

ATTACHMENT 1
SAMPLE PROGRAM INTEGRITY ASSESSMENT SUPPLEMENT TEMPLATE
 Low Income Home Energy Assistance Program (LIHEAP)

ABSTRACT:

HHS is requiring further detail from States on their FY2011 plans for preventing and detecting fraud, abuse, and improper payments. HHS is also requiring that States highlight and describe all elements of this FY2011 plan which represent improvements or changes to the State's FY2010 plan for preventing and detecting fraud, abuse and improper payment prevention.

State, Tribe or Territory (and grant official): Cherokee Nation	Date/Fiscal Year: 8/30/2010 FY 2011
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RECENT AUDIT FINDINGS

Describe any audit findings of material weaknesses and reportable conditions, questioned costs and other findings cited in FY2010 or the prior three years, in annual audits, State 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 FY2011.	If there is no plan in place, please explain why not.	Necessary outcomes from these systems and strategies
<i>Cherokee Nation complies with the Single Audit Act and is also audited internally by the Cherokee Nation Office of Evaluation and Compliance. There have been no findings in the LiHeap program in those audits..</i>	If during an audit there is a finding that finding must be resolved or corrected in 90 days.	Not applicable: a plan is in place.	<i>The timely and thorough resolution of weaknesses or reportable conditions as revealed by the audit.</i>

COMPLIANCE MONITORING

Describe the State's FY2010 strategies that will continue in FY2011 for monitoring compliance with State and Federal LIHEAP policies and procedures by the State and local administering agencies.	Please highlight any strategies for compliance monitoring from your plan which will be newly implemented as of FY2011.	If you don't have a firm compliance monitoring system in place for FY11, please describe how the State is verifying that LIHEAP policy and procedures are being followed.	Necessary outcomes from these systems and strategies

<p><i>Currently Cherokee Nation Management provides administrative oversight on all applications submitted. Management ensures that all Federal and Tribal policies and procedures are followed and each application is in compliance.</i></p>	<p>Cherokee Nation will be implementing a plan with the local DHS office to verify that Social Security numbers are valid and will be evaluating the possible use of the 2 systems identified through the Social Security Administration (EVS and/or CBSV)</p>	<p>Not applicable; current plan in place with additional compliance monitoring to be in place by 2011.</p>	<p><i>A sound methodology, with a schedule for regular monitoring and a more effective monitoring tool to gather information.</i></p>
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FRAUD REPORTING MECHANISMS

<p>For FY2010 activities continuing in FY2011, 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 FY2011, 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><i>Currently information on LiHeap is published in local newspapers this includes the start date and end date as well as the phone number for more information regarding program guidelines. The Cherokee Nation website also carries information on the LiHeap Program</i></p>	<p>During FY2011 Cherokee Nation will provide a telephone number and email address for the public to report suspected fraud, waste or abuse. This will be published in newspaper articles and the website.</p>	<p>Flyers will be posted in the Cherokee Nation buildings, i.e. Hospitals, senior nutrition sites, field offices notifying the public of the avenue to report suspected fraud, waste or abuse.</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>

VERIFYING APPLICANT IDENTITIES

<p>Describe all FY2010 State policies continuing in FY2011 for how identities of applicants and household members are verified.</p>	<p>Please highlight any policy or strategy from your plan which will be newly implemented in FY2011.</p>	<p>If you don't have a system in place for verifying applicant's identities, please explain why and how the State is ensuring that only authentic and eligible applicants are receiving benefits.</p>	<p>Necessary outcomes from these systems and strategies</p>
<p><i>Documents verifying identities such as state id's, Social Security numbers for all household members, drivers license, tribal membership cards and Certificate of Degree of Indian Blood are presented to the staff taking the application. This information is copied and attached to the application.</i></p>	<p>Cherokee Nation will be implementing a plan with the local DHS office to verify that Social Security numbers are valid and will be evaluating the possible use of the 2 systems identified through the Social Security Administration (EVS and/or CBSV)</p>	<p>Not Applicable; a system is in place</p>	<p><i>Income and energy supplier data that allow program benefits to be provided to eligible individuals.</i></p>

SOCIAL SECURITY NUMBER REQUESTS

Describe the State's FY2011 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 FY2011, or remaining the same.	If the State 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
<i>Cherokee Nation has always required a copy of the applicants Social Security Card and the cards of household members. If that was not available a copy of the applicant's tax return with the Social Security number was taken.</i>	The Cherokee Nation Policy will continue to require proof of Social Security numbers of applicants and household members.	Not applicable; a plan is in place to require proof of social security number.	<i>All valid household members are reported for correct benefit determination.</i>

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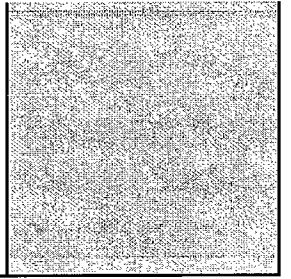
CROSS-CHECKING SOCIAL SECURITY NUMBERS AGAINST GOVERNMENT SYSTEMS/DATABASES			
Describe if and how the State used existing government systems and databases to verify applicant or household member identities in FY2010 and continuing in FY2011. (Social Security Administration Enumeration Verification System, prisoner databases, Government death records, etc.)	Please highlight which, if any, policies or strategies for using existing government databases will be newly implemented in FY2011.	If the State won't be cross checking Social Security Numbers and ID information with existing government databases, please describe how the State will supplement this fraud prevention strategy.	Necessary outcomes from these systems and strategies
<i>Cherokee Nation provided a list of applicants weekly to the local DHS to cross reference assistance received. Cherokee Nation required proof of tribal citizenship, the information on citizenship is accessed through the Cherokee Nation Registration Database. This database is used to verify membership if the applicant can not produce a membership card. The Family Assistance Database can verify tribal membership and in the future will have the capacity to cross reference social security numbers.</i>	Cherokee Nation will be implementing a plan with the local DHS office to verify that Social Security numbers are valid and will be evaluating the possible use of the 2 systems identified through the Social Security Administration (EVS and/or CBSV)	Not applicable: as a plan is in development and will be implemented by FY2011.	<i>Use of all available database systems to make sound eligibility determination.</i>
VERIFYING APPLICANT INCOME			

Describe how the State or designee used State Directories of new hires or similar systems to confirm income eligibility in FY2010 and continuing in FY2011.	Please highlight any policies or strategies for using new hire directories which will be newly implemented in FY2011.	If the State won't be using new hire directories to verify applicant and household member incomes how will the State be verifying the that information?	Necessary outcomes from these systems and strategies
<p><i>Income verification is confirmed by requiring the applicant to provide check stubs showing income for the past 12 months. If self employed income tax statements are used, Social Security, Social Security Disability or SSI is verified by a copy of the check, direct deposit statement or award letter and also the print out from DHS.</i></p>	<p>Will continue verifying income utilizing our current approach while evaluating the use of a new hire directory and any other best practices identified by the Program Integrity Assessment Supplement.</p>	<p>Cherokee Nation will continue to use the current method of verifying income which is adequate to confirm income eligibility.</p>	<p><i>Effective income determination achieved through coordination across program lines.</i></p>

PRIVACY-PROTECTION AND CONFIDENTIALITY

Describe the financial and operating controls in place in FY2010 that will continue in FY2011 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 FY2011.	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><i>All applications are maintained in locked file cabinets while being processed for approval. Staff are trained in the HIPPA guidelines and are aware of the Privacy Act. There is a system of payment in place which ensures that payments are not approved or made by the same people. This process includes steps to ensure that the privacy of clients is maintained. All applications are approved by management then entered into the data base, a spread sheet is uploaded then management approval of the spread sheet is required again and then it is sent to accounting to process payment. The payment is then sent to the vendor by mail from accounting. Except in the case of wood and wood pellet payments these payments are mailed to the client directly from accounting. A W-9 form is</i></p>	<p>The strategies in place for FY 2010 will remain the same for FY 2011 as it has been sufficient to protect client information and privacy.</p>	<p>We have a plan in place which has been in existence for a number of years and it has been sufficient to protect client information and privacy. We will be open to any best practices in this area that may come out of the Program Integrity Assessment Supplement.</p>	<p><i>Clear and secure methods that maintain confidentiality and safeguard the private information of applicants.</i></p>

*required of the client in order to
process payment to the client.*



LIHEAP BENEFITS POLICY

<p>Describe FY2010 State policies continuing in FY2011 for protecting against fraud when making payments, or providing benefits to energy vendors on behalf of clients.</p>	<p>Please highlight any fraud prevention efforts relating to making payments or providing benefits which will be newly implemented in FY2011.</p>	<p>If the State 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 State taking to ensure program integrity.</p>	<p>Necessary outcomes from these systems and strategies</p>
<p><i>Procedures to avert fraud and improper payments are used such as a W-9 form requirement for all vendors, invoices verifying vendor payment to ensure the correct person is credited and the correct amount to credit. A second vendor letter which is an instruction letter is sent to the vendor that requests information of any other LiHeap payment made to the client from any other agency.</i></p>	<p>New for FY 2011 will be documentation from the vendor identifying the usage amount by the client, so that we can ensure that the client's main source of heat is what the client stated in the application.</p>	<p>Policy is currently in place with additional documentation to be added for FY 2011.</p>	<p><i>Authorized energy vendors are receiving payments on behalf of LIHEAP eligible clients.</i></p>

PROCEDURES FOR UNREGULATED ENERGY VENDORS

<p>Describe the State's FY2010 procedures continuing in FY2011 for averting fraud and improper payments when dealing with bulk fuel dealers of heating oil, propane, wood and other unregulated energy utilities.</p>	<p>Please highlight any strategies policy in this area which will be newly implemented in FY2011.</p>	<p>If you don't have a firm plan for averting fraud when dealing with unregulated energy vendors, please describe how the State is ensuring program integrity.</p>	<p>Necessary outcomes from these systems and strategies</p>
<p><i>Procedures to avert fraud and improper payments are used such as a W-9 form requirement for all vendors, invoices verifying vendor payment to ensure the correct person is credited and the correct amount to credit is applied. Wood payment is sent directly to the client so that the client has the ability to determine if the correct amount of wood has been delivered.</i></p>	<p>New for FY 2011 will be documentation from the unregulated vendors detailing amount received from the Cherokee Nation, delivery dates and amount delivered and the current credit if any to make sure that the client is receiving all LiHeap purchased fuel due them. The usage amount will also serve to identify if this is the clients main heating source.</p>	<p>System is in place with an additional component for FY 2011.</p>	<p><i>Participating vendors are thoroughly researched and inspected before benefits are issued.</i></p>

VERIFYING THE AUTHENTICITY OF ENERGY VENDORS

<p>Describe State FY2010 policies continuing in FY2011 for verifying the authenticity of energy vendors being paid under LIHEAP, as part of the State's procedure for averting fraud.</p>	<p>Please highlight any policies for verifying vendor authenticity which will be newly implemented in FY2011.</p>	<p>If you don't have a system in place for verifying vendor authenticity, please describe how the State can ensure that funds are being distributed through valid intermediaries?</p>	<p>Necessary outcomes from these systems and strategies</p>
<p><i>Energy Vendors must have a W-9 form in place with the Cherokee Nation Accounting Department in order to verify authenticity and to prevent fraud.</i></p>	<p>Not applicable: this is currently implemented in the current FY.</p>	<p>A system is in place and has been for several years.</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 FY2010 plan continuing in FY2011 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 regimen and technical assistance resources from your plan which will represent newly implemented in FY2011.</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><i>Cherokee Nation yearly provides training on policy and procedure to all staff who are taking applications to ensure that we are in compliance with Tribal and Federal Policy. Training includes identifying documents that verify identity and proof of income. A meeting with the County DHS LiHeap Supervisors is scheduled so that the policies and procedures of Cherokee Nation LiHeap are understood and to agree to exchange information on clients served to ensure that there is no duplication of service to clients. Energy vendors are verified by requiring applicants to provide a statement on the company letter head or a bill from the utility company used. Energy Vendors must have a w-9 in place with the Cherokee Nation Accounting Department in order to prevent fraud.</i></p>	<p>New for FY 2011 will be the inclusion of clients Social Security numbers to be sent with the clients name to the County DHS offices that service the Cherokee Nation jurisdiction.</p>	<p>A system for training staff and other agencies on the program components of the Cherokee Nation LiHeap program is in place with provisions for additions to the current system, which will prevent fraud.</p>	<p><i>The timely and thorough resolution of weaknesses or reportable conditions as revealed by the audit.</i></p>

AUDITS OF LOCAL ADMINISTERING AGENCIES

<p>Please describe the annual audit requirements in place for local administering agencies in FY2010 that will continue into FY 2011.</p>	<p>Please describe new policies or strategies to be implemented in FY2011.</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>
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<p><i>An internal audit will be completed within the next 3 years by the Cherokee Nation Office of Evaluation and Compliance and the yearly audit and will continue to comply with the Single Audit Act.</i></p>	<p>No new policies or strategies will be in place for FY 2011 because we are currently complying with the audit requirements but we will evaluate any best practices that come about because of the Program Integrity Assessment component.</p>	<p>A plan is currently in place and has been for a number of years for auditing the LiHeap funds under the Single Audit Act.</p>	<p><i>Reduce improper payments, maintain local agency integrity, and benefits awarded to eligible households.</i></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.