

Follow-up Audit of the Orange County Community Action Division

**Report by the
Office of County Comptroller**

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**Report No. 451
January 2016**

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January 14, 2015

Teresa Jacobs, County Mayor
And
Board of County Commissioners

We have conducted a follow-up of the Audit of Orange County Community Action Division. Our original audit included the period of October 1, 2006 to September 30, 2008. Testing of the status of the previous Recommendations for Improvement was performed for the period July 1, 2014 through December 31, 2014.

We conducted this audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

The accompanying Follow-Up to Previous Recommendations for Improvement presents a summary of the previous condition and the previous recommendation. Following each recommendation is a summary of the current status as determined in this review.

We appreciate the cooperation of the personnel of the Community Action Division during the course of the audit.

Martha O. Haynie, CPA
County Comptroller

c: Ajit Lalchandani, County Administrator
Lonnie Bell, Director of Family Services Department

**IMPLEMENTATION STATUS OF
PREVIOUS RECOMMENDATIONS
FOR IMPROVEMENT**

**FOLLOW-UP OF THE ORANGE COUNTY COMMUNITY ACTION DIVISION
STATUS OF PREVIOUS RECOMMENDATIONS FOR IMPROVEMENT**

NO.	PREVIOUS RECOMMENDATION	IMPLEMENTATION STATUS			
		IMPLEMENTED	PARTIALLY IMPLEMENTED	NOT IMPLEMENTED	NOT APPLICABLE
1.	We recommend the Division, in collaboration with the Department, evaluates and takes action to reduce and/or eliminate the potential duplication of services with nearby NCFs.	✓			
2.	We recommend the Division performs the following:				
A)	Considers transferring the operation of community centers (or portions of centers) that are primarily utilized by other County offices to that respective office. The Division could maintain space at the centers for their social services staff and have staff at the Division office or other community centers coordinate community events for these locations;	✓			
B)	Evaluate and change the operating hours of community centers to better meet community needs; and,	✓			
C)	Work with groups that utilize community centers outside of core operating hours to better align meeting dates and times.	✓			
3.	We recommend the Division implements controls to ensure the following:				
A)	Overtime is approved in writing prior to being worked. In cases where it is not practical to obtain prior approval, written justification should be provided;	✓			
B)	Staff is only used for activities that directly support the Division's mission;	✓			
C)	The use of temporary labor complies with the County's Policy Manual & Operational Regulations as well as FRS guidelines; and,	✓			

**FOLLOW-UP OF THE ORANGE COUNTY COMMUNITY ACTION DIVISION
STATUS OF PREVIOUS RECOMMENDATIONS FOR IMPROVEMENT**

NO.	PREVIOUS RECOMMENDATION	IMPLEMENTATION STATUS			
		IMPLEMENTED	PARTIALLY IMPLEMENTED	NOT IMPLEMENTED	NOT APPLICABLE
3. D)	Employees are working the hours reported on their timesheets.	✓			
4.	We recommend the Division ensures budget amounts are reasonable based on past performance and anticipated needs. We further recommend that the Department ensures budget amounts submitted are reasonable and requires the Divisions to submit written justification for each line item that has a large budget variance.		✓		
5.	We recommend the Division performs the following:				
A)	Ensures their facility rental procedures and practices are in compliance with County Administrative Regulations; and,	✓			
B)	Ensures the facility rental fees charged are in compliance with the Board approved fee schedule.	✓			
6.	We recommend the Division implements adequate checks and balances to ensure facility rentals comply with internal procedures, including those relating to insurance for rentals, and rental fees are correctly calculated and charged.		✓		
7.	We recommend the Division determines the costs associated with rentals of the community centers. In addition, any fee for the use of the community centers should be presented to the Board for approval.		✓		

**FOLLOW-UP OF THE ORANGE COUNTY COMMUNITY ACTION DIVISION
STATUS OF PREVIOUS RECOMMENDATIONS FOR IMPROVEMENT**

NO.	PREVIOUS RECOMMENDATION	IMPLEMENTATION STATUS			
		IMPLEMENTED	PARTIALLY IMPLEMENTED	NOT IMPLEMENTED	NOT APPLICABLE
8.	We recommend the Division establishes criteria in their procedures for defining a primary occupant and includes specific measurable objectives and outcomes in the License Agreements that can be used to justify the primary occupants' free use of County facilities. We further recommend the Division performs the following:	✓			
A)	Implements a process to ensure primary occupants have a current Agreement and insurance coverage on file;	✓			
B)	Enhances the reporting requirements in the Agreement to include a clear definition of the data each partner needs to report based on the services they are providing; and,	✓			
C)	Includes clauses in the Agreement relative to protecting and sharing confidential information, building access, and responsibilities for maintenance of space.	✓			
9.	We recommend the Division performs the following:				
A)	Develops and implements procedures on how community centers should handle occasional use partners. The procedures must be in compliance with existing County Administrative Regulations; and,	✓			
B)	Works with Risk Management and the County Attorney's Office to determine what agreements and insurance are required for occasional use partners. In addition to the terms and conditions that protect the County, the Agreements should specify the purpose of the group's use of the facility, the benefit the group provides to the community and the group's meeting dates and times.	✓			

**FOLLOW-UP OF THE ORANGE COUNTY COMMUNITY ACTION DIVISION
STATUS OF PREVIOUS RECOMMENDATIONS FOR IMPROVEMENT**

NO.	PREVIOUS RECOMMENDATION	IMPLEMENTATION STATUS			
		IMPLEMENTED	PARTIALLY IMPLEMENTED	NOT IMPLEMENTED	NOT APPLICABLE
10.	We recommend the Division develops and implements written guidelines for preparing the Monthly Community Center Activity Reports. The guidelines should include, but not be limited to, defining what events/activities to include on the monthly report, under which category events/activities should be reported and when to use the number of enrollees versus attendance numbers. We further recommend that a review of the Monthly Community Center Activity Reports and Director's Report be added to the Division's quality assurance process to ensure numbers are adequately supported and consistently reported.		✓		
11.	We recommend the Division develops performance measures that better describe their performance, goals, and accomplishments. At a minimum, the Division should strive to separately report the relevant performance measures for each of its funding sources. They should be properly computed and supported. We further recommend that the Department and Division ensures that data gathered, reported and used for decision making purposes is accurate.		✓		
12.	We recommend the Division research and consider the feasibility of installing security cameras at all of the community centers as well as devices to limit access to areas where services are provided to children.		✓		
13.	We recommend the Division ceases the practice of providing partners with keys and therefore unsupervised access to County facilities.	✓			

**FOLLOW-UP OF THE ORANGE COUNTY COMMUNITY ACTION DIVISION
STATUS OF PREVIOUS RECOMMENDATIONS FOR IMPROVEMENT**

NO.	PREVIOUS RECOMMENDATION	IMPLEMENTATION STATUS			
		IMPLEMENTED	PARTIALLY IMPLEMENTED	NOT IMPLEMENTED	NOT APPLICABLE
14.	We recommend the Division ensures the following:				
A)	County resources are not used to pay for goods and activities that do not support the Division's overall mission; and,	✓			
B)	Funds budgeted for the Community Action Division are only used to support Community Action operations.	✓			
15.	We recommend the Division, in collaboration with the Department, analyzes whether efficiencies can be gained by utilizing social services staff to provide services that are funded from multiple sources. We further recommend the Division works to develop a more efficient way to allocate the cost of employee time among multiple funding sources.		✓		
16.	We recommend the Division performs the following:				
A)	Properly allocates expenses to the administrative cost portion of the CSBG such as costs related to the general management of the grantee organization; and	✓			
B)	Allocates staff time to the appropriate funding source.				✓
17.	We recommend the Division performs the following:				
A)	Develops and implements a contract monitoring process to ensure all clients receiving services through CSBG funded contracts and sub-recipient contracts are eligible to receive grant funded services; and,				✓

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STATUS OF PREVIOUS RECOMMENDATIONS FOR IMPROVEMENT**

NO.	PREVIOUS RECOMMENDATION	IMPLEMENTATION STATUS			
		IMPLEMENTED	PARTIALLY IMPLEMENTED	NOT IMPLEMENTED	NOT APPLICABLE
17. B)	Actively monitors the spending of the CSBG funds to ensure only properly approved individuals are paid with the funding.	✓			
18.	We recommend the Division ensures the amount of unobligated funds remaining at the end of any grant years does not exceed 20 percent of the amount awarded. The Division should work with appropriate County personnel to ensure the budget adjustment for the grant modification is approved by the Board within two weeks of receiving the executed document from the State.	✓			
19.	We recommend the Division implements a process to independently ensure grant related outcome data reported to the State is accurately compiled and supported.		✓		
20.	We recommend the Division implements a process to better monitor and allocate client enrollments and distributions for each social services staff. In addition, the Division should perform the following:	✓			
A)	Maintain sufficient contact with clients and ensure social services staff complies with the standards outlined in the Division's procedures;	✓			
B)	Document client enrollment and approval;	✓			
C)	Document the achievement of CSBG outcomes that are reported to the State with sufficient supporting documentation; and,	✓			
D)	Develop and implement procedures to address the handling of non-case managed clients.				✓

**FOLLOW-UP OF THE ORANGE COUNTY COMMUNITY ACTION DIVISION
STATUS OF PREVIOUS RECOMMENDATIONS FOR IMPROVEMENT**

NO.	PREVIOUS RECOMMENDATION	IMPLEMENTATION STATUS			
		IMPLEMENTED	PARTIALLY IMPLEMENTED	NOT IMPLEMENTED	NOT APPLICABLE
21.	We recommend the Division ensures that a clause prohibiting conflicts of interest is incorporated into all future contracts and other agreements as necessary.				✓
22.	We recommend the Division develops and implements policies and procedures to address the eligibility of County employees to receive CSBG funded services.	✓			

INTRODUCTION

**Scope and
Methodology**

The scope was limited to an examination of the status of the previous Recommendations for Improvement from the Audit of the Orange County Community Action Division, Report No. 403, issued in November 2009. Testing of the status of the previous recommendations was performed for the audit period July 1, 2014 through December 31, 2014.

We interviewed personnel in the Orange County Community Action Division, reviewed source documents, and performed the tests necessary to determine the implementation status of the previous recommendations. We have described the specific methodologies utilized during our review after the implementation status of each recommendation in the Follow-Up to Previous Recommendations for Improvement section of this report.

**FOLLOW-UP TO PREVIOUS
RECOMMENDATIONS FOR
IMPROVEMENT – COMMUNITY CENTER
OPERATIONS**



1. In Collaboration With the Department, the Division Should Evaluate Centers Where a Potential for Duplication of Services Exists With Nearby Neighborhood Centers for Families

During the previous audit, we noted that in addition to the 11 community centers operated by the Community Action Division (Division), the County operated 13 Neighborhood Centers for Families (NCFs) through the Citizens' Commission for Children Division (CCC). NCFs are designed to be family-friendly one-stop locations that provide children and families with a multitude of services within their communities. Six of the community centers were co-located or located within two miles of a NCF. We compared the services provided by the Division to those provided by the CCC through the NCFs and found many similarities.

We Recommend the Division, in collaboration with the Department, evaluates and takes action to reduce and/or eliminate the potential duplication of services with nearby NCFs.

Status:

Implemented. We noted that the Division has reduced the number of community centers to seven and only one center is co-located with a NCF. Further, we noted that only two community centers are located within two miles of a NCF. Although we still found some similarities between the services provided by the Division and those provided by the NCFs, it appears the potential for duplication of services has been significantly reduced. This was accomplished by the reduction in the number of community centers and the proximity of the centers locations to NCFs.



2. The Division Should Review and Evaluate Community Center Utilization and Hours of Operation

During the previous audit, we noted some of the community centers were underutilized by the Division or the hours of operation were not appropriate considering the activities undertaken. The following instances of underutilization and/or inefficiencies were noted at seven of the community centers:

- The Division only operated one program at one community center and two programs at a second community center (other than social services related to the CSBG) on a regular basis.
- The core operating hours did not align with the hours the community centers were utilized for three community centers. One center opened at 8:00 a.m. but had very few people utilizing the center prior to 10:00 a.m. Another center is primarily utilized for a senior program that runs daily from 8:00 a.m. to 1:00 p.m. We noted that the community center has very few visitors after that time. The third center has multiple facilities that are primarily occupied by other County divisions, but one of the Division staff members assigned to this center arrives at 7:00 a.m. for food deliveries for programs operated by other divisions.
- Two community centers allowed groups to meet outside of core operating hours on different days of the week. The centers have two meeting rooms and could rearrange the schedules of the groups to reduce the hours the community center is open.

We Recommend the Division performs the following:

- A) Considers transferring the operation of community centers (or portions of centers) that are primarily utilized by other County offices to that respective



office. The Division could maintain space at the centers for their social services staff and have staff at the Division office or other community centers coordinate community events for these locations;

- B) Evaluate and change the operating hours of community centers to better meet community needs; and,
- C) Work with groups that utilize community centers outside of core operating hours to better align meeting dates and times.

Status:

- A) Implemented. Responsibility of the Bithlo Center was moved to the Parks and Recreation Division and the Hannibal Center was closed due to inactivity. The Willow Center is strictly used as a Neighborhood Center for Families now and has no community center activities.
- B) Implemented. All of the centers are now open Monday through Friday, from 7:00 a.m. to 8:00 p.m., depending on the activities scheduled. The four larger centers (John Bridges, Pine Hills, Taft, and East Orange) are open on Saturday from 9:00 a.m. to 2:00 p.m. The employees flex their schedules to accommodate the times and very rarely work overtime.
- C) Implemented. As noted in B) above, all of the Centers are open Monday through Friday, from 7:00 a.m. to 8:00 p.m., depending on the activities scheduled. The four larger centers are open on Saturday from 9:00 a.m. to 2:00 p.m.



**3. Controls Over Casual Labor and Hours Worked
Need Improvement**

During the previous audit, we noted the following:

- Overtime was not always being approved prior to being worked.
- Staff (using overtime) were used for activities that did not directly support the Division's Mission.
- Use of temporary labor did not comply with the County's Personnel Policy Manual and Operational Regulations (Policy) for temporary positions.
- During the six month period reviewed, approximately 250 of the 1,000 hours reported as worked by casual labor staff did not correlate with the hours the facilities were open. As such it appeared employees were not working hours that were reported on their timesheets.

We Recommend the Division implements controls to ensure the following:

- A) Overtime is approved in writing prior to being worked. In cases where it is not practical to obtain prior approval, written justification should be provided;
- B) Staff is only used for activities that directly support the Division's mission;
- C) The use of temporary labor complies with the County's Policy Manual & Operational Regulations as well as FRS guidelines; and,
- D) Employees are working the hours reported on their timesheets.



Status:

- A) Implemented. The amount budgeted and used for overtime has been minimal over the past two fiscal years, as the Division has ceased using overtime. We reviewed four community centers overtime usage for the audit period and noted that only one center utilized any overtime pay. In this instance, the supervisor had 11.5 hours and the clerk had nine hours of overtime from preparing for the Community Action Back-to-School Fair. This overtime was approved prior to being worked for both employees. At this time, the overtime budget is very small and rarely used.
- B) Implemented. We reviewed activities recorded on four Community Centers' schedules and did not note any activities that did not appear to support the Division's mission.
- C) Implemented. There is one casual labor person on call to assist at the various centers for any Saturday or after-hours activities when the staff cannot work or need additional help. He generally works approximately seven hours per week. The use of temporary labor complies with the County's Policy Manual & Operational Regulations as well as FRS guidelines, as he performs work on an as-needed basis and does not work over 1,200 hours in a fiscal year.
- D) Implemented. We reviewed employee timesheets for four centers and compared times worked with scheduled Community Center events. All hours reported on employee timesheets coincided with events scheduled at the center.



4. Budget Amounts Should Be Reasonable Based on Past Performance and Anticipated Needs

During the previous audit, we reviewed the Division’s budget history from fiscal year 2002 to 2008 and noted the Division had consistently exceeded their budgets for overtime and casual labor. Amounts varied from \$484 to \$86,672. The Division noted that they were not required to provide written justification for the overages in the casual labor and overtime line items as they had not exceeded their entire salary appropriation.

We Recommend the Division ensures budget amounts are reasonable based on past performance and anticipated needs. We further recommend that the Department ensures budget amounts submitted are reasonable and requires the Divisions to submit written justification for each line item that has a large budget variance.

Status:

Partially Implemented. We reviewed the Division’s budget history from fiscal year 2013 to 2014 and noted the Division had exceeded their budgets for overtime and casual labor as illustrated below:

Fiscal Year	Casual Labor Expenditures			Overtime Expenditures		
	Budget	Actual	Variance	Budget	Actual	Variance
2013	\$10,800	\$7,742	(\$3,058)	\$500	\$2,011	\$1,511
2014	\$6,289	\$18,372	\$12,083	\$500	\$1,151	\$651

We were informed the overage in casual labor was because the LIHEAP grant was reduced and the Division lost three positions, but the programs funded with the grant still needed to be supported. Therefore, the Division used casual labor to assist with administration of the grant which caused their actual expenses to be over budget. This explanation appeared reasonable given the challenges faced by the Division.



As noted in the first review and is still the practice, the Division is not prevented from exceeding budget line item amounts or required to provide explanations for budget overages unless an entire appropriation (e.g. salary appropriation) is exceeded.

We Again Recommend the Department requires the Divisions to submit written justification for each line item that has a large budget variance.

Management's Response:

Concur. It should be noted that only two budget items were identified, casual labor and overtime, and in both cases the amount of funding is relatively small in absolute terms as compared to the amount in the appropriation. As noted above, the reason for overuse of casual labor is that an unpredictable event, a cut in LIHEAP funds from the State DEO during a fiscal year occurred. It is difficult to plan for this type of unforeseeable occurrence and the effect on the entire personnel line item, as noted above, did not cause the appropriation to be exceeded. We will however continue to budget as accurately as possible.

5. Division Procedures and Fee Schedules Should Comply With Board Approved Administrative Regulations and Fee Schedules

During the previous audit, we noted the following:

- A) Administrative Regulation 8.12 allows County buildings to be used at no cost if the use will not require any additional or unscheduled janitorial, security, or staffing services. We noted that there were weekend events that required the use of additional labor. Facility rental fees were not collected and a fee waiver was not found for 74 percent (79 of 107) of the Division facility rentals with no fee charged. On-call labor and/or overtime were used for 50 of the above 79 rentals.

FOLLOW-UP TO PREVIOUS RECOMMENDATIONS FOR IMPROVEMENT



- B) Facility rental fees charged by the Division during the audit were not in compliance with the fee schedule approved by the Board as noted below:

Fees Charged by Division	Board Approved Fees	Difference
\$25 per hour for the first four (\$100 total)	\$25 for the first four hours	\$75 additional charged by Division
\$10 each additional hour	\$10 each additional hour	None
\$100 refundable deposit	\$50 refundable deposit	\$50 additional charged by Division

We Recommend the Division performs the following:

- A) Ensures their facility rental procedures and practices are in compliance with County Administrative Regulations; and,
- B) Ensures the facility rental fees charged are in compliance with the Board approved fee schedule.

Status:

- A) Implemented. We reviewed five facility rentals for August 2014 and noted one event with fees waived. An approved fee waiver was on file for this event which was a fund raiser to purchase school supplies for the Back-to-School Fair. The event did not require the use of any additional janitorial, security, or staffing services and complied with the Administrative Regulations for use at no charge.
- B) Implemented. The current Board approved Orange County Fee Directory and the Division’s Standard Operating Procedures agree.



6. Division Management Should Ensure Facility Rentals Are In Compliance With Internal Procedures

In addition to the Division's facility rental procedures not complying with County Administrative Regulations during the previous audit, we found instances where the Division's practices did not agree with their own internal procedures. For the facility rentals noted in Recommendation for Improvement No. 5 above, we also found incorrect rental fees charged, missing rental agreements, and lack of evidence of insurance.

We Recommend the Division implements adequate checks and balances to ensure facility rentals comply with internal procedures, including those relating to insurance for rentals, and rental fees are correctly calculated and charged.

Status:

Partially Implemented. We reviewed the four facility rentals for the month of August 2014 requiring fees to be paid and found facility rentals complied with internal procedures. We noted the rentals provided evidence of the required insurance and the fees were correctly calculated for three of the four rentals. The one exception was for the rental of the facility for a regularly scheduled karate class that meets three times a week. Per the initial agreement signed in 2008, the instructor is to remit 20 percent of his gross income to the County for use of the facility. However, the instructor did not provide support with amounts remitted. We also noted that the agreement had expired in 2011 and not been renewed, although their insurance was current for that period of time.

We Again Recommend the Division implements adequate checks and balances to ensure facility rentals comply with internal procedures, including those relating to insurance for rentals, and rental fees are correctly calculated and charged.



Management's Response:

Concur. The situation with the one vendor identified as out of compliance has been corrected with a new agreement in place that requires back-up for weekly attendance. A process has been put in place whereby an administrative staff member in addition to each center manager is charged with tracking all agreements to ensure that they are renewed on time.

7. Rental Rates Should Be Analyzed

In the previous audit, we noted the rental rates charged by the Division were not sufficient to recover the costs incurred. Further, the Division had never done a study to determine the cost of providing rental services or evaluated the fees to be charged.

We Recommend the Division determines the costs associated with rentals of the Community Centers. In addition, any fee for the use of the Community Centers should be presented to the Board for approval.

Status:

Partially Implemented. Although the current fees charged by the Division were approved by the Board, the Division has not undertaken a study to determine the costs associated with the rentals. During a 2011 Board Meeting, the Division provided the Board with data that compared the Division's rental fees to other local jurisdiction rentals. As can be seen from the chart at the top of the following page, the rates charged by the Division are significantly less than the rates charged by other facilities.

**FOLLOW-UP TO PREVIOUS
RECOMMENDATIONS FOR
IMPROVEMENT**



	Per Hour Rate		Deposit Required
	First Four Hours	After Four Hours	
Orange County Community Action	\$25	\$10	\$50
Orange County Parks & Recreation	\$50	\$50	\$75
City of Ocoee	\$35	\$35	\$250
City of Orlando	\$40	\$40	\$100
City of Winter Garden	\$75	\$75	\$400
City of Winter Park	\$70	70	200

Although the Community Centers are strategically located in the lower income areas of the County, the differences in the fees charged is further evidence that a study should be undertaken.

We Again Recommend the Division determines the costs associated with rentals of the Community Centers.

Management’s Response:

Concur. A broad sampling of comparison rental charges for similar facilities was conducted prior to a recommendation being made to the Board of County Commissioners, which approved the recommended fee structure. As noted above, the location and purpose of community centers as assets to low income neighborhoods was taken into account in establishing the fees.

However the audit team correctly noted that an analysis of operational costs including staffing for the facilities was not conducted. Such an analysis will be initiated to determine actual costs of facility usage by March 1, 2016 and will be taken into consideration in future rate adjustments.



8. Procedures and Agreements Should Be Improved Relative to Primary Occupants of Community Center Space

During the original audit, we noted the Division did not have criteria in their procedures for defining a primary occupant or a requirement in the License Agreements to include specific measurable objectives and outcomes that can be used by the Division to justify the primary occupants' free use of County facilities.

- Four current license agreements and six current insurance coverage documents were not found for the 22 non-County occupants.
- Seventeen of these 22 occupants could not provide evidence that they were providing a service in demand by the community due to the fact that the agreements do not contain specific measurable objectives and outcomes. The occupant's reports provided to the Division were not in standard format and did not always include necessary information.
- The agreement did not specifically address matters such as protecting and sharing confidential information, building access, and responsibilities of care and maintenance of the facility.

We Recommend the Division establishes criteria in their procedures for defining a primary occupant and includes specific measurable objectives and outcomes in the License Agreements that can be used to justify the primary occupants' free use of County facilities. We further recommend the Division performs the following:

- A) Implements a process to ensure primary occupants have a current Agreement and insurance coverage on file;
- B) Enhances the reporting requirements in the Agreement to include a clear definition of the data



each partner needs to report based on the services they are providing; and,

- C) Includes clauses in the Agreement relative to protecting and sharing confidential information, building access, and responsibilities for maintenance of space.

Status:

Implemented. The Division's policy and procedures manual was revised in 2012 and now contains a description of the difference between Primary Occupant Partners and Occasional Partners.

- A) Implemented. We selected a sample of four community centers and verified current agreements and insurance coverage were on file. No exceptions were noted.
- B) Implemented. The new agreements include a standard reporting form for the primary occupants to use each month to report the services provided, the number of clients served, and the outcomes achieved.
- C) Implemented. The revised agreement for primary use partners addresses matters such as protecting and sharing confidential information, building access, and responsibilities of care and maintenance of the facility.

9. The Division Should Develop and Implement Procedures and Use Agreements for Partners Occasionally Using Center Space

During the original audit, we noted the following:

- The Division did not have standard guidelines explaining what, if any, use agreements and insurance coverage are required for occasional use groups. For the 103 occasional use partners



identified, we found that 61 had no facility use agreement and 74 had no evidence of current insurance as required by the Administrative Regulations.

- For 24 of the 103 occasional use partners, community center personnel were not able to provide evidence that the services provided a benefit to the community and supported the Division's mission.

We Recommend the Division performs the following:

- A) Develops and implements procedures on how community centers should handle occasional use partners. The procedures must be in compliance with existing County Administrative Regulations; and,
- B) Works with Risk Management and the County Attorney's Office to determine what agreements and insurance are required for occasional use partners. In addition to the terms and conditions that protect the County, the Agreements should specify the purpose of the group's use of the facility, the benefit the group provides to the community and the group's meeting dates and times.

Status:

- A) Implemented. The Division's policy and procedures manual contains two Memorandums of Understanding (MOU) forms to be used by occasional use partners; one for those who provide services and the other for those who only conduct meetings at the facility. We reviewed the MOUs and insurance coverage for a sample of community centers and noted that all occasional use partners had a current MOU and any required insurance coverage on file.
- B) Implemented. Division management worked with both Risk Management and the County Attorney's Office and developed two agreements, based on the



type of meeting to be conducted, for occasional use partners. Both agreements appear to contain the appropriate requirements based on our limited review.

10. Guidelines for Preparing and Reviewing the Monthly Community Center Activity Reports Should Be Developed

During the previous audit, we found the Division did not have written guidelines for preparing the Monthly Community Center Activity Reports (monthly reports). In addition, a review of the data included on the monthly reports was not part of the Division's quality assurance process. We reviewed two monthly reports prepared for each community center and the resulting Director's Report and noted the following:

- No supporting documentation was found for many of the attendance numbers in the monthly reports and some of them did not agree with the supporting documentation that was available.
- Data was not consistently reported from center to center.
- The data included on the Director's Reports did not reconcile to the data from the corresponding monthly reports.

We Recommend the Division develops and implements written guidelines for preparing the Monthly Community Center Activity Reports. The guidelines should include, but not be limited to, defining what events/activities to include on the monthly report, under which category events/activities should be reported and when to use the number of enrollees versus attendance numbers. We further recommend that a review of the Monthly Community Center Activity Reports and Director's Report be added to the Division's quality assurance process to ensure numbers are adequately supported and consistently reported.



Status:

Partially Implemented. Although we noted procedures for data collection were developed in 2013, there were no procedures defining what events/activities to include on the monthly report, under which category events/activities should be reported, and when to use the number of enrollees versus attendance numbers. We also noted that a review of the data included on the monthly reports had not been added to the Division's quality assurance process. We reviewed Monthly Activity Reports for a sample of community centers and traced the numbers reported to supporting documentation. We noted the reports contained several errors in community center event attendance numbers. These errors included counts that were more or less than the total of the supporting documentation as well as some instances where we could not locate any supporting documentation for the attendance reported.

We Again Recommend the Division develops and implements written guidelines for preparing the Monthly Community Center Activity Reports. The guidelines should include, but not be limited to, defining what events/activities to include on the monthly report, under which category events/activities should be reported and when to use the number of enrollees versus attendance numbers. We further recommend that a review of the Monthly Community Center Activity Reports and any numbers provided to the board members be added to the Division's quality assurance process to ensure numbers are adequately supported and consistently reported.

Management's Response:

Concur. As noted, procedures for data collection have been developed and implemented, however they do not always give clear definitions for what events/activities to include on the monthly report, under which category events/activities should be reported, and when to use the number of enrollees versus attendance numbers. However, training



addressing these issues has been conducted several times with the center managers.

These issues will be addressed in the form of a Standard Operating Procedure to be developed and implemented by 2/1/16. A new process of monthly tracking of National Performance Indicators (NPIs) from the Division's annual work plan has already been implemented. The process requires reporting by standard (NPI) and brief definitions of the NPIs are included on the reporting form itself. In addition all MOUs now require that the specific NPI to be addressed by the community partner be identified and reported to the division.

A review of the data included on the center managers' monthly reports is the responsibility of a specified administrator, who conducts a review as part of the Division's quality assurance process.

11. The Division Should Improve and Expand Their Performance Measures

During the prior audit, we reviewed performance measures reported by the Division and noted the following:

- The performance measure data reported by the Division in the County's budget document for fiscal years 2007 and 2008 was incorrect. The number of clients served was derived from the Community Center visits included in the Monthly Community Center Activity Reports. We noted in testing the reports that the number of visits contained many duplicate clients which overstated the number of clients served. Also, the cost of services per client was understated as only the funds received from the Community Development Block Grant (CSBG) were used to determine the cost.
- The performance measures in the budget document are not representative of the core operations of the



Division. As noted above, the Division reported a single measure from a single funding source, but it would be more meaningful for the Division to measure the cost per visitor to the cost to operate each center and to separately measure the cost per client served with CSBG funds.

We Recommend the Division develops performance measures that better describe their performance, goals, and accomplishments. At a minimum, the Division should strive to separately report the relevant performance measures for each of its funding sources. The measures should be properly computed and supported. We further recommend that the Department and Division ensures that data gathered, reported and used for decision making purposes is accurate.

Status:

Partially Implemented. We noted that the reported performance measures differentiate between clients served and community center visits which appears to be a more meaningful measure. The Division did not report the relevant performance measures for each of its funding sources.

As noted in Recommendation for Improvement No. 10 above, we reviewed selected Monthly Activity Reports from a sample of community centers and noted several discrepancies between the numbers reported and the supporting documentation.

We Again Recommend the Division should strive to separately report the relevant performance measures for each of its funding sources. The measures should be properly computed and supported. We further recommend that the Department and Division ensures that data gathered, reported and used for decision making purposes is accurate.



Management's Response:

Concur. The Division will separately report the relevant performance measures for each of its funding sources and will properly compute and provide supportive documentation. We will also ensure that the data is accurate.

12. Security at Community Centers Should Be Improved

During the previous audit, we noted eight of the 11 community centers did not have any security cameras. Five of those centers without cameras had Head Start programs serving pre-school children. Several of the centers had reported incidents which required calling for emergency assistance through 911.

We Recommend the Division research and consider the feasibility of installing security cameras at all of the community centers as well as devices to limit access to areas where services are provided to children.

Status:

Partially Implemented. During the follow-up, we noted that only two of the seven centers are outfitted with cameras. Three centers operate Head Start Programs with pre-school children and only one of these has cameras. This center also keeps their internal doors with access to the children locked during the day, except for one hour in the morning and afternoon for drop-off and pick-up. The doors remain unlocked for the other two centers without cameras.

We Again Recommend the Division research and consider the feasibility of installing security cameras at all of the community centers as well as devices to limit access to areas where services are provided to children.



Management's Response:

Concur. We concur that this item is only partially implemented although significant progress has been made to improve security including assessing needs and requesting installation of security devices from the County Security Committee at three of the centers. Two of these requests are pending a decision by the Committee. A third request was granted three years ago at the Pine Hills Community Center with door observation cameras, a high fence and coded doors installed. We will continue to seek additional security measures at the other centers. This is a budgetary issue not directly under the Division's control.

13. Non-County Partners Should Not Be Provided Keys and Unsupervised Access to County Facilities

During the original audit, we noted some community center providers of services were provided keys to County-owned facilities when they had recurring events scheduled after the center was closed.

We Recommend the Division ceases the practice of providing partners with keys and therefore unsupervised access to County facilities.

Status:

Implemented. During the follow-up, we found that Facilities Management issues the keys for the community centers and the employees sign a Locksmith Key Transition Record that is maintained at Facilities Management. We visited each community center and determined that the only people with keys or other access to the centers were employees or janitorial staff. Each of the community center supervisors stated there is always a County employee onsite when the buildings are open for normal business hours and after hours or Saturday scheduled meetings and/or events.



14. Only Relevant Expenditures Should Be Paid With Division Funds

During the original audit, we found that not all monies spent by the Division or charged to the Division supported the Division's overall mission. Specifically, we noted the following:

- Division personnel used a purchasing card to acquire supplies for a banquet. The Division did not request reimbursement from the banquet sponsor even though tickets were sold to attend this event.
- The Division assisted groups of senior citizens with organizing various out-of-town trips. Salaries for the employees that accompanied the senior citizens were paid out of the Division funds.
- Transportation fees not related to the Division were charged to the General Fund portion of the Division's budget to pay for buses used for other County purposes such as youth groups from the Cooperative Extension Division and the County's Employee and Leadership Academy.
- The Division used a purchasing card to pay for temporary labor which was coded incorrectly to the Division and not to Head Start.

We Recommend the Division ensures the following:

- A) County resources are not used to pay for goods and activities that do not support the Division's overall mission; and,
- B) Funds budgeted for the Community Action Division are only used to support Community Action operations.

**FOLLOW-UP TO PREVIOUS
RECOMMENDATIONS FOR
IMPROVEMENT**



Status:

During the follow up review, we obtained and reviewed the Division's general fund expenditures of \$117,963 for the audit period for reasonableness and noted the following:

- A) Implemented. We did not note any evidence that County resources were used to pay for goods and activities that did not support the Division's overall mission; and,
- B) Implemented. All expenditures appeared to be related to Community Action operations.

**FOLLOW-UP TO PREVIOUS
RECOMMENDATIONS FOR
IMPROVEMENT – COMMUNITY SERVICE
BLOCK GRANT**



15. Social Services Staff Should Be Used to Provide Services Funded From Multiple Sources

During the original audit, we noted that the Division's social workers and social services staff are 100 percent funded through the CSBG and are not permitted to perform tasks that are not directly related to the grant. This practice can lead to downtime and underutilization of positions which can result in inefficiencies from not having staff members able to provide services from multiple funding sources. We were informed that part of the reason the social services staff is 100 percent funded through the grant is because there is no automated process to accumulate and allocate time worked to multiple programs, grants, and accounting lines and must be done through a manual journal entry every pay period.

We Recommend the Division, in collaboration with the Department, analyzes whether efficiencies can be gained by utilizing social services staff to provide services that are funded from multiple sources. We further recommend the Division works to develop a more efficient way to allocate the cost of employee time among multiple funding sources.

Status:

Partially Implemented. The Division now has CSBG funded social workers assisting their clients obtain LIHEAP benefits (a federal grant that provides financial assistance to pay utility bills) Additionally, the Department implemented the Centralized Eligibility Screening Web page which helps to educate citizens and streamlines benefit program access. However, the Department did not develop a more efficient way to cost allocate employee time among multiple funding sources. Therefore, there is still a risk for underutilization of the CSBG funded positions.

We Again Recommend the Division in collaboration with the Department, works to develop a more efficient way to allocate the cost of employee time among multiple funding sources.

Management's Response:

Do Not Concur. As mentioned in the audit, the funding source for the CSBG program precludes using those funds for other services. However the scope of the CSBG funding is broad enough to include some of the activities that occur at community centers such as information and referral and LIHEAP. With community service workers funded by CSBG already involved in such activities, there is no need to split salaries and benefits into other funding sources.

With respect to down time for the CSBG workers, it is important to note that there were 11 staff at the time of the original audit. This number was lowered to 4 and just this past fiscal year raised to 7. With this number of staff assigned for the entire county coupled with expanding duties to include LIHEAP there should not be any underutilization of positions requiring assignment of duties to those allotted to other budget entities. The community services workers will also be providing information and referral services for their assigned service centers. The division also recently purchased laptops so that CSWs can do outreach and intakes in areas of the county in addition to their assigned community centers. A plan is already in progress to cover Bithlo two days per week and the Chickasaw trail area once per month in this way.

16. The Division Should Ensure Payroll Expenses Are Allocated to the Proper Funding Source

We reviewed payroll expenses for the four non-social services staff positions which were funded through the CSBG during our original audit and noted the following:

- A) An Administrative Assistant position was fully funded with the administrative cost portion of the grant; however, all of the duties of this position did not involve the administrative costs activities that are described United States Department of Health and

**FOLLOW UP TO PREVIOUS
RECOMMENDATIONS FOR
IMPROVEMENT**



Human Services' CSBG Information Memoranda No. 37 (IM37).

- B) Two Project Coordinator positions were fully funded with the program cost portion of the grant. One Project Coordinator provided information system support to the entire Division. Although it was appropriate to pay a portion of this position's salary expenses with grant funds, we questioned fully funding this position through the grant. The other Project Coordinator was initially hired to assist with implementing projects at the various community centers; however, the Coordinator was transferred to manage a community center at the beginning of the year and duties of a Community Center Supervisor include various administrative tasks that do not necessarily benefit low-income individuals.

We Recommend the Division performs the following:

- A) Properly allocates expenses to the administrative cost portion of the CSBG such as costs related to the general management of the grantee organization; and,
- B) Allocates staff time to the appropriate funding source.

Status:

- A) Implemented. Our analysis found that no administrative employee positions are charged to the CSBG. Only caseworkers and social workers positions were charged, with their salaries allocated between the CSBG budget categories of Direct Client Services and Support Services. No salaries were classified or expended from the CSBG Administrative costs budget.
- B) Not Applicable. As noted in above, those positions' salaries are allocated based on time to budgetary unit classifications of Direct Client Services or Support

Services within the grant. We noted that only social service caseworker positions were charged in the audit period to the grant as their duties relate only to grant operations.

17. Items Paid With Grant Funds Should Meet the Grant's Eligibility Requirements

We reviewed various expenditures paid with CSBG funds during our initial audit and noted the following:

- A) The Division did not have adequate evidence that 61 percent (76 of 125) of the clients served were CSBG eligible at the time services were received. Our testing found that six of the clients were over the income threshold to receive grant funded services. The remaining 70 clients either were missing income data documentation or the data was over a year old at the time services were received.
- B) The Division did not perform appropriate reviews to ensure that individuals enrolled in the County's Students Connecting with Opportunities Resources and Employment (SCORE) program and paid with CSBG funds were eligible to receive these funds. We found that the household income for four of the 25 students was over the 125 percent Federal poverty level limit required for CSBG eligibility. For two additional students, income documentation was not available.
- C) The Division used CSBG funds to pay \$11,637 in transportation costs related to senior citizen and youth programs operated by the various community centers. Division personnel did not confirm that all participants using transportation fully paid for with grant funds were eligible for grant funded services.



We Recommend the Division performs the following:

- A) Develops and implements a contract monitoring process to ensure all clients receiving services through CSBG funded contracts and sub-recipient contracts are eligible to receive grant funded services; and,
- B) Actively monitors the spending of the CSBG funds to ensure only properly approved individuals are paid with the funding.

Status:

- A) Not Applicable. There were no sub-recipients or sub-recipient contracts executed in the 2014 or 2015 grant years. The Community Action Division has not used CSBG funds or participated in the SCORE internship program for several years. CSBG funds are no longer used for field trips and other programs do not charge their trips to the CSBG program.
- B) Implemented. We reviewed a sample of expenditures classified as Direct Client Support and determined the recipients were eligible clients. The sample also included Support Services expenditures which we determined were necessary and reasonable to attain the grant goals.

18. The Division Should Ensure Unused CSBG Funds Do Not Exceed the Amount the State Is Required to Re-Contract in the Next Fiscal Year

In accordance with the CSBG Agreement, unobligated funds in excess of 20 percent of the amount allocated to Orange County will be surrendered to the State with the balance of unobligated funds up to 20 percent being re-contracted during the next grant period. For two of the three grant years reviewed during the previous audit, we found that the amount of unobligated funds exceeded the 20 percent the



State is required to re-contract to the County during the next contracting cycle. We also noted that although the threshold percentage was exceeded, the County had re-contracted all remaining funds.

We found some of the unspent funds may be attributable to the amount of time it takes to get the budget adjustment processed once the executed modification agreement is received from the State. In fiscal years 2007 and 2008, it took 75 and 47 days respectively from the date the executed modification was received from the State to the date the budget adjustment was put on the Board consent agenda and approved. In both years, there were only two months remaining in the grant year to spend the funds awarded in the modifications.

We Recommend the Division ensures the amount of unobligated funds remaining at the end of any grant years does not exceed 20 percent of the amount awarded. The Division should work with appropriate County personnel to ensure the budget adjustment for the grant modification is approved by the Board within two weeks of receiving the executed document from the State.

Status:

Implemented. The amounts of the award not spent for Fiscal Years 2013 and 2014 were 14.90 percent and 14.86 percent respectively; therefore, less than 20 percent of the total grant award for the audit period. The grant modification for the unspent funds of 2015 had not been processed by the State at the time of our review. A review of the budget amendment process and timing for grant modifications received for Fiscal Years 2013 and 2014 for unspent Fiscal Year 2013 grant funds appears reasonable although not in direct compliance with the recommendation to have budget amendments for grant modifications processed within two weeks.



**19. Grant Related Outcomes Reported to the State
Should Be Supported and Accurate**

Our previous audit noted that the Division was required to prepare and submit a FOCAS (Florida Outcomes Community Action System) Report to the State on a quarterly basis. The FOCAS report contains data relative to the number of clients achieving, working toward, or terminated from grant related outcomes. The data reported by the various Community Action Agencies throughout the State are compiled by the State and reported to the federal government.

During the prior review, a sample of outcome related data included on the final FOCAS Report prepared by the Division was reviewed and in several instances the FOCAS report did not agree with supporting documents provided. We also noted the Division does not have an employee, independent of the report preparation process, reconcile the data included on the FOCAS Report to the supporting documentation.

We Recommend the Division implements a process to independently ensure grant related outcome data reported to the State is accurately compiled and supported.

Status:

Partially Implemented. We reviewed the February 2015 FOCUS report and noted that while the elements of the report that have been categorized and included in the Division's grant tracking system are supported, the Community Center Managers Workplan Outcomes reports are not adequately supported. Sign-in sheet totals did not always match the numbers reported on the Workplan Outcomes and several numbers reported as outcomes had no supporting documentation available to verify.

We Again Recommend the Division implements a process to ensure all grant related outcome data reported to the State is accurately compiled and supported.



Management's Response:

Concur. The division has addressed this issue through training with the community center managers and will further solidify the data collection and compilation process in a new standard operating procedure to be implemented by February 1, 2016. The procedure will prescribe the exact format for documenting supporting data and for translation from sign in sheets and other forms of documentation to the FOCAS report. The procedure will include data collection in the division's quality assurance process.

20. A Process to Better Monitor and Allocate Client Enrollments and Distributions Should Be Implemented

During the original audit, we noted that the Division did not accomplish their work plan goal of 213 clients obtaining a job or being employed and obtaining an increase in employment income. Our review found that only 137 clients achieved the outcomes, or 36 percent fewer than the work plan goal. This outcome could have been impacted by the inequitable distribution of caseloads among social services staff. The number of clients enrolled in self-sufficiency programs ranged from two to fifty-two per social worker.

As part of our testing, we also reviewed a sample of 45 client files for CSBG funded services. Of these clients, 22 were enrolled in the self-sufficiency program and received case management services and 23 received limited services such as referrals to other agencies (non-case managed). the review noted the following:

- A) Case management efforts were not adequate in 16 of the 22 case managed files reviewed. These files contained no evidence that home visits occurred and/or no evidence that weekly contact was made with clients during their first three months of enrollment.

FOLLOW UP TO PREVIOUS RECOMMENDATIONS FOR IMPROVEMENT



- B) Management's review and approval of program eligibility was not evident in six of the case management files and 17 of the non-case management files. Further, for non-case managed files, we found that three clients were over the income threshold permitted by the CSBG Agreement and four were not adequately supported (no physical files were found for three of these).
- C) Adequate evidence to support the achievement of an outcome was not found in five of the twenty-two case managed files and three of the twenty-three non-case managed.
- D) The Division does not have written procedures specific to the non-case managed clients. During our testing, we found files without an initial assessment, signed case plans and partnership agreements, and signed client rights and responsibility forms.

We Recommend the Division implements a process to better monitor and allocate client enrollments and distributions for each social services staff. In addition, the Division should perform the following:

- A) Maintain sufficient contact with clients and ensure social services staff complies with the standards outlined in the Division's procedures;
- B) Document client enrollment and approval;
- C) Document the achievement of CSBG outcomes that are reported to the State with sufficient supporting documentation; and,
- D) Develop and implement procedures to address the handling of non-case managed clients.



Status:

Implemented. Our review of the Community Action Division Standard Operating Procedures Manual identified guidelines for data collection, client caseload numbers, and frequency of client contact for both the Fast Track Self-Sufficiency and the Family Self-Sufficiency Programs. The Procedure's manual steps appear to provide adequate direction and guidelines for enrolling clients into the CSBG Fast Track and/or Family Self-Sufficiency Programs. We reviewed a summary of caseloads by month and caseworker and found caseloads to be more evenly distributed.

- A) Implemented. We examined 12 client case files and found appropriate evidence of client contact, supervisory review, and compliance with Division procedures.
- B) Implemented. We examined 12 client case files and found standard application forms on file. These forms adequately document both the enrollment and approval for enrollment.
- C) Implemented. We examined 12 client case files and traced the clients to the status recorded on the detailed Easy Track Detail Outcome Report for the audit period. No exceptions were noted. The Easy Track Detail Outcome Report is used for reporting CSBG outcomes.
- D) Not Applicable. Our review of the Division's tracking system queries did not identify any clients without evidence of case management information included in the electronic records. We were informed by management that the Division had made a decision to consider all clients as case managed and no additional procedures were developed.



21. A Conflict of Interest Clause Should Be Added to Contracts with Outside Entities That Receive CSBG Funds

During our original audit, we reviewed five contracts executed during our audit period and noted that none of the contracts included wording to prevent conflicts of interest as required in the CSBG Agreement.

We Recommend the Division ensures that a clause prohibiting conflicts of interest is incorporated into all future contracts and other agreements as necessary.

Status:

Not Applicable. Community Action Division management did not utilize sub-recipients or other contracted outside entities to provide services funded through CSBG.

22. A Policy on Providing CSBG Funded Services to County Employees Should Be Implemented

The original audit noted the Division did not have procedures regarding County employees who apply for and receive CSBG funded services. From a report of households that received CSBG services during fiscal year 2008, we identified 15 clients that were actively employed by the County at the time that they were enrolled in the program. Eight of these employees received direct financial assistance payments totaling \$11,952.

We Recommend the Division develops and implements policies and procedures to address the eligibility of County employees to receive CSBG funded services.

Status:

Implemented. Since the prior audit, the Division has developed and implemented a policy which requires the Division Manager to be notified prior to the approval of

**FOLLOW UP TO PREVIOUS
RECOMMENDATIONS FOR
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Follow-Up Audit of the
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CSBG financial assistance to an eligible County employee, board member, or family member. We compared client names in the CSBG database of applications and enrollments to the listing of County employees and found no instances where the Manager was not notified prior to providing assistance.