

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):		Date/Fiscal Year:
LUMBEE TRIBE OF NORTH CAROLINA		2011

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
No financial audit findings were reported in 2010 for the Tribal LIHEAP. The State audit of the Tribal LIHEAP reported over documentation of files that is not required by State DSS agencies.	In the FY2011 LIHEAP the Lumbee Tribe of North Carolina has developed a separate Model Plan with a detailed Business Plan that is specific to only the Lumbee Tribe LIHEAP and is no longer applicable to State LIHEAP Policy.	N/A	<i>The timely and thorough resolution of weaknesses or reportable conditions as revealed by the audit.</i>

COMPLIANCE MONITORING

Describe the Tribe's FY2010 strategies that will continue in FY2011 for monitoring compliance with Tribe 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	Necessary outcomes from these systems and strategies

		and procedures are being followed.	
<p>The Department of Energy of the Lumbee Tribe of North Carolina Compliance Specialist will be responsible for monitoring and ensuring case compliance for all Tribal and Federal LIHEAP policies. The Compliance Specialist will review all cases daily upon approval/denial to ensure the required information, records and documents needed to prepare a complete application for assessment of eligibility are included in the file.</p> <p>Back to top</p>	<p>The Department of Energy of the Lumbee Tribe of North Carolina has implemented a Compliance Specialist, to work solely for LIHEAP AND CIP. In previous years compliance was handled by the Department Manager and staff. Additional compliance forms have been implemented to aid this process.</p> <p>(SEE ATTACHMENT)</p>	N/A	<p><i>A sound methodology, with a schedule for regular monitoring and a more effective monitoring tool to gather information.</i></p>

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>A. American Indians in the Tribal Territory, served by the Department of Energy of the Lumbee Tribe of North Carolina, are advised of the policies concerning fraud at the time of application. Clients are encouraged to inform any member of the Administration of the Executive Branch of The Lumbee Tribe of North Carolina of any suspected fraud, waste, or abuse of LIHEAP funds. Contact information for the Administration can be found on the website at www.lumbeetribe.com.</p>	<p>The Department of Energy of the Lumbee Tribe of North Carolina will require applicants to sign a fraud disclosure form stating that the applicant understands fraud and the consequences of giving false or misleading information. The form will be used beginning October 1, 2010, and will be a requirement in the completion of the</p>	N/A	<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>

<p>Applicants are informed the Tribe has a toll-free number to report suspected fraud, 1-800-659-6585.</p> <p>B. American Indians in the Tribal Territory are informed of fraud policies at the time of application. Community meetings are held on a monthly basis and information on fraud and reporting suspected fraud are given to those attending.</p>	<p>application. (SEE ATTACHMENT)</p>		
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VERIFYING APPLICANT IDENTITIES

<p>Describe all FY2010 Tribe 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 Tribe is ensuring that only authentic and eligible applicants are receiving benefits.</p>	<p>Necessary outcomes from these systems and strategies</p>
<p>The Department of Energy of the Lumbee Tribe of North Carolina requires verification for all household members. A photo ID is required for the head of household. The applicant must provide a legal document that states the date of birth for each household member. The applicant must provide proof that an American Indian eighteen years or older is a household member.</p>	<p>The requirement of a legal document to verify the date of birth for each household, and verification of an adult household member eighteen years or older is of American Indian decent will be implemented October 1, 2010 which was not required under state policy. (SEE ATTACHMENT)</p>	<p>N/A</p>	<p><i>Income and energy supplier data that allow program benefits to be provided to eligible individuals.</i></p>

SOCIAL SECURITY NUMBER REQUESTS

<p>Describe the Tribe's FY2011 policy in regards to requiring Social Security Numbers from applicants and/or household members applying for LIHEAP benefits.</p>	<p>Please describe whether the State's policy for requiring or not requiring Social Security numbers is new as of FY2011, or remaining the same.</p>	<p>If the Tribe is not requiring Social Security Numbers of LIHEAP applicants and/or household members, please explain what</p>	<p>Necessary outcomes from these systems and strategies</p>
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		supplementary measures are being employed to prevent fraud.	
The Department of Energy of The Lumbee Tribe of North Carolina requires a copy of the social security card for each household member.	The Department of Energy of The Lumbee Tribe of North Carolina will implement the new policy October 1, 2010. This policy requires a copy of each household member's social security card. In the past under state policy an applicant's statement of the social security number was valid. (SEE ATTACHMENT)	N/A	<i>All valid household members are reported for correct benefit determination.</i>

CROSS-CHECKING SOCIAL SECURITY NUMBERS AGAINST GOVERNMENT SYSTEMS/DATABASES

Describe if and how the Tribe 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 Tribe won't be cross checking Social Security Numbers and ID information with existing government databases, please describe how the Tribe will supplement this fraud prevention strategy.	Necessary outcomes from these systems and strategies
The Department of Energy of The Lumbee Tribe of North Carolina used a tribal database to complete applications which was not linked to any existing government systems or databases to verify applicants in FY2010.	The Department of Energy of The Lumbee Tribe of North Carolina will be accessing the North Carolina State Department of Health and Human Services' government system and database for FY 2011. This will allow cross-checking across the Tribal system and the State system.	N/A	<i>Use of all available database systems to make sound eligibility determination.</i>

VERIFYING APPLICANT INCOME

<p>Describe how the Tribe or designee used State Directories of new hires or similar systems to confirm income eligibility in FY2010 and continuing in FY2011.</p>	<p>Please highlight any policies or strategies for using new hire directories which will be newly implemented in FY 2011.</p>	<p>If the Tribe won't be using new hire directories to verify applicant and household member incomes how will the State be verifying the that information?</p>	<p>Necessary outcomes from these systems and strategies</p>
<p>The Department of Energy of The Lumbee Tribe of North Carolina did not use any existing State Directories or databases to verify applicant's income in FY2010.</p>	<p>The Department of Energy of The Lumbee Tribe of North Carolina will be using the OMB system to verify income in FY 2011.</p>	<p>N/A</p>	<p><i>Effective income determination achieved through coordination across program lines.</i></p>

PRIVACY-PROTECTION AND CONFIDENTIALITY

<p>Describe the financial and operating controls in place in FY2010 that will continue in FY2011 to protect client information against improper use or disclosure.</p>	<p>Please highlight any controls or strategies from your plan which will be newly implemented as of FY2011.</p>	<p>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.</p>	<p>Necessary outcomes from these systems and strategies</p>
<p>The Department of Energy of The Lumbee Tribe of North Carolina ensures client information is kept confidential. Client information is securely filed upon completion of the application interview in the compliance office. Applicant files can only be accessed by the Compliance Specialist and the Department of Energy Manager.</p>	<p>The new strategy The Department of Energy of The Lumbee Tribe of North Carolina implemented will ensure that all client files are kept securely in one office. The files will be locked and be accessible only by the Compliance Specialist and the Department of Energy Manager.</p>	<p>N/A</p>	<p><i>Clear and secure methods that maintain confidentiality and safeguard the private information of applicants.</i></p>

LIHEAP BENEFITS POLICY

<p>Describe FY2010 Tribe policies continuing in FY2011 for protecting against fraud</p>	<p>Please highlight any fraud prevention efforts</p>	<p>If the State doesn't have policy in place</p>	<p>Necessary outcomes from</p>
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when making payments, or providing benefits to energy vendors on behalf of clients.	relating to making payments or providing benefits which will be newly implemented in FY2011.	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.	these systems and strategies
The Tribal Finance Department of the Lumbee Tribe of North Carolina is responsible for all payments to vendors and direct payments to clients. The Department of Energy Compliance Specialist verifies that all information is accurate before a request for payment is submitted, which will also be re-verified by the Tribal Finance Department before final processing.	The Compliance Specialist will be responsible for making sure all information is accurate and verified before submitting a request for payment to the Tribal Finance Department.	N/A	<i>Authorized energy vendors are receiving payments on behalf of LIHEAP eligible clients.</i>

PROCEDURES FOR UNREGULATED ENERGY VENDORS

Describe the Tribe'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 un-regulated energy utilities.	Please highlight any strategies policy in this area which will be newly implemented in FY2011.	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.	Necessary outcomes from these systems and strategies
The Department of Energy of The Lumbee Tribe of North Carolina requires the applicant be notified of the amount of payment paid to the vendor on his/her behalf. Vendors must agree to accept payment and apply to the applicant's account in the amount approved by the tribal caseworker.	The Department of Energy of The Lumbee Tribe of North Carolina will use a Home Energy Supplier Agreement to ensure vendors do not treat clients adversely. This agreement ensures funds paid on behalf of the client are properly applied to the client's account to alleviate a heating or cooling emergency.	N/A	<i>Participating vendors are thoroughly researched and inspected before benefits are issued.</i>

VERIFYING THE AUTHENTICITY OF ENERGY VENDORS

<p>Describe Tribe FY2010 policies continuing in FY2011 for verifying the authenticity of energy vendors being paid under LIHEAP, as part of the Tribe'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>The Department of Energy of The Lumbee Tribe of North Carolina uses a vendor agreement to assure that any agreement entered into with a home energy supplier will contain provisions to assure that no household receiving assistance will be treated adversely.</p>	<p>The Department of Energy of The Lumbee Tribe of North Carolina will use a Home Energy Supplier Agreement to ensure vendors do not treat clients adversely. This agreement ensures funds paid on behalf of the client are properly applied to the client's account to alleviate a heating or cooling emergency.</p> <p>(SEE ATTACHMENT)</p>	<p>N/A</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>State of North Carolina HHS Network Programmers' provide technical assistance to the Department of Energy of the Lumbee Tribe of North Carolina for LIHEAP with</p>	<p>N/A</p>	<p>N/A</p>	<p><i>The timely and thorough resolution of weaknesses or reportable</i></p>

system oversight to prevent fraud. Annual system training will be available for system updates and policy changes.			<i>conditions as revealed by the audit.</i>
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AUDITS OF LOCAL ADMINISTERING AGENCIES

Please describe the annual audit requirements in place for local administering agencies in FY2010 that will continue into FY 2011.	Please describe new policies or strategies to be implemented in FY2011.	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.	Necessary outcomes from these systems and strategies
In FY2010 the State of North Carolina HHS conducted a Tribal LIHEAP audit monitoring. In FY2011 the Department of Energy of the Lumbee Tribe of North Carolina has submitted a separate Model Plan aside from State LIHEAP. The Department of Energy is now subject to the tribal monitoring process that is conducted by an outside audit agency.	N/A	N/A	<i>Reduce improper payments, maintain local agency integrity, and benefits awarded to eligible households.</i>

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.

(SEE ATTACHED FORMS)

- COMPLIANCE MONITORING
- FRAUD DISCLOSURE
- CIP/LIEAP CHECKLIST
- VENDOR AGREEMENT