

Report in Brief

Date: December 2017

Report No. A-09-16-01004

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



Why OIG Did This Review

Head Start grantees are required to have Single Audits conducted in accordance with Office of Management and Budget Circular A-133 (also known as A-133 audits) for fiscal years beginning before December 26, 2014, in accordance with 45 CFR § 74.26(a). The Administration for Children and Families (ACF) is responsible for following up on recommendations made to grantees in A-133 audit reports.

Our objective was to determine whether ACF had a process in place to ensure a timely response to, and that corrective action was taken on, Head Start grantees' A-133 audit findings. Specifically, we determined whether ACF Region X resolved recurring audit findings in accordance with Federal requirements and ACF policies and procedures.

How OIG Did This Review

We reviewed Federal Audit Clearinghouse data for Head Start grantees in ACF Region X that submitted A-133 audit reports for Federal fiscal years 2013 through 2015. (Region X covers Alaska, Idaho, Oregon, and Washington.) We reviewed these reports to identify those with findings related to Head Start. For those reports for which ACF was responsible for resolution, we identified four reports that had recurring audit findings and reviewed the actions that ACF took to resolve those findings.

The Administration for Children and Families Region X Did Not Always Resolve Head Start Grantees' Single Audit Findings in Accordance With Federal Requirements

What OIG Found

ACF had a process in place to ensure that Head Start grantees took corrective action on A-133 audit findings. However, for Region X Head Start grantees that submitted audit reports to the Federal Audit Clearinghouse, ACF did not always resolve recurring audit findings in accordance with Federal requirements and ACF policies and procedures. Specifically, ACF did not issue Audit Determination Letters (which include management decisions on audit findings) to the grantees for two of the four audit reports we reviewed within 6 months after receiving the reports. The prompt resolution of audit findings helps ensure that grantees effectively and efficiently use Federal funds to carry out the activities for which they were authorized.

What OIG Recommends and ACF Comments

We recommend that ACF review its staffing levels and determine whether resources are aligned efficiently, and adjust as needed, to ensure that management decisions are issued to Head Start grantees within the required 6-month timeframe.

ACF concurred with our recommendation and stated that it will continue to explore alternative approaches to staffing challenges.