

ATTACHMENT 5
SAMPLE PROGRAM INTEGRITY ASSESSMENT SUPPLEMENT TEMPLATE
 Low Income Home Energy Assistance Program (LIHEAP)

ABSTRACT:

HHS is requiring further detail from Grantees on their FY2014 plans for preventing and detecting fraud, abuse, and improper payments. HHS is also requiring that Grantees highlight and describe all elements of this FY2014 plan which represent improvements or changes to the Grantees' FY2014 plan for preventing and detecting fraud, abuse and improper payment prevention.

Instructions: Please provide full descriptions of the Grantee's plans and strategy for each area, and attach/reference excerpts from relevant policy documents for each question/column. Responses must explicitly explain whether any changes are planned for the new FY.

State, Tribe or Territory (and grant official): Iowa		Date/Fiscal Year: August 22, 2013/ FY 2014	
RECENT AUDIT FINDINGS			
Describe any audit findings of material weaknesses and reportable conditions, questioned costs and other findings cited in FY2013 or the prior three years, in annual audits, Grantee monitoring assessments, Inspector General reviews, or other Government Agency reviews of LIHEAP agency finances.	Please describe whether the cited audit findings or relevant operations have been resolved or corrected. If not, please describe the plan and timeline for doing so in FY2014.	If there is no plan in place, please explain why not.	Necessary outcomes from these systems and strategies
The following findings are from the latest audit for the year ended June 30, 2012: <u>1) Payroll Distribution</u> – OMB Circular A-87 states employees who work on multiple programs will distribute their time based on actual activity. Budget estimates or other distribution percentages determined before the services are performed do not qualify as support. Several employees of the Department use a predetermined percentage rather than actual hours worked to allocate payroll	<u>1) Response and Corrective Action Planned</u> – The Department is working with a consultant at the federal level to resolve the allocation issue. <u>Conclusion</u> – Response accepted. <u>2) Response and Corrective Action Planned</u> – The Department will continue to endeavor to review subrecipient audit reports in a timely manner. <u>Conclusion</u> – Response accepted.	Not applicable.	<i>The timely and thorough resolution of weaknesses or reportable conditions as revealed by the audit.</i>

costs to the federal programs.

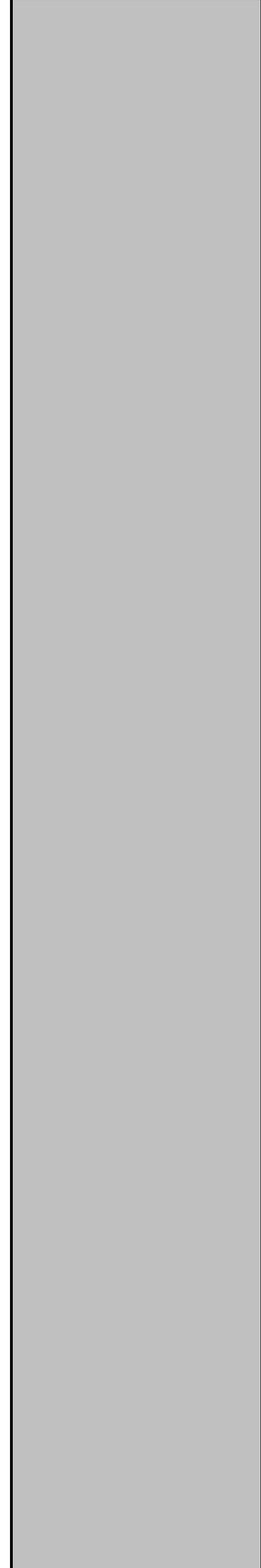
2) Monitoring of Subrecipient Audit Reports – OMB circular A-133 requires the Department to ensure required audit reports of subrecipients expending \$500,000 or more in federal awards are completed within nine months of the subrecipient's fiscal year end, issue a management decision on audit findings within six months of the receipt of the subrecipient's audit report and ensure the subrecipient takes timely and appropriate corrective action on all findings.

The Department has established policies and procedures for obtaining and performing desk reviews of audit reports for subrecipients which expend more than \$500,000 from the Department each year. However, for nineteen of nineteen subrecipient reports tested, the Department did not review the audit reports in a timely manner.

3) Federal Funding Accountability and Transparency Reports – The Federal Funding Accountability and Transparency act (Pub. L. No. 109-282), as amended by Section 6202(a) of the Government Funding Transparency Act of 2008 (Pub. L. No. 111-252), requires prime awardees to submit reports regarding their first-tier subawards to the Federal Funding Accountability and Transparency Act Subaward Reporting Systems (FSRS). Reports are due for all applicable subrecipient grants by the end of the month subsequent to the month the grants were awarded.

Monthly reports for the program were not submitted timely

3) Response and Corrective Action Planned – The Department agrees with the finding and will ensure reports are submitted timely and in accordance with the Federal Funding Accountability and Transparency Act.
Conclusion – Response accepted.



According to the Paperwork Reduction Act Of 1995 (Pub. L. 104-13), public reporting burden for this collection of information is estimated to average 1 hours 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.

COMPLIANCE MONITORING			
Describe the Grantee's FY 2013 strategies that will continue in FY 2014 for monitoring compliance with State and Federal LIHEAP policies and procedures by the Grantee and local administering agencies.	Please highlight any strategies for compliance monitoring from your plan which will be newly implemented as of FY 2014.	If you don't have a firm compliance monitoring system in place for FY 2014, please describe how the State is verifying that LIHEAP policy and procedures are being followed.	Necessary outcomes from these systems and strategies
<p>The state conducts programmatic and fiscal monitoring of all 18 subgrantees annually. The subgrantee will cooperate with monitoring visits by the DCAA, Department of Inspections and Appeals, State Auditor, and Federal and State personnel. The Subgrantee will respond in writing within 45 days of receiving a fiscal or program monitoring report from the DCAA if the report requires a response.</p> <p>On-site evaluation visits will specifically monitor:</p> <p>Outreach efforts, including hours available for clients to apply and protection of client confidentiality;</p> <p>Coordination with other human service agencies;</p> <p>The opportunity for a client to complete an application within ten (10) days of initial contact;</p> <p>Time elapsed between application date and payment made to vendor on behalf of client. Subgrantee shall strive to keep elapsed time at</p>	<p>Nothing new is anticipated.</p>	<p>Not applicable.</p>	<p><i>A sound methodology, with a schedule for regular monitoring and a more effective monitoring tool to gather information.</i></p>

fourteen (14) days or less.

Proper verification of household income, correct eligibility determination, and accurate award calculation;

Determination of eligibility at time of application with client letter and appeal and hearing procedure provided to applicants at that time;

Upload to the data exchange server, where applicable, client application/approval/denial information for both primary and secondary vendors on a weekly basis;

Weekly submission, where applicable, to the DCAA a composite listing of all applied/approved/denied and paid applications, including all client characteristics, once a week from November through April 15th;

Correct and timely payments of assistance for households as provided in the State Plan;

Signed vendor agreements with all vendors receiving LIHEAP funds;

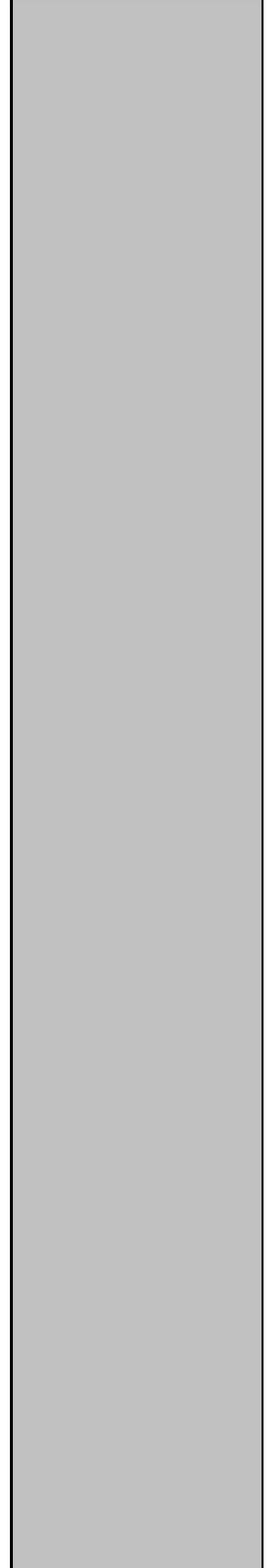
Appeal and hearing procedures;

Administrative and associated program budget and costs;

Accounting systems regarding collection of financial information reported to the DCAA and documentation of monthly financial reports and funding requests;

Other provisions covered in the Contract as deemed necessary and appropriate by DCAA.

State fiscal monitors do annual on site reviews of local



agencies to determine agency written policies and procedures that have an impact on their financial operation and how those documents apply to grant programs. Reviews are also included, but not limited to, the following:

To assure that payments are fully disbursed (check, written, check mailed, check cashed) in a reasonable time period.

To verify that the data submitted on the Monthly Expenditure Report balances to and is documented in their accounting system.

To verify that the data submitted on the Closeout Report balances to and is documented in their accounting system.

To determine if compensation is in line with OMB Circular A-122, B8.

To collect wage data across all sub-grantees.

To determine if compensation is in line with OMB Circular A-122, B8.

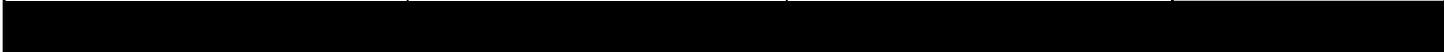
To collect wage data of the persons charged to each of the grant programs.

To determine if sub-grantee is in compliance with OMB A-122 B8 and contractual language regarding support of charges for salary and wages.

To assure that the sub-grantee is applying the appropriate indirect cost rate from their federal cognizant agency. For those sub-grantees who do not have an indirect cost rate, their cost allocation plan is reviewed.

To prove compliance with

<p>section 10.6 of the contract which requires payments to be made to vendors on behalf of the client within 14 business days of receipt of funds. To determine that the sub-grantee is in compliance with requirements for obligated expenses field on monthly report.</p>			
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FRAUD REPORTING MECHANISMS

<p>For FY 2013 activities continuing in FY 2014, please describe all (a) mechanisms available to the public for reporting cases of suspected LIHEAP fraud, waste or abuse [These may include telephone hotlines, websites, email addresses, etc.]; (b) strategies for advertising these resources.</p>	<p>Please highlight any tools or mechanisms from your plan which will be newly implemented in FY 2014, and the timeline for that implementation.</p>	<p>If you don't have any tools or mechanisms available to the public to prevent fraud or improper payments, please describe your plan for involving all citizens and stakeholders involved with your program in detecting fraud.</p>	<p>Necessary outcomes of these strategies and systems</p>
<p>Each community action agency subgrantee is required to issue a news release, prior to the beginning of each application period (October 1 for elderly and/or disabled, November 1 for all other households). This provides the public with the information needed to contact the local agencies.</p> <p>All regulated natural gas and electric utilities shall, prior to November 1, mail customers a notice describing the availability of winter energy assistance funds and the application process. The notice must be of a type size that is easily legible and conspicuous and must contain the information set out by the state agency administering the assistance program. A utility serving fewer than 25,000 customers may publish the notice in a customer newsletter in lieu of mailing. A utility serving fewer than 6,000</p>	<p>A fraud reporting mechanism was added to the state website.</p>	<p>Not applicable.</p>	<p><i>Clear lines of communication for citizens, grantees, clients, and employees to use in pointing out potential cases of fraud or improper payments to State administrators.</i></p>

customers may publish the notice in an advertisement in a local newspaper of general circulation or shopper's guide.

Every disconnection notice has the state LIHEAP office's address and telephone number on it.

Numerous state, community action agency, and utility websites also include contact information.

Additionally, the contract between the state and the local agency requires compliance with Iowa Code Chapter 8F, Government Accountability – Service Contracts. 8F contains prohibitions against taking adverse treatment against employees who disclose any information regarding contract compliance. This is commonly referred to as "whistle blower" protection for anyone who might report fraudulent activity.

VERIFYING APPLICANT IDENTITIES			
Describe all FY 2013 Grantee policies continuing in FY2014 for how identities of applicants and household members are verified.	Please highlight any policy or strategy from your plan which will be newly implemented in FY 2014.	If you don't have a system in place for verifying applicant's identities, please explain why and how the Grantee is ensuring that only authentic and eligible applicants are receiving benefits.	Necessary outcomes from these systems and strategies
<p><i>Each applicant household is required to provide the following information:</i></p> <p>Gather the necessary documents to verify utilities and income. It is preferred that you provide copies rather than original documents. If you provide originals and want them back, please add a note for them to be returned.</p> <p>Utility Bills: Include a copy of your most current heating and electric bill(s) or any other documents showing your energy supplier and account number. Please provide ALL of the following:</p> <ul style="list-style-type: none"> _ Heating bill _ Electric bill _ Rental agreement if heat is included in your rent _ Landlord's name, address, and phone number _ Phone bill (if you wish to sign up for Low Income Telephone Assistance) <p>Income Verification: Use the checklist below to determine what type of documentation you will need to provide with your application. Provide only the items that pertain to your household. All sources of income must be verified for the same time frame, whether using the 3-month or 12-month option.</p> <p>Wages/Salary (gross income)</p> <ul style="list-style-type: none"> _ Federal tax return or W-2 forms from previous year. _ Paid monthly: 3 pay stubs back from the date of application _ Paid twice a month: 6 pay stubs back from the date of application _ Paid every two weeks: 7 pay stubs back from the date of application _ Paid weekly: 13 pay stubs back from the date of application _ Paid daily: pay stubs for every day worked 13 weeks back from the date of 	<p>Beginning in FY2011, the following policy has been adopted:</p> <p>To ensure the Iowa LIHEAP program has your correct Social Security Number (SSN), verification is limited to the following documents:</p> <ul style="list-style-type: none"> • Social Security Card. • Financial statement showing the SSN. • Payroll stub showing the SSN. • Military ID card showing the SSN. • Printout from the Social Security Administration received for a new card application, or to replace a lost or stolen card. • Medicare Card. <p>If the applicant is a temporary foreign national not authorized for employment, verification of a Social Security number may be waived. However, they must present their I-94 card so the Iowa LIHEAP program can record the USCIS number in lieu of the SSN. The USCIS number is also known as the alien number (a 9 digit number). The USCIS number</p>	<p>Not applicable.</p>	<p><i>Income and energy supplier data that allow program benefits to be provided to eligible individuals</i></p>

application

_ If you do not have your tax return or pay stubs, you may provide a **printout from your employer, on company letterhead** showing your **gross wages** received during the 13 weeks back from the date of application.

Self-Employment/Farm Income/Rental Income

_ Federal tax return from previous year
_ Bookkeeping records and summary of those records for the past 13 weeks

Social Security or SSI Benefits (one of the following)

_ Copy of your monthly check
_ Award letter stating your monthly amount
_ 1099 or statement from SSA showing your annual amount

_ Bank statement (if direct deposit) showing the monthly amount

Pension or Veteran Benefits (one of the following)

_ Copy of your monthly check
_ Award letter stating your monthly amount
_ Bank statement (if direct deposit) showing the monthly amount

Child Support/Alimony (one of the following)

_ Printout from Child Support Recovery or Friend of the Court. You can get a printout from the Child Support Recovery website:

<https://childsupport.dhs.state.ia.us>, or we can obtain this information from the website if you

provide your case number(s):

_ Court order or divorce decree stating monthly payment amounts

_ Statement from payee and copy of most recent check

FIP (one of the following)

_ Award letter from DHS
_ Copy of your monthly check
_ Bank statement (if direct deposit) showing the monthly amount

Workers Compensation

_ Letter stating the benefit amount, how often paid, start/end date of benefits

Unemployment Benefits (one of the following)

_ Printout from Workforce Development/Unemployment Services
_ Letter stating the benefit amount, how often paid, start/end date of benefits.

might have eight digits, in which case you put a 0 at the front. This applies to all household members in this category, regardless of age.

Copies of such verification must be included in every file.

Utility vendor account numbers are also cross-checked on utility websites.

SOCIAL SECURITY NUMBER REQUESTS

Describe the Grantee's FY 2014 policy in regards to requiring Social Security Numbers from applicants and/or household members applying for LIHEAP benefits.	Please describe whether the State's policy for requiring or not requiring Social Security numbers is new as of FY2014, or remaining the same.	If the Grantee is not requiring Social Security Numbers of LIHEAP applicants and/or household members, please explain what supplementary measures are being employed to prevent fraud.	Necessary outcomes from these systems and strategies
<p>To ensure the Iowa LIHEAP program has your correct Social Security Number (SSN), verification is limited to the following documents:</p> <ul style="list-style-type: none"> • Social Security Card. • Financial statement showing the SSN. • Payroll stub showing the SSN. • Military ID card showing the SSN. • Printout from the Social Security Administration received for a new card application, or to replace a lost or stolen card. • Medicare Card <p>If the applicant is a temporary foreign national not authorized for employment, verification of a Social Security number may be waived. However, they must present their I-94 card so the Iowa LIHEAP program can record the USCIS number in lieu of the SSN. The USCIS number is also known as the alien number (a 9 digit number). The USCIS number might have eight digits, in which case you put a 0 at the front. This applies to all household members in this category, regardless of age.</p> <p>Copies of such verification must be included in every file.</p>	<p>This policy was instituted in FY 2011. In the past, we have asked for, but not required Social Security Numbers from applicant households. Only households who did not apply last year must produce documentation verifying Social Security Numbers. Local agency software application does check for duplicate Social Security Numbers.</p>	<p>Not applicable</p>	<p><i>All valid household members are reported for correct benefit determination.</i></p>

CROSS-CHECKING SOCIAL SECURITY NUMBERS AGAINST GOVERNMENT SYSTEMS/DATABASES

Describe if and how the Grantee used existing government systems and databases to verify applicant or household member identities in FY 2013 and continuing in FY 2014. (Social Security Administration Enumeration Verification System, prisoner databases, Government death records, etc.)	Please highlight which, if any, policies or strategies for using existing government databases will be newly implemented in FY 2014.	If the Grantee won't be cross checking Social Security Numbers and ID information with existing government databases, please describe how the Grantee will supplement this fraud prevention strategy.	Necessary outcomes from these systems and strategies
The state has not used existing government systems and databases in the past.	At this time we are awaiting clear guidance and technical assistance from the Department of Health and Human Services on how to proceed before attempting to implement this in 2014.	At this time we are awaiting for clear guidance and technical assistance from DHHS on how to proceed before implementing this in 2014.	<i>Use of all available database systems to make sound eligibility determination.</i>

VERIFYING APPLICANT INCOME

Describe how the Grantee or designee used State Directories of new hires or similar systems to confirm income eligibility in FY 2013 and continuing in FY 2014.	Please highlight any policies or strategies for using new hire directories which will be newly implemented in FY 2014.	If the Grantee won't be using new hire directories to verify applicant and household member incomes how will the Grantee be verifying the that information?	Necessary outcomes from these systems and strategies
Although not required by contract, some agencies do check with the Iowa Department of Workforce Development for employment information.	Nothing new is anticipated. At this time we are awaiting clear guidance and technical assistance from the U.S. Department of Health and Human Services (DHHS) on how to proceed before attempting to implement this in 2014.	<p>Applicant households are required to provide the following:</p> <p>Income Verification: Use the checklist below to determine what type of documentation you will need to provide with your application. Provide only the items that pertain to your household. All sources of income must be verified for the same time frame, whether using the 3-month or 12-month option.</p> <p>Wages/Salary (gross income)</p> <ul style="list-style-type: none"> _ Federal tax return or W-2 forms from previous year. _ Paid monthly: 3 pay stubs back from the date of application _ Paid twice a month: 6 pay stubs back from the date of application _ Paid every two weeks: 7 pay stubs back from the date of application _ Paid weekly: 13 pay stubs back from the date of application _ Paid daily: pay stubs for every day worked 13 weeks back from the date of application 	<i>Effective income determination achieved through coordination across program lines.</i>

_ If you do not have your tax return or pay stubs, you may provide a **printout from your employer, on company letterhead** showing your **gross wages** received during the 13 weeks back from the date of application.

Self-Employment/Farm Income/Rental Income

_ Federal tax return from previous year
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_ Bank statement (if direct deposit) showing the monthly amount

Pension or Veteran Benefits (one of the following)

_ Copy of your monthly check
_ Award letter stating your monthly amount
_ Bank statement (if direct deposit) showing the monthly amount

Child Support/Alimony (one of the following)

_ Printout from Child Support Recovery or Friend of the Court. You can get a printout from the Child Support

Recovery website:

<https://childsupport.dhs.state.ia.us> ,or we can obtain this information from the website if you

provide your case number(s):

_ Court order or divorce decree stating monthly payment amounts

_ Statement from payee and copy of most recent check

FIP (one of the following)

_ Award letter from DHS
_ Copy of your monthly check
_ Bank statement (if direct deposit) showing the monthly amount

Workers Compensation

_ Letter stating the benefit amount, how often paid, start/end date of benefits

Unemployment Benefits (one of the following)

_ Printout from Workforce Development/Unemployment Services
_ Letter stating the benefit amount, how often paid, start/end date of benefits.

PRIVACY-PROTECTION AND CONFIDENTIALITY			
Describe the financial and operating controls in place in FY 2013 that will continue in FY 2014 to protect client information against improper use or disclosure.	Please highlight any controls or strategies from your plan which will be newly implemented as of FY 2014.	If you don't have relevant physical or operational controls in place to ensure the security and confidentiality of private information disclosed by applicants, please explain why.	Necessary outcomes from these systems and strategies
<p>The state's contract with the community action agency (subgrantee) includes the following language:</p> <p>E. Confidential Information.</p> <p>1. Access to Confidential Information. The Contractor's employees, agents and subcontractors may have access to confidential information maintained by the Agency to the extent necessary to carry out its responsibilities under the Contract. The Contractor shall presume that all information received pursuant to this Contract is confidential unless otherwise designated by the Agency. The Contractor shall provide to the Agency a written description of its policies and procedures to safeguard confidential information. Policies of confidentiality shall address, as appropriate, information conveyed in verbal, written, and electronic formats. The Contractor must designate one individual who shall remain the responsible authority in charge of all data collected, used, or disseminated by the Contractor in connection with the performance of the Contract. The Contractor shall provide adequate supervision and training to its agents, employees and subcontractors to ensure compliance with the terms of this Contract. The private or confidential information shall remain the property of the Agency at all times.</p> <p>2. No Dissemination of Confidential information. No confidential information collected, maintained, or used in the course of performance of the Contract</p>	<p>The state believes their contracts are sufficient, and there is no need for new measures.</p>	<p>Not applicable.</p>	<p><i>Clear and secure methods that maintain confidentiality and safeguard the private information of applicants.</i></p>

shall be disseminated by Contractor except as authorized by law and only with the prior written consent of the Agency, either during the period of the Contract or thereafter. Any data supplied by the Agency to the Contractor or created by the Contractor in the course of the performance of this Contract shall be considered the property of the Agency. The Contractor must return any and all data collected, maintained, created or used in the course of the performance of the Contract in whatever form it is maintained promptly at the request of the Agency. The Contractor may be held civilly or criminally liable for improper disclosure of confidential information.

3. Subpoena. In the event that a subpoena or other legal process is served upon the Contractor for records containing confidential information, the Contractor shall promptly notify the Agency and cooperate with the Agency in any lawful effort to protect the confidential information.

4. Reporting of Unauthorized Disclosure. The Contractor shall immediately report to the Agency any unauthorized disclosure of confidential information.

5. Survives Termination. The Contractor's obligations under this section shall survive termination or expiration of this Contract.

LIHEAP BENEFITS POLICY			
Describe FY 2013 Grantee policies continuing in FY 2014 for protecting against fraud when making payments, or providing benefits to energy vendors on behalf of clients.	Please highlight any fraud prevention efforts relating to making payments or providing benefits which will be newly implemented in FY 2014.	If the Grantee doesn't have policy in place to protect against improper payments when making payments or providing benefits on behalf of clients, what supplementary steps is the Grantee taking to ensure program integrity.	Necessary outcomes from these systems and strategies
<p>The state approved Vendor Agreement is between the Subgrantee (community action agency) and the energy vendor, and it requires:</p> <p>Eligible households on whose behalf payments are made are third-party beneficiaries under this agreement. Therefore, all payments accepted by the vendor made by the local agency on behalf of an approved household must be applied as credit to that household's current energy account.</p> <p>Any payment not accepted by the vendor must be returned to the local agency within 5 working days of its receipt. Any duplicate payment for a household or an account must be reported to the local agency within 5 working days.</p> <p>Within 30 days of the vendor's receipt of payment, the vendor will provide to the local agency a receipt for the amount of payment received, the date of the receipt, and the household name, address, and account number for which the payment was made.</p> <p>The state contract with the local agencies requires that prior to any cash advances, the agency is required to report its monthly expenditures, specifically:</p> <p>Reports must accurately reflect <i>Expenditures To Date</i></p>	<p>The state approved Vendor Agreement is between the Subgrantee (community action agency) and the energy vendor, and it requires:</p> <p>Eligible households on whose behalf payments are made are third-party beneficiaries under this agreement. Therefore, all payments accepted by the vendor made by the local agency on behalf of an approved household must be applied as credit to that household's current energy account.</p> <p>Any payment not accepted by the vendor must be returned to the local agency within 5 working days of its receipt. Any duplicate payment for a household or an account must be reported to the local agency within 5 working days.</p> <p>Within 30 days of the vendor's receipt of payment, the vendor will provide to the local agency a receipt for the amount of payment received, the date of the receipt, and the household name, address, and account number for which the payment was made.</p> <p>The state contract with the local agencies requires that prior to any cash advances, the agency is required to report its monthly</p>	<p>Not applicable.</p>	<p><i>Authorized energy vendors are receiving payments on behalf of LIHEAP eligible clients.</i></p>

(payments actually made), *Obligated Expenditures* (actual funds that will be paid out within the next 30 days), as well as accurate estimates of *LIHEAP Approvals* that will be paid within 14 business days of receipt of funds.

When requesting LIHEAP Regular Assistance funds, the Contractor may be required to submit a list of approved clients. Payments must be made to vendors on behalf of approved clients within 14 business days of the contractor's receipt of funds.

Documentation supporting funds requested on the Monthly Funding Request and Expenditure Report will be routinely monitored and may be requested at any time for all contract line items.

The report will account for all encumbrances. Documentation may be request to accompany the report, as deemed necessary by the State for Administration, Regular Assistance, Energy Crisis Intervention Program (ECIP), and other line items.

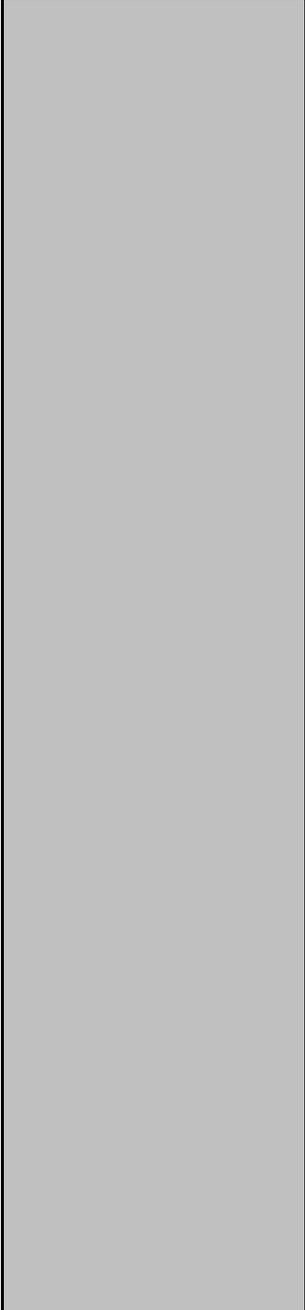
expenditures, specifically:

Reports must accurately reflect *Expenditures To Date* (payments actually made), *Obligated Expenditures* (actual funds that will be paid out within the next 30 days), as well as accurate estimates of *LIHEAP Approvals* that will be paid within 14 business days of receipt of funds.

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Documentation supporting funds requested on the Monthly Funding Request and Expenditure Report will be routinely monitored and may be requested at any time for all contract line items.

The report will account for all encumbrances. Documentation may be request to accompany the report, as deemed necessary by the State for Administration, Regular Assistance, Energy Crisis Intervention Program (ECIP), and other line items.



PROCEDURES FOR UNREGULATED ENERGY VENDORS

<p>Describe the Grantee's FY 2013 procedures continuing in FY 2014 for averting fraud and improper payments when dealing with bulk fuel dealers of heating oil, propane, wood and other un-regulated energy utilities.</p>	<p>Please highlight any strategies policy in this area which will be newly implemented in FY 2014.</p>	<p>If you don't have a firm plan for averting fraud when dealing with unregulated energy vendors, please describe how the Grantee is ensuring program integrity.</p>	<p>Necessary outcomes from these systems and strategies</p>
<p>The contract between the local agency and the vendor requires the following:</p> <p>Eligible households on whose behalf payments are made are third-party beneficiaries under this agreement. Therefore, all payments accepted by the vendor made by the local agency on behalf of an approved household must be applied as credit to that household's current energy account.</p> <p>Any payment not accepted by the vendor must be returned to the local agency within 5 working days of its receipt. Any duplicate payment for a household or an account must be reported to the local agency within 5 working days.</p> <p>The energy supplier will charge the approved household in its normal billing process the difference, if any, between the actual cost of the home energy and the amount of the payment made by the local agency.</p> <p>In any event, the contract between agency and vendor requires notification within 30 days of the vendor's receipt of payment, providing amount of payment received, date of receipt, the LIHEAP recipient household's name, address, and account number for which payment was made. The State program monitor verifies that this documentation is on file and also makes periodic site visits at vendor offices to verify records.</p>	<p>The state believes their contracts are sufficient, and there is no need for new measures.</p>	<p>Not applicable.</p>	<p><i>Participating vendors are thoroughly researched and inspected before benefits are issued.</i></p>

VERIFYING THE AUTHENTICITY OF ENERGY VENDORS

Describe Grantee FY 2013 policies continuing in FY 2014 for verifying the authenticity of energy vendors being paid under LIHEAP, as part of the Grantee's procedure for averting fraud.	Please highlight any policies for verifying vendor authenticity which will be newly implemented in FY 2014.	If you don't have a system in place for verifying vendor authenticity, please describe how the Grantee can ensure that funds are being distributed through valid intermediaries?	Necessary outcomes from these systems and strategies
<p>Iowa has 99 counties. The 18 Community Action Agencies that administer this program, at the county level, have at least one outreach office in all of the 99 counties. The relationship between local agencies and their local deliverable fuel vendor are long standing and personal. The only time they would be dealing with a "new" vendor would be due to a merger or acquisition and in most cases the local office personnel would stay the same.</p> <p>In any event, the contract between agency and vendor requires notification within 30 days of the vendor's receipt of payment, providing amount of payment received, date of receipt, the LIHEAP recipient household's name, address, and account number for which payment was made. The State program monitor verifies that this documentation is on file and also makes periodic site visits at vendor offices to verify records.</p>	<p>The state believes their contracts are sufficient, and there is no need for new measures.</p>	<p>Not applicable.</p>	<p><i>An effective process that effectively confirms the existence of entities receiving federal funds.</i></p>

TRAINING AND TECHNICAL ASSISTANCE

<p>In regards to fraud prevention, please describe elements of your FY 2013 plan continuing in FY 2014 for training and providing technical assistance to (a) employees, (b) non-governmental staff involved in the eligibility process, (c) clients, and (d) energy vendors.</p>	<p>Please highlight specific elements of your training regiment and technical assistance resources from your plan which will represent newly implemented in FY 2014.</p>	<p>If you don't have a system in place for anti-fraud training or technical assistance for employees, clients or energy vendors, please describe your strategy for ensuring all employees understand what is expected of them and what tactics they are permitted to employ.</p>	<p>Necessary outcomes from these systems and strategies</p>
<p>The local agencies are required to sign a contract which specifies required and allowable program activities, including HHS regulations, special conditions, program and fiscal reporting to the state among other things. The state produces a procedural manual that is used in training with local staff and serves as a basis for state provided technical assistance. Procedural manual requirements are incorporated by reference into the contract between state and local agency.</p> <p>Vendors have contractual obligations that minimize or eliminate fraud. The vendors' are monitored by the local agency and state staff for contractual obligation compliance. Clients are given program contact information and can choose to report any suspected fraud.</p> <p>Other opportunities for training and technical assistance include:</p> <ul style="list-style-type: none"> • During the routine course of program and fiscal monitoring • Quarterly meetings of the local agency LIHEAP program 	<p>To ensure the Iowa LIHEAP program has your correct Social Security Number (SSN), verification is limited to the following documents:</p> <ul style="list-style-type: none"> • Social Security Card. • Financial statement showing the SSN. • Payroll stub showing the SSN. • Military ID card showing the SSN. • Printout from the Social Security Administration received for a new card application, or to replace a lost or stolen card. • Medicare Card <p>If the applicant is a temporary foreign national not authorized for employment, verification of a Social Security number may be waived. However, they must present their I-94 card so the Iowa LIHEAP program can record the USCIS number in lieu of the SSN. The USCIS numbers is also known as the alien number (a 9 digit</p>	<p>Not applicable.</p>	<p><i>The timely and thorough resolution of weaknesses or reportable conditions as revealed by the audit.</i></p>

<p>directors</p> <ul style="list-style-type: none"> and; monthly meetings of the Iowa Community Action Agency Directors' Association 	<p>number). The USCIS number might have eight digits, in which case you put a 0 at the front. This applies to all household members in this category, regardless of age.</p> <p>Copies of such verification must be included in every file.</p>		
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AUDITS OF LOCAL ADMINISTERING AGENCIES

<p>Please describe the annual audit requirements in place for local administering agencies in FY 2013 that will continue into FY 2014.</p>	<p>Please describe new policies or strategies to be implemented in FY 2014.</p>	<p>If you don't have specific audit requirements for local administering agencies, please explain how the Grantee will ensure that LIHEAP funds are properly audited under the Single Audit Act requirements.</p>	<p>Necessary outcomes from these systems and strategies</p>
<p>Local governments and non-profit subrecipient entities that expend \$500,000 or more in a year in federal awards (from all sources) shall have a single audit conducted for that year in accordance with the provisions of OMB Circular A-133 "Audit of States, Local Governments, and Non-Profit Organizations." A copy of the final audit report shall be submitted to the Agency if either the schedule of findings and questioned costs or the summary schedule of prior audit findings includes any audit findings related to federal awards provided by the Agency. If an audit report is not required to be submitted per the criteria above, the subrecipient must provide written notification to the Agency that the audit was conducted in accordance with Government Auditing Standards and that neither the schedule of findings and questioned costs nor the summary schedule of prior audit findings includes any audit findings related to federal awards provided by the Agency. See A-133 Section 21</p>	<p>No new policies are contemplated at this time.</p>	<p>Not applicable.</p>	<p><i>Reduce improper payments, maintain local agency integrity, and benefits awarded to eligible households.</i></p>

<p>for a discussion of subrecipient versus vendor relationships. Contractor shall provide the Agency with a copy of any written audit findings or reports, whether in draft or final form, within 24 hours following receipt by the Contractor. The requirements of this paragraph shall apply to the Contractor as well as any subcontractors</p> <p>Upon receipt, state fiscal officers review audits, including any findings, and compare audit report to local agency close out report for any inconsistencies in order to assure that LIHEAP funds are properly audited under the Single Audit Act requirements.</p>			
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Additional Information

Please attach further information that describes the Grantee’s Program Integrity Policies, including supporting documentation from program manuals, including pages/sections from established LIHEAP policies and procedures.