

Report in Brief

Date: October 2018
Report No. A-03-15-03300

U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES
OFFICE OF INSPECTOR GENERAL



Why OIG Did This Review

The Maternal, Infant, and Early Childhood Home Visiting Program (MIECHV program) was established in 2010 under the Patient Protection and Affordable Care Act of 2010 to be collaboratively implemented by HHS's Health Resources and Services Administration (HRSA) and the Administration for Children and Families. As part of its oversight activities, OIG is conducting a series of reviews of certain grants because adequate controls are necessary to ensure that award money is used appropriately.

Our objective was to determine whether the Pennsylvania Office of Child Development and Early Learning complied with MIECHV program requirements and the terms and conditions of the program's grants.

How OIG Did This Review

We reviewed Pennsylvania's MIECHV program for Federal fiscal year (FY) 2014 (October 1, 2013, through September 30, 2014) to determine whether Pennsylvania used funding in accordance with Federal requirements, adequately monitored the activities of subrecipients that provided program services, and reported to HRSA on the activities in accordance with Federal laws and regulations. Our review covered three MIECHV grants totaling \$10.8 million for which Pennsylvania claimed costs during FY 2014.

Pennsylvania Generally Complied With Maternal, Infant, and Early Childhood Home Visiting Program Requirements

What OIG Found

Pennsylvania generally complied with MIECHV program requirements and terms and conditions of the MIECHV program's grants. However, we found that 2 of Pennsylvania's 10 grant subrecipients did not properly account for MIECHV program funds. One subrecipient incorrectly claimed and received \$131,591 in unallowable MIECHV program funds because it based its claim on a budgeted employee fringe benefit rate and not the actual rate. Pennsylvania repaid to the Federal Government \$34,786 of that amount for FYs 2012 and 2013, and HRSA determined that the remaining \$96,805 should be made available for use for Pennsylvania's MIECHV program provided that the funds were obligated by September 30, 2016, and liquidated by December 30, 2016. The second subrecipient claimed at least \$252,399 of MIECHV program funds for expenditures that may not have been related to the program because it did not properly record MIECHV program expenditures in its general ledger.

What OIG Recommends and Pennsylvania's Comments

We recommend that Pennsylvania (1) determine whether the Erie County School District expended the \$252,399 according to program requirements and refund to the Federal Government any amount not expended according to program requirements and (2) develop additional written procedures to provide monitoring and oversight of subrecipient financial management to ensure that subrecipients' general ledgers accurately reflect the costs claimed on their expenditure reports.

In written comments on our draft report, Pennsylvania concurred with our recommendations and provided information on actions that it had taken to address them. Pennsylvania commented that it resolved both subrecipient issues. Furthermore, Pennsylvania had updated its procedures to require subrecipients to submit general ledgers to support amounts claimed in their quarterly and final expenditure reports.