to the subrecipient, and the Audit Finding and Questioned Costs Tracking Record and a copy of the clearance letter issued by the MDHS Funding Division for those subrecipients with audit findings.

Finally, *MDHS Subgrant/Agreement Manual* states that all MDHS subrecipients are required to complete the MDHS Subrecipient Audit Information Form (MDHS-DPI-002). This form must be submitted to the Division of Program Integrity - Office of Monitoring no later than ninety (90) calendar days after the end of the subrecipient's fiscal year. This form is necessary to certify the sources and amounts of all Federal awards received and expended by the subrecipient.

Condition

During the audit of MDHS, auditors reviewed the Division of Program Integrity – Office of Monitoring (OM) audit files and Single Audit Tracking Document for MDHS Subrecipients for state fiscal year 2018. During the review, the auditor noted the following weaknesses:

- The SFY 2018 Single Audit Tracking System utilized by the DHS Office of Monitoring to track the status of OMB Uniform Guidance audits for DHS subrecipients does not include expenditures made by the sub-recipient nor does it include all sub-recipients who received federal funds from MDHS during FY2018. The audit requirements of the *Code of Federal Regulations (2 CFR Part 200, subpart F)* are based on expenditures of Federal awards; therefore,

subrecipients of DHS could have expended Federal awards in excess of amounts that require a single audit that may have not been included on DHS's tracking document. The agency was not able to provide an expenditure report to the auditors in order to ensure completeness of the monitoring files.

- Three instances in which the Uniform Guide for the Initial Report of Uniform Guidance Audit Reports was not included on the FY 2018 Single Audit Tracking Smartsheet; therefore, auditor could not verify the Office of Monitoring reviewed and approved the submitted SAIF form or audit reports.
- Two instances in which the FY 2018 Single Audit Tracking Smartsheet did not contain a SAIF form or audit report for the subrecipient; therefore, auditor could not verify compliance with the monitoring process.
- One instance in which auditor could not verify initial, reminder, and/or demand letters were sent to the Subrecipient due to these letters not being included on the FY 2018 Single Audit Tracking Smartsheet.
- Five instances in which the Office of Monitoring did not receive the SAIF form within 90 days of the subrecipient's fiscal year end. Average submission was 190 working days late.
- Twenty-nine (29) instances in which the Office of Monitoring did not receive the subrecipient audit report within 9 months after subrecipient's fiscal year end. Average submission was 32 working days late.
- Thirteen (13) instances in which MDHS did not comply with the requirements prescribed by MDHS' internal policies regarding the remedy of subrecipient audit findings. In the "Responsibilities of the Monitoring Unit Related to Uniform Guidance Audit Requirement Audits" document provided by the Office of Monitoring (OM), point #7 states: "Identifying any audit findings contained in the audit reports and notifying the responsible MDHS Funding Division so that the audit findings can be resolved within the six-month deadline imposed under OMB Uniform Guidance Audit Requirements." Also, upon OM reviewing submitted subrecipient audits, if an audit finding was noted, OM sends a memo to the Funding Division for the specific subrecipient requiring the Funding Division to "provide this office (OM) with a written corrective action plan for the finding within fifteen (15) working days." MDHS could not provide any supporting documents showing these policies were being followed, nor could they provide any documentation showing a follow-up request by OM to ensure MDHS remains compliant with their own policies, as well as with the Uniform Guidance prescribed by OMB.

Cause	Staff were either unaware or did not follow identified policies and procedures for subrecipient monitoring related to Uniform Grant Guidance.
Effect	Failure to properly monitor subrecipients could allow noncompliance with federal regulations to occur and go undetected, potentially resulting in fraud, waste, and abuse within the agency.

Recommendation	We recommend the Mississippi Department of Human Services' Division of Program Integrity – Office of Monitoring (OM) strengthen controls over subrecipient monitoring for OMB Uniform Guidance audits to ensure recipients expending \$750,000 or more in Federal funds during their fiscal year are appropriately monitored and that the appropriate federal audit is obtained. We further recommend that the Mississippi Department of Human Service's Office of Monitoring design a monitoring tool based on expenditures incurred by subrecipients to ensure all subrecipients are included on the tracking report and continue to follow-up with subrecipients in a timely to ensure compliance with audit requirements.
Repeat Finding	Yes – 2019-043; 2018-047 in 2018; 2017-038 in 2017; 2016-028 in 2016; 2015-009 in 2015; 2014-016 in 2014.
Statistically Valid	Yes.

End of Report



Robert G. Anderson
Executive Director

SINGLE AUDIT FINDINGS

Shad White, State Auditor
Office of the State Auditor
State of Mississippi
P. O. Box 956
Jackson, MS 39205-0956

June 28, 2021

Dear Auditor White:

Enclosed for your review is the agency's official response to the single audit findings and other findings as outlined in the Mississippi Department of Human Services (MDHS) Fiscal Year 2020 Single Audit Management Report, along with the corrective action plan to be implemented.

SINGLE AUDIT FINDINGS:

2020-024 The Mississippi Department of Human Services Should Strengthen Controls to Ensure Compliance with Subrecipient Allowable Cost Activities.

Response: MDHS concurs that it should strengthen controls to ensure compliance with subrecipient allowable cost activities of the Supplemental Nutrition Assistance Program (SNAP), Child Care Development Fund (CCDF), and Temporary Assistance for Needy Families (TANF) programs.

Additionally, MDHS concurs with the following specific recommendations of the OSA and incorporates those recommendations as the foundation for the MDHS Corrective Action Plan (CAP) related to this finding:

Corrective Action Plan:

- 1) Strengthen existing controls to ensure non-compliance with federal regulations does not continue.
 - a. MDHS provides the following trainings to MDHS employees: initial purchasing process training, follow-up purchasing process training, subgrantee training for TANF subgrantees, procurement training for division directors, budgets training, fact sheet training, internal Budgets and Accounting training that includes Department of Finance and Administration (DFA) training with contract, payroll, accounts payable and account receivable units, internal audit training on identifying and conducting risk assessments for the division directors and other trainings. Additionally, MDHS has strengthened procedures

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- for tracking procurement requests, invoices, travel costs, and bank reconciliations. MDHS also published an Internal Audit Plan for 2021 to regularly audit higher risks in the agency. A specific audit work plan will be developed and audits conducted on an annual basis.
- b. Responsible Party: Executive Director, Robert G. Anderson
 - c. Anticipated completion date: This is an ongoing process as the specified trainings occur on a more frequent cycle.
- 2) Ensure adequate and appropriate training for all staff involved in monitoring any federal allowable costs and activities:
 - a. Effective May 1, 2020, MDHS established an Office of Compliance, which has both an internal and external compliance function. One duty of the new Office of Compliance is to educate subrecipients regarding the monitoring review process including allowable cost and activities allowed under the subgrant agreement and existing state and federal regulations. The Office of Compliance has updated standard operating procedures and implemented a team approach to the review of subgrantee findings. The Office of Compliance has also assumed responsibility for the quality control functions involving subrecipients while the Office of Inspector General (OIG) focuses on internal audits, investigations, benefit recovery and administrative hearings.
 - b. Responsible Parties: Executive Director, Robert G. Anderson and Chief Compliance Officer, Sandra Griffith.
 - c. Completion date: This Corrective Action has been implemented.
- 3) Provide training to subrecipients to increase awareness of allowable costs and activities.
 - a. MDHS has revised the Subgrant Manual to include the approval of lower-tiered subrecipients, and only allow sixty (60) days of cash advance with submission of monthly general ledgers and supporting documentation. Internal risk assessments are performed on all subgrantees to identify high, medium, or low risk. If a subgrantee is considered a high risk, the Division of Monitoring conducts a technical assistance visit. All MDHS subgrantees are required to attend training conducted by MDHS.
 - b. Responsible Parties: Executive Director, Robert G. Anderson and Chief Compliance Officer, Sandra Griffith
 - c. Completion Date: This Corrective Action has been implemented.

2020-025

Controls Should Be Strengthened to Ensure Compliance with Allowable Cost Requirements of the TANF Program.

Response:

MDHS partially concurs with Heart of David, concurs with subrecipient insufficient documentation, concurs with incorrect state plan, and concurs with TANF subrecipients detailed testing for allowable cost compliance requirements.

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Corrective Action Plan: Heart of David

- a. MDHS partially agrees there was a lack of controls with the subgrantee, Heart of David, due to processes manipulated by JD. MDHS would like to point out that the list of three (3) transactions are GAAP entries from Fiscal Year 20 that were executed by the Department of Finance and Administration and not by MDHS. Please refer to MDHS response 2020-024 as to all measures already taken by MDHS and all future corrective actions.
- b. Responsible Party: Division Director of Procurement, Bryan Wardlaw and Chief Financial Officer, Debra Dixon.
- c. Anticipated Completion Date: This is an ongoing process; the specified trainings will occur on a more frequent cycle.

Correction Action Plan: Subrecipient Insufficient Documentation

- a. MDHS has updated the Standard Operating Procedures for reviewing expenditures claimed for reimbursement. Please also refer to MDHS response 2020-024 as to all measures already taken by MDHS and all future corrective actions.
- b. Responsible Party: Deputy Administrator, Mark Williamson and Division Director for Workforce Development, Kimberly Smith
- c. Completion Date: This Corrective Action has been implemented.

Corrective Action Plan: Incorrect State Plan Provided

- a. All requests for State Plans will be forwarded to the Deputy Director of the respective division to ensure correct and updated plans are submitted.
- b. Responsible Party: Director of Internal Audit, Christopher Rand
- c. Anticipated Completion Date: June 30, 2021

Corrective Action Plan: TANF Subrecipients Detailed Testing for Allowable Cost Compliance Requirements – Subrecipient 1.

- a. MDHS TANF Subgrantee Training will be held annually or when there is a Subgrantee Manual update. Trainings will also be performed at the request of the MDHS Programmatic Division. Please also refer to MDHS response 2020-024 as to all measures already taken by MDHS and all future corrective actions.
- b. Responsible Parties: Division Director of Procurement, Bryan Wardlaw and Sandra Griffith, Chief Compliance Officer
- c. Anticipated Completion Date: This is an ongoing process; training will occur on a more frequent cycle.

Corrective Action Plan: TANF Subrecipients Detailed Testing for Allowable Cost Compliance Requirements – Subrecipient 2.

- a. MDHS TANF Subgrantee Training will be held annually or when there is a Subgrantee Manual

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update. Trainings will also be performed at the request of the MDHS Programmatic Division. Please also refer to MDHS response 2020-024 as to all measures already taken by MDHS and all future corrective actions.

- b. Responsible Parties: Division Director of Procurement, Bryan Wardlaw and Sandra Griffith, Chief Compliance Officer
- c. Anticipated Completion Date: This is an ongoing process; training will occur on a more frequent cycle.

Corrective Action Plan: TANF Subrecipients Detailed Testing for Allowable Cost Compliance Requirements – Subrecipient 3.

- a. MDHS TANF Subgrantee Training will be held annually or when there is a Subgrantee Manual update. Trainings will also be performed at the request of the MDHS Programmatic Division. Please also refer to MDHS response 2020-024 as to all measures already taken by MDHS and all future corrective actions.
- b. Responsible Parties: Division Director of Procurement, Bryan Wardlaw and Sandra Griffith, Chief Compliance Officer
- c. Anticipated Completion Date: This is an ongoing process; training will occur on a more frequent cycle.

2020-026 Controls Should Be Strengthened to Ensure Compliance with Cash Management Requirements of the TANF Program.

Response: MDHS concurs that controls should be strengthened to ensure compliance with cash management requirement of the TANF Program.

Corrective Action Plan:

- a. MDHS agrees with the finding. To correct this issue, all subgrantees are paid using a cost reimbursement model. All subgrantees are now required to complete a program report and submit the report with each claim reimbursement. Additionally, MDHS has eliminated the use of matching funds by subgrantees.
- b. Responsible Parties: Division Director for Workforce Development, Kimberly Smith and Deputy Director of Economic Programs, Mark Williamson and Chief Financial Officer, Debra Dixon.
- c. Anticipated Completion Date: This corrective action has been implemented.

2020-027 Controls Should Be Strengthened to Ensure Compliance with Matching Requirements of the CCDF Cluster.

Response: MDHS concurs that controls should be strengthened to ensure compliance with the matching requirement of the CCDF Cluster.

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Corrective Action Plan:

- a. The CCDF Cluster executed subgrant agreements called slot agreements under an RFP issued in 2015. All slot agreements expired on August 31, 2020. All subgrantees are paid using a cost reimbursement model. All subgrantees are also required to complete a program report and submit the report with each claim reimbursement.
- b. Responsible Parties: Division Directors for DECCD, Chad Allgood & Vicki Lowery and Chief Financial Officer, Debra Dixon.
- c. Completion Date: This Corrective Action Plan has been implemented.

2020-028 Controls Should Be Strengthened to Ensure Compliance with the Period of Performance for the CCDF Program.

Response: MDHS concurs that controls should be strengthened to ensure compliance with the period of performance for the CCDF program.

Corrective Action Plan:

- a. MDHS will notify all relevant subgrantees that new procedures will be implemented concerning shorter closeout timeframes to meet liquidation periods more adequately. Also, please refer to MDHS response in 2020-024 as to all measures already taken by MDHS.
- b. Responsible Parties: Division Director of DECCD, Chad Allgood & Vicki Lowery, and Chief Financial Officer, Debra Dixon.
- c. Completion date: This Corrective Action Plan has been implemented.

2020-029 Controls Should Be Strengthened Over Procurement Policies for the Awarding of Subgrants and Contracts for the TANF Program.

Response: MDHS partially concurs that controls should be strengthened over procurement policies for the awarding of subgrants and contracts for the TANF Program.

Corrective Action Plan: Procurement, Suspension, and Debarment relating to Subgrants

- a. MDHS does not concur. As requested by Office of State Auditor (OSA), MDHS provided individual scoresheets for all subrecipients that submitted a proposal in response to the TANF 2019 Request for Proposals (RFP). Each subrecipient scoresheet reflects consensus scoring and comments of the committee members. Consensus scoring operated within the committee meeting whereby each committee member offered their response to each requirement to collectively arrive at a consensus score for the specified requirement.

An RFP process for awarding TANF funds had not been utilized by MDHS since 2015. In August of 2019, the decision was made to award future TANF funds through an RFP process. This circumstance posed a very condensed time frame for implementing the RFP



Robert G. Anderson
Executive Director

process for a very large-scale project. Since the 2019 RFP, MDHS continues to refine and improve its RFP process to reflect the essential components of openness, competitiveness, and fairness in awarding TANF funds. The rules adopted and the processes implemented are applied uniformly to all potential subgrantees.

Since the 2019 TANF RFP, MDHS refined the TANF RFP process to reflect individual evaluator scores that factor into the consensus scoring for the TANF RFP specifications and requirements therein. The evaluation committee completes scoring and provides a recommendation for award to MDHS Executive Director. Furthermore, the MDHS Executive Director has no involvement in the evaluation, scoring, or award recommendation process for any potential TANF subgrant agreements. If a potential subgrantee fails to meet the selection/scoring criteria put in place, the Executive Director cannot override the decision of the evaluation committee to make an award of a subgrant.

- b. Responsible Party: Division Director of Procurement, Bryan Wardlaw
- c. Completion Date: This Corrective Action Plan has been implemented.

Corrective Action Plan: Procurement, Suspension, and Debarment relating to Contractual

- a. MDHS agrees that the capital lease should have been reviewed through the Administrative Review Memorandum (ARM) process. The 2018 capital lease modification was exclusively handled by MDHS Executive leadership. During this time, the MDHS Contracts Unit was not included in the modification process until after execution. Since that time, MDHS implemented and reinforced use of the Administrative Review Memorandum (ARM) process for appropriate reviews of MDHS agreements prior to executing and entering into agreements or modifications/amendments. Prior to processing an agreement through the ARM process, MDHS requires and utilizes an Initiation Process (IP). The IP requires internal review of the project (proposed/anticipated agreement) from a procurement, finance, and executive level perspective. Through the ARM process, an agreement is reviewed by the MDHS Funding Division, Procurement Division, Finance Division, the Office of Compliance, Legal (Attorney General), and Executive Leadership. Signature approval at each level is required for MDHS to enter into any agreement. This multiple level review process was designed as a process of checks and balances to ensure the agreement aligns with Agency policies as well as governing laws, rules, and regulations.
- b. Responsible Party: Division Director of Procurement, Bryan Wardlaw
- c. Completion Date: This Corrective Action Plan has been implemented.

2020-030 Controls Should Be Strengthened over On-Site Monitoring for the Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF), Child Care and Development Block Grant (CCDF), Low Income Home Energy Assistance Program (LIHEAP), and Social Services Block Grant (SSBG) Programs.

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Response: MDHS concurs that controls should be strengthened over On-Site monitoring for SNAP, TANF, CCDF, LIHEAP, and SSBG Programs.

Corrective Action Plan:

- a. Please refer to MDHS response in 2020-024 as to measures already taken by MDHS and future corrective actions. Monitoring controls have been strengthened and made robust.
- b. Responsible Party: Chief Compliance Officer, Sandra Griffith.
- c. Completion Date: This Corrective Action Plan has been implemented.

2020-031 Strengthen Controls Over Subrecipient Monitoring to Ensure Compliance with OMB Uniform Guidance Auditing Requirements.

Response: MDHS concurs that it needs to strengthen controls over subrecipient monitoring to ensure compliance with Office of Management and Budget (OMB) Uniform Guidance auditing requirements.

Corrective Action Plan:

- a. Please refer to MDHS response in 2020-024 as to measures already taken by MDHS and all future corrective actions.
- b. Responsible Party: Chief Compliance Officer, Sandra Griffith.
- c. Completion Date: This Corrective Action Plan has been implemented.

The Mississippi Department of Human Services would like to emphasize that of all findings listed in this report, only two findings include questioned costs, and both are carryover findings from the previous year. This demonstrates that Executive Leadership at MDHS has taken seriously its duty to strengthen all internal controls and is continuing to make improvements. MDHS appreciates the courtesy and professionalism demonstrated by your field staff throughout this audit. Should you have any questions regarding our responses or corrective action plan, please do not hesitate to contact Hadley Eisenberger, Inspector General, at 601-359-4939. We thank you also for granting us an extension of time to submit the agency's response.

Sincerely,

A handwritten signature in black ink that reads "Robert G. Anderson".

Robert G. Anderson
Executive Director

RGA

Page 7 of 7

200 S. Lamar St., P.O. Box 352 | Jackson, MS 39205 | (601) 359-4500

Offering Mississippians young and old tangible help today to create lasting hope for tomorrow.



State of Mississippi

TATE REEVES
Governor

August 11, 2020

Mr. Clarence H. Carter, 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 Mr. Carter:

I hereby authorize Mr. Robert G. "Bob" Anderson, 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. Anderson to sign all assurances for the Community Services Block Grant (CSBG) and Low-Income Home Energy Assistance Program (LIHEAP) grant applications outlined in the respective statute, as amended. To comply with the LIHEAP statute, Mr. Anderson 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. Anderson at (601)359-4457 or P.O. Box 352, Jackson, Mississippi 39205.

Sincerely,

A handwritten signature in blue ink that reads "Tate Reeves".
Tate Reeves
GOVERNOR

TR:BA:tr
cc: Mr. Bob Anderson



MISSISSIPPI DEPARTMENT OF HUMAN SERVICES

Robert G. Anderson
Executive Director

August 11, 2020

Mr. Clarence H. Carter, 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 Mr. Carter:

I hereby authorize the Director of the Division of Community Services (DCS) of the Mississippi Department of Human Services (MDHS), to be the official designee of signature authority for all funds appropriated to MDHS-DCS by the U. S. Department of Health and Human Services for the On-Line Data Collection System (OLDC) purpose only. In addition, I authorize the Director of the Division of Community Services to sign all assurances for the Community Services Block Grant (CSBG) and Low-Income Home Energy Assistance Program (LIHEAP) grant applications outlined in the respective statute, as amended. To comply with the LIHEAP statute, the Director of the Division of Community Services 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.
The Director of the Division of Community Services, Ms. Tina Ruffin, will serve as the state liaison for the implementation of the Community Services Block Grant and the Low-Income Home Energy Assistance Programs. All routine correspondence from your office should be directed to Ms. Ruffin and you may contact her directly at P.O. Box 352, Jackson, Mississippi 39205 or telephone (601) 359-4768.

Sincerely,

A handwritten signature in blue ink that reads "Robert G. Anderson".

Robert G. "Bob" Anderson
Executive Director

BA:tr

200 S. Lamar St., P.O. Box 352 | Jackson, MS 39205 | (601) 359-4500

Offering Mississippians young and old tangible help today to create lasting hope for tomorrow.

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 Monitoring.

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,

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 Monitoring. 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 Monitoring 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 Monitoring.

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 Monitoring, 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 Monitoring. 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 Division 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 Division 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 Division of Monitoring shall notify the Chief Compliance Officer, who shall notify the MDHS Inspector General. The MDHS Inspector General 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 Chief Compliance Officer and/or the MDHS Inspector General.

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-Inspector General. 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)

MISSISSIPPI

CHAPTER 9: FAIR HEARING PROCESS

Fair Hearing Process

Purpose

A fair hearing is available for any applicant or recipient upon written request. A fair hearing provides an opportunity for a more formal review by the subgrantee's Board of Directors concerning the point(s) of dissatisfaction. If the applicant or recipient is still dissatisfied from said Boards' decision, the decision may be appealed to the Division of Administrative Hearings.

Basis for a Fair Hearing

Applicant(s) or recipient(s) shall be provided a copy of the 'Fair Hearing Process' during each application or recertification. Upon denial of services, a copy of the 'Fair Hearing Process' will be mailed with the denial letter to the applicant. A copy of the process will also be clearly posted in all subgrantee office locations.

The basis for a fair hearing is listed below:

- A. An applicant or recipient whose application or recertification concerning eligibility assistance was denied;
- B. An applicant or recipient whose claims for assistance are not acted upon reasonable promptness; or
- C. Any other adverse action that detrimentally effects the applicant or recipient by the subgrantee and/or agency.

Some issues are not subject to fair hearings, in which includes but not limited to, a subgrantee failing to have enough funds for the county that the applicant resides in. In this case, said subgrantee should refer applicant(s) to other social service providers, or use non-federal funds if available. If a county runs out of funds before the end of the program year, said subgrantee must maintain a list of applicants who could not be served. These applicants must receive priority when scheduling appointments at the start of the new program year or if additional funds are awarded.

Appeal to the Subgrantee Level

After having exhausted all channels of resolution with the Executive Director of the Subgrantee, the applicant or recipient must submit a written request for a fair hearing to the subgrantee Board of Directors within thirty (30) calendar days that the adverse action occurred. The written request must include the following:

- A. Name and address of applicant or recipient,
- B. Name of subgrantee,
- C. Date of denial notice or adverse action taken,
- D. Reason for said action,
- E. Justification stating why action should not be taken,
- F. Statement requesting a fair hearing, and
- G. Two (2) signed and dated copies of the request (original and one copy).

Upon receipt of the applicant or recipient's request, the subgrantee Board of Directors must set the date of the fair hearing for the next scheduled board meeting. The fair hearing will be conducted at the discretion of the Board of Directors for the subgrantee. Said board shall render a written decision within five (5) business days of the fair hearing date.

Appeal to MDHS

- A. **Written Appeal to MDHS for Fair Hearing:** After having exhausted all channels for resolution at the subgrantee level, the applicant or recipient has thirty (30) calendar days from the date of the subgrantee Board of Directors' decision letter to submit a written request. The written request must include a copy of the original hearing request and the Board of Directors' decision letter. The request should be submitted to:
Mississippi Department of Human Services
Director of Administrative Hearings
Post Office Box 352
Jackson, Mississippi 39205
- B. **Notice for the Fair Hearing:** The recipient or applicant and subgrantee shall receive written notice of the hearing, which will include a statement of the date, time the hearing is to be held. The hearing may be held telephonically unless a face-to-face hearing is requested. A fair hearing will be scheduled within seven (7) calendar days the Director of Administrative Hearings receives a proper written request.
- C. **Evidence and/or Documents:** All documents relating to any pending proceeding must be submitted to the Director of Administrative Hearings Division of MDHS at the address listed above.
- D. **Informal Disposition:** Informal disposition may be made of any case by written stipulation, agreed settlement, consent order, or default.
- E. **Postponement/Continuance:** The hearing officer may grant a postponement or continue the fair hearing for good cause based upon a written, advanced request by either party.
- F. **Conduct of Fair Hearings:** Subject to the hearing officer's ruling and recommended decision, opportunity must be given to all parties to respond, present evidence, argue all

issues involved and call witnesses. A recording of each fair hearing should be made. If a party fails to appear, it may forfeit all rights.

- G. **Order of Hearing:** The hearing officer calls the fair hearing to order; introduces himself/herself and gives a brief statement of the nature of the proceeding; states what documents the record contains; calls for opening statements by each party; questions witnesses at will, and adjourns the fair hearing after all evidence has been presented. During testimony, the applicant, recipient or subgrantee's representative(s) may question witnesses, cross-examine the other party's witnesses, and redirect if necessary.
- H. **Recommended Decisions and Final Decisions** The hearing officer shall have the responsibility of preparing a statement summarizing the facts brought out in the fair hearing, indicating the policy governing the issue at hand, and making a recommended decision based on the evidence presented. The recommended decision shall be based only on evidence, testimony, and documents presented at the fair hearing. Following the fair hearing adjournment, the hearing officer will forward, both the record and recommended decision, to the MDHS Executive Director for adoption, modification, or reversal. The final decision of the MDHS Executive Director will be forwarded to the recipient or applicant along with the Executive Director of the subgrantee. The decision of the MDHS Executive Director shall be final and binding. The recipient or applicant has exhausted all administrative appeals after the decision from the MDHS Executive Director has been rendered.

Appeal to U.S. Department of Health and Human Services

If the final MDHS decision is not satisfactory, the applicant or recipient has ten (10) calendar days to submit a written request to U.S. Department of Health and Human Services. Said request should be sent to:

Secretary
U.S. Department of Health and Human Services
Office of Community Services
370 L'Enfant Promenade, S.W., 5th Floor
Washington, D.C. 20449

The written request must include a copy of the original hearing request, the Board of Directors' decision letter, and the final decision from MDHS. A decision and/or hearing will be issued and/or conducted based on the discretion of the U.S. Department of Health and Human Services.

Note: If at any point during the fair hearings process the original adverse action or denial decision is overturned, the proper actions will be taken by the subgrantee.

16.1 LIHEAP STATE PLAN PERFORMANCE MEASURES

The state of MS is updating its centralized client tracking system (Virtual ROMA (VR) to capture, analyze and submit information regarding energy burden targeting, restoration/prevention of loss of home energy service. As of August 2016, we have signed vendor agreements to include performance language, new performance related fields in VR system to allow collection and reporting of energy information required to produce the performance report and identify high energy users. The vendor agreement was revised last year to provide specific requirements for vendor refunds.

During the coming federal fiscal year, we plan to accomplish successful targeting of clients with high energy burdens. Additionally, we plan to utilize the benefit targeting/reduction indices to designate users who are high energy and allow for greater LIHEAP benefits and modify our benefit matrix beyond income. We will partner with our top vendors to get performance information more frequently. Presently, we are getting this information on an annual basis.

A vendor meeting will be scheduled to discuss results of the Performance Measures Report and to obtain greater participation from the propane vendors. We were able to capture information from the top propane vendors for this year's report.

ATTACHMENT- WASTE, FRAUD & ABUSE

MISSISSIPPI CHAPTER 14: WASTE, FRAUD, AND ABUSE

Waste, Fraud, and 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 when warranted.

Whistleblower Protection

According to Mississippi Code Section 25-9-173, 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

According to the U.S. Office of Inspector General:

Waste- involves the taxpayers not receiving a 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.

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- Misrepresenting household size or income, 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.

Criminal/Illegal Activities

LIHEAP funds may not be used to pay for any criminal acts punishable with fines, fees, penalties, and/or imprisonment. An application that is submitted for a bill which explicitly states that part of the bill is inclusive of an illegal activity such as tampering and other theft for services shall not be approved until the tampering fees/penalties are paid.

The energy vendor can adjust the bill to remove the illegal fees and the Subgrantee can pay the portion that does not include such fees and penalties. Further, fees and penalties must be paid prior to any LIHEAP funds being obligated on behalf of the client's bill.

Responsibilities Related to Waste, Fraud, and Abuse

- A. Employee (Grantee) - 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, s/he shall immediately report the activity to the Division Director. If the employee believes that the Division Director may be involved with the activity, the employee shall report the activity to the Fraud Hotline at 1-800-299-6905.
- B. Employee (Subgrantee) - 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, s/he 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. If it is believed that the Board is involved, it shall be reported to the Fraud Hotline at 1-800-299-6905.
- C. Client or General Public - DCS cannot compel citizens and clients to report suspected instances of waste, fraud and abuse. DCS, however, strongly encourages citizens and clients to report such. 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.

- D. 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 Fraud Hotline at 1-800-299-6905 and may result in an investigation being conducted.

Reporting of Waste, Fraud, and Abuse

A confidential report may be submitted through the Virtual Roma website found on <https://virtualroma.mdhs.ms.gov>. If the reporting party does not have access to this system, reporting may be completed at the following contact information:

Call toll free number: 1-800-299-6905
Fax number: 601- 359- 5047
Address: Office of Inspector General
200 South Lamar Street
Jackson, MS 39201

Providing specific occurrence details of suspected waste, fraud, and abuse will expedite investigative efforts. There is no requirement to submit identifying information from those who wish to report suspected waste, fraud, and abuse. Tips will be investigated in the order that they have been received with no preference given to those who provided identifying information.

Penalties for Substantiated Waste, Fraud, and Abuse

Once an investigation has been completed and reviewed by MDHS Office of Inspector General, penalties may be enforced as follows:

Employee - Employees 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 subgrantee regulations and may be terminated.

Client - If it is the client's first offense s/he will be ineligible for services for an entire year from the date of the decision. If it is the client's second offense, s/he 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.

MISSISSIPPI CHAPTER 14: WASTE, FRAUD, AND ABUSE

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

Statutory reference 2605 (b) (12)

**MISSISSIPPI DEPARTMENT OF HUMAN SERVICES
DIVISION OF COMMUNITY SERVICES
MEMORANDUM**

TO: Latavia Coleman
Division of Procurement Services

FROM: Nicole McBeath
Division of Community Services

DATE: June 3, 2021

SUBJECT: Publication of Legal Notice -Revised

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 10, 2021 and July 6, 2021** 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 601-359-4765.

TMR:nm

Attachments

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 2022 programs is scheduled for Tuesday, July 13, 2021, at 11:00 am through Zoom meeting by the Mississippi Department of Human Services due to the COVID-19 Pandemic. Participants can join the Zoom meeting via <https://mdhs.zoom.us/j/95524517505?pwd=SjRvUXpSTms3Q2FvVnA3dFJZZUIUdz09>, or through One tap mobile: meeting ID: 955 2451 7505, Passcode: 232835, One tap mobile +13017158592,,95524517505#,,,*232835# US (Washington DC) +13126266799,,95524517505#,,,*232835# US (Chicago). If lines are busy, please try one of the following numbers, +1 301 715 8592 US (Washington DC) +1 312 626 6799 US (Chicago), +1 646 876 9923 US (New York), +1 669 900 6833 US (San Jose), +1 253 215 8782 US (Tacoma), +1 346 248 7799 US (Houston), or +1 408 638 0968 US (San Jose) and the meeting ID: 955 2451 7505, Passcode: 232835.

The Community Services Block Grant provides funds for a range of activities to ameliorate the causes and effects of poverty. For Fiscal Year 2022, 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 2022, 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 20, 2021 by the Division of Community Services, P. O. Box 352, Jackson, Mississippi 39205. Public comments will be reviewed before finalizing the 2022 State Plans for these programs.

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
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ATTACHMENT- 2022 LIHEAP & CSBG PUBLIC HEARING AGENDA

**MISSISSIPPI DEPARTMENT OF HUMAN SERVICES
DIVISION OF COMMUNITY SERVICES**

**LEGISLATIVE PUBLIC HEARING
2022 LIHEAP & CSBG PROGRAMS**

**Zoom Meeting
200 South Lamar Street
Jackson, Mississippi**

**Tuesday, July 13, 2021
11:00 a.m.**

AGENDA

Opening Remarks and Introduction.....Nicole McBeath
Deputy Director

Purpose of Hearing

Presentation of FY 2022 State Plans:

• LIHEAP.....Nicole McBeath
Deputy Director

Questions/Comments.....Attendees

• CSBG.....Jessica Davis
Program Director

Questions/Comments.....Attendees

Roll Call

Closing Remarks

ATTACHMENT- PUBLIC COMMENTS

COMMENTS FROM THE 2022 LEGISLATIVE PUBLIC HEARING

Please see the next several pages for transcript (pages 118 - 124).

Legislative Public Hearing In Re: 2022 LIHEAP & CSBG Programs

Transcript of Proceedings

July 13, 2021

All depositions & exhibits are available for downloading at
www.brookscourtreporting.com

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Transcript of Proceedings 7/13/2021

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MISSISSIPPI DEPARTMENT OF HUMAN SERVICES

DIVISION OF COMMUNITY SERVICES

LEGISLATIVE PUBLIC HEARING

2022 LIHEAP & CSBG PROGRAMS

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200 South Lamar Street

Jackson, Mississippi

Tuesday, July 13, 2021

11:00 a.m.

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OPENING REMARKS AND INTRODUCTION:

Nicole McBeath, Deputy Director

PURPOSE OF HEARING:

Presentation of FFY 2022 State Plans

LIHEAP.....Nicole McBeath, Deputy Director

CSBG.Jessica Davis, Program Director

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<p>1 MS. NICOLE MCBEATH: On behalf of the 2 Mississippi Department of Human Services, under the 3 leadership of Mr. Bob Anderson, the Executive Director, 4 Tina Ruffin, Director Division of Community Services. 5 And I am Nicole McBeath, Deputy Director of Community 6 Services.</p> <p>7 We welcome you to the fiscal year 2022 Virtual 8 Legislative Public Hearing for the Community Services 9 Block Grant and the Low-Income Home Energy Assistance 10 Program. The hearing is being held virtually again due 11 to the COVID restraint.</p> <p>12 The purpose of this hearing is to inform the 13 public of the CSBG application pursuant to the 676AC3 of 14 the Community Service Block Grant Act and the LIHEAP 15 application under Title 26 of the Omnibus Budget 16 Reconciliation Act of 1981 as amended.</p> <p>17 Evidence that a Legislative Public Hearing on 18 the State plans were conducted, and that the plans were 19 made available for public inspection and review, must be 20 submitted with the State plans.</p> <p>21 We hold the hearing annually to present the 22 goals and objective of the State plans for funding of 23 the CSBG and LIHEAP Program to the Department of Health 24 and Human Services.</p> <p>25 Please, feel free to make comments, ask</p>	<p>1 heaters, hot water heaters, blankets, and fans. 2 LIHEAP defines vulnerable population as 3 children 0 to five years of age, older adults, person 4 with chronic health conditions, homeless person, 5 low-income people, disabled persons. 6 And studies have shown that high outdoor temps 7 lead to higher indoor temps; especially, for certain 8 structures, which means pre-existing health conditions 9 make each population more vulnerable.</p> <p>10 These are the LIHEAP goals, but I will only 11 address a few of those. And it's to target and provide 12 financial assistance and consumer education to all 13 low-income households being served, taking into account 14 both energy consumption and vulnerability of one or more 15 household members disabled, elderly, and children, while 16 at the same time, reducing the clients' burden of energy 17 through cost consumption.</p> <p>18 To increase energy affordability for LIHEAP 19 recipient households. To increase efficiency of energy 20 consumption for LIHEAP recipient households. And to 21 perform whole house weatherization measures to a 22 designated number of homes using LIHEAP funds, targeting 23 households where at least one member is elderly, 24 disabled, or a small child to reduce the energy cost 25 consumption of the household.</p>
<p>1 questions, and participate in this important session. 2 And we look forward to your continued support in the 3 year 2022.</p> <p>4 We would like to take this opportunity to 5 thank our legislatures, other public divisions, and the 6 citizens of this great state for their opinions.</p> <p>7 And do we have any elected officials attending 8 this meeting at this time? If so, please, unmute your 9 phone and state your name and your title.</p> <p>10 (Zoom interruption.) Mute your phone if 11 you're not saying anything. Okay. We also have in 12 attendance with us Pastor Black our Executive Director 13 of CHS.</p> <p>14 COURT REPORTER: I'm sorry, but all this is 15 running together, I cannot hear nor understand what is 16 being said.</p> <p>17 MS. MCBEATH: Everybody, please, make sure you 18 mute your phones and computers, we can hear some in the 19 background, some noise.</p> <p>20 The purpose of LIHEAP. The LIHEAP Statute, 21 Title 26 of Omnibus Budget Reconciliation Act of 1981 22 states: The purpose of the LIHEAP is to assist eligible 23 household with the cost of their home energy bill such 24 as electricity, gas, kerosene, wood, et cetera, and 25 other energy related services like air-conditioners,</p>	<p>1 The LIHEAP Benefit Matrix. Federal LIHEAP Act 2 stipulates that households with the lowest income 3 receive the greatest LIHEAP benefit. The maximum amount 4 a client can receive per program year from January 1 5 through December 31st is \$1500. And based on income, 6 the limits may be less than the maximum benefit amount. 7 LIHEAP benefits are grouped and capped by 8 energy types; such as electricity, natural gas, propane, 9 other fuel, wood. And each energy type has a maximum 10 benefit. This is an example of what the LIHEAP Benefit 11 Matrix looks like from the different income levels and 12 the household size. 13 For example, a household size of one with 14 income between 0 to \$3,220, can receive 800 in propane, 15 700 for electric, or 700 natural gas, or 400 in wood or 16 other fuel, for a maximum benefit amount of \$1500. 17 And if the house is total electric, they can 18 receive the whole \$1500. And as you can see, as the 19 income increases for a household size of one, the 20 benefit amount goes down. 21 This next flyer is the 2022 Federal Poverty 22 Guidelines for CSBG LIHEAP/Weatherization. Effective 23 October 1, 2021. This chart is used to determine income 24 eligibility for the client. 25 And the first column is the number of</p>

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<p>1 household for one to 20 members.</p> <p>2 The second column is the Federal Poverty</p> <p>3 Guidelines annual income.</p> <p>4 The third column is the CSBG Federal Poverty</p> <p>5 Guidelines, which Jessica will address a little bit</p> <p>6 in her presentation.</p> <p>7 The fourth column is for the</p> <p>8 DOE/LIHEAP/Weatherization and CSBG COVID program.</p> <p>9 The last column is the Federal Poverty</p> <p>10 Guidelines called LIHEAP/LIHEAP American Rescue Plan and</p> <p>11 the Water Grant program.</p> <p>12 So a household size of one, is eligible for</p> <p>13 LIHEAP, if they make \$21,488 or less. And if the number</p> <p>14 of people in the household exceeds 20, please, contact</p> <p>15 Community Services for the annual income.</p> <p>16 This slide shows the 2022 LIHEAP Tentative</p> <p>17 Allocation by Agency. These allocations are based on</p> <p>18 the current 2021 LIHEAP final award. Once DCS received</p> <p>19 the 2022 LIHEAP final award, we will revise these</p> <p>20 allocations doing the modification process. And I'll</p> <p>21 give y'all a moment just to look at your allocation.</p> <p>22 This next chart is the fiscal year 2020 LIHEAP</p> <p>23 Household Overall Assisted by Type of Assistance for the</p> <p>24 period of October 1, 2019, through September 30th, 2020.</p> <p>25 For heating, there was a total of 27,419 households.</p>	<p>1 fiscal year 2022 CSBG/LIHEAP State Plan availability for</p> <p>2 inspection was made known in the Public Hearing</p> <p>3 announcement described above. Opportunities for</p> <p>4 comments were also available during the Virtual Public</p> <p>5 Hearing held on July 13th, 2021, via Zoom Meeting at</p> <p>6 11:00 o'clock, via e-mail to tina.ruffin@mdhs.ms.gov.</p> <p>7 Or mailed to The Mississippi Department of Human</p> <p>8 Services, 200 South Lamar Street, Jackson, Mississippi</p> <p>9 39201.</p> <p>10 And at this time, I would like to turn it over</p> <p>11 for questions, comments, or concerns. Please, unmute</p> <p>12 your phone, if you have any questions. Make sure you</p> <p>13 state your name and the agency you are representing</p> <p>14 before you proceed for the court reporter.</p> <p>15 MS. LIZ BRISTER: Hi, this is Liz Brister</p> <p>16 with Entergy. And I also posted my question in the</p> <p>17 chat. I'm curious what percentage of funds were</p> <p>18 expended from FY20 and if there were any that were not</p> <p>19 obligated that had to be returned to the Federal</p> <p>20 Government.</p> <p>21 MS. TINA RUFFIN: Good morning, Liz.</p> <p>22 This is Tina Ruffin, Director of Community Services, at</p> <p>23 this point, we don't have that information. We can get</p> <p>24 that information for you and send it out to you or</p> <p>25 anybody else who has the same question. And the 2021</p>
<p>1 Cooling was 22,609. Year-round crisis was 3,182.</p> <p>2 Emergency equipment was 1,365. Home weatherize was 98.</p> <p>3 Any type of LIHEAP assistance was 39,435 households.</p> <p>4 And this number is unduplicated. Bill payment</p> <p>5 assistance was total of 39,195.</p> <p>6 These are the LIHEAP Community Action Agencies</p> <p>7 that we administer the LIHEAP funds to and the Counties</p> <p>8 they serve.</p> <p>9 We have: AJFC. Bolivar County. Central</p> <p>10 Mississippi, Incorporated. Coahoma Opportunity. Hinds</p> <p>11 County Human Resource Agency. Jackson County Civic</p> <p>12 Action Committee. LIFT, Incorporated. Madison County</p> <p>13 Citizen Service Agency. Mid-State Opportunity.</p> <p>14 Multi-County Community Service Agency. Northeast</p> <p>15 Mississippi Community Services. PRVO. Prairie</p> <p>16 Opportunity. Rankin County Human Resource Agency.</p> <p>17 South Central Community Action Agency. Southwest</p> <p>18 Mississippi Opportunity. Sunflower-Humphreys Counties</p> <p>19 Progress. And WWISCAA.</p> <p>20 Legislative Public Hearing Requirements. The</p> <p>21 Legislative Public Hearing, the federal fiscal year 2022</p> <p>22 CSBG/LIHEAP Legislative Public Hearing held on July</p> <p>23 13th, 2021. Notice of the Public Hearing appeared in 12</p> <p>24 different Newspapers statewide.</p> <p>25 Public Inspection of the Plan for federal</p>	<p>1 grants are still open. So we would have to give an</p> <p>2 amount through today.</p> <p>3 MS. LIZ BRISTER: Okay. Thank you.</p> <p>4 MS. NICOLE MCBEATH: Are there any other</p> <p>5 questions?</p> <p>6 MS. JESSICA DAVIS: If there are no</p> <p>7 further questions, I'll proceed with the CSBG portion of</p> <p>8 the FY 2022 Virtual Public Hearing.</p> <p>9 Good morning, my name is Jessica Davis, and I</p> <p>10 am the LIHEAP and CSBG Program Director, and I'll be</p> <p>11 handling the CSBG portion of the Virtual Public Hearing.</p> <p>12 The FFY 2022 Community Services Block Grant</p> <p>13 State Plan, it serves as the State of Mississippi's</p> <p>14 application for Federal CSEB funding. It describes</p> <p>15 Mississippi's proposed use of FFY 2022 CSEB funding to</p> <p>16 produce positive outcomes towards the elimination of the</p> <p>17 causes and effects of poverty.</p> <p>18 Here's the listing of our Community Action</p> <p>19 Agencies that receive CSBG funding: AJFC. Bolivar</p> <p>20 County. Central Mississippi, Incorporated. Coahoma</p> <p>21 Opportunities, Incorporated. Hinds County Human</p> <p>22 Resource Agency. Jackson County CAC. LIFT,</p> <p>23 Incorporated. Mid-State Opportunity. Multi-County CSA.</p> <p>24 Northeast Mississippi CS. PRVO. Prairie Opportunity.</p> <p>25 South Central CAA. SMO. Sunflower-Humphreys Counties</p>

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<p>1 Progress. And WWISCAA.</p> <p>2 The Legislative Public Hearing the FFY 2022</p> <p>3 CSBG/LIHEAP Legislative Public Hearing held on July 13,</p> <p>4 2021. The notice of the Public Hearing appeared in 12</p> <p>5 different Newspapers. And the Public Inspection of the</p> <p>6 Plan is as follows. I won't repeat this, Nicole has</p> <p>7 already mentioned it.</p> <p>8 The Purposes of CSBG Funds is to remove</p> <p>9 obstacles and solve problems that block achievement of</p> <p>10 self-sufficiency.</p> <p>11 Secure and retain meaningful employment.</p> <p>12 Attain an adequate education.</p> <p>13 Make better use of available income.</p> <p>14 Achieve greater participation in the affairs</p> <p>15 of the community involved.</p> <p>16 Obtain and maintain adequate housing and a</p> <p>17 suitable living environment.</p> <p>18 And obtain emergency assistance through loans,</p> <p>19 grants, or other means to meet immediate and urgent</p> <p>20 family and individual needs.</p> <p>21 The Goals, Objectives and Assurances. Engage</p> <p>22 and support clients to access and expand their self-</p> <p>23 skillset – expand their skillset to obtain meaningful</p> <p>24 employment or new careers.</p> <p>25 Assist clients in obtaining new skills for the</p>	<p>1 Funds.</p> <p>2 MDHS/DCS will allocate at least Five (5)</p> <p>3 percent of the CSBG funds received by the State to</p> <p>4 support discretionary projects related to the purposes</p> <p>5 of the CSBG Act and the six national goals.</p> <p>6 A percentage of discretionary funds are</p> <p>7 allocated based on the following activities:</p> <p>8 Capacity Building. At 66 percent. And other</p> <p>9 CSBG purposes: At 34 percent.</p> <p>10 As Nicole also mentioned, here's a breakdown</p> <p>11 of the Federal Poverty Guidelines. And as you can see</p> <p>12 CSBG for a household of one, the individual can make</p> <p>13 \$15,100 or less in order to receive CSBG services.</p> <p>14 2022 CSBG Tentative Allocations. Here's a</p> <p>15 breakdown of allocations based on the Community Action</p> <p>16 Agencies. And as Nicole also mentioned, this is based</p> <p>17 on the federal fiscal year 2021.</p> <p>18 Case Management Services provided by CSBG:</p> <p>19 Employment, Job Training Services/Assistance,</p> <p>20 Employment Services/ Assistance,</p> <p>21 Work Support Services/Assistance,</p> <p>22 Vocational Training,</p> <p>23 Another one is Housing Services,</p> <p>24 Housing Financial Assistance,</p> <p>25 Weatherization Services,</p>
Page 11	Page 13
<p>1 Work From Home economy to include distance learning</p> <p>2 initiatives.</p> <p>3 Emphasize the need for legal, effective, and</p> <p>4 quality board of directors ensuring more diversity in</p> <p>5 service delivery, Community Involvement and</p> <p>6 Partnerships.</p> <p>7 Sponsor financial literacy seminars for</p> <p>8 clients to increase credit worthiness in efforts to</p> <p>9 obtain and maintain safe and affordable housing.</p> <p>10 And lastly, develop a statewide Pandemic</p> <p>11 Cohort to address challenges faced by families during</p> <p>12 the pandemic.</p> <p>13 The Distribution and Allocation of Funds. In</p> <p>14 accordance with the CSBG Act. Ninety (90) percent of</p> <p>15 the State of Mississippi's total CSBG allocation must be</p> <p>16 distributed to the State's eligible entities.</p> <p>17 Twenty-five (25) percent of each eligible</p> <p>18 entity's allocation must be allocated to the Supportive</p> <p>19 Services activity for direct client services.</p> <p>20 The Fifteen (15) percent of each eligible</p> <p>21 entity's allocation may be used for the Administration</p> <p>22 Activity.</p> <p>23 And Sixty (60) percent of each eligible</p> <p>24 entity's allocation may be used for Case Management.</p> <p>25 The Distribution and Use of Discretionary</p>	<p>1 Transitional Shelter,</p> <p>2 Home Ownership.</p> <p>3 I won't go through all of them, but these are</p> <p>4 services that the Case Management or that CSBG Program</p> <p>5 Services can provide.</p> <p>6 The Individual and Family National Performance</p> <p>7 Indicators. These are the outcome that the State of</p> <p>8 Mississippi achieved with the assistance of the</p> <p>9 Community Action Agency through their support of the</p> <p>10 CSGB funding.</p> <p>11 For employment: Unemployed adults who</p> <p>12 obtained employment. There were 1,626 people who were</p> <p>13 unemployed who obtained employment through the CSGB</p> <p>14 program. There were 127 individuals who obtained a high</p> <p>15 school diploma or equivalency certificate or diploma.</p> <p>16 Another income number for the State of</p> <p>17 Mississippi were the households who obtained Safe and</p> <p>18 Affordable Housing, which was 3,126. And for seniors to</p> <p>19 maintain independent living, there was 3,207.</p> <p>20 The Public Hearing has ended. Is there any</p> <p>21 questions, comments, or concerns?</p> <p>22 MS. MARY RUHL: This is Mary Ruhl with Madison</p> <p>23 County Citizens Services Agency. And I was wondering if</p> <p>24 we could get an e-mail of this slide information?</p> <p>25 MS. TINA RUFFIN: Yes, ma'am, you can. Do you</p>

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<p>1 just want us to send it to Madison County? What was 2 your name again?</p> <p>3 MS. MARY RUHL: Mary Ruhl, R-U-H-L.</p> <p>4 MS. TINA RUFFIN: Okay, Ms. Ruhl, we'll send 5 it to you.</p> <p>6 MS. MARY RUHL: Thank you.</p> <p>7 MS. KEISHA BUTLER: Hi, this is Keisha Butler 8 of Southwest Mississippi Opportunity. Good afternoon or 9 good morning still to everyone. Ms. Ruffin, would you, 10 please, send it to our agency, so I may share this also 11 with our Board of Directors?</p> <p>12 MS. TINA RUFFIN: Yes, ma'am. Matter of fact, 13 we'll send it out to all agencies.</p> <p>14 MS. KEISHA BUTLER: Thank you.</p> <p>15 MS. TINA RUFFIN: Yes, ma'am.</p> <p>16 MS. JESSICA DAVIS: Are there any more 17 questions or concerns?</p> <p>18 MS. NICOLE MCBEATH: If there are no more 19 questions or concerns, we're going to go ahead and start 20 the roll call. I will call the agency name out, you 21 unmute your phone and, please, have everyone state who's 22 in attendance and speak up clearly.</p> <p>23 AJFC? AJFC is anyone? If you're having 24 trouble with the speakers, just put a list of attendance 25 in the chat. Also, you can send an e-mail. (Echo</p>	<p>1 MCCSA: Sharon Weathersby, Mary Ruhl. 2 Liz Brister. 3 Ronald Collier. 4 Barbara Berry. 5 Adina Whalum. 6 Alicia Jackson. 7 Angela Mouldin. 8 B. Jackson. 9 BoNita L. Harris. 10 Bridget Shield. 11 Charris. 12 Dynetha. 13 Eleonora Littleton. 14 Gwendolyn Pittman. 15 H. Armstrong. 16 Helmon Johnson. 17 Jacqueline James. 18 Jimmyia Smith. 19 John Winn. 20 J. Robinson. 21 Kim. 22 Lashunda McCramey. 23 MS. NICOLE MCBEATH: Obviously, we're having 24 some technical difficulties. We're just going to have 25 all agencies an anyone in attendance to send us an</p>
<p>repeating audio) Boliver?</p> <p>MS. MAE WILLIAMS: Mae Williams Boliver.</p> <p>MS. NICOLE MCBEATH: Is that everyone for Bolivar?</p> <p>COURT REPORTER: Audio is not working. Here's a list of the names that I was able to get off the screen.</p> <p>RCHRA: Jessi McLendon and Mark Dearman.</p> <p>SHCPI: Almedia Johnson, Maxine Ball.</p> <p>Mid-State Opportunity: Lynda Bradford and Pam McFerrin.</p> <p>LIFT, Incorporated: Dorothy Leasy, Marilyn Davis, Flora Rice, Chevelle Powell.</p> <p>JCCA: Cynthia Black.</p> <p>MCCSA: Shirley Blanks.</p> <p>Prairie Opportunity, Inc.: Laura Marshall,</p> <p>Debra Austin, Crystal Aaron, Doris Gathings, Sarah Jones, Gail Dotson, Sandra Miller, Janice Miller, Jennie Mustin, Chiquita Evans.</p> <p>NEMCS: Steve Gaines, Lori Taylor.</p> <p>SCCAA: Kim Beaver.</p> <p>SMO: Keisha Butler.</p> <p>SCCAA: LaSheta Walker.</p> <p>Multi-County CSA: Teresa Grice.</p> <p>MSMT: Malachi Smith.</p>	<p>e-mail with everyone that's in attendance. I'm getting echoes and some people are stating their names two or three times. So I'm not going to finish the list out. Just send us an e-mail. You can send it to Nicole, nicole.mcbeath@mdsh.ms.gov. And that goes for any other participant as well. Also, if you have any other questions, you can e-mail that to us as well.</p> <p>The Division of Community Services would like to thank each and everyone of you for attending this year's virtual public hearing. And for all the hard work that y'all are doing in making these programs a success. We surely appreciate you and couldn't do this without you. Please, keep up the good work and continue to be safe.</p> <p>This now concludes the Public Hearing for the fiscal year 2022. Thank you so much.</p> <p>(Time Noted: 11:45 a.m.)</p>

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1 CERTIFICATE OF COURT REPORTER
2 I, Mellie M. Pierce, Court Reporter and
3 Notary Public, in and for the State of
4 Mississippi, hereby certify that the foregoing
5 contains a true and correct transcript of the
6 Public Hearing as taken by me in the
7 aforementioned matter at the time and place
8 heretofore stated, as taken by stenotype and later
9 reduced to typewritten form under my supervision
10 by means of computer-aided transcription.

11 I further certify that under the
12 authority vested in me by the State of Mississippi
13 that the witness was placed under oath by me to
14 truthfully answer all questions in the matter.

15 I further certify that, to the best of
16 my knowledge, I am not in the employ of or related
17 to any party in this matter and have no interest,
18 monetary or otherwise, in the final outcome of
19 this matter.

20 Witness my signature and seal this the
21 5th day of August, 2021.

22 

23 MELLIE M. PIERCE #1933

24 My Commission Expires:
25 October 27, 2023

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ATTACHMENT- VENDOR AGREEMENT FORM**Mississippi Department of Human Services
Division of Community Services (DCS)****Vendor Agreement**

The Low-Income Home Energy Assistance Program (LIHEAP) provides assistance to eligible low-income households to pay home energy cost and other energy related services. Payments for assistance will be made by _____ on behalf of eligible households

LIHEAP Agency

to the vendor who provide the primary source of heating, cooling or services named by the applicant. Checks will be issued to the vendor with a list of eligible households attached to it.

This vendor agreement is by and between:

LIHEAP Agency:	Address:
LIHEAP Vendor Legal Name:	Address:

By signing this agreement and accepting payments on behalf of eligible households, the energy vendor assures:

- The account number is assigned to each household eligible for energy assistance;
- That eligible households will be charged in a normal business process, the difference between the actual cost of home energy services and the amount of payment made through the program;
- That eligible households will not be treated adversely or differently because of such assistance;
- That there will be no discrimination either in the cost of goods supplied or services provided, against the households on whose behalf payments are made;
- That the amount paid by LIHEAP agency will be credited to individual eligible household indicated on the listing that accompanies the check or ACH deposit;
- To not refuse service or otherwise discriminate in the marketing and provision of service to any applicant because of race, religion, color, national origin, gender, familial status, source of income, level of income, disability, financial status or qualification for low-income or energy-efficiency services;
- To not interrupt services if a pledge was sent to Vendor and the agency is meeting the obligations under this agreement;
- That it will cooperate with DCS by providing requested information to DCS regarding annual utility usage and cost for LIHEAP clients, if applicable; and
- To provide at no cost to the LIHEAP Agency, client, or DCS, written information on an applicant household's home energy costs, bill payment history or arrearage history.

- To report any instance of fraud, waste, and abuse concerning customer (client), agency, employee, or vendor contact the MDHS Division of Program Integrity at 1-800-299-6905. The report may result in an investigation being conducted.

The energy vendor agrees to handle payments in the following manner:

- Payments must be applied **ONLY to home energy accounts** of the individuals listed, except if: (a) the account is in the name of the spouse who lives at the same address; (b) the account is in the name of a deceased spouse; or (c) verification is obtained from vendor or landlord stating that applicant is responsible for affected utility bill.
 - Payments must **not** be applied to business accounts.
 - Payment must be applied **only** for home energy services. The following payments are prohibited: water, sewer, garbage collections, fraudulent services, meter tampering and returned check fees.
 - If, after a payment is credited to the recipient's account, and a credit balance results, this must be noted in the energy vendor's record and shown on the recipient's next bill.
CASH REFUNDS ARE STRICTLY PROHIBITED.
 - **Refunds must be identified with the name, address, and account number of the recipient, year credit occurred, date of payment on account, amount of refund and reason for refund.**
 - If a recipient having a credit balance as a result of LIHEAP benefit shown on the energy vendor's book should die (without spouse) or move out of the State of Mississippi, any amount exceeding the balance owed your company must be refunded to _____ within 60 days.

LIHEAP Agency

- If a recipient having a credit balance as a result of LIHEAP benefit moves to a different region of the state and with current vendor, the credit balance may be transferred, provided the recipient notifies the vendor of the name and new account number. In the event that no request was made by the recipient within a reasonable time frame, the credit balance must be refunded to _____ within 60 days.

LIHEAP Agency
 - Refund any interest resulting from unused LIHEAP payment made on behalf of the client, when a client no longer needs service due to relocation, death, etc.
 - All recipient accounts should be credited immediately, but no later than ten (10) days after receipt of check from _____. It is important that

LIHEAP Agency

all branch offices are contacted to ensure that recipients' accounts are credited in a timely manner.
 - The energy vendor agrees to provide at least one contact person to _____ who will ensure that all accounts are credited

LIHEAP Agency

and answer questions concerning utility shut off and direct vendor payments.

By signing this agreement and pledging payments of eligible households, the LIHEAP agency assures:

- To not provide pledges on behalf of recipients without having adequate funds to pay such pledge;
- Pledges will be made **only** on approved applications in Virtual ROMA.
- Payment will occur within twenty (20) business days after application has been approved.
- Provide Vendor with a list of names, telephone numbers and email addresses of Agency staff designated to approve pledges on behalf of the Agency and LIHEAP recipients.

The State of Mississippi may terminate this agreement by written notice for failure of either party to comply with the provisions stated herein or when it is deemed to be in the best interest of the State, client, or to comply with the LIHEAP statute.

Signature of LIHEAP Agency Officer

Signature of Energy Vendor Officer

Printed Name & Title

Printed Name & Title

Date

Date

Revised: 5/09/19

Section 18: Certification Regarding Debarment, Suspension, and Other Responsibility Matters**Section 18: 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.BrBbr.
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 Nonprocurement 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, subparagraph 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.

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 Nonprocurement 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.

Certification Regarding Debarment, Suspension, Ineligibility and 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.

By checking this box, the prospective primary participant is providing the certification set out above.

Section 19: Certification Regarding Drug-Free Workplace Requirements**Section 19: 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 point 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 Nonprocurement 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)

200 South Lamar Street
*** Address Line 1**

Address Line 2

Address Line 3

Jackson * City	MS * State	39201 * Zip Code
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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]

By checking this box, the prospective primary participant is providing the certification set out above.

Section 20: Certification Regarding Lobbying**Section 20: Certification Regarding Lobbying**

The submitter of this application 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.

- By checking this box, the prospective primary participant is providing the certification set out above.

Assurances
Assurances
(1) use the funds available under this title to--
(A) 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);
(B) intervene in energy crisis situations;
(C) provide low-cost residential weatherization and other cost-effective energy-related home repair; and
(D) 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) make payments under this title only with respect to--
(A) households in which one or more individuals are receiving--
(i) assistance under the State program funded under part A of title IV of the Social Security Act;
(ii) supplemental security income payments under title XVI of the Social Security Act;
(iii) food stamps under the Food Stamp Act of 1977; or
(iv) 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
(B) households with incomes which do not exceed the greater of -
(i) an amount equal to 150 percent of the poverty level for such State; or
(ii) 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) 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) 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) 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) 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 -

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

(B) 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) if the State chooses to pay home energy suppliers directly, establish procedures to --

(A) notify each participating household of the amount of assistance paid on its behalf;

(B) 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;

(C) 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

(D) ensure that the provision of vendor 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) provide assurances that,

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

(B) the State will treat owners and renters equitably under the program assisted under this title;

(9) provide that--

(A) 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

(B) 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) 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) permit and cooperate with Federal investigations undertaken in accordance with section 2608;

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

(13) 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; and

(14) cooperate with the Secretary with respect to data collecting and reporting under section 2610.

(15) * 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 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.

* This assurance is applicable only to States, and to territories whose annual regular LIHEAP allotments exceed \$200,000. Neither territories with annual allotments of \$200,000 or less nor Indian tribes/tribal organizations are subject to Assurance 15.

(16) 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.

Plan Attachments

PLAN ATTACHMENTS
The following documents must be attached to this application
<ul style="list-style-type: none">• Delegation Letter is required if someone other than the Governor or Chairman Certified this Report.
<ul style="list-style-type: none">• Heating component benefit matrix, if applicable
<ul style="list-style-type: none">• Cooling component benefit matrix, if applicable
<ul style="list-style-type: none">• Minutes, notes, or transcripts of public hearing(s).