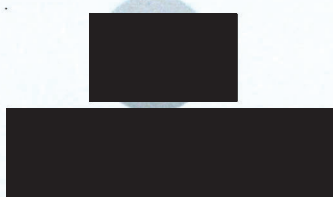


EXHIBIT 18

No SIM

1:09 PM

15%



Jul 22, 2019, 11:57 AM



Haven't hear



iMessage





 Haven't hear
from Nancy yet. We
should connect this
afternoon



Jul 22, 2019, 2:05 PM

FYI, auditor's findings
from year long audit.

The Department of
Human Services



iMessage





Human Services (DHS) was the subject of several significant findings in the report. The report notes that DHS

- Did not certify whether multiple childcare centers met health and safety standards**
- Did not monitor recipients of several**



iMessage





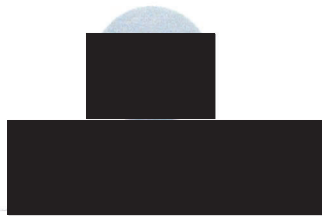
recipients of several grants to determine whether grant money was spent in accordance with the law

- Did not compile basic, required documents, like a comprehensive list of grant recipients**
- Did not follow federal reporting guidelines, submitting some federal paper-**



iMessage





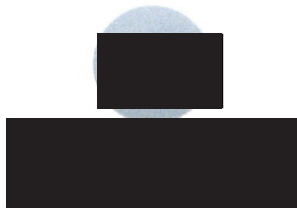
some federal paper-work nearly two years late

- Did not follow all legal requirements for ensuring beneficiaries of large programs like Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF), and Child Care and De-



iMessage





**Families (TANF), and
Child Care and De-
velopment Fund
(CCDF) were actually
eligible for the pro-
grams**

- **And did not or could
not ensure childcare
centers receiving
CCDF funds accu-
rately counted chil-
dren in the centers.**

Several of these DHS



iMessage





Several of these DHS findings have been repeatedly identified by the Auditor's office since 2014 with no corrective action completed.

Saw that.. was there a response from DHS?

I talked to Nancy. She said the program at

.



iMessage





said the program at usm is a health and fitness program. The contract is with usm to rent buildings to put on this program. Brett volunteers his time. Nancy is getting a one pager.

Not yet. We think dhs needs to respond.

They should and explain why this was



iMessage





needs to respond.

They should and explain why this was not corrected since 2014. Can we get Auditor to tell is if the USM Contract is proper?

I can certainly ask them.

If it proper then we should move ahead



iMessage





should move ahead since they are planning it to happen. Has Nancy heard any further from Auditor since Friday?

I don't think so but the auditor's office said they couldn't say they were done with Nancy yet. They think the John Davis, dibiasi investigation



iMessage





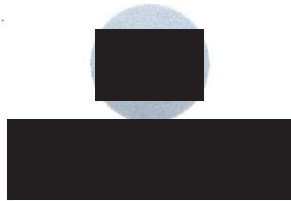
think the John Davis,
dibiasi investigation
will take another
month or so to wrap
up. They haven't
found any additional
info since what they
reported 4 weeks
ago.

3 weeks ago*



iMessage





3 weeks ago*



Jul 22, 2019, 6:42 PM



SY 2018 OSA...



SY 2018 OSA...



iMessage





STATE OF MISSISSIPPI
Phil Bryant, Governor
DEPARTMENT OF HUMAN SERVICES
John Davis
Executive Director

SINGLE AUDIT FINDINGS

June 6, 2019

Shad White, State Auditor
Office of the State Auditor
State of Mississippi
P.O. Box 956
Jackson, Mississippi 39205-0956

Dear Mr. White:

Enclosed for your review is the agency's official response and correlating corrective action plans to the Single Audit Findings in the Single Audit Management Report as outlined in the Mississippi Department of Human Services (MDHS) audit performed for the State Fiscal Year 2018:

SINGLE AUDIT FINDINGS:

ELIGIBILITY

Material Weakness

Material Noncompliance

CFDA Number 93.558 - Temporary Assistance for Needy Families State Programs

2018-045

Controls Should Be Strengthened to Ensure Compliance with Eligibility and Benefit Payment Requirements of the Temporary Assistance for Needy Families (TANF) Program.

MDHS Response: MDHS is in agreement that controls should be strengthened over compliance with eligibility and benefit payment requirements to the TANF Program.

Corrective Action Plan:

In order to strengthen compliance, the Division of Economic Assistance (EA) will conduct a ten percent (10%) review by supervisory employees of EA and by program specialists at approval (initial application and subsequent reapplications). Additionally, supervisory staff will review ten

percent (10%) TANF case actions at the time an action is taken. Said efforts are to ensure documentary files are accurate and complete.

In order to correct any discrepancies within current cases, a ten percent (10%) review of all open TANF and Transitional Service cases will be conducted. As a result of said review, any funds that are deemed to be an overpayment will be recovered in accordance with existing policy and procedures.

Training will also be conducted to ensure all employees of EA have an in-depth understanding of policy contained within Volume III and resulting procedures. The name of the contact person who is responsible for this corrective action plan is David Barton, Inspector General. The anticipated completion date for the corrective action plan is December 1, 2019.

SUBRECIPIENT MONITORING

Material Weakness

Material Noncompliance

CFDA Number 10.551 - Supplemental Nutrition Assistance Program
 93.558 - Temporary Assistance for Needy Families State Programs
 93.667 - Social Services Block Grant
 93.575 - Child Care and Development Block Grant
 93.596 - Child Care Mandatory and Matching Funds of the Child Care and Development Fund
 93.568 - Low Income Home Energy Assistance Program

2018-046 **Controls Should Be Strengthened over On-Site Monitoring for the Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF), Child Care and Development Block Grant (CCDF), Low Income Home Energy Assistance Program (LIHEAP), and Social Services Block Grant (SSBG) Programs**

MDHS Response: MDHS is in agreement that controls should be strengthened over on-site monitoring for SNAP, TANF, CCDF, LIHEAP, and SSBG programs.

Corrective Action Plan:

MDHS will train all employees in the Monitoring unit of Program Integrity Division in regards to the new implemented tracking system and the importance of timely uploading of all required documents on both the common drive and Smartsheets. Monitors are also submitting weekly itineraries to ensure that all required documents from the onsite monitoring visits are uploaded and reviewed within two (2) weeks following the visit.

To do such monitors are utilizing Smartsheets, in which will also continue to aide notifying employees when responses and reports are due. Furthermore, said will be memorialized because the Monitoring unit will also develop a monitoring procedure manual to include processes, procedures, and documentation requirements. This manual will outline the process to document the review, prepare findings, and communicate to sub recipients. The name of the contact person who is responsible for this corrective action plan is David Barton, Inspector General. This corrective action plan shall be implemented by August 1, 2019.

SUBRECIPIENT MONITORING

Material Weakness

Material Noncompliance

CFDA Number 10.551 – Supplemental Nutrition Assistance Program
 93.558 – Temporary Assistance for Needy Families State Programs
 93.667 – Social Services Block Grant
 93.575 – Child Care and Development Block Grant
 93.596 – Child Care Mandatory and Matching Funds of the Child Care and Development Fund
 93.568 – Low Income Home Energy Assistance Program

2018-047

Controls Should Be Strengthened over Sub Recipient Monitoring of OMB Uniform Guidance Audits for the Supplemental Nutrition Assistance Program (SNAP), Child Care and Development Block Grant (CCDF), Temporary Assistance for Needy Families (TANF), Social Services Block Grant (SSBG) and Low Income Home Energy Assistance (LIHEAP) Programs.

MDHS Response: MDHS is in agreement that controls should be strengthened over Sub Recipient monitoring of OMB Uniform Guidance Audits for SNAP, CCDF, TANF, SSBG, and LIHEAP Programs.

Corrective Action Plan:

MDHS will train all employees in the Monitoring unit of Program Integrity Division in regards to the new implemented tracking system and the importance of timely uploading of all required documents on both the common drive and Smartsheets. Monitors are also submitting weekly itineraries to ensure that all required documents from the onsite monitoring visits are uploaded and reviewed within two (2) weeks following the visit. To do such monitors are utilizing Smartsheets, in which will also continue to aide notifying employees when responses and reports are due. Furthermore, said will be memorialized because the Monitoring unit will also develop a monitoring procedure manual to include processes, procedures, and documentation requirements. This manual will outline the process to document the review, prepare findings, and communicate to sub recipients. The name of the contact person who is responsible for this

corrective action plan is David Barton, Inspector General. This corrective action plan shall be implemented by August 1, 2019.

ELIGIBILITY

Significant Deficiency

Immaterial Noncompliance

CFDA Number 93.575 – Child Care and Development Block Grant
 93.596 – Child Care Mandatory and Matching Funds of the Child Care and Development Fund

2018-048

Controls Should Be Strengthened to Ensure Compliance with Eligibility and Benefit Payment Requirements of the Child Care and Development Block Grant (CCDF) Cluster.

MDHS Response: MDHS agrees that controls should be strengthened to ensure compliance with eligibility and benefit payment requirements of the CCDF Cluster.

Corrective Action Plan:

The Division of Early Childhood Care and Development (DECCD) has modified several business practices to decrease the errors and avoid improper payments. DECCD implemented a new document upload function that allows submitted documents from applicants to be uploaded directly to the applicant's application every fifteen (15) minutes. This new process has already been implemented and affords the eligibility employee to be able to process the application with all required documents in an efficient manner. Additionally, over the course of the year DECCD has administered extensive trainings for all DECCD eligibility employees. The trainings included reviewing the co-payment chart, eligibility requirements for parents and processing applications based on documents received. Moreover, an eligibility checklist and a desk guide was developed as an internal control for staff to use as a guide when approving a parent application.

Furthermore, the Quality Control Department (QC) of the Office of the Inspector General, a separate and distinct department from DECCD, has hired four (4) full time QC reviewers. Their job responsibilities are solely dedicated to DECCD reviews, in which resulted in improved internal quality control. Said employees pull, and will continue to pull, sample cases on a monthly basis to review the eligibility and proper payment of each case in the sample. DECCD has also began corrective action trainings to DECCD employees on common identified errors by quality control and on any modification to the state and federal regulations. The name of the contact person who is responsible for this corrective action plan is David Barton, Inspector General. Note this corrective action plan was implemented on or about October 1, 2018.

ALLOWABLE COST/COST PRINCIPLES

Significant Deficiency

200 South Lamar Street, Post Office Box 352 • Jackson, Mississippi 39205 • Telephone (601)359-4500 • www.mdhs.ms.gov

Immaterial Noncompliance

CFDA Number 93.575 Child Care and Development Block Grant
93.596 Child Care Mandatory and Matching Funds of the Child Care and Development Fund

2018-049 **Controls should Be Strengthened to Ensure Compliance with Allowable Cost Requirements of the Child Care and Development Block Grant (CCDF) Cluster.**

MDHS Response: MDHS is in agreement that controls should be strengthened to ensure compliance with allowable cost requirements of the Child Care and Development Block Grant (CCDF) Cluster.

Corrective Action Plan:

MDHS met with Information Technology Services (ITS) to modify existing business rules in Child Care Payment System (CCPS). The rule amendments were to include that it will be presumed that children age six (6) or older receives a part-time certificate on school days, unless the parent submits proof that the parent works or is in school non-traditional hours, and that the provider of choice offers care in non-traditional hours as prescribed by the parents work requirements. Additionally, a business rule will be added to make it impossible for CCPS to issue more than one (1) certificate per child.

Furthermore, the Quality Control Department (QC) of the Office of the Inspector General, a separate and distinct department from DECCD, has hired four (4) full time QC reviewers. Their job responsibilities are solely dedicated to DECCD reviews, in which resulted in improved internal quality control. Said employees pull, and will continue to pull, sample cases on a monthly basis to review the eligibility and proper payment of each case in the sample. DECCD has also began corrective action trainings to DECCD staff on common identified errors by quality control and on any modification to the state and federal regulations. The name of the contact person who is responsible for this corrective action plan is David Barton, Inspector General. Note this corrective action plan was implemented on or about October 1, 2018.

REPORTING

Significant Deficiency

CFDA Number 10.551 – Supplemental Nutrition Assistance Program
93.558 – Temporary Assistance for Needy Families State Programs
93.575 – Child Care and Development Block Grant
93.596 – Child Care Mandatory and Matching Funds of the Child Care and Development Fund

2018-050 **Controls Should Be Strengthened over the Submission of Required Federal Reports for the Child Care and Development Block Grant**

**(CCDF), Supplemental Nutrition Assistance Program (SNAP), and
Temporary Assistance for Needy Families (TANF) Programs.**

MDHS Response: MDHS is in agreement that controls should be strengthened over the submissions of required federal reports for CCDF, SNAP, and TANF Programs.

Corrective Action Plan:

The Division of Budgets and Accounting (B&A) implemented procedures to address the concerns of the report review processes and the submission of said reports in July of 2018. Thus, the six (6) instances identified as late submissions, were anomalies as the policies and procedures have been implemented and trained on with all employees within B&A. Moreover, the employees of B&A are aware and compliant with the policies and procedures cited in this finding. Specifically, four (4) of the instances cited were the direct result of technical system failures and two (2) were related to the absence of key personnel due to unforeseeable family emergencies. Therefore, the six (6) untimely instances were caused by circumstances beyond the employee's control. However, with that stated the B&A Director will reiterate to employees that all reports are to be returned to the supervisor if there is no final signature for approval and will be reminded that all reports must be submitted into the grant status database in a timely manner. The name of the contact person who is responsible for this corrective action plan is David Barton, Inspector General. Note this corrective action plan was implemented on or about July 1, 2018.

EARMARKING

Significant Deficiency

Immaterial Noncompliance

CFDA Number 93.575 - Child Care and Development Block Grant
93.596 - Child Care Mandatory and Matching Funds of the Child Care and Development Fund

2018-051

**Controls Should Be Strengthened to Ensure Compliance with
Earmarking and Minimum Targeted Funds Requirements.**

MDHS Response: MDHS is in agreement that controls should be strengthened to ensure compliance with earmarking and minimum targeted funds requirements.

Corrective Action Plan:

MDHS requested and was granted approval from Administration of Children and Families (ACF) to revise the Federal Fiscal Year 2019 CCDF 696 report for quarter ending 9/30/2017. The report was revised to adjust expenses from other qualified quality activities to meet the required targeted earmarks. This process was completed and the report resubmitted to ACF on June 5, 2019. Documentation can be provided upon request. The name of the contact person who is responsible for this corrective action plan is David Barton, Inspector General.

SPECIAL TESTS

Material Weakness

Material Noncompliance

CFDA Number 93.575 - Child Care and Development Block Grant
93.596 - Child Care Mandatory and Matching Funds of the Child Care and Development Fund

2018-052 **Controls Should Be strengthened over Compliance with Health and Safety Requirements of the Child Care and Development Fund (CCDF) Cluster.**

MDHS Response: MDHS is in agreement that controls should be strengthened over compliance with health and safety requirements of the Child Care and Development Fund (CCDF) Cluster.

Corrective Action Plan:

DECCD entered into an agreement with Mississippi Department of Health to restructure the unlicensed child care providers, who are now called family child care providers. Said group of providers are required to comply with the following requirements with the Mississippi Department of Health: 1.) attend health and safety training, 2.) comply with criminal background checks for all eligible adults in the home, 3.) register as a family child care provider, and 4.) agree to be monitored by the Mississippi Department of Health. All has to be completed for the family child care provider to continue to be a CCDF provider.

The Mississippi Department of Health began inspections for monitoring compliance. The name of the contact person who is responsible for this corrective action plan is David Barton, Inspector General. This corrective action plan expects to be completed by June 30, 2019.

EARMARKING

Significant Deficiency

Immaterial Noncompliance

CFDA Number 93.558 Temporary assistance for Needy Families State Programs

2018-053 **Controls Should Be Strengthened over 20 Percent Exemption and Five Year Time Limit.**

MDHS Response: MDHS agrees controls should be strengthened over the 20 Percent Exemption and Five (5) Year Time Limit.

Corrective Action Plan:

MDHS EA division will conduct refresher training to ensure all employees have an in-depth understanding of policy contained within Volume III and resulting procedures.

The county and regional employees of MDHS will continue monitoring the 20 Percent Exemption Report and the report for the five (5) Year Time Limit

(MDHS-EA-313 and MDHS-EA-313A) and submitting verification of the review monthly. In order to strengthen compliance, an individual at the MDHS State Office has been designated to monitor and ensure compliance each month with the 20 Percent Exemption and the five (5) Year Time Limit in a separate review. Any discrepancies identified will be sent through the Field Operations Director of EA to ensure appropriate case action has been taken to terminate benefits or grant permissible exemptions. The name of the contact person who is responsible for this corrective action plan is David Barton, Inspector General. The anticipated completion date for the corrective action plan is July 1, 2019.

We appreciate the courtesy and professionalism demonstrated by Jeremy Ashley and his field staff throughout the audit. Should you have any questions regarding our responses or corrective action plan, please do not hesitate to contact David Barton, Inspector General, at 601-359-4551.

Respectfully,



John Davis, Executive Director

JD: DB

pc: Jacob Black
David Barton
Christopher Rand



STATE OF MISSISSIPPI
Phil Bryant, Governor
DEPARTMENT OF HUMAN SERVICES
John Davis
Executive Director

OTHER AUDIT FINDINGS

Shad White, State Auditor
Office of the State Auditor
State of Mississippi
P.O. Box 956
Jackson, MS 39205-0956

June 6, 2019

Dear Mr. White:

Enclosed for your review is the agency's official responses and corrective action plans to the Other Audit Findings in the Single Audit Management Report as outlined in the Mississippi Department of Human Services (MDHS) audit performed for the State Fiscal Year 2018:

OTHER AUDIT FINDINGS:

ELIGIBILITY
Control Deficiency

CFDA Number 93.558 – Temporary Assistance for Needy Families State Programs

OTH – 18-04 **Controls Should Be Strengthened over Segregation of Duties and Granting Access to MAVERICS.**

MDHS Response: MDHS is in agreement that it should strengthen its' policies and procedures to ensure that personnel not authorized to approve and/or certify a payment will not have access to do such.

Corrective Action Plan:

The MDHS Division of Management Information Systems (MIS) has partnered with the Division of Human Resources to implement an annual attestation of the MDHS Enterprise Security Policy (ESP). Moreover, the MDHS MIS Security Administration team performs a self-audit of 'User Access Controls' on an annual basis. Please note that MDHS users cannot access any of the systems that MDHS utilizes, including MAVERICS, without first authenticating to active directory. The active directory database is kept current with only active users, as employees

that are separated from the agency are removed in a timely manner. The MDHS MIS Security Administration team will ensure that all employees separated from the agency will have said access to MAVERICS, and all other MDHS systems, terminated within thirty (30) days of separation, or sooner if possible. Additionally, the Security Administration team monitors MAVERICS user IDs to ensure that if a user has been inactive for ninety (90) days or longer, said login is disabled. The name of the contact person who is responsible for this corrective action plan is David Barton, Inspector General. The anticipated completion date of this corrective action plan is October 1, 2019.

We appreciate the courtesy and professionalism demonstrated by Jeremy Ashley and his field staff throughout the audit. Should you have any questions regarding our responses or corrective action plan, please do not hesitate to contact David Barton, Inspector General, at 601-359-4551.

Respectfully,



John Davis
Executive Director

JD:DB

pc: Jacob Black
David Barton
Christopher Rand