



Department of Health and Human Services

**Office of
Inspector General**

Work Plan

**Administration for Children
and Families Projects**

Fiscal Year 1998

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Inspector General**






Office of Inspector General

MISSION:

Under the authority of the IG Act, we improve HHS programs and operations and protect them against fraud, waste, and abuse. By conducting independent and objective audits, evaluations, and investigations, we provide timely, useful, and reliable information and advice to Department officials, the Administration, the Congress, and the public.






VISION

WE ARE GUARDIANS OF THE PUBLIC TRUST

-  Working with management, we will ensure effective and efficient HHS programs and operations.
-  Working with decision-makers, we will minimize fraud, waste and abuse in HHS programs.
-  Working with our talented and motivated staff, we will manifest the highest standards as a Federal OIG.

VALUES

WE VALUE:

-  Quality products and services that are timely and relevant.
-  A service attitude that is responsive to the needs of decision-makers.
-  Fairness, integrity, independence, objectivity, proficiency, and due care in performing our work.
-  Teamwork and open communication among OIG components.
-  A positive environment that supports our personal and professional needs and encourages us to be innovative and reach our full potential.

Department of Health and Human Services

Office of Inspector General



Work Plan for Fiscal Year 1998

INTRODUCTION

The Office of Inspector General (OIG) Work Plan is set forth in five chapters that encompass the various projects of the Office of Audit Services, Office of Evaluation and Inspections, Office of Investigations, and Office of Counsel to the Inspector General that are to be addressed during Fiscal Year (FY) 1998. The first four chapters present the full range of projects planned in each of the Department of Health and Human Services' (Department) major operating divisions: the Health Care Financing Administration, Public Health Service Agencies, the Administration for Children and Families, and the Administration on Aging. The fifth chapter embraces those projects related to issues which cut across Department programs, including State and local use of Federal funds as well as the functional areas of the Office of the Secretary.

In preparing this edition of the OIG Work Plan, we have provided a brief description of the various project areas and a projected completion date for many of the work items that we perceive as critical to the mission of the OIG and the Department. However, as the work planning process tends to be ongoing and dynamic, the focus and timing of many of these projects can evolve in response to new information, new issues, and shifting priorities of the Congress, the President and the Secretary, and may be altered over time. Given these variables, the OIG objective still remains the targeting of available resources on those projects that best identify vulnerabilities in the Department's programs and activities that have been designed to serve and protect the safety, health and welfare of the American people and promote the economy, efficiency and effectiveness of the Department's programs.

Program Audits

The Office of Audit Services (OAS) conducts comprehensive financial and performance audits of departmental programs and operations to determine whether program objectives are being achieved and which program features need to be performed in a more efficient manner. The OAS also provides overall leadership and direction in carrying out the responsibilities mandated under the Chief Financial Officers Act of 1990 and the Government Management Reform Act of 1994 relating to financial statement audits.

The audit portion of the OIG Work Plan represents the most significant audit work that will be conducted in FY 1998.

Program Inspections

The Office of Evaluation and Inspections (OEI) seeks to improve the effectiveness and efficiency of departmental programs by conducting program inspections to provide timely, useful, and reliable information and advice to decision makers. These inspections are program and management evaluations that focus on specific issues of concern to the Department, the Congress, and the public. The inspections identified in this Work Plan focus on programs with significant expenditures of funds and services to program beneficiaries or in which important management issues have surfaced. The results of these inspections should generate accurate and up-to-date information on how well those programs are operating and offer specific recommendations to improve their overall efficiency and effectiveness.

Investigative Focus Areas

The OIG's Office of Investigations (OI) conducts investigations of fraud and misconduct to safeguard the Department's programs and protect the beneficiaries of those programs from individuals and activities that would deprive them of rights and benefits.

The OIG concentrates its resources on the conduct of criminal investigations relating to the programs and operations of HHS. These investigative activities are designed to prevent fraud and abuse in departmental programs by identifying systemic weaknesses

in areas of program vulnerability that can be eliminated through corrective management actions, regulation or legislation; by pursuing criminal convictions; and by recovering the maximum dollar amounts possible through judicial and administrative processes, for recycling back to the intended beneficiaries.

Legal Counsel Focus Areas

The Office of Counsel to the Inspector General (OCIG) coordinates the OIG's role in the resolution of health care fraud and abuse cases, including the litigation and imposition of administrative sanctions, such as program exclusions, and civil monetary penalties and assessments; the global settlement of cases arising under the Civil False Claims Act; and the development of corporate agreements for providers that have settled their False Claims Act liability with the Federal Government. It also develops and promotes industry awareness of models for corporate integrity and compliance programs and monitors ongoing integrity agreements. OCIG also provides all administrative litigation services required by OIG, such as patient dumping cases and all administrative exclusion cases. In addition, OCIG issues special fraud alerts and advisory opinions regarding the application of OIG's sanction statutes, and is responsible for the development of new, and the modification of existing, safe harbor regulations under the anti-kickback statute. Finally, OCIG counsels OIG components on personnel and operations issues, subpoenas, audit and investigative issues and other legal authorities.

Internet Address

The FY 1998 OIG Work Plan and other OIG materials, including final reports issued and OIG program exclusions, may be accessed on the Internet at the following address:

<http://www.sbaonline.sba.gov/ignet/internal/hhs/hhs.html>

Department of Health and Human Services

Office of Inspector General



Administration for Children and Families

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WELFARE REFORM

State Capacity in Developing Data Systems

We will examine how States plan to measure the outcomes experienced by recipients under the Temporary Assistance for Needy Families (TANF) block grant, in concert with the other provisions of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. The TANF program transformed welfare into a system that requires work in exchange for time-limited assistance. The program is intended to end the dependence on Government benefits by promoting job preparation, work, and marriage. Our report will assess State infrastructure, capacity, and data collection efforts to satisfy data reporting requirements under the block grant. This review will discern what data States need to collect to measure outcomes as well as the potential ease and/or difficulty of collecting this data.

OEI-00-00-00000; OAS; W-00-98-20016; A-09-98-00000
Expected Issue Date: FY 1998

Maintenance of Effort

This review will examine how States have implemented the maintenance of effort provision under the Temporary Assistance for Needy Families program. States are required to expend at least 80 percent of their historical spending level (75 percent if they meet participation requirements) under AFDC and related programs. There may be some uncertainty about the circumstances under which expenditure of State funds count toward the maintenance of effort requirement.

OAS; W-00-98-20016; A-04-98-00000
Expected Issue Date: FY 1999

Cost Shifting by States

This review will examine whether States, with the help of consultants, are shifting costs to non-Temporary Assistance for Needy Families (TANF) programs. Prior to welfare reform, the open-ended AFDC program was the primary program that States charged administrative costs. Consultants continue to be instrumental in efforts to maximize Federal financial participation. Welfare reform eliminated AFDC and

Emergency Assistance, and capped TANF administrative costs. States may be motivated to shift some of these costs to other open-ended programs such as Child Support Enforcement. Additionally, some States may try to shift costs by tying TANF eligibility to eligibility for programs such as Medicaid and Food Stamps. This could have a significant impact on not only increasing the cost of other Federal programs but also minimizing administrative cost reductions expected under welfare reform.

OAS; W-00-98-20016; A-03-98-00000; A-09-98-00000
Expected Issue Date: FY 1999

State Fraud and Abuse Prevention Activities

This study will identify State fraud and abuse prevention and detection activities under the Temporary Assistance for Needy Families (TANF) Program. The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 requires State Plans for TANF to contain a fraud and abuse “certification.” This is a certification by the chief executive officer of the State stating that the State has established and is enforcing standards and procedures to ensure against program fraud and abuse, including nepotism, conflicts of interest, kickbacks, and the use of political patronage. We will provide a comprehensive description of State fraud and abuse prevention and monitoring systems that will encompass both client and vendor fraud and abuse.

OEI; 00-00-00000
Expected Issue Date: FY 1999

CHILD CARE

State Utilization of Child Care Development Fund Matching Funds

We will identify barriers States encountered in spending their new Child Care Development Fund matching funds available to each State under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. The Act created a single, integrated child care system under the amended Child Care and Development Block Grant Act of 1996 which created three separate funding streams. These funding streams are (1) discretionary funds, (2) mandatory funds, and (3) matching funds. The ACF requested this review due to concern that some States may not expend their matching funds. Therefore, we will determine why any funds may not

have been expended and what barriers States encountered in utilizing the matching funds.

OEI; 00-00-00000

Expected Issue Date: FY 1998

Utilization of Tribal Child Care Funds - An Early Alert

We will produce an overview report which will describe the challenges Tribal Child Care agencies are facing to ensure effective use of increased child care funds as a result of the new welfare reform laws. This review will also describe their efforts in addressing those challenges, and their needs in meeting the challenges. With the passage of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, additional child care funds are available to tribes through the Child Care Development Fund Tribal Mandatory Fund, in addition to the congressional appropriated discretionary funds. This doubles child care funds available to tribes to \$60 million a year.

OEI; 00-00-00000

Expected Issue Date: FY 1998

Technical Assistance Contracts for Quality Child Care

We will gather information regarding customer satisfaction of State agencies which administer the Child Care Development Fund with contracted technical assistance focused on improving quality of child care. The ACF contracts with a private entity to provide this technical assistance to State agencies. As States struggle to serve increasing numbers of children in child care as the result of welfare reform, the technical assistance provided through this contract will be critical to assist States in building and maintaining quality child care.

OEI; 00-00-00000

Expected Issue Date: FY 1998

Low-Income Child Care Voucher

We will examine different low-income child care voucher programs to identify potential vulnerabilities and best practices. Under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, legislation consolidated four existing Federal child care subsidy programs into a single, integrated child care system that can provide assistance through grants, contracts, and certificates (commonly known as vouchers). Most States use multiple methods of providing child care assistance. While vouchers are an increasingly used mechanism to provide child care subsidies, little information is available about the provision of child care through vouchers. In addition, ACF's Child Care Bureau will find our report useful in determining what technical assistance States need regarding child care voucher programs.

OEI; 00-00-00000

Expected Issue Date: FY 1999

CHILD PROTECTIVE SERVICES

Interstate Compact on the Placement of Children

This study will describe if States are meeting their obligations under ACF's Interstate Compact on the Placement of Children. This compact was created in response to the lack of protections and supportive services provided to children sent into out-of-State placement. When a child is placed in another State, the receiving State must provide required services for the protection of children. The ACF has been receiving complaints that certain States are not meeting their responsibilities under the compact such as ensuring a safe living environment and conducting periodic site visits for "out-of-State placement" children.

OEI; 02-95-00041

Expected Issue Date: FY 1997

Service Effectiveness

We will determine whether (1) the services/treatment being prescribed to State Child Protective Services (CPS) clients are appropriately focused; (2) any service delays exist that could result in further occurrence of child abuse and/or neglect; and (3) follow-up is being done to determine service effectiveness. We will also determine if the State agencies are looking at recidivism rates to identify and correct the potential and/or leading causes of recidivism.

The child protective service investigation is to identify the risk factors (stressors) that led to or significantly contributed to the incident of child abuse and neglect. Remedial services and/or treatments are usually provided to the clients with the objective of eliminating or reducing the risk of harm to children in the household to an acceptable level.

OAS; W-00-98-20018; A-01-98-00000
Expected Issue Date: FY 1999

Hospital Reporting of Drug Toxicity Cases

We will determine whether hospitals are reporting cases of positive toxicity due to drugs in newborns to the appropriate authorities. Federal regulations require health care professionals and administrators to report, as soon as possible, suspected abuse when they have reason to suspect that a child has been abused. Physical abuse includes internal injuries or bodily harm as well as conditions associated with infants born with drugs in their systems. We will also determine whether cases of positive toxicity are used to develop a plan for providing services to the family to eliminate causes of the toxicity and related problems.

OAS; W-00-98-20018; A-01-98-00000
Expected Issue Date: FY 1999

CHILD SUPPORT

Wage Withholding Job Change Situations

This joint review will assess State procedures for withholding wages for child support when the wage earner changes jobs. Wage withholding is one of the best techniques to ensure collection of child support and prevent custodial parents from requiring public assistance payments. Data from a State audit indicated that about 30 percent of wage earners with a garnishment order changed jobs and have continuing income but are no longer paying the mandated child support. Wage withholding through the new employer had not been accomplished in a timely manner. We will assess the timeliness and effectiveness of selected States' procedures to ensure follow-up, location and initiation of wage withholding at the new employer when the agency fails to receive employer remittances from non-custodial parents. We will conduct a phone survey with the remaining States to evaluate their procedures for efficiently transferring or amending garnishment orders when workers change jobs.

OEI; 00-00-00042; OAS; W-00-97-20005
Expected Issue Date: FY 1998

Collection Through Garnishment of Income Other than Wages

This review will examine whether States are making effective use of garnishment as a collection technique for non-wage income. Over the years, amendments to title IV-D have given States authority to use various methods to enforce collection of child support payments. Wage withholding is the method most often used by States. However, wage withholding is not effective for the self-employed nor for accessing non-wage income such as royalties, commissions, interest and dividends. States may be missing an opportunity to collect child support arrearages by garnishing income sources other than wages.

OAS; W-00-98-20005; A-03-98-00000
Expected Issue Date: FY 1999

Employer Compliance with New Hire Directories

This review will determine how States insure that all employers and employees are included in new hire directories. Welfare reform law requires all States to have a New Hire Directory in place by October 1, 1997. Each State Directory will be used to create the National New Hire Directory maintained by the Office of Child Support Enforcement to assist in interstate location of absent parents. If some employers are exempt or fail to comply, the effectiveness of the new hire directory could be reduced and more costly and difficult location techniques would have to be used.

OAS; W-00-98-20005

Expected Issue Date: FY 1999

Enhanced Collection Through the Use of Liens

This review will examine whether States are effectively using liens as a method to collect child support. States are required to have in effect and use procedures which stipulate that a lien will be imposed against real and personal property of an absent parent who is delinquent in child support payments. If States use liens as aggressively as they do license suspension, the child support collections could be enhanced. Both intrastate and interstate cases will be examined.

OAS; W-00-98-20005

Expected Issue Date: FY 1999

Medical Support Enforcement

We will determine whether States are enforcing medical support orders. Welfare reform and OBRA 1993 mandate that noncustodial parents enroll their children on their employer's health insurance plan. Welfare reform also streamlined the process of obtaining medical coverage by providing child support enforcement agencies with the authority to direct a noncustodial parent's employer to enroll the child in the parent's health plan. A current review of access to medical coverage by these children disclosed that three New England States may not be enforcing medical support orders as required by Federal regulations. One of the States has a certified system in place designed to automate the enforcement of medical support orders and other child

support functions. An absence of enforcement means that medical bills for uninsured children are paid by taxpayers through Medicaid or absorbed by health care providers.

OAS; W-00-98-20005; A-01-98-00000

Expected Issue Date: FY 1999

Health Insurance Detection and Medicaid Coordination

We will determine the progress State child support enforcement agencies have made in detecting available dependent health insurance and coordinating this information with State Medicaid agencies. Our review will compare information collected during two previous OIG studies that found that employer-related dependent health insurance was available to a significant number of absent parents, and that the Medicaid program would have saved over \$32 million annually if available insurance had been detected. As an update to those studies, this current review will determine the number of absent parents with health insurance available and affordable to cover their dependents' medical expenses, child support enforcement agencies' detection of available health insurance, and the amount of money the Medicaid program would save if available employer group health insurance were utilized.

OEI; 00-00-00000; OAS; W-00-98-20005; A-01-98-00000

Expected Issue Date: FY 1999

State System Operation and Maintenance Contracts

This review will examine the adequacy of States' procurements of operation and maintenance services for their child support management information systems. The ACF has encountered some difficulty in having States pursue full and open competition for these maintenance and operation contracts, preferring to award them to the contractor who handled the original system implementation.

OAS; W-00-98-20005; A-09-98-00000

Expected Issue Date: FY 1999

State Child Support Satisfaction Survey

We will assess the current level of State Child Support Agencies' satisfaction with services provided by the Federal Office of Child Support Enforcement. The child support enforcement program is a critical component in ensuring economic security for millions of single-parent families and children in need of support. During FY 1994, about \$10 billion in child support payments were collected through State title IV-D Child Support agencies. Currently, ACF is developing methods for gathering client satisfaction data for users of child support services, from both welfare and non-welfare recipients. This study may provide one mechanism for ACF to assess Office of Child Support Enforcement's performance and also to assist ACF in gathering feedback from States.

OEI; 00-00-00000

Expected Issue Date: FY 1998

Child Support Annual Report: A Customer Survey

We will assess customer satisfaction with the Office of Child Support Enforcement's Annual Report to Congress. Law mandates the Office of Child Support Enforcement to collect and report detailed information of child support activities and future goals for the program. In addition, Governmentwide initiatives such as the Government Performance and Results Act call for increased Government accountability, including focusing more on customer needs. The Office of Child Support Enforcement is a pilot project of the Government Performance and Results Act and is working with States to develop ways to survey child support customers to improve the program.

OEI; 00-00-00000

Expected Issue Date: FY 1998

INVESTIGATIONS

Project Child Support Enforcement

The Child Support Recovery Act makes it a Federal crime to willfully fail to pay a past-due child support obligation for a child living in another State. The past-due support obligation must be either greater than \$5,000 or must have remained unpaid

for more than 1 year. Since being given authority to investigate violations of this Act, OIG's Office of Investigations has opened over 100 cases nationwide. In 1996, four subjects of these investigations were convicted and sentenced as a result of OIG efforts. To date in 1997, ten more individuals have been brought to justice with many more currently awaiting formal judicial adjudication.

FOSTER CARE

Quality Assurance Over State Foster Care Residential Facilities

We will review State licensing and quality assurance activities relating to residential foster care paid under title IV-E. According to the Child Welfare League of America, State licensing and oversight of residential foster care facilities varies considerably among the States. Although the Child Welfare League maintains standards for residential foster care, the Social Security Act requires States to have standards "which are reasonably in accord with recommended standards of national organizations." There is congressional concern over the disparity among States with respect to the quality of care and safety of children in residential foster care.

OEI; 00-00-00000

Expected Issue Date: FY 1999

Quality of Care

This effort will address whether privatization has had an effect on the quality of care received by foster children. In a prior review we found that the State agency administering the foster care program did not ensure that the standards for health and safety and the quality of services provided to foster children placed through private child nonprofit placing agencies were met. This review will determine whether the States are properly monitoring the private nonprofit child placing agencies to ensure that the foster children are receiving quality care.

We will profile the results of our work in a summary report to ACF covering violations found in several States. The report will also include the results of our

review of the handling of administrative costs by child placing agencies and the retention of maintenance payments.

OAS; W-00-98-20008; Various CINs
Expected Issue Date: FY 1999

Private Nonprofit Child Placing Agencies

This review will cover one aspect of privatizing the welfare system by looking at the States' use of private nonprofit child placing agencies for the placement of children in private foster homes, i.e., whether the private nonprofit child placing agencies contracting with States are improperly retaining a portion of the foster care maintenance payments as a service fee. A review in one State found that child placing agencies improperly retained an average of 38 percent of the funds intended to provide food, clothing and shelter for children under their care.

An overall report will be provided to ACF summarizing the results of reviews of payments made to private child placing agencies in several States. The report will also include the results of our work relating to quality of care and administrative costs.

OAS; W-00-98-20008; Various CINs
Expected Issue Date: FY 1999

Kinship Care - "Physical Removal," Home Licensing and Approval Requirements

At ACF's request, we will evaluate New York City's compliance with the title IV-E "physical removal," home licensing and approval requirements of foster children placed in the homes of relatives. The ACF's interpretation of the statute requires the child's physical removal from the contrary-to-the-welfare home within 6 months prior to the initiation of court proceedings. Recent Departmental Appeals Board decisions have upheld ACF's position.

Additionally, in selected States, we will review cases not supported by sufficient evidence indicating that a child's continued residence in the home was contrary to his/her welfare, and/or that reasonable efforts were made to preclude the child's removal. The HHS Departmental Appeals Board, in a recent decision, sustained 13 cases in Illinois that were questioned by the OIG for lack of evidence indicating that appropriate action was taken to retain children in their homes. We believe that the

decision clarifies acceptable documentation and supports pursuing this area in other States to recover ineligible title IV-E costs.

OAS; W-00-96-20008; A-02-96-02006

Expected Issue Date: FY 1998

Independent Living Program

We plan to review the objectives, performance, and program results of one State's Independent Living Program. In order to determine if children are successfully transitioning from foster care to independent adult living, we will, if feasible, review State records to ascertain the outcomes of: (1) foster care youth who (a) have participated in the Independent Living Program, and (b) have not participated in the Independent Living Program; and (2) youth in the general population.

We will also review one regional ACF office's management and reporting efforts on information sharing among State Independent Living Programs.

OAS; W-00-98-20008; A-04-98-00000

Expected Issue Date: FY 1998

Retroactive Claims

This nationwide effort will determine whether retroactive claims submitted by the States for Federal sharing are supported and comply with Federal eligibility requirements for the foster care program. An analysis of claims data indicated that several States have made adjustments to their title IV-E claims. We will evaluate the adjustments to determine whether they are appropriate. Previous work in this area included a joint effort with ACF which resulted in identifying \$6.4 million in a State's prior quarter adjustments which could not be supported.

Individual reports will be issued to the States as well as an overall report to ACF summarizing the results of title IV-E retroactive claims reviews conducted in the States.

OAS; W-00-98-20008; Various CINs

Expected Issue Date: FY 1999

Concurrent Payments

This review will determine whether State title IV-E Foster Care agencies (1) are exchanging information on eligibility requirements and benefits with local Social Security district offices and (2) have formal procedures to refer clients and their representatives to the local district office for consultation and/or application when appropriate. We will also determine whether appropriate adjustments were made. The ACF changed its policy to allow concurrent eligibility for Supplemental Security Income (SSI) benefits and title IV-E foster care. In cases where the child is eligible for both programs and payments are concurrently received from both, the child's SSI payment is to be reduced dollar for dollar by the amount of the foster care payment.

OAS; W-00-98-20008

Expected Issue Date: FY 1998

Training Costs

This series of reviews will determine whether States claimed administrative costs related to foster care training at the appropriate rate of 50 percent instead of the 75 percent rate allowed for certain training costs specified by Federal regulations. Training provided to current and prospective employees can be claimed for Federal reimbursement under title IV-E of the Social Security Act. States are entitled to Federal sharing at 75 percent to cover the eligible costs of training State and local personnel who administer the foster care program. Federal sharing at the rate of 50 percent is available for other administrative costs, including those related to training necessary for the operation of the foster care program.

OAS; W-00-98-20008

Expected Issue Date: FY 1998

Program Income

This review will determine the extent of inequitable distribution of program income in the foster care program as well as other Federal programs. Prior reviews of the foster care program in one State showed that program income, such as proceeds from

insurance companies, was first credited to the State's share of the expenditure. Any remaining income was offset to the Federal expenditures relating to the payments.

OAS; W-00-98-20008; A-03-98-00000

Expected Issue Date: FY 1998

Adoption 2002

We will take an early look at the Department's progress in meeting the proposed action steps detailed in *Adoption 2002*. This initiative was developed by the Department in response to the President's directive to move children more rapidly from foster care to permanent homes and at least double, by the year 2002, the number of children in foster care who are adopted or permanently placed out of the public foster care system. Our review will cover such action steps as that requiring the Department and States to establish preliminary baseline data for FY 1997 on the number of adoptions and guardianships and annual incremental targets for FYs 1998 - 2002. Based on draft legislation, the date for the completion of this step is September 30, 1997.

OAS; W-00-98-20008

Expected Issue Date: FY 1999

Adoption and Foster Care Analysis and Reporting System

We will review the reliability and completeness of the Adoption and Foster Care Analysis and Reporting System in one or more States. This system, which was established in response to the need for better data collection, will provide information on children in foster care and children adopted through the public child welfare system. States are required to collect case-specific data on all children in foster care for whom the State child welfare agency has responsibility for placement, care or supervision, regardless of their eligibility. In addition, States are required to collect data on all adopted children who were placed by the State child welfare agency, and on all adopted children for whom the State provides adoption assistance. States were required to begin submitting data in June 1995. Penalties for non-submission or submission of poor quality data will be effective with submissions due in May 1998.

OAS; W-00-98-20008; A-03-98-00000

Expected Issue Date: FY 1999

HEAD START

Infant and Toddler Initiative (Early Head Start)

We will review implementation of the new Early Head Start initiative. This new program established by the 1994 Head Start Reauthorization Act, provides early, continuous, and comprehensive services to low-income or at-risk children from birth to age 3, to pregnant women, and to the families of such children.

Our review will include an early look at the implementation of ACF's recently developed performance standards for this new initiative.

OAS; W-00-98-20009

Expected Issue Date: FY 1999

Facilities' Compliance with Health and Safety Standards

We will review Early Head Start and Temporary Assistance for Needy Families (TANF) grantees' compliance with health and safety standards. Welfare reform legislation requires the provision of child care services under TANF. Both Early Head Start and TANF require that children be cared in decent, safe and healthy environments. Previous OIG reviews showed that, in addition to improvements needed at the State level, greater Federal oversight was needed to improve the health and safety conditions of the Nation's child care programs.

OAS; W-00-98-20009; A-09-98-00000

Expected Issue Date: FY 1999

Head Start Social Services

We will address the effectiveness and impact of the Head Start family needs assessment, which provides the framework for the delivery of social services to Head Start families. The December 1993 "Final Report of the Advisory Committee on Head Start Quality and Expansion" noted that a major area of improvement was assuring the delivery of social services. The study would also evaluate program expenditures for social services to determine if they are cost effective. In addition, we

will try to determine why such a significant variation exists in the amount spent per child on social services by different grantees.

OEI; 00-00-00000

Expected Issue Date: FY 1999

Problem Head Start Grantees

We will identify from a national sample of Head Start grantees trends and problems in areas such as procurement, purchases, construction and renovation of facilities, allocation of administrative costs, matching of Federal funds and other fiscal difficulties. We will quantify potential savings to the program as well as identify unallowable costs for recovery by ACF. Our work will assist ACF in identifying those areas requiring more extensive technical assistance.

OAS; W-00-98-20009

Expected Issue Date: FY 1998

Asset Management Practices

Using our national sample of Head Start grantees, we will review grantees' asset management policies and practices to determine if their systems are capable of recording, segregating and adjusting the current value of assets and the Federal interest in them. In addition, the understatement of the assets value will be quantified. We will also determine whether grantees no longer participating in Head Start, have shared with the program the disposition of assets. Organizationwide audit reports usually do not include an inventory of the assets acquired with Head Start funds nor the Federal Government's interest in them. Accordingly, any assets that may be shown in the financial statements have not been validated showing proper value.

OAS; W-00-98-20009

Expected Issue Date: FY 1999

Pre-Award Review of Grantees' Budget Plans

We will assist ACF in identifying unneeded and unreasonable expenditures included in grantees' proposed operating budgets and to determine if this situation is prompted by a lack of fiscal capabilities within the grantee. The potential savings which result from our reviews could be used to increase program enrollments, or possibly to fund

additional grantees.

OAS; W-00-98-20009; A-02-98-00000

Expected Issue Date: FY 1999

Information Systems and Automated Data Processing

At the request of the Head Start Bureau, we will review the current availability and level of sophistication of electronic data processing (EDP) capabilities of Head Start grantees for quickly communicating and providing relevant and timely information to Federal program management.

After ACF has implemented the Grant Administration Teaching and Evaluation System (GATES), we will determine if the policies and procedures established to effect the movement of data from the prior Head Start data systems assure that accurate and complete information is being transferred.

OAS; W-00-98-20009; A-09-98-00000

Expected Issue Date: FY 1999

Head Start Termination Actions

We will examine the costs to the Federal Government (including charges to the grant) related to termination of a Head Start grant for deficiency, in order to identify ways of reducing the cost and time associated with this process. Because Head Start grantees can use Federal grant funds to pay the costs of defending themselves against adverse action, they have no incentive to avoid long and costly administrative legal proceedings. Delays permit deficient grantees to operate programs that are not in the best interests of the children and families involved and place Federal funds at risk.

OAS; W-00-98-20009

Expected Issue Date: FY 1998

OTHER ISSUES

State Developmental Disabilities Councils Funded by the Administration on Developmental Disabilities

We will examine the effectiveness of State Developmental Disabilities Councils funded by the Administration on Developmental Disabilities (ADD). The Developmental Disabilities Basic State Grants program assists States in developing and implementing a comprehensive Statewide plan for meeting the needs of persons with developmental disabilities. A basic program goal is the development of a comprehensive system that provides a coordinated array of services. The FY 1997 funding for the State councils was approximately \$65 million. The Commissioner of the Development Disabilities Administration requested our review. The Administration previously performed onsite monitoring every 3 years, but because of funding cuts, stopped this practice in 1992.

OEI; 00-00-00000

Expected Issue Date: FY 1999

State Protection and Advocacy Systems for the Disabled

A consolidated report will be prepared summarizing the findings related to fiscal management and internal controls of selected State protection and advocacy systems for the disabled and the monitoring performed at the Federal level.

OAS; W-00-97-20017; A-03-97-00000

Expected Issue Date: FY 1998

Administration of Native Americans Grants

We will examine the award process and the administration of grants to support programs promoting the economic and social self-sufficiency of Native Americans.

The Administration for Native Americans provides approximately \$29 million in grants to support projects that are expected to result in sustained improvements in the

social and economic conditions of Native Americans within their communities, and at the same time to increase the likelihood of achieving their economic and social goals.

OAS; W-00-98-20018

Expected Issue Date: FY 1998

Community Service Block Grants

This review of Community Services Block Grants will: (1) evaluate New Jersey's and Puerto Rico's bases for distributing funds to grantees; and (2) determine whether States require their grantees to design programs directed at ameliorating the causes of poverty and measure program achievements. We will also determine whether States adequately monitor program accomplishments.

Community Service Block Grants are awarded to States to develop programs designed to address the causes of poverty. The States, in turn, award grants to local agencies that are required to provide services which have a measurable effect on the poverty in their communities. A review in one State found that the State did not: (1) use subgrantees' application information to allot the grant funds; (2) adequately monitor the grant program; (3) validate the accomplishments of subgrantees; or (4) require its subgrantees to develop programs that responded to the highest priority needs of the community.

OAS; W-00-96-20006; A-02-96-02003; A-02-96-02004

Expected Issue Date: FY 1998

Emergency Assistance Retroactive Claims

This review will examine the amount and nature of any retroactive claims by States as well as FY 1996 claims for juvenile justice costs. A number of consultants have entered into contingency fee contracts with States to maximize Federal financial participation under the emergency assistance (EA) program. This effort may be shifting considerable costs to EA from other Federal and State programs. Preliminary work in one State indicates that many claims contain unallowable and unsupported costs.

OAS; W-00-98-20017; Various CINs

Expected Issue Date: FY 1999

Management and Performance of OCS Discretionary Grants

This review will examine the Office of Community Services (OCS) oversight of discretionary grants as well as grantees' use of funds and achievement of program objectives. Annually, OCS awards grants to provide assistance for projects which sponsor employment, training, and business development opportunities for low-income residents. These grantees are generally nonprofit organizations who either carry out the project themselves or through profit-making businesses as subgrantees. Prior work has identified instances in which grant monies have not been properly used and project objectives not met.

OAS; W-00-98-20018; A-09-98-00000; A-04-98-00000
Expected Issue Date: FY 1998

Refugee Resettlement Cash and Medical Assistance Payments

We will determine if a State agency has controls in place to prevent the payment of refugee cash assistance and refugee medical assistance after a refugee's period of eligibility has expired. The Refugee Act of 1980 authorized States, subject to the availability of appropriations, to provide assistance to refugees during the first 36 months they are in the country.

OAS; W-00-96-20017; A-04-96-00104
Expected Issue Date: FY 1998

Progress of Empowerment Zones/Enterprise Communities

This joint project with USDA and HUD will assess State and subgrantee compliance with the terms and conditions and effective use of the Empowerment Zone/Enterprise Communities (EZ/EC) program funds. We will also determine whether grantees fully consider and build on Federal programs underway in their locales which also address community and economic enrichment. The 1993 Omnibus Budget Reconciliation Act authorized HUD to designate 6 empowerment zones and up to 65 enterprise communities in urban areas. The USDA was authorized to designate 3 empowerment

zones and 30 enterprise communities in rural areas. The HUD and USDA are charged with programmatic responsibilities. The HHS is charged with fiscal responsibilities.

OAS; W-00-98-20003

Expected Issue Date: FY 1998

Statewide Automated Child Welfare Information System

This review of the implementation of Statewide Automated Child Welfare Information Systems will study States' use of Federal funds, the capabilities of the systems, the reliability of the data, and the appropriateness of costs charged. These comprehensive statewide systems are to support the administration of services offered under the titles IV-E and IV-B programs. Each system is independently designed according to a State's needs.

In FY 1995, States spent about \$100 million in Federal funds on these systems. Federal funding was authorized by the 1993 Omnibus Budget Reconciliation Act at a 75 percent Federal match. To be eligible for the enhanced match, State systems must meet certain statutory requirements, and, to the extent feasible, provide electronic data exchange with data collection systems operated under AFDC, Medicaid, child support enforcement and the National Child Abuse and Neglect data system.

OAS; W-00-98-20017

Expected Issue Date: FY 1998