

# Northern Cheyenne LIHEAP Program

## PROGRAM INTEGRITY ASSESSMENT SUPPLEMENT

### Low Income Home Energy Assistance Program (LIHEAP)

**ABSTRACT:**

H.H.S. is requiring further data from States on their FY2011 plans for preventing and detecting fraud, abuse, and improper payments. H.H.S. 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): <b>Northern Cheyenne Tribe</b>			Date/Fiscal Year: <b>2010</b>
<b>RECENT AUDIT FINDINGS</b>			
Describe any audit findings of material weaknesses and reportable conditions, questioned costs and other findings cited in FY 2010 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 FY 2011	If there is no plan in place, please explain why not.	Necessary outcomes from these systems and strategies
<i>Please provide full descriptions of the State's plans and strategy in this area, and attach/reference excerpts from relevant policy documents.</i>			<i>The timely and thorough resolution of weaknesses or reportable conditions as revealed by the audit.</i>
<b>CORRECTIVE ACTION PLAN AND STRATEGY:</b>			
<b>We have submitted the Tribe's Single Audit for Fiscal Year 2008. Fiscal Year 2009 – the field work has been completed and a draft report will be submitted to the Tribe by August 31, 2010. A corrective action plan was submitted by the Tribe and was submitted and printed at the end of the audit.</b>			
<b>ATTACHMENTS OR REFERENCE EXCERPTS:</b>			
<b>Tribe's Recent auditing findings (page 58 – 111) from Fiscal Year 2008 and Corrective Action Plan (page 93-108).</b>			

**NCT LIHEAP PROGRAM INTEGRITY ASSESSMENT SUPPLEMENT-Low Income  
Home Energy Assistance Program (LIHEAP)**

<b>COMPLIANCE MONITORING</b>			
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 FY2011, please describe how the State is verifying that LIHEAP policy and procedures are being followed.	Necessary outcomes from these systems and strategies
<i>Please provide full descriptions of the State's plans and strategy in this area, and attach / reference excerpts from relevant policy documents.</i>			<i>a sound methodology, with a schedule for regular monitoring and a more effective monitoring tool to gather information.</i>
<b>CORRECTIVE ACTION PLAN AND STRATEGY:</b>			
<p><b>The Northern Cheyenne LIHEAP program uses the "Tribal Manual" developed by LIHEAP Clearing House. Our Program Manager, Ms. Letha Whitewolf, uses this as a tool for compliance. Letha contacts the funding agency – regional coordinator if she has any questions regarding compliance. We have revised our Fiscal Year 2011 LIHEAP Application to assist us as a monitoring tool. Letha attended training on June 14-16, 2010 at the Annual LIHEAP Conference in Texas. She was taught about LIHEAP and interaction with other programs to improve strategies, compliance and eligibility</b></p>			
<b>ATTACHMENTS OR REFERENCE EXCERPTS:</b>			
<b>Ms. Whitewolf's training materials from June 14-16, 2010 and Fiscal Year 2011 LIHEAP Application.</b>			

## NCT LIHEAP PROGRAM INTEGRITY ASSESSMENT SUPPLEMENT

<b>FRAUD REPORTING MECHANISMS</b>			
<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 from these systems and strategies</p>
<p><i>Please provide full descriptions of the State's plans and strategy in this area, and attach / reference excerpts from relevant policy documents.</i></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>
<b>CORRECTIVE ACTION PLAN AND STRATEGY:</b>			
<p><b>We plan on making posters or flyers to provide awareness to report any cases of suspected fraud, waste or abuse. This will be posted around the service area and on the Northern Cheyenne Indian Reservation. The poster will include LIHEAP's telephone number, police telephone numbers/hotlines, our website, email addresses for individual to report abuse. We are also giving this poster/flyer to our clients for additional information and awareness that we will be monitoring and "watching" for any type of fraud, waste or abuse.</b></p>			
<b>ATTACHMENTS OR REFERENCE EXCERPTS:</b>			
<p><b>See attached poster/flyer "Prevent LIHEAP Fraud, Abuse, &amp; waste in Indian Country".</b></p>			

**NCT LIHEAP PROGRAM INTEGRITY ASSESSMENT SUPPLEMENT**

<b>VERIFYING APPLICANT IDENTITIES</b>			
Describe all FY2010 State policies continuing in FY2011 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 FY2011.	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.	Necessary outcomes from these systems and strategies
<i>Please provide full descriptions of the State's plans and strategy in this area, and attach / reference excerpts from relevant policy documents.</i>			<i>Income and energy supplier data that allow program benefits to be provided to eligible individuals.</i>
<b>CORRECTIVE ACTION PLAN AND STRATEGY:</b>			
<p><b>The Northern Cheyenne LIHEAP has knowledge of most clients living on the Northern Cheyenne's Indian Reservation. We are a close net community. We will in the future select at random 20 sample households and complete a "monitoring visit" to verify households. We are in need of more funding for "Outreach Services" because the reservation is large with many miles of highway and dirt roads to comply with this plan. We only get 10% of the budget for administrative costs. We also verify through our enrollment office for verification of residency and identity. We have developed home visit procedures for compliance and identification of income, energy supplies and identification of household members to verify their existence. We have also developed a LIHEAP Applicant audit checklist to verify that all documentation is present in the eligibility files.</b></p>			
<b>ATTACHMENTS OR REFERENCE EXCERPTS:</b>			
Home visit procedures and home visit report. And LIHEAP Applicant audit checklist.			

## NCT LIHEAP PROGRAM INTEGRITY ASSESSMENT SUPPLEMENT

<b>SOCIAL SECURITY NUMBER REQUESTS</b>			
Describe the State's FY2011 policy in regards to requiring Social Security Numbers from applicant's 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>Please provide full descriptions of the State's plans and strategy in this area, and attach / reference excerpts from relevant policy documents.</i>			<i>All valid household members are reported for correct benefit determination.</i>
<b>CORRECTIVE ACTION PLAN AND STRATEGY:</b>			
<p><b>We put out a memorandum dated August 23, 2010 to all applicants requesting for actual social security cards and identifying numbers for all family members and other eligibility information. We work closely with the local I.H.S. Medical Records Coordinator to verify Social Security and SSI Payments made to individual applicants. Our Tribal Services Enrollment Department are notified when an individual tribal member is deceased. They have to keep their files up-to-date because of per capita payments. The Department of Interior Bureau of Indian Affairs verifies all enrollment and certifies enrollment for the payments of per capita. The enrollment numbers are issued by the Bureau of Indian Affairs.</b></p>			
<b>ATTACHMENTS OR REFERENCE EXCERPTS:</b>			
<p><b>August 23, 2010 memorandum to LIHEAP Clients and applicants from LIHEAP Director, Letha Whitewolf.</b></p>			

**NCT LIHEAP PROGRAM INTEGRITY ASSESSMENT SUPPLEMENT**

<b>CROSS-CHECKING SOCIAL SECURITY NUMBERS AGAINST GOVERNMENT SYSTEMS/DATABASES</b>			
Describe if an how the State used existing government systems and data bases 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>Please provide full descriptions of the State's plans and strategy in this area, and attach / reference excerpts from relevant policy documents.</i>			<i>Use of all available database systems to make sound eligibility determination.</i>
<b>CORRECTIVE ACTION PLAN AND STRATEGY:</b>			
<b>The Northern Cheyenne Tribe verifies most information with their Local Tribal Enrollment Office, but the State of Montana will have to provide information to the tribe on this Strategy. Once the State of Montana determines this, they will need to train the tribes and provide training funds for this plan.</b>			
<b>ATTACHMENTS OR REFERENCE EXCERPTS:</b>			
n/a			

## NCT LIHEAP PROGRAM INTEGRITY ASSESSMENT SUPPLEMENT

<b>VERIFYING APPLICANT INCOME</b>			
Describe how the State or designee used State Directories of new hires or similar systems to confirm income eligibility in FY2010 and continuing in FY 2011.	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 that information?	Necessary outcomes from these systems and strategies
<i>Please provide full descriptions of the State's plans and strategy in this area, and attach / reference excerpts from relevant policy documents.</i>			<i>Effective income determination achieved through coordination across program lines.</i>
<b>CORRECTIVE ACTION PLAN AND STRATEGY:</b>			
We use the "Defining Income" policies set forth by H.H.S. We will have to coordinate with the Tribe's Human Resources Department, Casino, Depots/Enterprises, Tribal College, Housing Authority and Local Schools to verify income. We usually work well as long as we have the Clients/Applicants Disclosure information. We have developed an excel worksheet for "Calculating your Gross Monthly Income" so that income from clients/applicants can be calculated correctly and accurately.			
<b>ATTACHMENTS OR REFERENCE EXCERPTS:</b>			
See Policies Defining Income (Pages D-5 to D-11). Self Employment Income Form and Calculating your Gross Monthly Income form.			

**NCT LIHEAP PROGRAM INTEGRITY ASSESSMENT SUPPLEMENT-Low Income  
Home Energy Assistance Program (LIHEAP)**

<b>PRIVACY-PROTECTION AND CONFIDENTIALITY</b>			
Describe the financial and operating controls in place in FY2010 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
<i>Please provide full descriptions of the State's plans and strategy in this area, and attach / reference excerpts from relevant policy documents.</i>			<i>Clear and secure methods that maintain confidentiality and safeguard the private information of applicants.</i>
<b>CORRECTIVE ACTION PLAN AND STRATEGY:</b>			
Client/applicant files are kept in a secure locking file cabinets in our office. These files are not computerized. We have established a "Employee Confidentiality Agreement" that are to be signed by all employees that have access to any LIHEAP records.			
<b>ATTACHMENTS OR REFERENCE EXCERPTS:</b>			
See Confidentiality Agreement.			



## NCT LIHEAP PROGRAM INTEGRITY ASSESSMENT SUPPLEMENT

<b>LIHEAP BENEFITS POLICY</b>			
Describe FY2010 State policies continuing in FY2011 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 FY2011.	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	Necessary outcomes from these systems and strategies
<i>Please provide full descriptions of the State's plans and strategy in this area, and attach / reference excerpts from relevant policy documents.</i>			<i>Authorized energy vendors are receiving payments on behalf of LIHEAP eligible clients.</i>
<b>CORRECTIVE ACTION PLAN AND STRATEGY:</b>			
We have put together a "Vendor Agreement Form" which includes information regarding beginning and ending meter readings and other information for the prevention of abuse and fraudulent activities. We will ask the vendors to fill out all forms and we will have all clients/applicants sign off on the invoices before submission for payment by the vendor. We also made a poster/flyer for individuals to report any discrepancies.			
<b>ATTACHMENTS OR REFERENCE EXCERPTS:</b>			
See Vendor Agreement, Fraud poster/flyer, and Fuel order form for delivery ( client/applicant has to sign to verify fuel delivery.			

**NCT LIHEAP PROGRAM INTEGRITY ASSESSMENT SUPPLEMENT**

<b>PROCEDURES FOR UNREGULATED ENERGY VENDORS</b>			
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 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
<i>Please provide full descriptions of the State's plans and strategy in this area, and attach / reference excerpts from relevant policy documents.</i>			<i>Participating vendors are thoroughly researched and inspected before benefits are issued.</i>
<b>CORRECTIVE ACTION PLAN AND STRATEGY:</b>			
In the vendor agreement, we have added information regarding fraud and improper payments when dealing with these dealers. The agreement has a number of issues related to how payment is made and the required information. We also will have accounting documentation in each client/applicant file that is made to the vendors.			
<b>ATTACHMENTS OR REFERENCE EXCERPTS:</b>			
See Vendor Agreement (in previous section), Fuel order form for delivery ( client/applicant has to sign to verify fuel delivery (in previous section), and Payment Log for Client Fuel Order Request.			

**NCT LIHEAP PROGRAM INTEGRITY ASSESSMENT SUPPLEMENT**

<b>VERIFYING THE AUTHENTICITY OF ENERGY VENDORS</b>			
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.	Please highlight any policies for verifying vendor authenticity which will be newly implemented in FY2011.	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?	Necessary outcomes from these systems and strategies
<i>Please provide full descriptions of the State's plans and strategy in this area, and attach / reference excerpts from relevant policy documents.</i>			An effective process that effectively confirms the existence of entities receiving federal funds.
<b>CORRECTIVE ACTION PLAN AND STRATEGY:</b>			
We have a vendor agreement and the Tribe's procurement department has all vendors and contractual individuals/companies file a IRS form W-9, Immigration and Naturalization Form I-9 which requires two forms of identification to receive payment from the Northern Cheyenne Tribe. All of our vendors are in the local area and are well known and we have been working with them for the past few years.			
<b>ATTACHMENTS OR REFERENCE EXCERPTS:</b>			
See Form I-9, Employment Eligibility Verification and Form W-9 Request for Taxpayer Identification Number and Certification.			

## NCT LIHEAP PROGRAM INTEGRITY ASSESSMENT SUPPLEMENT

<b>TRAINING AND TECHNICAL ASSISTANCE</b>			
<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>Please provide full descriptions of the State's plans and strategy in this area, and attach / reference excerpts from relevant policy documents.</i></p>			<p>The timely and thorough resolution of weaknesses or reportable conditions as revealed by the audit..</p>
<p><b>CORRECTIVE ACTION PLAN AND STRATEGY:</b></p>			
<p><b>The Northern Cheyenne Tribal LIHEAP staff are reading information regarding the GAO--10-621 Report to Congressional Requesters" Low Income Home Energy Assistance Program-Greater fraud Prevention Controls Are Needed" Report. We also found a slide show on these procedures "Integrity Assessment" and information regarding fraud and abuse. We forwarded this information to our staff. The Tribe has a policy for fraud.</b></p>			
<p><b>ATTACHMENTS OR REFERENCE EXCERPTS:</b></p>			
<p><b>We attached the 1<sup>st</sup> page of these reports and the slide show presentation. We have also attached the Tribe's policy for fraud and related information.</b></p>			

**NCT LIHEAP PROGRAM INTEGRITY ASSESSMENT SUPPLEMENT**

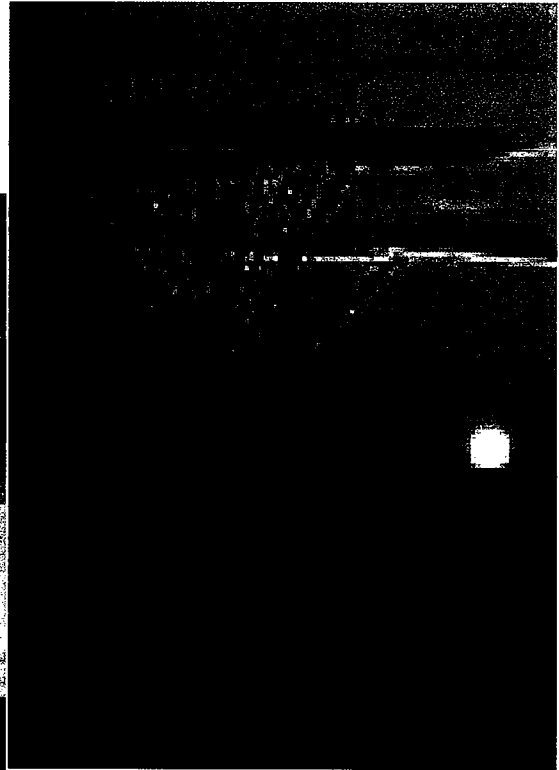
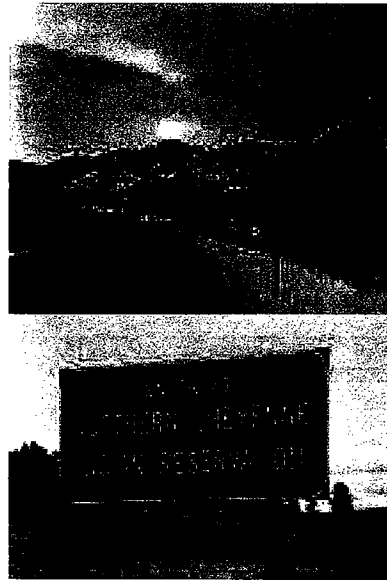
<b>AUDITS OF LOCAL ADMINISTERING AGENCIES</b>			
<p>Please describe the annual audit requirements in place for local administering agencies in FY2010 that will continue into FY 2011.</p>	<p>Please describe new policies and strategies to be implemented in FY2011.</p>	<p>If you don't have specific audit 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>
<p><i>Please provide full descriptions of the State's plans and strategy in this area, and attach / reference excerpts from relevant policy documents.</i></p>			<p>Reduce improper payments, maintain local agency integrity, and benefits awarded to eligible households.</p>
<p><b>CORRECTIVE ACTION PLAN AND STRATEGY:</b></p>			
<p><b>The Northern Cheyenne Tribe complies with OMB Circular A-133 Single Audit Act. The Low Income Home Energy Assistance Program is considered a "Major Program" because it expends more than \$300,000. The program was reviewed in June 2010 for all LIHEAP compliance standards. A sample of vendors is tested along with a sample of clients/applicants to make sure all is okay. We have contracted through "Joseph Eve and Company" a local CPA firm from Billings, Montana that specializes in auditing Indian Tribal Governments and is well known through Indian Country. They are well aware of all of the standards in compliance testing.</b></p>			
<p><b>ATTACHMENTS OR REFERENCE EXCERPTS:</b></p>			
<p><b>(1) OMB Circular A-133 – Audits of States, Local Governments, and Non-Profit Organizations. (2) Department of Health and Human Services – CFDA No. 93-6=568 Low-Income Home Energy Assistance Program Compliance Supplement used during our FY2008 and FY2009 Single audit performed by Joseph Eve and Company. (3) Proposed performance worksheet for all Northern Cheyenne Tribal Programs to utilize for FY 2010.</b></p>			

Date of Publication:  
August 25, 2010

Poster established by  
program for LIHEAP-IM-  
2010-6 HHS Guidance.

Northern Cheyenne  
LIHEAP Office  
P.O. Box 128  
Lame Deer, MT 59043

Be  
Responsible



# PREVENT LIHEAP FRAUD, ABUSE & WASTE IN INDIAN COUNTRY!

Northern Cheyenne LIHEAP Department

## Information:

Evidence has emerged through a recent U.S. Government Accountability Office (GAO) investigation that there may be significant potential for erroneous eligibility determinations, improper payments and fraud in some LIHEAP programs. After reviewing LIHEAP data files in seven states, the GAO found that about 11,000 households had received LIHEAP payments for which they were ineligible, including payments to deceased individuals, incarcerated individuals and those above the income thresholds. The investigation also discovered that fraudulent vendors received improper payments through LIHEAP.

Because of this investigation, the NCT L.I.H.E.A.P. Office will be assessing a process for preventing, detecting, correcting and prosecuting waste, fraud and abuse.

## Emphasis Indian Teachings and Philosophies!

- Teachings of respect, prayer, truth, honor, courage, humbleness, humility, and helpfulness.
- Stories of the Creation, the Great Race, and Erect Horns in relation to animals, land, water, and the supernatural beings.
- Emphasis and encouraged to reinforce the importance of the Cheyenne Language.
- The survival of the Cheyenne culture and Heritage.

If you Suspect Fraud, Abuse and Waste, Please call the following:

Northern Cheyenne LIHEAP  
at (406) 477-8459  
Northern Cheyenne Police  
at (406) 477-6288

Or email us at:  
E-mail:  
liheapcheyennenation.com



**LIHEAP**

