



DEPARTMENT OF HEALTH & HUMAN SERVICES
Administration for Children and Families
Office of Community Services

Community Services Block Grant Program

Idaho State Assessment

Desk Review

Final

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Idaho State Assessment

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Idaho Community Services Block Grant

Executive Summary

The Community Services Block Grant (CSBG) program provides assistance to States and local communities, working through a network of Community Action Agencies (CAAs) and other neighborhood-based organizations, for the reduction of poverty, the revitalization of low-income communities, and the empowerment of low-income families and individuals to become fully self-sufficient. CSBG-funded programs create, coordinate, and deliver a broad array of programs and services to low-income Americans. The grant's purpose is to fund initiatives to change conditions that perpetuate poverty, especially unemployment, inadequate housing, poor nutrition, and lack of educational opportunity.

The Governor of Idaho designated the Department of Health and Welfare (DHW) as the appropriate State agency to act as the lead agency for the administration of the CSBG program. Effective April 3, 2003, the DHW entered into a service contract with the Community Action Partnership of Idaho (CAPAI) in the amount of \$2,000,000. At that time, DHW contractually transferred administrative functions¹ of CSBG program to CAPAI on its behalf. The DHW reserves the right to extend the contract for additional periods, not to exceed a total of four years.

According to the contract, CAPAI provided funding, technical assistance and support to seven eligible entities or CAAs² serving 44 counties. The CAAs provided an array of services according to the Community Action Plan (CAP) formulated to address local needs. Services may include: housing, energy assistance, nutrition, employment and training as well as transportation, family development, child care, health care, emergency food and shelter, domestic violence prevention services, money management, and micro-business development. The information contained in this report was compiled for a State Assessment (SA) of the Idaho Community Services Block Grant program and its eligible entity as evaluated by Federal staff of the Division of State Assistance (DSA), Office of Community Services (OCS), an office within the Administration for Children and Families (ACF), U.S. Department of Health and Human Services (HHS).

State Assessment Authority

State Assessments (SAs) are conducted to examine the implementation, performance, compliance, and outcomes of a State's CSBG program to certify that the State is adhering to the provisions set forth in Sections 678B and 676(b) of the Coats Human Services Reauthorization Act, Public Law 105-285. On December 21, 2007, OCS issued Information Memorandum 105, explaining that DSA would conduct both on-site and desk monitoring visits during Federal Fiscal Years 2008-2010. Federal staff conducted a desk review of the Idaho CSBG program and its eligible entity from September 15-19, 2008. The evaluation included interviews and analyses of the data collected. As per the statute, the SA examines the State, and its CAA's assurances of program operations including:

¹ Contract WC042100 transferred administrative services and support of the CSBG program to the Contractor in order to enhance responsible and efficient use of funds provided to the Department.

² The terms eligible entities and CAAs are used interchangeably – Idaho has seven CAAs.

1. Activities designed to assist and coordinate services to low-income families and individuals, including those receiving assistance under the Temporary Assistance to Needy Families (TANF) program, the elderly, homeless, migrant and seasonal workers, and youth;
2. Coordination of service delivery to ensure linkages among services, including as it relates to employment and training activities, the Low Income Home Energy Assistance Program (LIHEAP), and with faith-based and other community-based charitable organizations, and other social services programs;
3. Innovative approaches for community and neighborhood-based service provision;
4. Ability to provide emergency food and nutrition to populations served;
5. Adherence to statutory procedures governing the termination and reduction of funding for the local entity administering the program;
6. Adequate and appropriate composition of Tripartite Board and CAA rules;
7. Appropriate fiscal and programmatic procedures to include a Community Action Plan from the CAAs that identifies how the needs of communities will be met with CSBG funds; and
8. Participation in the performance measurement system, the Results Oriented Management and Accountability (ROMA) initiative.³

The SA also examines the fiscal and governance issues of the eligible entity that provide CSBG-funded services in local communities, the CAAs, as well as the State's oversight procedures of CAPAI, and the eligible entities. Fiscal and governance issues examined include:

1. Distribution methodology for disbursement of CSBG funds to the eligible entities;
2. Fiscal controls and accounting procedures;
3. State administrative expenses;
4. Mandatory public hearings conducted by the State Legislature; and
5. General procedures for governing the administration of the CSBG Program, including board governance, non-discrimination provisions, and political activities prohibitions.

Methodology

The State Assessment consists of two levels of evaluation by Federal staff:

1. Federal staff examined the State-level assurances and fiscal and administrative governance issues regarding the CSBG program in interviews and data collection with State officials.
2. Federal staff conducted desk assessments of the State's monitoring of the CAAs to determine compliance with assurances and governance requirements by gathering information from local agencies, engaging in additional interviews and data collection.

State-level interviews included the following Idaho Department of Health & Welfare staff: Karl Kurtz, Director, Community Service Block Program; Genie Sue Weppner, CSBG Director; Annie Dalgetty, CSBG Administrator; Michael Pearson, Financial Specialist for CSBG; and April Renfro, Auditor, State of Idaho.

OCS reviewers assessed the following entities: the Community Action Partnership Association of Idaho (CAPAI), Boise, ID; Community Action Partnership, Lewiston, ID; El-Ada Community

³ Some assurances have been combined where appropriate.

Action Agency, Inc., Boise, Idaho; and the Community Council of Idaho(CCOI)), formerly referred to as the Migrant Council, Caldwell, ID.

Office of Community Services reviewers included: Frances Harley, Auditor, Financial Operations Team Leader; Isaac Davis, Program Specialist; James Henry, Program Specialist; Michael Pope, Auditor; and Emmanuel Djokou, Auditor.

Assessment and Findings

The OCS reviewers collected information pertaining to the fiscal and programmatic procedures of the State agency, as well as other general information about State's programs, including:

- Administrative, program and financial operations for the State and the CAAs assessed;
- Brochures and literature on services provided;
- The most recent CSBG Financial Summary Report;
- SF 269 report for Fiscal Year (FY) 2006 showing total funds authorized;⁴
- Audited Financial Statements; and
- The Idaho State CSBG Plan.

Fiscal and Governance Operations

The CSBG statute requires that each State designate a lead agency to administer the CSBG program, and that the lead agency should provide oversight of the local entities that administer programs in the communities. The Governor designated the Department of Health and Welfare (DHW) as the lead agency to administer the CSBG program. In FY 2006, the State allocated 90 percent of CSBG funds to CAPAI for distribution to the eligible entities. The State used five percent of the CSBG funding for their administrative expenditures in FY 2006, and five percent for training and technical assistance and funding to an eligible entity to address non-traditional community needs.

Based on the support documents provided by the State, the OCS reviewers were unable to determine whether the State had a system in place to accurately validate the information CAPAI provided certifying that individuals were served at 125 percent of poverty, which is based on annual income.

OCS reviewers acknowledge that a State may contract out services, but the State must adhere to Federal statutes, State regulations, and codes during this process. According to 45 C.F.R. §92.30(a), grantees and subgrantees are permitted to rebudget within the approved direct cost budget to meet unanticipated requirements and may make limited program changes to the approved project. However, unless waived by the awarding agency, certain types of post-award changes in budgets and projects shall require the prior written approval of the awarding agency. OCS reviewers determined through interviews and analyses of available documents that the State was unable to produce the waiver transferring administrative services of the CSBG program to CAPAI.

Grantees and subgrantees will use their own procurement procedures which reflect applicable State and local laws and regulations, provided that the procurements conform to applicable Federal law and the standards.

⁴ The SF 269—Short Form is used to report the amount of program income earned and the amount expended.

According to 45 C.F.R. §92.36(a)(b), “When procuring property and services under a grant, a State will follow the same policies and procedures it uses for procurements from its non-Federal funds. The State will ensure that every purchase order or other contract includes any clauses required by Federal statutes and executive orders and their implementing regulations.”

The State failed to provide the required procurement documents (i.e., solicitation documents, and cost comparisons). The OCS reviewers were unable to ensure that CSBG funds were used in accordance with State and Federal regulations, and were unable to substantiate the following:

- Approved requisitions for the initial contract, and the annual extensions.
- State’s written approvals for the funding distribution to the CAAs.
- Conflict of interest documents signed by both the State and CAPAI.

OCS reviewers determined that the State should develop an action plan to address CAPAI’s role in administering the CSBG program in accordance to the statute.

During FY 2006, DHW allocated 90 percent of the CSBG funds to CAPAI. The State used five percent of the funding for their administrative expenditures, and five percent for discretionary uses. OCS reviewers were unable to follow the Federal funds in the general ledger.

Table 1 illustrates the distribution of Federal funds allocated in Idaho.

Table 1

Use of FY 2006 Funds: Idaho		
Uses of Funds	Amount Expended	Percentage of Expenditures
Grants to Local Eligible Entity	\$2,939,241	90%
Administrative and Monitoring Costs	\$163,291	5%
Discretionary Projects	\$163,291	5%
Total Used in FY 2006	\$3,265,823	100%

Administrative expenditures were used for the management and monitoring oversight of the program. Discretionary funds were disbursed to the CAAs for their use based on their community needs assessment and to pay membership dues to CAPAI. According to the State and CAPAI, the CAAs were required to pay an annual membership fee (equivalent to half of a percent of the yearly award), for training and technical assistance.

Due to CAPAI’s inconsistency in recording financial transactions in the general ledger, OCS reviewers were unable to verify payments by the CAAs for annual membership fees using CSBG funds. The State should ensure that CAPAI’s financial records accurately report the expenditures using CSBG funds in accordance with the statute.

Administrative Monitoring and Accountability

The CSBG statute requires States to monitor local agencies to determine whether they meet performance goals, administrative standards and financial management standards, as well as other State-defined criteria. OCS reviewers learned that the State did not have procedures in place to ensure CAPAI's oversight of the CAA's system of governance, financial and human resource management, program and service delivery, and community relations.

On April 4, 2003, the State entered into a contract with CAPAI, contract number WC042100 for \$2,000,000, for administrative services and support. The contract expired on September 30, 2004, with an option to extend the contract for additional periods, not to exceed 4 years. CAPAI required the subcontractors to submit applications in order to receive the CSBG allotments annually. The application becomes the grant agreement between CAPAI and the subcontractors and includes assurances, goals, plans, agency budgets, and procedures for developing and implementing services. The process requires the CAAs to submit an application to CAPAI for approval based on: 1) standard forms; 2) governing board approval; and 3) information about how the entities would provide services in their communities.

The OCS reviewers were informed that the State was unable to provide the solicitation documents that initiated the contract between the State and CAPAI using the CSBG funds.

Financial Monitoring and Accountability

States are required by the statute to perform monitoring duties in a full comprehensive on-site review at least once every three years. Not all site visits require a focus on the entire CSBG program but may focus on specific areas during the State's assessment the review of the agency's administration of other Federal grant programs such as Low Income Home Energy Assistance Program (LIHEAP); Results Oriented Management and Accountability (ROMA); board issues; or training and technical assistance. The State's draft monitoring report is developed and issued within 30 days of the on-site visit. The report identifies deficiencies, issues, and concerns requiring corrective action(s), as approved by the board. Follow-up visits are coordinated with the CAA if deficiencies were noted during the on-site visit. A final report is sent to the Board Chairperson and the Executive Director of the agency.

OCS reviewers were informed that partial monitoring efforts were conducted with representatives from the State and CAPAI, however, OCS reviewers could not validate the outcomes of the monitoring visits. Neither the State nor CAPAI provided the monitoring schedule that would demonstrate compliance with the CSBG statute. In addition, OCS reviewers requested copies of the actual monitoring reports including the support documents but the item were never received.

Section 678B (a)(1) requires that "the State shall conduct the following reviews of eligible entities:

- (1) A full on-site review of each such entity at least once during each 3-year period.
- (2) An on-site review of each newly designated entity immediately after the completion of the first year in which such entity receives funds through the CSBG program.

The State did not provide the FY 2006 monitoring schedule for the CAAs in Table 2.

Table 2

Idaho Visits⁵		
Agency Name	On-site Visit	Counties Served
Community Action Partnership	Pending	Benewah, Bonner, Boundary, Clearwater, Idaho, Kootenai, Latah, Lewis, Nez Perce, Shoshone
Western Idaho Community Action Partnership	Pending	Adams, Boise, Canyon, Gem, Payette, Valley, Washington
El- Ada Community Action Partnership, Inc.	Pending	Ada, Elmore, Owyhee
South Central Community Partnership	Pending	Blaine, Camas, Cassia, Gooding, Jerome, Lincoln, Minidoka, Twin Falls
Southeastern Idaho Community Action Agency	Pending	Bannock, Bear Lake, Bingham, Caribou, Franklin, Oneida, Power
Eastern Idaho Community Action Partnership	Pending	Bonneville, Butte, Clark, Custer, Fremont, Jefferson, Lemhi, Madison, Teton
Community Council of Idaho	Pending	Migrant and seasonal farmworkers in the State

OCS reviewed financial reports for information on allowable costs and activities associated with annual financial training and technical assistance. Annual financial training includes training on the completion of financial forms, OMB Circulars, and other related topics.

The State’s CSBG program year is from July 1 through June 30. The last quarter of the State’s calendar year. Any costs incurred by the entities prior to that first quarter are reimbursable subject to the State’s receipt of Federal fiscal year funds.

OCS reviewers were unable to adequately verify: 1) the State’s oversight of CAPAI’s administrative services and support for CSBG expenditures and financial reporting, 2) fiscal internal controls, procedures, and accounting practices, and 3) allowability, allocability, and reasonableness of the financial transactions in accordance with OMB Circular A-122.

CAPAI operates on behalf of the State, preparing monthly reports that are the primary tools for evaluating allowable expenditures and tracking budget line items. According to the State, CAPAI provides monthly reports to the State’s Financial Administrator. CAAs are encouraged to use an electronic transfer system for fund reimbursements. OCS reviewers examined the available monthly reports and a sampling of the subsequent CSBG disbursement from CAPAI to the CAAs. Administrative costs include salaries and benefits for CAPAI employees paid through CSBG. Hours charged to the CSBG program varies weekly based upon the amount of time spent working on CSBG-related projects.

⁵ The State did not provide the requested monitoring schedule and the required support documentation. As a result, OCS reviewers could not fully examine the results of the State’s review. “Pending” represents information OCS initially requested to verify the State’s scheduled monitoring visits in accordance with Section 678B.

OCS reviewers examined a sampling of the hours charged for CSBG-related projects and how the recorded time is processed through payroll. Idaho does not issue nor use credit cards for employee expenditures. CAPAI uses direct billing for all employee-related expenses, including travel.

OCS reviewers were unable to obtain the State's policies and procedures related to CAPAI's staff allocation, timekeeping, payroll, and procurement transactions charged to CSBG related projects. As a result, OCS was unable to verify allowability, allocability, and reasonableness of the financial transactions in accordance with OMB Circular A-122.

In accordance with Section 678D, a State that receives funds shall make appropriate books, documents, papers, and records available to the Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, for examination, copying, or mechanical reproduction on or off the premises of the appropriate entity upon a reasonable request for the items.

According to 45 CFR §92.20 (b)(6), Accounting records must be supported by such source documentation as cancelled checks, paid bills, payrolls, time and attendance records, contract and subcontract award documents.

According to 45 CFR §92.42 (4)(ii)(e), "The awarding agency and the Comptroller General of the United States, or any of their authorized representatives, shall have the right of access to any pertinent books, documents, papers, or other records of grantees and sub-grantees which are pertinent to the grant, in order to make audits, examinations, excerpts, and transcripts."

OCS reviewers examined the State's internal audit process. Audits are performed by the Operations Division, Audit Office staff. State auditors examined all State funding made to the eligible entity dating back to the previous State audit. Audit findings were reported to the CAA Executive Director and Boards of Directors. The CAA Boards of Directors are required to respond to the notification letter within 30 days with a written Corrective Action Plan (CAP) that addresses the findings. Audit Office staff must review and approve the CAP. The CAA's failure to respond within the allotted timeframe may result in disciplinary actions being taken by the State, up to and including de-obligation of funds. The lead auditor is the State official responsible for audit follow-up activities, including resolution and corrective action monitoring. Technical assistance is available through the State on a case-by-case basis for the eligible entity with audit findings. The OCS reviewers had no findings for technical assistance.

OMB Circular A-133, Single Audit Act of 1997

According to 45 CFR §96.31, grantees and subgrantees are responsible for obtaining audits in accordance with OMB Circular A-133, "*Audits of State, Local Governments, and Non-Profit Organizations.*" Agencies expending \$500,000 or more in any year, must contract with an independent auditor to review their financial statements and Federal expenditures. The auditing firm for the State conducts the fieldwork, issues the audit report, and submits the required reporting forms to the Federal Audit Clearinghouse (FACH) with reportable findings. The State CSBG Plan submitted to OCS states that an audit report is prepared annually.

State audits are performed to determine whether: 1) costs and program income activities were properly summarized and reported; 2) internal controls meet the State's standards; 3) costs charged to the grant were allowable; and 4) the State is in full financial compliance.

The State audits are conducted under the standards of the Institute of Internal Auditors. The State's auditing firm also considers the government auditing standards promulgated by the Comptroller General, U.S. Government Accountability Office, in the performance of their duties.

The Office of the State Auditor has completed their most current audit of selected accounts included on the financial statements of the State for the year ended December 31, 2005. The State Auditor concluded that no matters involving State internal control over financial reporting and its operations were considered to be material. The results of their tests disclosed no instances of noncompliance or other matters required to be reported under *Government Auditing Standards*. A copy of the audit report was provided to OCS reviewers.

OCS reviewers examined the FACH Data Collection Form for reporting on Audits of States, Local Governments, and Non-Profit Organizations found on the FACH website. The OCS reviewers found the State forms were written and submitted in accordance with the Federal requirements. The State Auditor found no areas of noncompliance, reportable conditions, including material weaknesses, questioned costs, fraud, or other reportable items for CSBG.

OCS reviewers concluded that the audit procedures currently being used by the State were in accordance with generally accepted auditing principles (GAAP)⁶.

Recapture and Redistribution

The State implemented a policy to recapture and redistribute funds to CAAs that were unaobligated at the end of a fiscal year, if such funds exceed 20 percent of the amount for that fiscal year.

OCS reviewers were unable to substantiate how the State enforced the policy when the State contracted its administrative responsibilities to CAPAI.

Carryover Balance

States may recapture and redistribute funds distributed to an eligible entity that are unobligated at the end of a fiscal year if such unobligated funds exceed 20 percent of the amount distributed to the eligible entity. States must redistribute such funds to an eligible entity, or require the original recipient of the funds to redistribute the funds to a private, nonprofit organization, located within the community served by the original recipient of the funds, for activities consistent with the purposes of the CSBG Act. According to the State and CAPAI officials, there were no carryover funds in FY 2006. However, OCS reviewers examined the SF-269s and these documents indicated carryover balances. The State, in collaboration with CAPAI, must strengthen or implement internal procedures to report carryovers and link this data reported to the SF-269s.

In accordance with 45 CFR §92.40, §92.41, and §96.30(b)(4), respectively, the grantee shall submit annual program progress and financial status reports using Short Form, SF-269A. The first report is due 90 days after the end of first year (i.e. December 30, 2006). Financial Status Reports (FSRs)

⁶ The authoritative bodies of establishing accounting principles and financial reporting standards are the Governmental Accounting Standards Board (state and local governments), and the Financial Accounting Standards Board (nongovernmental entities).

were due December 30, 2007. Failure to submit reports on time may be the basis for withholding financial assistance payments, suspension or termination of funding.

Grantees are required to adhere to a provision of the law under the Consolidated Appropriations Act of 2005 which requires that to the extent FY 2006 CSBG funds are distributed by a State to an eligible entity, and have not been expended by such eligible entity, they shall remain with such eligible entity for carryover and expenditure into the next fiscal year.

Public Hearings

According to Section 676(a)(2)(B), at the beginning of each fiscal year, a State must prepare and submit an application and State Plan covering a period of one year and no more than two fiscal years. Each year the State's CSBG State Plan is sent to the CSBG Advisory Committee, the State General Assembly, and all eligible entities. In conjunction with the development of the State Plan, the State holds at least one public hearing. For FY 2005-2006, the plan was available from August 1-12, 2005, for public review and comment(s).⁷

A Legislative Public Hearing was held during the 2004 session in Boise, Idaho. Idaho's legislature meets three months a year (January, February, and March). OCS reviewers determined that the State's public hearing process adhered to the CSBG Statute regarding hearings. The State Plan was also presented during the 2006 legislative session.

Tripartite Boards

The State requires CAAs to submit a listing of their Tripartite Board membership prior to being approved to administer the CSBG program. CAAs must comply with Section 676B of the CSBG Statute which requires that members are chosen in accordance with democratic selection procedures to assure that not less than one-third of its members are representatives of low-income individuals and families who reside in the neighborhoods served. The remaining members are public officials or members of business, industry, labor, religious, law enforcement, education, or other major groups interested in the community serviced. Members must actively participate in the planning, implementation, and evaluation of the program that services their low-income communities.

The CAAs must have their Tripartite Board certified annually to ensure the board has received orientation and/or training, which outlines and describes their responsibilities and liabilities. The certification of the Tripartite Board training must be documented in the Board minutes. The approved minutes must include the type of training, dates(s) of the training, and meeting attendees. Additionally, certification must include an annual audit of services and expenditures and reporting requirements for State, Federal, and other funding sources. These requirements are included in the contract signed between the CAAs and the State, the CSBG manual, the State Plan, and the CSBG statute.

The State-outlined responsibilities of the Tripartite Board include:

- Ensuring that all administrative requirements are met;
- Establishing policies, rules, regulations and bylaws consistent with the agency's mission;

⁷ Access to the plan was through CAPAI, however, this could have also been accomplished by sending it by email via an internet address or connection to a DHW office and/or a CAA office near their location in order to pick up a printed copy.

- Establishing accounting systems and fiscal controls consistent with general accounting principles;
- Establishing policies prohibiting nepotism;
- Avoiding conflict of interest;
- Involvement in directing the agency's operation through regular board meetings; and
- Acceptance of liability for and resolving any questioned cost identified by audits.

In accordance with Federal and State law, each CSBG grantee, in order to be in full compliance, is required to adhere to the composition, documentation, bylaws, board manual and board meeting minutes as detailed in the CSBG Act of 1998, Section 676B. The State CSBG office and CAPAI are required to monitor board composition and follow up with the CAAs when representation needs to be adjusted. The State and CAPAI assured OCS that the CAAs adhere to the statute regarding Tripartite Boards by providing information regarding the requirements of a Tripartite Board to each eligible entity in three documents: CSBG Operations Manual, the CSBG Grant Agreement, and the CSBG assurances submitted with the State Plan each year.

During an interview with CCOI, the OCS reviewers were informed that the CAA never had a Tripartite Board. OCS reviewers concluded that 1) CCOI never met the eligibility requirements, 2) the State and CAPAI knowingly entered into a contract with an ineligible entity, 3) the State did not ensure that CAAs adhered to Section 676B prior to receiving CSBG funds, and 4) neither the State nor CAPAI were in compliance with Section 676B.

OCS reviewers determined that the State needs to implement internal controls for monitoring and approving the Tripartite Board certifications. The State needs to provide OCS with copies of all CAA Tripartite Board certifications.

Additional Administrative or Fiscal Operations Findings

CAPAI is required to maintain current financial procedures manual to meet fiscal standards set forth by Federal regulations. Additionally, financial policies and procedures for the CAPAI must be approved by the Boards of Directors and reviewed by the State. The State is required to obtain a series of financial reports from CAPAI. Financial reports are required monthly. Quarterly financial reports are due within 30 days of the end of each quarter and annual fiscal reports are required at the end of the State's fiscal year. The annual on-site compliance review conducted by the State should determine compliance to specific areas including financial compliance. Failure to comply with State and Federal reporting requirements may result in corrective action including suspension of grant awards.

According to 45 C.F.R. § 96.30 *Fiscal and administrative requirements*. (a) Fiscal control and accounting procedures. Except where otherwise required by Federal law or regulation, a State shall obligate and expend block grant funds in accordance with the laws and procedures applicable to the obligation and expenditure of its own funds. Fiscal control and accounting procedures must be sufficient to (b) permit the tracing of funds to a level of expenditure adequate to establish that such funds have not been used in violation of the restrictions and prohibitions of the statute authorizing the block grant.

An in-depth analysis of the information received during interviews, and documentation received prior to and during the assessment of the Idaho CSBG program, indicates that the State is required to have

processes in place to provide oversight of CSBG funds. OCS reviewers were unable to adequately validate the following: 1) all requested documents; 2) statistical sampling of the State's General Ledger to determine if CSBG expenditures were allowable, allocable and supported by documentation; and 3) the State's accounting reports when requested.

The OCS reviewers' analyses of the State's records and procedures that included administrative, financial, and programmatic operations, should be revised in order to be in compliance with the CSBG statute and Federal records retention regulations.

Program Operations

The State reported demographic information on individuals who received services using CSBG funds in FY 2006. CAAs operate numerous programs designed to meet the needs identified in their respective service areas. Due to different local needs, not all CAAs provide services in all priority areas. During this State Assessment, agency records were reviewed to assess actual services provided. The assessment instrument addresses the following areas: client services received, expenditures, staff responsibility, board governance, by-laws, board meeting minutes, board manual, personnel, planning and operations, CSBG assurances, fiscal, T&TA grants, T&TA grant review, and agency postings (i.e., worker's compensation, client appeals).

The eligible entities operate numerous programs designed to meet the needs identified in their respective service areas. Because the demographic data show different local needs, not all eligible entities can provide extensive services in all priority areas. The CAAs in Idaho have mobilized and coordinated community resources to integrate immigrants into the local economy. Supportive services and community outreach projects provided by the entities respond to low-income worker's health care needs. The State and CAAs categorize their expenditures of CSBG funds according to the statutory list of program purposes. The categories are as follows:

- Securing and maintaining employment;
- Securing adequate education;
- Improving income management;
- Securing adequate housing;
- Providing emergency services;
- Improving nutrition;
- Creating linkages among anti-poverty initiatives;
- Achieving self-sufficiency; and
- Obtaining health care.

The State requires agencies receiving CSBG funds to prepare and submit an application referred to as a "Community Action Plan" to the State. The process requires CAAs to submit an application to CAPAI for approval based on: 1) standard forms; 2) governing board approval; 3) information based on priority needs; and 4) information about how the entities will provide services in their communities.

Table 3 shows the reported characteristics of individuals and families served throughout the State.

Table 3

CSBG Client Characteristics and Statistics Reported by State	
Race/Ethnicity By Number of Persons:	
Hispanic or Latino	16,967
African American	1,229
White	104,778
Other	5,445
Multi-race	0
Education: Years of Schooling by Number of Persons:	
0-8 years	4,089
9-12, non graduates	14,822
High school graduate/GED	28,436
12+ some postsecondary	11,650
2 or 4 year college graduates	4,928
Insured/Disabled:	
No Health Insurance	55,143
Disabled	26,714
Surveyed About Insurance	112,462
Surveyed About Disability	107,173
Households Headed By Single Parent:	
Female	9,672
Male	1,147
Two Parent Household	8,981
Single Person	17,591
Two Adults, No Children	4,936
Family Housing by Number of Families:	
Own	12,382
Rent	29,984
Homeless	1,590
Level of Family Income as Percentage of Federal Poverty Guideline by Number of Families:	
Up to 50%	15,383
51% to 75%	7,587
76% to 100%	10,221
101% to 125%	7,595
126% to 150%	4,203
151% or more	763

Based on the Results Oriented Management and Accountability process, the grant agreement outlines the following requirements for the State's CAAs:

- A community needs assessment;
- A description of the service delivery system for low-income individuals and families in the service area;
- A description of linkages that will be developed to fill gaps in service through information, referral, case management, and follow-up consultations;
- A description of how funding will be coordinated with other public and private resources; and

- A description of outcome measures for providing services and promoting self-sufficiency and Idaho community revitalization.

Detailed below are the program activities associated with CSBG funds as used by the CAAs in Idaho for FY 2006.

Employment Programs

The State reported spending \$208,049 in CSBG funds to support a range of services designed to assist low-income individuals in obtaining and maintaining employment. These services include:

- Support for TANF recipients who are preparing to transition to self-sufficiency or for former TANF recipients who need additional support to find or maintain employment;
- Support for job retention, including counseling, training, and supportive services, such as transportation, child care, and the purchase of uniforms or work clothing;
- Skills training, job application assistance, resume writing, and job placement;
- On-the-job training and opportunities for work;
- Job development, including finding employers willing to recruit through the agency, facilitating interviews, creating job banks, providing counseling to employees, and developing new employment opportunities in the community;
- Vocational training for high school students and the creation of internships and summer jobs; and
- Other specialized adult employment training.

Education Programs

The State reported spending \$120,620 in CSBG funds to provide education services such as:

- Adult education, including courses in English Second Language (ESL) and General Equivalency Diploma (GED) preparation with flexible scheduling for working students;
- Supplemental support to improve the educational quality of Head Start programs;
- Child care classes, providing both child development instruction and support for working parents or for home child care providers;
- Alternative opportunities for school dropouts and those at risk of dropping out;
- Scholarships for college or technical school;
- Guidance about adult education opportunities in the community;
- Programs to enhance academic achievement of students in grades K–12, while combating drug or alcohol use and preventing violence; and
- Computer-based courses to help train participants for the modern-day workforce.

Housing Programs

The State reported spending \$375,807 for CSBG-coordinated housing programs to improve the living environment of low-income individuals and families. CSBG-funded activities may include:

- Homeownership counseling and loan assistance;
- Affordable housing development and construction;
- Counseling and advocacy about landlord/tenant relations and fair housing concerns;

- Assistance in locating affordable housing and applying for rent subsidies and other housing assistance;
- Transitional shelters and services for the homeless;
- Home repair and rehabilitation services;
- Support for management of group homes; and
- Rural housing and infrastructure development.

Emergency Services Programs

The State reported spending \$506,759 for emergency services and crisis intervention. Crisis management services may include:

- Emergency temporary housing;
- Rental or mortgage assistance, intervention with landlords;
- Cash assistance/short term loans;
- Energy crisis assistance and utility shut-off prevention;
- Emergency food, clothing, and furniture;
- Crisis intervention in response to child or spousal abuse;
- Emergency heating system repair;
- Crisis intervention telephone hotlines;
- Linkages with other services and organizations to assemble a combination of short-term resources and longer-term support; and
- Natural disaster response and assistance.

Nutrition Programs

The State reported spending \$759,702 in CSBG funds to support nutrition programs. Specific nutritional services provided by the State's CAAs are:

- Organizing and operating food banks;
- Supporting food banks of faith-based and civic organization partners with food supplies and/or management support;
- Counseling regarding family and children's nutrition and food preparation;
- Distributing surplus USDA commodities and other food supplies;
- Administering the Women, Infants, and Children (WIC) nutrition program;
- Preparing and delivering meals, especially to the homebound elderly;
- Providing meals in group settings;
- Initiating self-help projects, such as community gardens, community canneries, and food buying groups;
- Information/referral/counseling;
- Hot meals such as breakfasts, lunches, or dinners for congregate or home delivery meals;
- Neighborhood and community gardens, community canneries and projects to help families and individuals preserve fruit and vegetables; and
- Nutritional training in home economics, child and baby nutrition, diets, and available federal or State programs.
-

Self-Sufficiency Programs

The State reported spending \$337,841 on self-sufficiency programs. Self-sufficiency programs offer a continuum of services to assist families in becoming more financially independent. Such programs generally include:

- An assessment of the issues facing the family or family members, and the resources the family brings to address these issues;
- A written plan for becoming more financially independent and self-supporting; and
- Services that are selected to help the participant implement the plan (i.e. clothing, bus passes, emergency food assistance, career counseling, family guidance counseling, referrals to the Social Security Administration for disability benefits, assistance with locating possible jobs, assistance in finding long-term housing, etc.).

Health Programs

The State reported spending \$106,755 on CSBG-funded health initiatives. CSBG funds may be used to address gaps in the care and coverage available in the community. The eligible entity may use CSBG funds for health initiatives that include:

- Recruitment of uninsured children to a State insurance group or State Children's Health Insurance Program (SCHIP);
- Recruitment of volunteer medical personnel to assist uninsured low-income families;
- Prenatal care, maternal health, and infant health screening;
- Assistance with pharmaceutical donation programs;
- Health-related information for all ages, including Medicare/Medicaid enrollment and claims filing;
- Immunization;
- Periodic screening for serious health problems, such as tuberculosis, breast cancer, HIV infection, and mental health disorders;
- Health screening of all children;
- Treatment for substance abuse;
- Other health services including dental care, health insurance advocacy, CPR training, and education about wellness, obesity, and first-aid; and
- Transportation to health care facilities and medical appointments.

Income Management Programs

The State reported spending \$269,512 on income management programs using CSBG grant funds. Services supported include:

- Development of household assets, including savings;
- Assistance with budgeting techniques;
- Consumer credit counseling;
- Business development support;
- Homeownership assistance;
- Energy conservation and energy consumer education programs, including weatherization;

- Tax counseling and tax preparation assistance; and
- Assistance for the elderly with claims for medical and other benefits.

Linkages

The State reported spending \$304,825 on linkage initiatives. Linkage programs can involve any or all of a variety of local activities which CSBG supports because of the block grant's statutory mandate to mobilize and coordinate community responses to poverty. These include:

- Coordination among programs, facilities, and shared resources through information systems, communications systems, and shared procedures;
- Community needs assessments, followed by community planning, organization, and advocacy to meet these needs;
- Creation of coalitions for community changes, such as, reducing crime or partnering businesses with low-income neighborhoods in order to plan long-term development;
- Efforts to establish links between resources, such as transportation and medical care or other needed services, programs that bring services to the participants, such as mobile clinics or recreational programs, and management of continuum-of-care initiatives;
- The removal of the barriers such as transportation problems, that keep the poor from jobs or from vital everyday activities; and
- Finally, support for other groups of low-income community residents who are working for the same goals as the CAAs.

At the local level, the CSBG program coordinates with labor programs, transportation programs, educational programs, elderly programs, energy programs, community organizations, private businesses, churches, the United Way, and various youth organizations and programs. The State's eligible entity will coordinate with other service providers and act as a focal point for information on services in their local area. They identify gaps in services and work with other providers to fill those gaps. The entity has organized meetings and participated in task forces with local service provider groups.

Programs for Youth and Seniors

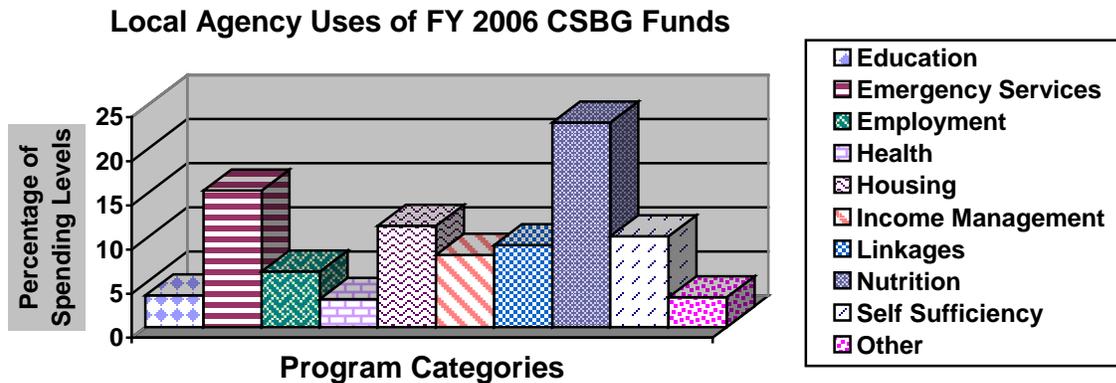
The State's statistical report on the CSBG programs did not indicate a specific dollar amount spent for programs serving youth or seniors. Services noted under these categories were targeted exclusively to children and youth from ages 6–17 or persons over 55 years of age. Seniors' programs help seniors to avoid or address illness, incapacity, absence of a caretaker or relative, prevent abuse and neglect, and promote wellness. They include:

- Home-based services, including household or personal care activities that improve or maintain well-being;
- Assistance in locating or obtaining alternative living arrangements;
- In-home emergency services or day care;
- Group meals and recreational activities;
- Special arrangements for transportation and coordination with other resources;
- Case management and family support coordination; and
- Home delivery of meals to insure adequate nutrition.

Youth programs, in many cases, include such services as:

- Recreational facilities and programs;
- Educational services;
- Health services and prevention of risky behavior;
- Delinquency prevention; and
- Employment and mentoring projects.

The chart below identifies the proportion of CSBG local expenditures devoted to the operational purposes noted above.



Results Oriented Management and Accountability (ROMA) System

Beginning in FY 2001, States were required to participate in a system to measure the extent to which programs are implemented in a manner that achieves positive results for the communities served. States may participate in the model evaluation system designed by the Office of Community Services in consultation with the CSBG network called the Results Oriented Management and Accountability System, or ROMA. Alternatively, States may design their own similar system. States are to report to OCS their progress on the implementation of performance measurement practices.

Based on interviews and analyses of the 2006 ROMA reports, OCS reviewers identified:

1. Inconsistencies in the ROMA data.
2. Statistics reported in ROMA were not reflective of the CSBG funds expended.

In Information Memorandum Number 49, OCS encourages the States to submit complete, accurate, and timely annual reports to OCS on the “measured performance of the State and the eligible entity in the State.”

According to 45 CFR §92.20 (b)(4) -- *Budget control*. Actual expenditures or outlays must be compared with budgeted amounts for each grant or subgrant. Financial information must be related to performance or productivity data, including the development of unit cost information whenever appropriate or specifically required in the grant or subgrant agreement.

CAAs Desk Review Summaries

Community Action Partnership Association of Idaho (CAPAI), located in Boise, Idaho, is a private nonprofit organization that began operating in 1968. CAPAI has administered the CSBG program on behalf of the State of Idaho since April 4, 2003. CAPAI is responsible for the administrative support and services for the CSBG program in cooperation with the State of Idaho's Department of Health and Welfare. CAPAI is responsible for ensuring that the CAAs implement a variety of services that increase the self-sufficiency, stability and success of individuals, families and communities. Their services are organized into five programmatic categories: Community Based, Community Development, Employment and Training, Family Resource Development, and Housing.

In fiscal year 2006-2007, CAPAI operated on a budget of \$6,220,460, which contained \$3,157,517 of CSBG funds. CAPAI is responsible for the disbursement of CSBG funds to the States's CAAs, and also utilizes CSBG monies to fund its own management positions and direct services.

During the review the OCS reviewers determined that CAPAI:

1. Did not have State approved policies and procedures for the administration of the CSBG program for its subgrantees.
2. Did not have a State approved process in place to inform and/or refer eligible parents to the Child Support services as required by CSBG statute.
3. Did not ensure that CAAs inform and/or refer custodial parents to the Office of Child Support. Referrals as required by CSBG statute.
4. Did not ensure that CAAs met all eligibility requirements prior to entering into a contract with the CAAs on behalf of the State of Idaho and disbursing CSBG funds

Sec. 676B(a)(1) states that in order for a private nonprivate entity to be considered to be an eligible entity for purposes of section 673(1), the entity shall administer the community services block grant program through a tripartite board

Sec. 678G (B) requires that during each fiscal year for which an eligible entity receives a grant under CSBG, such entity shall-

- (1) inform custodial parents in single parent families that participate in programs, activities, or services carried out or provided under this subtitle about the availability of child support services; and*
- (2) refer eligible parents to the child support offices of State and local governments.*

CAPAI should ensure that all CAAs are operating in accordance with the CSBG statute and other Federal regulations.

Community Action Partnership (CAP), located in Lewiston, Idaho, is a private nonprofit organization that began operating in 1964. CAP is responsible for the following services: Food Banks, Family Development, Emergency Services, Home Weatherization Referrals, Energy Assistance, Telephone, Affordable Housing, Youth and Seniors program, and Employment. The services are organized into five programmatic categories: Community Based, Community Development, Employment and Training, Family Resources Development, and Housing. In fiscal year 2006, CAP operated on a budget of \$3,427,219 of which \$748,607 were CSBG funds.

El-Ada Community Action Agency (El-Ada), located in Boise, Idaho, is a private nonprofit organization that began operating in 1967. El-Ada is responsible for the following services: Food Banks, Family Development, Emergency Services, Home Weatherization Referrals, Energy Assistance, Telephone, Affordable Housing, Youth and Seniors program, and Employment. The services are organized into five programmatic categories: Community Based, Community Development, Employment and Training, Family Resources Development, and Housing. In fiscal year 2006, El-Ada operated on a budget of \$1,552,000 of which \$472,695 were CSBG funds.

Community Council of Idaho (CCOI)-Formerly referred to as Migrant Council, located in Caldwell, Idaho, is a private nonprofit organization that began operating in 1971. CCOI is responsible for the following services Food Banks, Family Development, Emergency Services, Home Weatherization Referrals, Energy Assistance, Telephone, Affordable Housing, Youth and Seniors program, and Employment. In fiscal year 2006-2007, CCOI operated on a budget of \$11,059,110 of which \$214,887 were CSBG funds.

Assessment Findings and Recommendations

According to §92.43(a), *Remedies for noncompliance* - If a grantee or subgrantee materially fails to comply with any term of an award, whether stated in a Federal statute or regulation, an assurance, in a State plan or application, a notice of award, or elsewhere, the awarding agency may temporarily withhold cash payments pending correction of the deficiency by the grantee or subgrantee or more severe enforcement action by the awarding agency.

FINDING 1 - The State did not examine the CSBG expenditures in order to reconcile their financial records in accordance with both State and Federal regulations.

Recommendation(s)

We recommend the State:

- 1.1 Revise and/or implement policies and procedures for fiscal control and fund accounting in accordance with State and Federal regulations.
- 1.2 Revise or develop policies and procedures to address any recapture, redistribution and/or carryover.
- 1.3 Provide a copy of the State policy regarding indirect and administrative cost(s) posted to the general ledger.
- 1.4 Provide a mechanism used for the disbursement of discretionary funds.

State's Response:

The State did examine CSBG expenditures in order to reconcile their financial records in accordance with both State and Federal regulations. The State has a comprehensive method to monitor CAPAI and to ensure a high quality of oversight of each CAA. The primary source of policy and procedures is documented in the body of documents that encompass the contract with CAPAI. Those documents

include the CAPAI proposal (Attachment 2), Contract (Attachment 3), Contract Amendment (Attachment 4), and CAPAI Financial Policies (Attachment 5). We assume that this finding relates to the various specific issues identified in the body of the report. In order to respond more appropriately, we will further address each individual issue 2, 3B, 4, 8, 10, 11, and 13 on Table 2. We will write a response and corresponding corrective action for each individual issue.

OCS Response:

During our assessment, OCS was unaware of CAPAI’s responsibilities in the administration of CSBG funds. The Idaho state plans were submitted from 2004 to the present, without CAPAI’s *Transfer of the CSBG Administrative Functions* (See attachment A). OCS received Attachment A on March 3, 2009. OCS now understands that the state has an approved contract, identified policies and procedures and the *Transfer of the CSBG Administrative Functions* with CAPAI. However, the state needs to provide fiscal monitoring reports demonstrating their oversight for CSBG funds.

The State must ensure that all future Idaho State plans incorporates the contractor’s *Transfer of the CSBG Administrative Functions* (Attachment A).

FINDING 2 - The State did not verify the accuracy of the ROMA data.

Recommendation(s)

We recommend the State, in collaboration with CAPAI:

- 2.1 Provide all CSBG grantees with the current policies and procedures for verifying the accuracy and completeness of the ROMA data.
- 2.2 Provide training to all CSBG grantees on collecting, reporting, and verifying ROMA data.

State’s Response:

The Department was not able to determine, from the report, what ROMA data caused the reviewers to conclude that the data was “inconsistent.” Therefore, we base our response on follow up information that was provided verbally from Frances Harley. According to Frances, the reviewers concluded that the ROMA data was inconsistent because they believed that not all of the eligible entities had reported each performance indicator. As an example, Idaho’s report (Attachment 16, page 1) showed the following information.

- Goal 1: Low-income people become more self sufficient,
 - A. Unemployed and obtained a job: 7 eligible entities reported.
 - B. Employed and obtained an increase in employment income: 6 eligible entities reported.
 - C. Achieved "living wage" employment: 4 eligible entities reported.

The Department believes that the reviewers’ conclusions were incorrect in this instance. It is normal and customary for some eligible entities to not report some performance indicators. This often occurs when the entity chooses not to provide certain services in the community they are based. An eligible entity may choose not to provide some services when those services are already being met in some other way or when there is no demonstrated need to provide those services in that community. When the eligible entity does not provide certain measured services, they do not have anything to report on ROMA, for that certain measure.

Additionally, we received an Email from NASCSP (Attachment 7) that confirmed our understanding about ROMA data. Namely, that every eligible entity is not expected to report every national performance indicator because some indicators do not pertain to their community, based on needs.

Corrective Action Plan:

Based upon the documentation provided for this issue, the Department does not believe that any further corrective actions are necessary regarding this issue.

OCS Response:

According to SEC. 678E(a)(1)(A), *State Accountability and Reporting Requirements, Performance Measurement*— Each State that receives funds under this subtitle shall participate, and shall ensure that *all eligible entities* in the State participate, in a performance measurement system, which may be a performance measurement system for which the Secretary facilitated development. In the future, all eligible entities must report in accordance with the CSBG statute.

In addition, the Model State CSBG Application, Section H, *Accountability and Reporting Requirements*, explains that the States are to describe how the State will comply with the following assurance, in '676(b)(12) of the Act: The State and *all eligible entities* in the State will participate in the Results Oriented Management and Accountability System or another performance measure system for which the Secretary facilitated development pursuant to Section 678E(b) of the Act.

FINDING 3 - The State did not provide evidence of adherence to the monitoring requirements.

Recommendation(s)

We recommend the State:

3.1 Provide documentation that confirms the State had a monitoring schedule established in FY 2006 that demonstrated the CAAs were monitored within the required three-year period as stated in Section 678B.

3.2 Provide documentation that the State conducted a comprehensive monitoring of the eligible entities according to the CSBG statute. This should include the initial correspondence informing the eligible entities of the monitoring, the initial report and correspondences, and the final monitoring report.

State's Response:

We combined Issue 5 and 7 because they appear to be the same concern.

The monitoring instructions and schedule is included in one document (Attachment 17). Page 3 of the instructions shows the field monitoring schedules for program year 2005, 2006, and 2007. Examples of the standard documentation for fieldwork includes 1) information request (Attachment 18), 2) monitoring checklist (Attachment 19), 3) initial report (Attachment 20), and 4) clearance report (Attachment 21). Three CAAs were reviewed and the associated documents for each monitoring are attached for South Central Community Action Partnership (Attachment 22), Community Action Partnership (Attachment 23), and Eastern Idaho Community Action Partnership (Attachment 24).

Corrective Action Plan:

Based upon the recommendations and the documentation provided, the Department does not believe that further corrective actions are needed. We have provided the documentation recommended in 3.1: the FY2006 monitoring schedule. We also provided copies of the documents requested in 3.2 showing the initial information request, monitoring checklist, initial report, and clearance report.

OCS Response:

OCS concurs with the state's monitoring schedule included with your responses dated March 3, 2009. After reviewing the documentation, OCS determined that the documentation resolves the finding.

FINDING 4 - The State did not have a process in place to ensure that the CAAs inform and/or refer custodial parents to the Child Support services as required by CSBG statute.

Recommendation(s)

We recommend the State:

4.1 Develop and implement procedures according to the statute for referrals to the local child support office.

4.2 Develop and implement procedures that require CSBG grantees and subgrantees conducting case management to document referrals to local child support offices.

State's Response:

CAAs regularly refer eligible parents to child support services. Even though this was a traditional role of CAAs, they did not document that referrals were required in their policies and procedures. Also, CAPAI monitoring work papers did not show that CAPAI verified CAAs were making referrals.

Corrective Action:

The Department will amend the CAPAI contract to ensure that they have documented policies and procedures for referring eligible parents to the local child support office. The Department will also amend its monitoring checklists and requirements to make sure that CAPAI verifies that CAAs refer eligible parents to child support services.

OCS Response:

During the corrective action process, OCS will review all amended documents relating to child support services.

Finding 5 - The State did not follow their internal procedures on the procurement of services in accordance with 38.05.01 – Rules of the Division of Purchasing.

Recommendation(s)

We recommend the State:

- 5.1 Provide solicitation package and all source selection documents.
- 5.2 Provide documentation supporting the initial offer, including all option years.
- 5.3 Provide required approvals and authorizations for both the solicitation and initial offer including option years.

State's Response:

As evidenced by a memo (Attachment 25), Department Management believed, at the time that the contract was awarded, that CAPAI was exempt from the competitive solicitation process. The memo cites Public Law 105-285 Section 672(1) and 675 C as authority for the State to make the award. Furthermore, Management continues to believe that Idaho Rules IDAPA 16.04.10.005.01, 16.04.10.005.04, and 16.04.10.201 (Attachment 7, page 2 and 5), and Division of Purchasing Policy Directive No. 07-1 (Attachment 26), shows that the CAPAI was exempt from competitive solicitation rules for the State.

Corrective Action:

Based on the comments in this issue, the Department will initiate a legal review of the State's purchasing rules to confirm that CAPAI is exempt, pursuant to Idaho Purchasing Rules and Policy Directive No. 07-1. If not, then the Department will take one of two possible courses of action. 1) The Department will seek to include CAPAI as an exempt organization for the purposes of the CSBG program. 2) If this effort fails, the Department will initiate a competitive procurement solicitation when the current contract expires. We estimate that the legal review can be completed by 6/30/2009.

OCS Response:

OCS concurs with the state's corrective action plan and anticipates receipt of the legal review during the corrective action process.

FINDING 6 - The State did not provide policies and procedures which demonstrate oversight of the service contract.

Recommendation(s)

We recommend the State:

- 6.1 Provide FY 2006 policies and procedures demonstrating oversight of the services contract in accordance with State procurement regulations.

State's Response:

The State of Idaho does have a system to determine that CAAs certify that individuals served met the income criteria. Amulet is the name of the system that was implemented by CAPAI for all CAAs to determine eligibility. In the attached Amulet system screen prints (Attachment 27), the first page shows the basic household information, pages 2-5 shows each individual household member, and finally page 6 shows household income and CSBG eligibility. Amulet actually calculates and displays an eligibility indicator so human error is less likely. During the period of your review, the Department and CAPAI staff would pull quite a few cases and verify that eligibility was calculated through the Amulet system properly. In fact, this activity was an important part of their monitoring.

However, at that time the monitors were not recording the sample and outcomes on the monitoring tool. In May, 2008, the monitoring tool was revised (Attachment 28) and on page 21 item 101, income eligibility is tested and documented. The new monitoring tool was first used in CAA monitoring conducted in the Summer and Fall of 2008.

Corrective Action:

Because this corrective action was taken in May 2008, the Department does not believe further corrective action is needed.

OCS Response:

Upon receipt of the State's responses and support documents on March 3, 2009, OCS reviewed Idaho's State Plan. OCS determined that the State's response regarding income eligibility did not properly address Finding 6. During the corrective action process the State should provide a copy of its formal policies and procedures for oversight of service contract(s) using CSBG funds.

FINDING 7 - The State was not in compliance with Tripartite Board requirements.

Recommendation(s)

We recommend the State:

- 7.1 Enforce the requirements set forth in the CSBG statute, Section 676B.
- 7.2 Provide a corrective action plan outlining the steps the State and CAAs intend to take in order to rectify noncompliance issue(s).
- 7.3 Provide documentation that assures all eligible entities have met the Tripartite Board certification requirements.
- 7.4 Provide training to all board members regarding their fiduciary and administrative responsibilities in accordance with the CSBG statute and IM # 82.

State's Response:

On August 16, 2008, the Community Council of Idaho's Board of Trustee Meeting Minutes (Attachment 29), Page 2 shows that Resolution No. 08-3, on Page 8 was adopted. The resolution, in part, changed the structure of the board to a Tripartite Board. Since CCOI was the only eligible entity that the report indicated as not having a Tripartite Board, we are assuming that the reviewers are not requesting documentation certifying compliance for the remaining eligible entities.

Although we could not find any noted deficiency in the body of the report, we are responding to recommendations 7.4 for this finding. CAPAI has provided training and technical assistance on all Board duties, including IM # 82, to subgrantees Boards since 2003. This has included both individual subgrantees as well as coordinated statewide efforts. In addition, CAPAI has contracted with NASCSP for the past three years to provide training to individual Board member.

Corrective Action:

Based on the prior completion of this corrective action on August 16, 2008, the Department does not believe that further corrective actions are needed.

OCS Response:

OCS concurs with the State's corrective action. However, the State and CAPAI should provide OCS with written policies and procedures for assurance of the selection and composition of Tripartite Boards in accordance with CSBG statute Section 676(B)(2).

Finally, the State should ensure that all parties (i.e., contractor(s), CAAs, and eligible entities) operate in accordance with the CSBG statute.

The State should submit a Corrective Action Plan (CAP) to OCS within 60 days. These are recommendations for the management and administration of the program that should be noted to continue the operations and administration of the CSBG program. The comments received from the State of Idaho have been incorporated into the report, and this report is now considered final. If you have any questions or comments, contact:

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