

A Report to the
Chambers
County
Commissioners
Court

County Judge:
Jimmy Sylvia

Commissioners:
Jimmy Gore
Mark Tice
Tommy Hammond
Billy Combs



Indigent Health Care

BVCAP Grant 2020

Ashley Anderson

December 6, 2021

Chambers County
Auditor
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CHAMBERS COUNTY AUDITOR

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Nature of the Engagement

The Chambers County Auditor's Office has completed an annual audit of the Brazos Valley Community Action Programs (BVCAP) grant. The audit was conducted for the contract period of January 1, 2020 through December 31, 2020.

The overall objective of this audit was:

Assess and evaluate procedures for the distribution of funds, administration of the BVCAP grant, and implementation of grant requirements outlined in the BVCAP contract and state laws.

The Indigent Health Care Department (herein referred to as "Grantee") is responsible for maintaining grant records as well as tracking and reporting grant expenditure information to the BVCAP.

Background

The BVCAP grant allows local Chambers County residents the opportunity to receive assistance for immediate financial burdens. The Chambers County Commissioner's Court desires to provide, on an emergency basis, for the provision of such supplies and services having a measurable and potentially major impact on poverty in the community.

The grant funds are used for utilities, travel, food, housing, prescriptions and certain medical assistance with permission given by the BVCAP. The amount awarded to each client seeking assistance depends on the required type of aid. Eligible recipients are only those whose income is equal to or less than 125% of Federal Poverty Income Guidelines; these amounts vary depending on the number of residents within the household.

Chambers County was awarded \$25,000.00 in grant funds that were to be spent by December 31, 2020 as outlined in the contract with the BVCAP. Every recipient who is given funds is to provide documentation proving they are a Chambers County resident (e.g., a bill in their name with a Chambers County address), a form of identification, and relevant proof of income. However, if the applicant has no proof of income or residency, they are to fill out a Declaration of Income (DOI) or Declaration of Residency (DOR). All documentation should be stored in a client file.

The amount awarded to each client is at the sole discretion of the Grantee and is dependent on the needs of the individual or family. Once all funds are exhausted, the original grant and any amendments are complete.

Audit Scope and Procedures

The audit performed was to evaluate compliance with requirements set forth in the BVCAP contract and state laws.

The following procedures were used to complete the examination:

- Verify that client files contain required documents with applicable signatures.
- Reconcile client file information with Incode records.
- Compare client file information to the monthly and annual reports submitted by the Grantee.
- Check food voucher receipts to ensure BVCAP grant requirements were met.
- Evaluate if good faith efforts were used when awarding monies to each client.
- Review the BVCAP contract and pertinent state laws and assess compliance.

Observations and Findings with Related Recommendations

During the audit, the following observations were noted:

1. Monthly and Annual Reports to the BVCAP
 - a) Findings:
 - i. Monthly reports for June 2020 to December 2020 were submitted. One monthly report was not submitted within the specified 10 day time period set forth in the BVCAP contract. This was due to the Grantee being absent from work and being unable to send the report until returning to the office.
 - ii. The annual report was submitted on time and all client information within was correct.
2. Client File Documentation
 - a) Finding:
 - i. Complete records were retained for all client files.
3. Food Voucher Receipts
 - a) Findings:
 - i. All client food receipts were on file.
 - ii. All clients who received food assistance submitted signed “Assistance Guidelines for Purchase of Groceries” forms. This form shows that the clients acknowledge that the BVCAP program is “designed to help individuals/ families who are struggling to put food on their tables.” The form requests that the recipients make food selections that allow them to receive the most value from their purchase and states that alcohol, tobacco, and non-food items are prohibited.

- iii. The Grantee reviews the client food receipts and assesses adherence to the prescribed guidelines.
 - b) Recommendation:
 - i. Create and implement a written policy that establishes a calculable standard for identifying and further preventing assistance abuse.
- 4. Good Faith Practices
 - a) Findings:
 - i. The Grantee has created a requirement to be used when determining how much to award each client for food based on their household size. The Grantee will award the initial client \$100 for food, then each subsequent household member would add \$20 to the total amount awarded.
 - ii. All clients who received food assistance were correctly awarded funds based on their household sizes.
 - iii. Utility assistance was provided based on the amount requested and the amount required to keep the utilities from being disconnected. Thus, some bills were partially paid, while others were fully paid.
- 5. Audit Requirement
 - a) Finding:
 - i. Section 19 of the BVCAP contract states that the Grantee "...shall arrange for a financial and compliance audit of funds received and performances rendered under this contract." The 2019 BVCAP Audit, completed by the Auditor's Office, was sent to the Brazos Valley Community Action Agency for compliance.
- 6. Service Area
 - a) Finding:
 - i. As in 2019, the Grantee utilized Facebook pages that are run by Chambers County. The Grantee also advertised on community Facebook pages, in schools, and medical facilities. In addition, the Grantee heeded the 2019 BVCAP Audit Report's recommendation to advertise in local newspapers as another way to reach a wide demographic of the population.

Conclusion

The Grantee has made effort to collect proper documentation for each client file and retain necessary records for the contract period. They have improved advertising efforts in order to reach residents from all areas of the county. They have provided all requested information and cooperated during the audit with ease. As the audit was not a detailed examination of all transactions, there is a risk that errors or fraud were not detected. Thus, the Grantee retains the responsibility for the accuracy and completeness of the financial information.



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12/17/2021

RE: Response to 2020 BVCA Grant Audit

Thank you for your time and effort to audit our 2020 BVCA Grant funds. I feel like overall, we had a very sound audit and I wanted to respond to the findings in the audit report.

1. I would like to respond to the one monthly report that was not submitted within the scope of the contract. I was out of the office, unexpectedly, for Covid related reasons. I did email the program to let them know the circumstances and she responded that I could turn the report in when I returned to work, that was not a problem.
2. In response to the recommendation made about implementing a written policy regarding a calculable standard for identifying assistance abuse with the food vouchers, I have reached out to the program administrator for guidance on this one. We do at this time, have a guideline in place that the client signs, which was implemented in result of a prior audit.

We will continue to do our best to be consistent with each household, in relation to the assistance provided and the situation they are in at the time of application.

Respectfully,

Landis Moss