



RICK SNYDER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF HUMAN SERVICES  
LANSING

MAURA D. CORRIGAN  
DIRECTOR

May 20, 2011

Ms. Ursula Holland, Acting Executive Director  
City of Detroit, Department of Human Services  
5031 Grandy Street  
Detroit, Michigan 48211

Dear Ms. Holland:

Thank you for the cooperation you and your staff extended to Steve Listman during his comprehensive programmatic monitoring visit. Your staff was extremely helpful in responding promptly to his requests for information. Enclosed is the programmatic monitoring report summarizing the visit to City of Detroit, Department of Human Services.

There were no Programmatic Findings identified during the monitor visit. However, DDHS has several unresolved findings on file. Please submit your responses to the Bureau by June 30, 2011.

- Fiscal Monitoring Report issued on December 21, 2010 contains three unresolved findings.
- Management Decision Letter issued on November 22, 2010 in response to the Monitoring Report and Corrective Action Plan dated August 23, 2010 contains two unresolved findings.
- Management Decision Letter issued on October 19, 2010 in response to your Corrective Action Plan and Single Audit for the period ending June 30, 2008 contains four unresolved findings.

If you have programmatic questions regarding this report, please contact Steve Listman at 517.241.2613.

Sincerely,

Stacie Gibson, Director  
Bureau of Community Action & Economic Opportunity

Enclosure

cc: Kris Schoenow, Assistant Director  
Mayor Dave Bing, Chairperson, Agency Advisory Board of Directors  
Viran G. Parag, Grant Manager  
Cecilia Hutson, Fiscal Monitor  
Steve Listman, Grant Monitor  
Jeff Wyman, Fiscal Monitor  
10 Monitoring File MVID #190



RICK SNYDER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF HUMAN SERVICES  
LANSING

MAURA D. CORRIGAN  
DIRECTOR

May 20, 2011

## Bureau of Community Action and Economic Opportunity

### Monitoring Report

Monitoring Date: Start = April 5, 2011 End = April 8, 2011  
DHS Monitor: Steve Listman [ListmanS2@michigan.gov](mailto:ListmanS2@michigan.gov) (517) 241-2613  
Agency Name: City of Detroit, Department of Human Services  
Contact Person: Ursula Holland, Acting Executive Director  
Location: 5031 Grandy Street, Detroit, MI 48211

Monitoring Type:

☒ Comprehensive ☐ Annual ☒ Programmatic ☐ Fiscal

Contract Series/Programs

Contract Effective Time

DOE/Weatherization	April 1, 2009 – March 31, 2010 (FY 09)
LIHEAP/Weatherization	April 1, 2009 – March 31, 2010 (FY 09)
MPSC Weatherization	November 1, 2009 – September 30, 2010 (FY10)
CSBG - T Program	January 1, 2010 – June 30, 2010 (FY 10)
CSBG - Program	October 1, 2009 – September 30, 2010 (FY 10)
CSBG ARRA Program	October 1, 2009 – September 30, 2010 (FY 10)

Findings Summary:

- Nine administrative recommendations

Action Required:

- None

Next Monitoring Visit:

- Annual Fiscal Review, Tentative Date: April 2012
- Annual Programmatic Review, Contract Series 2011, Tentative Date: April 2012

## SECTION I - AGENCY OVERVIEW

### Entrance Conference

April 5, 2011

DHS Bureau of Community Action and Economic Opportunity (BCAEO) Programmatic Monitor, Steve Listman met with City of Detroit, Department of Human Services (Detroit - DHS) Manager I, Planning Division, Sheila Washington-Bond.

The purpose of the monitoring visit was discussed with the agency representative.

Programmatic monitor visits are multi-purposed. The central purpose of monitoring Community Action Agencies (CAA's) is to establish an overall picture of the agency, including its major strengths and weaknesses.

Additionally, the Bureau conducts an "onsite" review of all Department of Human Services program-funded activities each agency is involved with during the program fiscal year. The programs include: Community Services Block Grant (CSBG, CSBG ARRA, CSBG-D, CSBG-F, CSBG-M, CSBG-N and CSBG-T), Department of Energy Weatherization Program (DOE & DOE ARRA), LIHEAP Weatherization Assistance and Michigan Public Service Commission-funded weatherization (MPSC-Wx).

**NOTE:** Samples of Detroit, DHS client files were reviewed for appropriate documentation and client eligibility determinations during the recent visit.

In addition to program file reviews, the agency was sent two pre-monitor surveys.

One survey provided the bureau with information regarding how the City of Detroit, DHS monitors sub-contractors.

**Note:** the programmatic monitor was provided with samples of work tools and reports for eight sub-contractors, who were monitored by the city from 10/2009 - 6/2010. They are identified as: Checker Cab Company, Gleaners, Detroit Area Agency on Aging, Young Detroit Builders, Alkebulan Center - After School Program, Commercial Driver Training School Program, Girl Scouts of Metro Detroit - After School Program and Sync Technologies.

The second survey has questions designed to give the bureau a broader understanding of agency operations as well as the impact of the new DBA, FACSPRO database system, on agency programs.

Also, the community action agency has provided the Bureau with names of both past and present staff whom occupies or has occupied key management positions. The information will aid with the bureau's assessment of agency workforce turnover and/or changes.

**Prior Year Monitoring Follow-up**

The City of Detroit, Department of Human Services was sent a follow up reminder by the Director of the DHS - Bureau of Community Action and Economic Opportunity on November 22, 2010 regarding a response to the unresolved findings below:

**Girl Scouts of Metro, Detroit -After School Program****Finding: Lack of Documentation of Services Provided**

**Observation:** In general the case files had very little supporting documentation. The grant monitor was unable to find documentation that services were actually provided by the subcontract. The agency's contract with the subcontractor required monthly reports documenting services provided. The reports that were submitted did not contain documentation of services.

**Citation:** FY08 CSBG contract

**Corrective Action:** The agency must provide documentation that services were provided by the contractor during FY08. Documentation must also be submitted documenting any CSBG-fund services provided by this subcontractor during FY09 and FY10.

**Response:** Programmatic reports for this contractor are attached for review.

**MDHS Response:** The Bureau of Community Action and Economic Opportunity have reviewed the enclosed programmatic reports for this contractor and find that they DO NOT satisfy the Corrective Action as described above. BCAEO needs actual documentation showing the services were provided, for example, a class roster/sign in sheet (actually signed by attendees to show they attended), and any monitoring reports done by City of Detroit Department of Human Services. This finding is NOT resolved.

**Commercial Driver License Training School (CDL)**

Five case files were reviewed for persons participating in the program.

**Finding -Lack of Documentation of Services Provided**

**Observation:** One of five case files had an income calculation error that, when corrected, did not affect eligibility. For four of the five cases, there was no documentation that any of them attended any classes.

**Citation:** FY08 CSBG contract

**Corrective Action:** The agency must provide documentation that services were provided by CDL during FY08. Documentation must also be submitted documenting any CSBG-fund services provided by this subcontractor during FY09 and FY10.

**Response:** Course roster (indicating status) is attached for review.

**MDHS Response:** The Bureau of Community Action and Economic Opportunity has reviewed the enclosed CSBG CDL Student Roster 2007-2008 for this contractor and find it **DOES NOT** satisfy the Corrective Action as described above. BCAEO needs actual documentation showing the services were provided, for example copies of Certificates of Completion from the students on the roster or an official roster sheet signed by those attending. The Bureau would also like copies of the monthly programmatic and statistical reports as outlined in the contract. This finding is **NOT** resolved.

As stated in the General Provisions section of each agency contract, you are required to respond to all unresolved findings within sixty days, so we will look forward to your responses by January 21, 2011.

If you have any questions, please contact Frank Pattinson at 617-335-3620.

**Note:** as of May 20, 2011, both findings remain unresolved.

#### **Staff Turnover**

There are concerns in this area that have occurred since the monitor visit in April. On Wednesday, May 18, 2011, the Bureau of Community Action and Economic Opportunity was advised that the Executive Director and a number of unidentified staff have been suspended by the agency pending the results of an on-going internal investigation. The bureau will continue to monitor the situation to determine if it will impact any future contract obligations.

### **SECTION II – PROGRAMMATIC REVIEW**

#### **Earned Income Tax Credit Program (CSBG – T)**

Six hundred ninety five individuals/families received CSBG – T service during FY10. Twenty individuals/families were entered on CSBG Form Attachment E (CSPM Item 312, Documentation of Eligibility Determination) to test eligibility for clients who received tax preparation services funded by the program in 2010. All twenty individuals/families were eligible for tax preparation services based on either 200% of the Poverty Income Level or had qualified for another agency program.

**CSBG – Programs****Young Detroit Builders****Case File Reviews**

Five case files were reviewed for households that received CSBG services during FY10.

There are no concerns in this area.

**Checker Cab Company****Case File Reviews**

Nine case files were reviewed for households that received CSBG services during FY10.

**Administrative Recommendation – Incorrect Income Calculation**

**Observation:** In four cases, the worker did not count the State of Michigan SSI supplement in the income calculation. Using the correct income, all four households remained eligible for CSBG services.

**Recommendation:** Staff should be reminded to include all countable income from all sources (annualized or actual), for all household members, for the past 12 months in the income eligibility determination. Individual mentoring and/or group training of income policy may be of benefit to the agency.

**Gleaners Community Food Bank****Case File Reviews**

Ten case files were reviewed for households that received CSBG services during FY10.

**Administrative Recommendation – Incorrect Income Calculation**

**Observation:** In three cases, the worker did not count the State of Michigan SSI supplement in the income calculation. Using the correct income, all three households remained eligible for CSBG services.

**Observation:** In one case, the worker didn't count both the Federal and State of Michigan SSI supplement for one household member. Using the correct income, the household remained eligible for CSBG services.

**Recommendation:** Staff should be reminded to include all countable income from all sources (annualized or actual), for all household members, for the past 12 months in the income eligibility determination. Individual mentoring and/or group training of income policy may be of benefit to the agency.

### **Girl Scouts of Metro Detroit – After School Program**

#### **Case File Reviews**

Five case files were reviewed for households that received CSBG services during FY10.

#### **Administrative Recommendation – Incorrect Income Calculation**

Observation: In one case, the worker did not count the State of Michigan SSI supplement in the income calculation. Using the correct income, the household remained eligible for CSBG services.

Recommendation: Staff should be reminded to include all countable income from all sources (annualized or actual), for all household members, for the past 12 months in the income eligibility determination. Individual mentoring and/or group training of income policy may be of benefit to the agency.

### **Alkebulan Academy for the Arts**

#### **Case File Reviews**

Three case files were reviewed for households that received CSBG services during FY10.

There are no concerns in this area.

### **Commercial Driver License Training Program (CDL)**

#### **Case File Reviews**

Six case files were reviewed for households that received CSBG services during FY10.

#### **Administrative Recommendation – Incorrect Income Calculation**

Observation: In one case, the worker did not count the State of Michigan SSI supplement in the income calculation. Using the correct income, the household remained eligible for CSBG services.

Observation: In one case, the worker did not count the correct amount of weeks of Unemployment income. Using the correct income, the household remained eligible for CSBG services.

Recommendation: Staff should be reminded to include all countable income from all sources (annualized or actual), for all household members, for the past 12 months in the income eligibility determination. Individual mentoring and/or group training of income policy may be of benefit to the agency.

## **Sync Technologies**

### **Case File Reviews**

Seven case files were reviewed for households that received CSBG services during FY10.

#### **Administrative Recommendation – Incorrect Income Calculation**

**Observation:** in one case, the worker counted a check outside of the income look back period. Using the correct income, the household remained eligible for CSBG services.

**Recommendation:** Staff should be reminded to include all countable income from all sources (annualized or actual), for all household members, for the past 12 months in the income eligibility determination. Individual mentoring and/or group training of income policy may be of benefit to the agency.

## **Detroit Area Agency on Aging - Meals on Wheels Program**

### **Case File Reviews**

Ten case files were reviewed for households that received CSBG services during FY10.

#### **Administrative Recommendation – Incorrect Income Calculation**

**Observation:** In five cases, the worker counted "net" RSDI income in the eligibility determination. Using the correct "gross" RSDI income amount, all five households remained eligible for CSBG services.

**Recommendation:** Staff should be reminded to include all countable income from all sources (annualized or actual), for all household members, for the past 12 months in the income eligibility determination. Individual mentoring and/or group training of income policy may be of benefit to the agency.

## **CSBG ARRA Programs**

### **Detroit Area Agency on Aging - Mature Workers Program**

#### **Case File Reviews**

Seven case files were reviewed for households that received CSBG services during FY10.

#### **Administrative Recommendation – Incorrect Income Calculation**

**Observation:** in one case, the worker did not count the State of Michigan SSI supplement in the income calculation. Using the correct income, the household remained eligible for CSBG services.



Recommendation: Staff should be reminded to include all countable income from all sources (annualized or actual), for all household members, for the past 12 months in the income eligibility determination. Individual mentoring and/or group training of income policy may be of benefit to the agency.

#### **Emergency Needs Program**

##### **Case File Reviews**

Nineteen case files were reviewed for households that received CSBG services during FY10.

##### **Administrative Recommendation – Incorrect Income Calculation**

Observation: In four cases, the worker did not count the State of Michigan SSI supplement in the income calculation. Using the correct income, all four households remained eligible for CSBG services.

Observation: In one case, the worker counted an incorrect amount of income from the IRS W-2 form. Using the correct income, the household remained eligible for CSBG ARRA services.

Observation: In one case, the worker did not count verified child support in the eligibility determination. Using the correct income, the household remained eligible for CSBG ARRA services.

Recommendation: Staff should be reminded to include all countable income from all sources (annualized or actual), for all household members, for the past 12 months in the income eligibility determination. Individual mentoring and/or group training of income policy may be of benefit to the agency.

#### **DOE/MPSC Weatherization Programs**

##### **Case File Reviews**

Twenty case files were reviewed for households that received DOE/MPSC Weatherization services during FY09.

##### **Administrative Recommendation – Incomplete Application**

Observation: Job # 903808: the agency did not answer item "N" (Indicate whether the dwelling was previously weatherized) on the "For Office Use Only" portion of the Application for Weatherization Assistance. Note: the file was corrected on site and the household remained eligible for Weatherization services.

**Recommendation:** Staff should be reminded that per CSPM Item 612.2, "An Application for Weatherization Assistance, DHS-4283, must be completed for each household seeking weatherization assistance. Each item must be completed. If the item is not applicable, proper notation (e.g., N/A, none, zero, a line through the item, etc.) must be made on the application." Individual mentoring and/or group training of weatherization policy may be of benefit to the agency.

**Client Priority Practices/ Production/Report Issues**

The agency exceeded four out of five priority production goals for PY09.

**SUMMARY AND CONCLUSIONS**

On April 7, 2011, an exit conference was held to discuss the results of the annual programmatic monitoring visit. Present at the conference from the agency was Shenetta Coleman, Executive Director; Constance M. Phillips, General Manager and Shella Washington-Bond, Manager I. Present from the DHS Bureau of Community Action & Economic Opportunity was Steve Letman, programmatic monitor. The nine programmatic administrative recommendations were discussed. Also, the agency was advised, per CSBG Item 612.2, that income eligibility for the Weatherization Program should be determined within 30 days of the application date. Suggestions were made to the agency re: intake staff having a copy of CSPM policy close at hand and also staff would benefit from CSPM policy training.

This closes the monitoring visit at the City of Detroit, Department of Human Services agency.



JENNIFER M. GRANHOLM  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF HUMAN SERVICES  
LANSING



ISMAEL AHMED  
DIRECTOR

August 23, 2010

## Bureau of Community Action and Economic Opportunity

### Monitoring Report

Monitoring Date: Nov 19, 2009 End: September 17, 2009  
Monitoring Date: June 24, 2010 End: June 24, 2010

DHS Monitors: Steve Listman [lstmanS2@michigan.gov](mailto:lstmanS2@michigan.gov) (517) 241-2813

Agency Name: City of Detroit, Department of Human Services

Contact Person: Shenetta Coleman, Executive Director

Location: 5031 Grandy Street, Detroit, MI 48211

Monitoring Type:

☐ Comprehensive ☒ Annual ☒ Programmatic ☐ Fiscal

Contract Series/Programs

Contract Effective Time

DOE/Weatherization  
LIHEAP/Weatherization  
DOE ARRA  
TANF Program  
CSBG

April 1, 2008 -- March 31, 2009 (PY 08)  
April 1, 2008 -- March 31, 2009 (PY 08)  
April 4, 2009 - March 31, 2009 (PY 09)  
October 1, 2007 -- September 30, 2008 (FY 08)  
October 1, 2007 -- September 30, 2008 (FY 08)

Findings Summary:

Two Programmatic Findings

Six Programmatic Administrative Recommendations

Action Required:

Programmatic Finding # 1, Resolved, No further Action Necessary  
Programmatic Finding # 2, DOE ARRA Repay Amount = \$1,127.30

Next Monitoring Visit

Comprehensive Programmatic Review, Contract Series 2009/10, Tentative Date = November 2010



JENNIFER M. GRANHOLM  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF HUMAN SERVICES  
LANSING



ISMAEL AHMED  
DIRECTOR

August 20, 2010.

## Bureau of Community Action and Economic Opportunity

### Monitoring Report

Monitoring Date: September 2-3, 2009 and September 19, 2009  
DHS Monitors: Frank Pattinson [PattinsonF@michigan.gov](mailto:PattinsonF@michigan.gov) (517) 335-3620  
Agency Name: City of Detroit Department of Human Services  
Contact Person: Sheretta Coleman, Executive Director  
Location: 5031 Grandy Street Detroit, MI 48211

Monitoring Type:

☐ Comprehensive ☒ Annual ☒ Programmatic ☐ Fiscal

Contract Series/Programs

Contract Effective Time

CSBG	October 1, 2007 – September 30, 2008 (PY 2008)
DOE/Weatherization	April 1, 2008 – March 31, 2009 (PY 2008)
LIHEAP/Weatherization	April 1, 2008 – March 31, 2009 (PY 2008)
MPSC/Wx/Client Education Program	October 1, 2007 – August 31, 2008 (PY 2008)
TANF	October 1, 2007 – September 30, 2008 (PY 2008)

Findings Summary:

- Three Findings Identified
- Four Administrative Recommendations

Action Required:

- Agency response to findings required within 60 days

## **SECTION I – AGENCY OVERVIEW**

### **Entrance Conference**

September 2, 2009.

DHS Bureau of Community Action and Economic Opportunity (BCAEO) Programmatic Monitors, Frank Pattinson and Steve Listman; Fiscal Monitors, Jeff Wyman and Cecilia Huston; Grant Manager, Viran Parag met with City of Detroit, Department of Human Services (City of Detroit - DHS) Executive Director, Shenetta Coleman; Planning Manager, Sheila Washington-Bond and Accounting Manager, Mahesh Patel.

The purpose of the monitoring visit was discussed with City of Detroit – DHS staff.

Programmatic monitor visits are multi-purposed. The central purpose of monitoring Community Action Agencies (CAA's) is to establish an overall picture of the agency, including its major strengths and weaknesses.

Additionally, the Bureau conducts an "onsite" review of all Department of Human Services program-funded activities each agency is involved with during the program fiscal year. The programs include: Community Services Block Grant (CSBG, CSBG ARRA, CSBG-D, CSBG-F, CSBG-M, CSBG-N and CSBG-T), Department of Energy Weatherization Program (DOE & DOE ARRA), LIHEAP Weatherization Assistance, Michigan Public Service Commission-funded weatherization (MPSC-Wx) and client Temporary Assistance to Needy Families (TANF).

**NOTE:** Samples of City of Detroit – DHS client files were reviewed for appropriate documentation and client eligibility determinations during the recent visit.

## **SECTION III – PROGRAMMATIC REVIEW**

### **CSBG – Program, Young Detroit Builders**

#### **Case File Reviews**

Ten case files were reviewed for households that received CSBG services during FY08.

#### **Administrative Recommendation – Missing Income Calculation Document**

**Observation:** In five cases, the intake worker did not include a copy of all calculations for each income source for the prior 12 months (annualized or actual) as well as the total income for the client household in the case file. When the income was calculated (based on verification in the case file), the households remained eligible for CSBG services.

**Recommendation:** Staff should be reminded to include all income calculations in the case file. Individual mentoring and/or group training of income policy may be of benefit to the agency.

**Administrative Recommendation – Incorrect Income Calculation**

**Observation:** in one case, the intake worker did not count the State of Michigan SSI supplement in the income calculation. Using the correct income, the household remained eligible for CSBG services.

**Recommendation:** Staff should be reminded to include all countable income from all sources (annualized or actual), for all household members, for the past 12 months in the income eligibility determination. Individual mentoring and/or group training of income policy may be of benefit to the agency.

**CSBG – Children's Aid Society****Case File Reviews**

Six case files were reviewed for households that received CSBG services during FY08.

There are no concerns in this area.

**CSBG – Cass Community Social Services Food Service Training Program****Case File Reviews**

Six case files were reviewed for households that received CSBG services during FY08.

There are no concerns in this area.

**CSBG – Checker Cab****Case File Reviews**

Five case files were reviewed for households that received CSBG services during FY08.

There are no concerns in this area.

**CSBG – Detroit Urban League****Case File Reviews**

Five case files were reviewed for households that received CSBG services during FY08.

There are no concerns in this area.

### TANF Program

#### **Case File Reviews**

Eight case files were reviewed for clients who received TANF program services during FY08.

There are no concerns in this area.

### DOE/MPSC Weatherization Programs

#### **Case File Reviews**

Thirty one case files were reviewed for households that received DOE/MPSC Weatherization services during PY08. None of the case files selected received MPSC only Weatherization services during the program year.

#### **Administrative Recommendation – Incomplete Application**

**Observation:** Job # 803808, 1003508, 407108, 201408, 500508, 407608, 404308, 806108, 304409, 507608, 403108, 505808, 505208, 907408: the agency did not answer item "N" (Indicate whether the dwelling was previously weatherized) on the "For Office Use Only" portion of the Application for Weatherization Assistance. Note: all files were corrected on site and the households remained eligible for Weatherization services.

**Recommendation:** Staff should be reminded that per CSPM Item 612.2, "An Application for Weatherization Assistance, DHS-4283, must be completed for each household seeking weatherization assistance. Each item must be completed. If the item is not applicable, proper notation (e.g., N/A, none, zero, a line through the item, etc.) must be made on the application." Individual mentoring and/or group training of weatherization policy may be of benefit to the agency.

#### **Administrative Recommendation – Incomplete Landlord Agreement Form**

**Observation:** Job # 405307, 1000408: the intake worker did not complete the "Begin/End" date of the Landlord Agreement. Note: the Landlord Agreement form for both dwellings was completed on site and both households remained eligible for weatherization services.

**Recommendation:** Staff should be reminded that per CSPM Item 610.1, The Grantee will ensure a landlord agreement is completed for a rental unit to be weatherized, prior to the weatherization of any rental unit. Individual mentoring and/or group training of weatherization policy may be of benefit to the agency.

**Administrative Recommendation – Incorrect Income Calculation**

**Observation:** Job # 505808: The worker counted excluded adoption subsidy income during the client eligibility determination. When the correct countable income was used, the household remained eligible for Weatherization services.

**Recommendation:** Staff should be reminded to include only countable household income in the income calculation. Individual mentoring and/or group training of income policy may be of benefit to the agency.

**Programmatic Finding # 1– Household Ineligible – Expired Application**

**Observation:** Job # 1000208: The "Job Start" date for the household indicated that work began later than twelve months after client eligibility was determined.

Weatherization policy states, "If weatherization activities do not begin within one calendar year from the date of eligibility determination, a new application is required".

**Citation:** CSPM Item 612.2

**Corrective Action:** The agency representative collected a new application as well as income verification from the client.

**Outcome:** Upon review, the new application was complete and the household was determined to be income eligible for weatherization services. The finding is resolved and no further action is needed.

**Note:** on June 24, 2010, the programmatic monitor returned to the City of Detroit – DHS agency to read DOE ARRA Weatherization files.

**DOE ARRA Weatherization Program****Case File Reviews**

Twenty five case files were reviewed for households that received DOE ARRA Weatherization services during FY09.

**Programmatic Finding # 2- Household Ineligible – Over Income Limit**

**Observation:** Job # 1201509: The application date is 06/19/09. The household size is two. The three month DOE Poverty income limit at the time of application was \$7,404 (60% of State Median Income. Note: policy states to use 200% of poverty income level or 60% of the State Median Income, whichever is higher, to determine eligibility for the DOE weatherization assistance program). Household income for the 3 month look back period was entered on the application in the amount of \$7,713.00. The household's actual income (determined by the programmatic monitor) was \$8,074.20. The household is deemed ineligible for Weatherization Services.



Citation: CSPM Items 601

Corrective Action: The City of Detroit – DHS must restore disallowed Department of Energy (DOE) ARRA costs totaling \$1,127.30 to the DOE ARRA Contract. This can be accomplished by either sending a check for that amount to MDHS grant manager, or the agency can transfer the cost for the work performed to another funding source and make a correction to the DOE ARRA Statement of Expense billing notification.

Note: Please contact the grant manager (referenced below) for assistance with the process.

Michigan Department of Human Services  
Attention: Viran Parag  
Bureau of Community Action and Economic Opportunity  
235 South Grand Avenue, Suite 204  
P. O. Box 30037  
Lansing, MI 48909  
517.241.0329

Administrative Recommendation – Incorrect Income Calculation

Observation: Job # 403609: The worker used year to date income on a pay stub that was three weeks prior to the end of the 3 month income eligibility look back period. When the correct income was used, the household remained eligible for Weatherization services.

Recommendation: Per CSPM Item 601, "Determine the household's Actual Income for the preceding 3 month period including the date of application. Individual mentoring and/or group training of income policy may be of benefit to the agency.

## PROGRAMMATIC REVIEW (Pattinson)

### DOE/LIHEAP/MPSC WEATHERIZATION

The City of Detroit Department of Human Services reported 729 DOE weatherization completed units during PY08. This grant monitor reviewed 46 case records for households that received weatherization services during PY08.

#### Finding -- No Income Calculation in Case File

Observation: Job #406308 -- The grant monitor was unable to find an income calculation in the case file. From the documentation in the file, it appeared the household was probably eligible for weatherization services.

Citation: CSPM Item 601

Corrective Action: The agency must submit documentation of this household's eligibility for weatherization services.

#### Administrative Recommendation -- Incorrect Income Calculations

Observation: The following case records contained income calculation errors:

Job #107909 -- The income calculation included college financial aid payments to a household member. This income should have been excluded.

Job #806508 -- The income calculation included child support payments received by the household. This income should have been excluded.

Job #800608 -- The income calculation included child support payments received by the household. This income should have been excluded.

Job #203109 -- The file did not have an income calculation. The calculation was completed during the monitoring visit.

Job #604308 -- The application was dated June 1. The calculation included only six months income from the previous year. The calculation should have included seven months of the previous year's income.

All of the errors and omissions for these cases were corrected during the visit, and all cases appeared to be eligible for weatherization services.

Recommendation: Income eligibility training should be done on a regular basis to keep staff knowledgeable of income eligibility policies.

**Roudebush Shawn**

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**From:** Roudebush Shawn on behalf of Schoenow, Kris  
**Sent:** Friday, June 03, 2011 9:25 AM  
**To:** Ursula Holland  
**Cc:** Hutson, Cecilia; Schoenow, Kris; Wyman, Jeffrey; Listman, Steve; Parag, Viran  
**Subject:** 82007 DETROIT MVID190 Programmatic Monitoring Report  
**Attachments:** 82007 MVID190 Programmatic Monitoring Report.pdf; 82007 MVID 134 Fiscal Report City of Detroit.pdf; Detroit CorrectiveActionMgmtDecisionmemo.11.22.10.pdf; DetroitCARSingleAudit6.30.08overdue.memo10.19.10.pdf

Dear Ms. Holland:

Attached is the programmatic monitoring report summarizing the visit on April 5 - April 8, 2011. If you have any questions regarding this email, please contact me at (517) 373-8896. Thank you.

Shawn Roudebush  
Department of Human Services/BCAEO  
235 South Grand, Suite 204  
P.O. Box 30037  
Lansing, MI 48906-7537  
(517) 373-8896

*06/03/11 - copy of report mailed to Margy Berg (cc. on letter)*



JENNIFER M. GRANHOLM  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF HUMAN SERVICES  
LANSING



ISMAEL AHMED  
DIRECTOR

December 21, 2010

Ms. Shenetta Coleman, Director  
City of Detroit Department of Human Services  
5031 Grandy  
Detroit, MI 48211

Dear Ms. Coleman:

Thank you for the cooperation you and your staff extended to Cecilia Hutson during her comprehensive fiscal monitoring visit. Your staff was extremely helpful in responding promptly to her requests for information. Enclosed is the fiscal monitoring report summarizing the visit.

Three (3) findings were identified and six (6) administrative recommendations were made during the monitoring visit, please submit your corrective action plan to the Bureau by February 17, 2011. As stated in the General Provision Section of each Agency contract, you are required to respond to all unresolved findings in the report within sixty (60) days. However, the Cost Allocation Plan, as cited in fiscal finding #1, must be submitted to the Bureau by January 7, 2011.

If you have questions regarding this report, please contact Ms. Hutson at (313) 456-1246.

Sincerely,

Stacie Gibson, Director  
Bureau of Community Action & Economic Opportunity

Enclosure

cc: Kris Schoenow, Assistant Director  
Viran Parag, Grant Manager  
Steve Listman, Grant Monitor  
Cecilia Hutson, Fiscal Monitor  
Jeff Wyman, Fiscal Monitor  
09 Monitoring File 134



JENNIFER M. GRANHOLM  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF HUMAN SERVICES  
LANSING



ISMAEL AHMED  
DIRECTOR

August 23, 2010

Ms. Shenetta Coleman, Executive Director  
City of Detroit, Department of Human Services  
5031 Grandy  
Detroit, MI 48211

Dear Ms. Coleman:

Thank you for the cooperation you and your staff extended to Frank Pattinson and Steve Listman during several monitoring visits. Your staff was extremely helpful in responding promptly to requests for information. Enclosed are the program monitoring report summarizing visits ending on September 19, 2009 and the report summarizing visits ending on November 19, 2009.

Three Programmatic Findings were identified during the visit ending on September 19, 2009. A Corrective Action Plan is required to be submitted to the Bureau by September 22, 2010.

Two Programmatic Findings were identified during the visit ending on November 19, 2009. The first finding was resolved onsite during the visit. The other finding identified \$1,127.30 in disallowed costs. A refund check can be sent to the Bureau, or the agency can transfer the cost for the work performed to another funding source and make a correction to the DOE ARRA statement of expenditure billing notification by September 22, 2010.

If you have questions regarding this report, please contact Frank Pattinson at (517) 335-3620.

Thank you for your prompt attention to this matter.

Sincerely,

*Stacie M. Gibson / K. Shiao*  
Stacie Gibson

Stacie Gibson, BCAEO Director

MVID: 123

## PROGRAMMATIC REVIEW (Pattinson)

### DOE/LIHEAP/MPSC WEATHERIZATION

The City of Detroit Department of Human Services reported 729 DOE weatherization completed units during PY08. This grant monitor reviewed 46 case records for households that received weatherization services during PY08.

#### Finding – No Income Calculation in Case File

Observation: Job #406308 – The grant monitor was unable to find an income calculation in the case file. From the documentation in the file, it appeared the household was probably eligible for weatherization services.

Citation: CSPM Item 601

Corrective Action: The agency must submit documentation of this household's eligibility for weatherization services.

#### Administrative Recommendation – Incorrect Income Calculations

Observation: The following case records contained income calculation errors:

Job #107909 – The income calculation included college financial aid payments to a household member. This income should have been excluded.

Job #806508 – The income calculation included child support payments received by the household. This income should have been excluded.

Job #800608 – The income calculation included child support payments received by the household. This income should have been excluded.

Job #203109 – The file did not have an income calculation. The calculation was completed during the monitoring visit.

Job #604308 – The application was dated June 1. The calculation included only six months income from the previous year. The calculation should have included seven months of the previous year's income.

All of the errors and omissions for these cases were corrected during the visit, and all cases appeared to be eligible for weatherization services.

Recommendation: Income eligibility training should be done on a regular basis to keep staff knowledgeable of income eligibility policies.

**Administrative Recommendation -- Reweatherized Units**

**Observation:** The applications in several case files were not complete. The box indicating whether or not the house had previously been weatherized was not completed. Staff completed all during the visit.

**Recommendation:** Staff should be reminded to always determine if the house had previously been weatherized, and this information must be entered on the application.

**MPSC CLIENT EDUCATION**

The grant monitor compared a list of households that received MPSC-funded client education with a list of clients who received weatherization services. All households reviewed were on both lists. Therefore, all were eligible for MPSC client education.

**CSBG****Alkebu-lan Arts Program**

Four case files were reviewed for persons enrolled in the CSBG-funded Alkebu-lan Arts Program.

**Administrative Recommendation -- Incorrect Income Calculation**

**Observation:** The income calculation for one case included one month's income from 2007. The calculation should have included four months of income from 2007. With the corrected calculation, the person remained eligible for CSBG-funded services.

**Recommendation:** Staff and supervision should be advised to always verify the accuracy of all income calculations.

**Girl Scouts of Metro Detroit After School Program**

Eight case files were reviewed for participants in CSBG-funded Girl Scouts activities during FY08.

**Finding -- Lack of Documentation of Services Provided**

**Observation:** In general the case files had very little supporting documentation. The grant monitor was unable to find documentation that services were actually provided by the subcontract. The agency's contract with the subcontractor required monthly reports documenting services provided. The reports that were submitted did not contain documentation of services.

**Citation:** FY08 CSBG contract

**Corrective Action:** The agency must provide documentation that services were provided by the contractor during FY08. Documentation must also be submitted documenting any CSBG-funded services provided by this subcontractor during FY09 and FY10.

#### **Commercial Driver License Training School (CDL)**

Five case files were reviewed for persons participating in the

#### **Finding – Lack of Documentation of Services Provided**

**Observation:** One of five case files had an income calculation error that, when corrected, did not affect eligibility. For four of the five cases, there was no documentation that any of them attended any classes.

**Citation:** FY08 CSBG contract

**Corrective Action:** The agency must provide documentation that services were provided by CDL during FY08. Documentation must also be submitted documenting any CSBG-funded services provided by this subcontractor during FY09 and FY10.

#### **Deliverable Meals**

Six case files were reviewed for households that received CSBG-funded deliverable meals. All files, calculations and documentation were complete.

#### **Gleaners Community Food Bank**

Fourteen case files were reviewed for households that received CSBG-funded services through the agency's subcontract with Gleaners Community Food Bank. All files, calculations and documentation were complete.

#### **TANF**

##### **Child Care Coordinating Council**

Eight case files were reviewed for households that received TANF-funded services in FY08 through the agency's subcontract with the Child Care Coordinating Council. All files, calculations and documentation were complete.

##### **Family Service, Inc.**

Five case files were reviewed for households that received TANF-funded services in FY08 through the agency's subcontract with Family Service, Inc.



**Administrative Recommendation – Religious Preference on Application**

**Observation:** The subcontractor's application for services has a check box for "religious preference."

**Recommendation:** If this subcontractor is used for any future DHS-funded programs, the "religious preference" check box must be removed from the services application.



RICK SNYDER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF HUMAN SERVICES  
LANSING

MAURA D. CORRIGAN  
DIRECTOR

June 9, 2011

Ms. Ursula Holland, Interim Director  
City of Detroit, Department of Human Services  
5031 Grandy  
Detroit, MI 48211

Re: Corrective Action Plan- Single Audit period ending June 30, 2010  
DHS OMIC Assignment #2011-017 BCAEO MVID #224

Dear Ms. Holland:

The Michigan Department of Human Services (MDHS) Bureau of Community Action & Economic Opportunity (BCAEO) is in receipt of the single audit information for the City of Detroit (City) Department of Human Services (DDHS/Agency) for the year ended June 30, 2010. Included in the audit were findings related to MDHS programs discovered during the audit and your agency's response or Corrective Action Plan. The following is a summary of MDHS's decision regarding your Corrective Action Plan:

**BCAEO MANAGEMENT DECISION**

**Finding #2010-52:** Per review of the fringe benefit calculation, certain amounts charged to the grant in the amount of \$405,676 include principal and interest payments for pension borrowings. Approximately 94.7% of the \$405,676 (or \$384,175) is related to interest and as such will be a questioned cost.

**Possible Asserted Cause and Effect:** After the City's budget was approved in May 2009 for the 2009-2010 fiscal year, the budget and finance department determined that additional funds were due the pension system for POC - UAAL. The POC's were issued in prior years to supplement the City's pension systems for its UAAL. The corresponding amounts charged to the grant were for principal and interest, and are to be ongoing for a number of years.

**Requirement:** Per OMB Circular A-87, Attachment B, Part 23(a), Interest: Costs incurred for interest on borrowed capital or the use of a governmental unit's own funds, however represented, are unallowed except as specifically provided in subsection b, or authorized by Federal legislation. Subsection b refers to allowable interest related to construction type activities. The UAAL does not fall into this category of interest expense, and therefore does not qualify for allowability under this section.

**Recommendation:** Recommendation that the City not charge unallowable costs to grant programs without specific approval from the granting agencies of each grant.

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**Questioned Costs: \$384,175**

**Agency Corrective Action Response:** Management agrees with the finding that the interest portion of the POC UAAL should not have been charged to the grant as stated in OMB Circular A-87. We have requested that HUD review these charges to see if they could be properly charged.

**MDHS Management Decision:** The BCAEO expects the City to repay MDHS the identified unallowable costs using non-federal, non-state funds. Payment may be remitted to:

Michigan Department of Human Services  
Bureau of Community Action & Economic Opportunity  
Attn: Jeff Wyman, Fiscal Monitor  
235 S. Grand Ave. Suite 204  
PO Box 30037  
Lansing, MI 48909

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**Finding #2010-53:** The City charged \$67,000 in administrative costs to CSBG, which should have been allocated to the TANF grant.

**Possible Asserted Cause and Effect:** TANF and CSBG expenditures were set up in the same cost center and appropriation.

**Requirement:** Activities Allowed or Unallowed and Allowable Costs/Cost Principles: Per 2 CFR Part 225, Appendix A, Paragraph C.1(j), to be allowable under Federal awards, costs must meet the following general criteria: (j) be adequately documented.

Per A-102 Common Rule, Nonfederal entities receiving Federal awards must establish and maintain internal controls designed to reasonably ensure compliance with Federal laws, regulations and program compliance requirements.

**Recommendation:** Internal controls be evaluated to prevent future noncompliance.

**Questioned Costs: \$67,000**

**Agency Corrective Action Response:** Effective April 1, 2011, all grants will be set up in separate cost centers.

**MDHS Management Decision:** The Bureau of Community Action and Economic Opportunity agrees with the above response. This finding is considered resolved.

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Ms. Holland – Page 3

**Finding #2010-54:** During testwork over suspension and debarment, it was noted that 1 of 22 subrecipients did not have a signed suspension and debarment certification in the contract.

**Possible Asserted Cause and Effect:** Management's misunderstanding of the compliance requirements.

**Requirement:** Per 2 CFR 180.300, when an entity enters into a covered transaction with another entity at the next lower tier, the entity must verify that the entity with whom you intend to do business is not excluded or disqualified.

**Recommendation:** Management should obtain suspension and debarment certifications from all subrecipients. Additionally, we recommend that management confirm that the entity is not suspended or debarred by reviewing the ELPs web site.

**Questioned Costs:** None

**Agency Corrective Action Response:** DDHS management will ensure all contracts issued after January 1, 2011 will include the Suspension and Debarment clause.

**MDHS Management Decision:** This finding is not resolved. DDHS needs to obtain a completed suspension and debarment certification from the subrecipient that did not have one. A copy of the suspension and debarment certification should be sent to the BCAEO.

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**Finding #2010-55:** During testwork over the Reporting compliance requirement, 12 Statement of Expenditure reports were obtained and it was noted that 4 of the 12 months were submitted beyond the deadline of 30 days from the end of the monthly billing period. The March 2010 report was submitted 114 days after the close of the month, the April 2010 report was submitted 84 days after the close of the month, the May 2010 report was submitted 53 days after the close of the month, and the June 2010 report was submitted 77 days after the close of the month. We also noted that 9 of 9 monthly ARRA-related Statement of Expenditure reports were submitted beyond the deadline; 2 of 9 reports were submitted between 43 - 73 days after the close of the month, 5 of 9 reports were submitted between 104 - 167 days after the close of the month, and 2 of 9 reports were submitted between 198 - 228 days after the close of the month.

**Possible Asserted Cause and Effect:** Management believes this is related to the implementation of revised Cost Allocation Procedures and training of newly assigned staff occurred simultaneously.

**Requirement:** The agreement between the State of Michigan Department of Human Services (MDHS) and the City of Detroit Department of Human Services (DHS) requires that the grantee submit a monthly Statement of Expenditures (SOE) to MDHS. The SOE shall accurately indicate actual expenditures incurred in the performance of this agreement for the period being billed. The SOE shall be submitted to MDHS within 30 days from the end of the monthly billing period. For the month of September, billings shall be submitted as reasonably directed by the Grant Administrator to meet fiscal year and closing deadlines.

Ms. Holland – Page 4

**Recommendation:** Reporting checklists be utilized to monitor the timely submission of all required reports.

**Questioned Costs:** None

**Agency Corrective Action Response:** DHS management will purchase time management and project management software by July 1, 2011.

**MDHS Management Decision:** This finding is not resolved. It is unclear how the agency's proposed corrective action response addresses the possible asserted cause and effect of the finding. Please explain.

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**Finding #2010-56:** During our testwork over the Subrecipient Monitoring compliance requirement, we selected 19 subrecipients for testing and noted that 19 subrecipient agreements tested did not specify the CFDA number.

**Possible Asserted Cause and Effect:** Contracts for 2010 had already be awarded at the time staff was notified of non-compliance via 2009 Single Audit findings.

**Requirement:** Per OMB Circular A-133, Subpart D(d) (1), (3), and (4), a pass-through entity shall perform the following for federal awards it makes: (1) Identify federal awards made by informing each subrecipient of CFDA title and number, award name and number, award year, if the award is R&D, and name of federal agency; (3) Monitor the activities of subrecipients as necessary to ensure that Federal awards are used for authorized purposes in compliance with laws, regulations, and the provisions of contracts or grant agreements and that performance goals are achieved; (4) Ensure that subrecipients expending \$500,000 or more in Federal awards during the subrecipients fiscal year have met the audit requirements of this part for that fiscal year.

**Recommendation:** Management should modify the contract with the subrecipients to include the required elements.

**Questioned Costs:** None

**Agency Corrective Action Response:** All DHS contracts issued after June 1, 2010 will have CFDA included in contracts.

**MDHS Management Decision:** The Bureau of Community Action and Economic Opportunity agrees with the above response. This finding is considered resolved.

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Ms. Holland – Page 5

**Finding #2010-58:** During our testwork over the Criminal Background Checks compliance requirement, it was noted that there were 3 employees newly hired or transferred into the CSBG program during the fiscal year. For 3 of 3 new employees no criminal background checks were performed. We also noted that 5 of 24 subrecipient agreements did not include an exhibit or clause whereby the subrecipient was required to certify that they would comply with the background check policy required by the CSBG agreement between the City and the State of Michigan Department of Human Services.

**Possible Asserted Cause and Effect:** Insufficient communication between Human Resources and DHS management.

**Requirement:** Per the agreement between the State of Michigan Department of Human Services (MDHS) and the City of Detroit Department of Human Services (DHS), as a condition of the agreement, the Weatherization grantee shall conduct or cause to be conducted prior to any individuals performing work under this agreement: (1) for each new employee, subcontractor, subcontractor employee or volunteer who - has unsupervised direct contact with children and/or vulnerable adult populations or access to confidential information, or is directly supervising volunteers that have direct contact with children and/or vulnerable adult populations or confidential information, or has regardless of supervision status, access to client confidential information, an Internet Criminal History Access Tool (ICHAT) check and a National and State Sex Offender Registry (SOR) check; (2) for each new employee, employee, subcontractor, subcontractor employee or volunteer who works directly with children under this agreement, a Central Registry (CR) check.

**Recommendation:** Management should implement a process and related controls to ensure criminal background checks are completed for all required personnel.

**Questioned Costs:** None

**Agency Corrective Action Response:** DHS management has apprised Human Resources Department of the background check requirement. Effective March 2011 the DHS Human Resources Liaison will communicate with Human Resources Department to ensure background checks performed for all new or transfer staff prior to start date at DHS.

**MDHS Management Decision:** This finding is not resolved. In addition to the Agency Corrective Action Response outlined above, the agency must complete criminal background checks on the three employees identified above and amend the five subrecipient agreements to require compliance with the background check policy as required by the CSBG agreement between the City and the State of Michigan Department of Human Services.

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Ms. Holland – Page 6

Please submit the additional information requested for Findings #2010-54, #2010-55, and #2010-58 and repayment of the unallowable costs identified in Finding #2010-52 within 30 days of receipt of this letter (on or before July 9, 2011). The requested information should be sent to:

Michigan Department of Human Services  
Bureau of Community Action & Economic Opportunity  
Attn: Stacie Gibson, Director  
235 S. Grand Ave. Suite 204  
PO Box 30037  
Lansing, MI 48909

The Department will follow up on the results on these findings and subsequent corrective action in future reviews. Please call me at (517) 241-8054 if you have any questions regarding this decision.

Sincerely,



Stacie Gibson, Director  
Bureau of Community Action  
& Economic Opportunity

cc: Joshua Larsen, OMIC  
David Geistler, OMIC  
Cecilia Hutson, BCAEO  
Kris Schoenow, BCAEO  
Jeffrey Wyman, BCAEO

**Roudebush, Shawn**

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**From:** Roudebush, Shawn on behalf of Schoenow, Kris  
**Sent:** Thursday, October 06, 2011 10:14 AM  
**To:** Ursula Holland  
**Cc:** Gibson, Stacie; Holley, Diane; Parag, Viran; Listman, Steve; Wyman, Jeffrey; Hutson, Cecilia; Pattinson, Frank  
**Subject:** 82007 MVID224 Detroit Overdue Requirement Letter  
**Attachments:** 82007 MVID224 Overdue Letter 10-11.pdf; 82007 MVID224 Management Decision Letter 09-11.pdf

Dear Ms. Holland:

Please find the attached overdue requirement letter dated October 6, 2011. The corresponding MDHS Corrective Action Plan response letter dated September 2, 2011 referenced in the overdue requirement letter is attached for your convenience. Thank you.

Shawn Roudebush  
Department of Human Services  
Bureau of Community Action and Economic Opportunity  
235 South Grand, Suite 204  
Lansing, MI 48906  
Phone: (517) 373-8896  
Fax: (517) 335-5042





JENNIFER M. GRANHOLM  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF HUMAN SERVICES  
LANSING



ISMAEL AHMED  
DIRECTOR

December 21, 2010

## Bureau of Community Action and Economic Opportunity

### Monitoring Report

Monitoring Date: September 14, 2010 End: September 24, 2010  
DHS Monitors: Cecilia Hutson [HutsonC@michigan.gov](mailto:HutsonC@michigan.gov) (313) 456-1246  
Agency Name: Detroit Department of Human Services Community Action Agency  
Contact Person: Shenetta Coleman, Director  
Location: 5031 Grandy, Detroit, Michigan, 48211

Monitoring Type:

☒ Comprehensive ☐ Annual ☐ Programmatic ☒ Fiscal

Contract Series/Programs

Contract Effective Time

DOE/Weatherization  
DOE ARRA

April 1, 2009 - March 31, 2010 (PY 09)  
April 4, 2009 - March 31, 2010 (PY 09 & 10)

Findings Summary:

- Three Findings Identified
- Six Administrative Recommendations

Action Required:

- Corrective action plan addressing findings must be submitted to the Bureau by February 17, 2011 (60 days).
- A copy of the Cost Allocation Plan must be submitted to the Bureau by January 7, 2011.

Next Monitoring Visit

- Monthly Fiscal Review - January 2011

## FISCAL REVIEW

A comprehensive fiscal monitoring was conducted of Detroit Department of Human Services Community Action Agency's fiscal processes and procedures on September 14-24, 2010 in an effort to assist in determining the overall fiscal health of the Agency. The following are the results and conclusions of the fiscal review.

### **PRIOR MONITORING FOLLOW-UP**

The prior comprehensive monitoring report contained three (3) fiscal related findings:

#### **Prior Fiscal Finding #1 - Withdrawn**

**Prior Fiscal Finding #2** – Expenditures in the amount of \$25,800 for Information Technology were charged to CSBG but there was no documentation to support this expenditure. A copy of an email to the Information Technology Unit from the Accounting Unit, requesting this information is in our files. However, this information was not provided prior to the conclusion of our review.

**Corrective Action:** Detroit DHS to provide adequate documentation (bills and/or invoices) supporting the amount of \$25,800 for Information Technology charged to CSBG. If not completed within 60 days of receipt of this report, this cost will be disallowed. In addition, Detroit DHS is to put controls in place to ensure that all expenditures charged to CSBG are supported by adequate documentation.

**Agency Response:** Supporting documentation in the form of invoices totaling \$25,800 has been provided.

**MDHS Response:** The Agency Response and supporting documentation is accepted. This finding is resolved.

**MDHS Follow-up:** This monitoring visit did not include a review of CSBG expenditures. Therefore, this item will be reviewed during a future monitoring visit.

**Prior Fiscal Finding #3** – A distribution of the salaries and wages for staff who work on multiple programs is not supported by Personnel Activity Reports.

**Corrective Action:** Detroit DHS must immediately comply with OMB Circular A-87 by utilizing Personnel Activity Reports or equivalent documentation that meets the standards noted above. In addition, Detroit DHS is to discontinue billing Michigan DHS for salaries and wages that do not comply with OMB Circular A-87. In addition, Detroit DHS must return disallowed costs in the amount of \$173,881 from non-federal and non-state funds. A check made payable to the "State of Michigan" must be returned to our office, attention: Linda Johnroe, within 60 days of receipt of this report.

Agency Response: Currently, the department is in the process of requiring bi-weekly journal entries for payroll related costs and monthly journal entries for non-payroll costs. All staff will be completing personnel activity reports. NOTE: a blank copy of the "Time Allocation Record" was provided as well as documentation of the current Monthly Allocation Percentages process that is used to reallocate costs to CSBG.

MDHS Response #1: The Agency Response is not sufficient to resolve this finding. Further corrective action is needed. The City of Detroit, Department of Human Services must submit payroll documentation for all employees charged in whole or in part to the Community Services Block Grant (CSBG) for a full payroll period to verify that appropriate procedures are in place to ensure compliance. Appropriate documentation must be submitted within 30 days. The City of Detroit, Department of Human Services' CSBG-09 August 2009 Statement of Expenditures and all subsequent CSBG Statement of Expenditures will not be reimbursed until appropriate documentation is received and approved by MDHS.

MDHS Response #2: We have reviewed the Time Allocation Records that were submitted with your response. The Time Allocation Record form appears to be adequate. However, based on our review, we are concerned as to whether employees have adequate training to complete the form and as to whether supervisors perform an adequate review of completed Time Allocation Records. Supervisors need to review the Time Allocation Records submitted by their staff to ensure that the records are properly completed and that the reported hours appear appropriate. Upon completion of this review, supervisors should sign the completed form to indicate their approval. Your Agency may want to consider revising the format of the form so that the top of the form and the individual detail on the form agree, reflecting the actual pay period of the Agency. Additionally, to make the processing of the Time Allocation Records more efficient and less susceptible to error, your Agency should consider standardizing the form. We reviewed your submission and observed multiple versions of the form in use. The accurate and timely completion of the Time Allocation Record is critical. The detail provided by these reports should be used by your Agency to allocate salary and benefit expenses to the various grant programs each pay period. Providing that your Agency implements the above changes, we accept your corrective action plan for addressing this finding.

MDHS Follow-up: Based on review of Personnel Activity Records for the months of May, June and July 2010, there still seems to be an issue with timesheets as discussed in Administrative Recommendations 1, 2 and 3 below.

## **COST ALLOCATION**

### **Fiscal Finding #1 – Cost Allocation – Plan Not Available**

Finding: The Agency has indicated that its current Cost Allocation Plan has been updated, however, the MDHS Monitor has requested but has not received a copy. On November 15, 2010, the Agency issued a letter to the MDHS indicating that the Cost Allocation Plan has been updated and would be sent via Federal Express.

Citation: OMB Circular A-87, Attachment C, (D) (3)

Questioned Costs: None

Corrective Action: The Agency must submit the updated Cost Allocation plan to the MDHS by January 7, 2011.

This review included a sampling of time sheets or Personnel Activity Reports submitted by the Agency's employees for the pay periods ending 5/16/10, 5/30/10, 6/6/10, 6/20/10 and 7/4/10. All employees complete a time sheet, including the Director.

**Administrative Recommendation #1 – Personnel Activity Reports (PAR's) – Activity on some PAR's not reported "After-the-Fact"**

Observation: Some employees showed the same spread of hours on timesheets from week to week. In addition, some employees photo copied the previous timesheet and simply changed the date to reflect the current pay period. This indicates that there is not an after-the-fact distribution of the employees' actual activity.

Recommendation: All employees should be instructed to complete their timesheets on an after-the-fact basis as required by OMB Circular A-87, Attachment B, (8)(h). The Agency may use budget estimates for accounting purposes only, provided that the Agency's system produces reasonable approximations of the activity actually performed, and actual to budget comparisons are made at least quarterly. Adjustments to the Statement of Expenditures must then be made to reflect the actual costs that should have been charged to the Grant.

**Administrative Recommendation #2 – Personnel Activity Reports (PAR's) – Inconsistency of PAR's used by employees.**

Observation: Some employees used forms that did not have a line for total hours worked. In addition, there was an inconsistency of pay period end dates.

Recommendation: The Agency should create a standard form that all employees are required to use which will make payroll processing more efficient and less susceptible to error.

**Administrative Recommendation #3 – Personnel Activity Reports (PAR's) – Incomplete Reports: Errors on Reports**

Observation: Some of the PAR's reviewed did not total the hours across or bottom line and contained addition errors. There were some PAR's that were missing a Supervisors' signature and several that had the Supervisors' signature but were not dated by the Supervisor. Additionally, there was one employee that had two (2) reports for the same pay period, each having different hours.

**Recommendation:** Supervisors need to review the PAR's submitted by their staff to ensure that the records are properly completed and that the reported hours appear appropriate. The Supervisor should then sign and date the record to document the review.

## **INTERNAL CONTROLS**

The agency is a public entity, governed by the internal control policies for financial and procurement transactions as established by City of Detroit Government.

## **BANK RECONCILIATION**

The bank reconciliations for the months of June and July 2010 were reviewed. The bank reconciliation is prepared by an individual not involved in the cash receipts or cash disbursements processes.

### **Administrative Recommendation #4 – Bank Reconciliation – Timely Reconciliation of Bank Statement**

**Observation:** The June 2010 reconciliation noted payments not corrected in the City's accounting system that were dated 12/31/09. Corrections are made by the City Finance Department, not at the Department level; however, the Agency did not request a correction until 3/15/10.

**Recommendation:** Agency staff needs to make sure that the bank statement is being reconciled timely and corrections are made as they are found. The Agency has contracted with an Accounting Firm to provide training to Agency Accounting staff on performing bank reconciliations.

## **ASSET LISTING**

The Agency annually receives an asset listing from the City's Finance Department.

### **Administrative Recommendation #5 – Asset Listing – No Documentation of Physical Inventory Taken**

**Observation:** The Agency provided a copy of the Finance Department Listing along with an attachment with the Director's signature indicating that the report was correct, however, the Agency was unable to supply documentation that a physical inventory had been performed on-site. Furthermore, the Agency was unable to identify what equipment on the listing was assigned to which grant.

**Recommendation:** The Agency should perform a fixed asset inventory once every two years, as required by OMB Circular A-87, Attachment B(11)(h). The inventory should be documented by

having the person that conducts the inventory sign and date the listing to verify their involvement in the inventory process and convey that the inventory is accurate. Additionally, the listing should indicate the funding source for each asset.

### **SINGLE AUDIT**

The City of Detroit Government's single audit for the year ended June 30, 2009, was not completed within the timeframe required by OMB Circular A-133. The City of Detroit did not qualify as a low-risk auditee under Section 530 of OMB Circular A-133. The auditor's report expressed an unqualified opinion on the financial statements of the City. Eight (8) instances of noncompliance material to the financial statements of the City were disclosed during the audit.

There were four (4) significant deficiencies considered to be material weaknesses disclosed during the audit of the financial statements reported in the Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.

There were two (2) significant deficiencies considered to be material weaknesses disclosed during the audit of the major federal award programs reported in the Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133.

### **IRS 990**

The agency is determined to be a public entity and therefore is not required to file an IRS Form 990.

### **ACCOUNTING TRANSACTIONS/GENERAL LEDGER/STATEMENT OF EXPENDITURES**

Reported expenses for the DOE-ARRA program for the months of June and July 2010 were traced from the Statement of Expenditures to the respective General Ledger report.

Selected transactions representing a cross-section of expenses incurred under the DOE-ARRA program were traced from the General Ledger to the source documents. The source documents adequately supported the transactions recorded in the General Ledger and reported on the Statement of Expenditures with the following exceptions.

#### **Fiscal Finding #2 – General Ledger/Statement of Expenditures (SOE) – Unsupported Expenditures**

**Finding:** The DOE-ARRA June 2010 SOE was missing source documentation to support expenses totaling \$774.65 included in the reimbursement request. Additionally, both the DOE-

ARRA June and July 2010 SOE's included unsupported expenditures for the Detroit Urban League for \$4,879.96 and \$1,429.84 respectively.

Citation: OMB Circular A-87 Attachment A (C) (1) (j)

Questioned Costs: \$7,084.45

Corrective Action: The Agency must submit a Corrective Action Plan outlining the steps that will be taken to prevent this from occurring in the future. Because Contract DOE-S-09-82007 is currently active, the agency should adjust the Statement of Expenditures to correct the amount overbilled on the June and July 2010 Statement of Expenditures.

## TRAVEL VOUCHERS

A review of travel vouchers submitted by the agency's staff during January and July 2010 was performed. The travel was appropriate and the vouchers were properly approved.

### Fiscal Finding #3 – Travel Vouchers – Reported Meal, Incidental and Lodging rates exceeded those authorized by the State of Michigan

Finding: The Agency uses Federal travel rates for the reimbursement of meals and incidentals. These rates exceed the State of Michigan Schedule of Travel Rates. Additionally, the Agency was reimbursed for an extra day at both the MCAAA 2010 Summer Conference and the Wx Training in July 2010.

CSPM Item 405 states, "the contractor/grantee may bill DHS the state rate or the contractor's/grantee's usual reimbursement rate for employees, whichever is less."

Citation: CSPM Item 405

<u>Questioned Costs:</u>	January 2010 Wx Inspector Training	\$526.75
	July 2010 Wx Training	444.15
	MCAAA 2010 Summer Conference	<u>1,980.45</u>
	<b>Total</b>	<b>\$2,951.35</b>

Corrective Action: The Agency must submit a Corrective Action Plan outlining the steps that will be taken to prevent this from occurring in the future. The agency should adjust the Statement of Expenditures to correct the amount overbilled on the Statement of Expenditures.

## PROCUREMENT

The agency operates under the written policies and procedures for procurement as established by City of Detroit Government. A review of three purchases was conducted. The purchases

sampled appear to have been made in compliance with OMB Circular A-87, Attachment A. There was adequate documentation to support these purchases.

Procurement of a firm to perform the annual Single Audit is handled by City of Detroit Government.

## **DAVIS BACON**

A review fourteen (14) of the Davis Bacon payrolls for five (5) contractors was performed.

### **Administrative Recommendation #6 – Davis Bacon – Errors on Form WH-347**

**Observation:** During the review, two errors were found; Blanket Construction shorted an employee 3.5 hours. DDHS contacted the vendor and had them correct the error while I was on-site. Ampco Insulation incorrectly stated the gross pay amount on the WH-347, however, the employee was paid the correct amount. In both instances, there was no indication that the WH-347's had been reviewed. Staff indicated that a review takes place, however, it is not documented. Furthermore, communication with contractors when errors are found is made via text message from the Davis Bacon Compliance Officer's cell phone. No hardcopy documentation is kept regarding the correspondence.

**Recommendation:** Agency staff should document that they have reviewed the WH-347's submitted by the contractors by using a checklist or at minimum, initialing the bottom of the WH-347. In addition, the Agency should maintain hard copies of all communication to/from the contractors in the contractor's files.

## **ARRA JOBS CREATED/JOBS RETAINED**

A review of the agency's ARRA Report of Jobs Created/Jobs Retained for the month of July 2010 was performed. Classifications and hours worked for employees included on the report were traced to the payroll records. The employees listed and hours indicated for the CSBG-ARRA and DOE-ARRA programs were found to be adequately supported.

## **EXIT CONFERENCE**

On October 10, 2010, an Exit Conference was held via telephone to discuss the results of the comprehensive fiscal monitoring. Present at the conference from the Agency was Rose Holt, Financial Manager II. Present from the MDHS Bureau of Community Action & Economic Opportunity was Cecilia Hutson, Fiscal Monitor. There were three (3) fiscal findings and five (5) administrative recommendations as a result of the monitoring visit.

This closes the fiscal monitoring visit.



## De-Designating a Community Action Agency

**Background Information:** CSBG funds must be distributed to an "eligible entity." Generally speaking, an eligible entity means a Community Action Agency ("CAA"). In Michigan, 30 CAA's provide services to all 83 counties. A CAA may be a private, non-profit organization or a public entity. A CAA must be governed by a "tripartite board" consisting of public officials, low-income residents, and members of local community groups). See § 676B of the Community Services Block Grant Act (CSBGA).

**Summary of Key Federal Provisions:** This section summarizes the key federal provisions in the CSBGA.

**CSBGA § 676 (lead agency/state plan):** Each state has a lead agency (DHS in Michigan). The lead agency develops the annual state plan for submission to HHS and conducts reviews of the local CAAs. The state plan must contain several assurances of actions that will be taken by the lead agency, including an assurance that the CAA will not have its funding terminated except upon a determination of cause made after notice and an opportunity to be heard and subject to review by HHA. See § 676(b)(8).

**CSBGA § 676A (designating CAA):** For any area that is not served by a CAA (or ceases to be served by a CAA), the Governor may solicit applications from and designate as a new CAA (1) a private, non-profit entity geographically located in the unserved area, or (2) a private, non-profit entity that is contiguous to or within reasonable proximity of the unserved area and is already providing services in the unserved area. If there is no qualified private, non-profit, then the Governor may designate an appropriate political subdivision of the state to serve as the "eligible entity" for the area.

**CSBGA § 676B (tripartite board required):** The CAA or other eligible entity receiving CSBG funds must be governed by a tripartite board selected by the entity.

**(2) SELECTION AND COMPOSITION OF BOARD-** The members of the board referred to in paragraph (1) shall be selected by the entity and the board shall be composed so as to assure that--

**(A)** 1/3 of the members of the board are elected public officials, holding office on the date of selection, or their representatives, except that if the number of such elected officials reasonably available and willing to serve on the board is less than 1/3 of the membership of the board, membership on the board of appointive public officials or their representatives may be counted in meeting such 1/3 requirement;

**(B)(i)** not fewer than 1/3 of the members are persons chosen in accordance with democratic selection procedures adequate to assure that these members are representative of low-income individuals and families in the neighborhood served; and

**(ii)** each representative of low-income individuals and families selected to represent a specific neighborhood within a community under clause (i) resides in the neighborhood represented by the member; and

(C) the remainder of the members are officials or members of business, industry, labor, religious, law enforcement, education, or other major groups and interests in the community served.

**CSBGA § 678B (state monitoring):** The state is required to monitor the activities of the CAA to ensure that performance, administrative, and financial standards are being met. This requires a full on-site review every three years and other reviews as appropriate.

**CSBGA § 678C(a) (corrective action/termination):** If the state determines, as a final decision resulting from a review under § 678B, that the CAA fails to comply with the terms of an agreement or the state plan, fails to provide services under the CSBGA, or fails to meet other appropriate standards established by the state, then the state shall:

- (1) inform the CAA of the deficiency;
- (2) require the entity to correct the deficiency;
- (3) offer training and technical assistance to help correct the deficiency (if appropriate);
- (4) implement a quality improvement plan (if appropriate); and
- (5) after providing adequate notice and an opportunity for a hearing, initiate proceedings to terminate the designation of the CAA.

The notice and hearing requirement cannot be waived or avoided.

**CSBGA § 678C(b) (review by HHS):** A decision to terminate a CAA designation is subject to review by HHS. Generally, the HHS has 90 days from the time it receives the necessary documentation to make a decision. The CAA has 30 days from the state determination to request a review by HHS. See 45 CFR § 96.92. The state may not discontinue funding while a review is pending (or within the initial 30 day period).

**Michigan Statutes:** Michigan law imposes some additional restrictions on the designation or rescinding of designation of CAAs. Under MCL 400.1108(1), a CAA must be designated by the "executive director," which is defined as the chief administrator of the bureau of community action, within DHS. See MCL 400.1104(1). In order to qualify as a designated CAA under Michigan law, the entity must be one of the following:

- (1) A public office or agency of a unit of local government that is designated as a CAA by the chief elected official of that unit of local government;
- (2) A public office or agency of a unit of local government that is designated as a CAA by the chief elected officials of a combination of 2 or more local units of government;
- (3) "A nonprofit private agency serving 1 or more units of local government approved by the chief elected official of the unit of local government that includes the service area, or if more than 1 unit of local government is included in the service area, by the chief elected officials of the county or counties in which the local governments are located and of at least 2/3 of the cities, villages, and townships in the service area that have a population of not less than 100,000."
- (4) "A public or private nonprofit agency designated by 1 or more native American tribal governments that have been established pursuant to state or federal law."

**MCL 400.1108(1).** The "chief elected official" means "a chairperson of a county board of commissioners, a county executive, a city mayor, a township supervisor, a village president, or his or her designee." **MCL 400.1103(2).** Accordingly, the Mayor of Detroit (or a person authorized to act in the capacity of the mayor) would have to approve any new CAA in Detroit.

To rescind a CAA designation under Michigan law (in the event that the CAA does not voluntarily agree to be de-designated), the "executive director" (i.e., the chief administrator of the bureau of community action the chief administrator of the bureau of community action) must do all of the following:

- (1) Consult with the Director of DHS.
- (2) Consult with the chief elected official of each county and of each city, village, or township with a population of not less than 100,000 within the existing or proposed service area. [For purposes of Detroit that would be the mayor and the Wayne County Executive.]
- (3) Hold at least 1 public meeting in the service area to provide low income and other citizens living within the service area the opportunity to review and comment upon the strengths and weaknesses of the existing or proposed community action agency.
- (4) Consult with and obtain the advice of the Commission on Community Action and Economic Opportunity on the proposed action.

**MCL 400.1108(2).** Thus, in addition to the requirements imposed by federal law, Michigan law requires: the active involvement of the chief administrator of the bureau of community action, a consultation with the mayor and county executive, a public meeting, and a consultation with the Commission on Community Action and Economic Opportunity.

**Michigan Administrative Rules:** The administrative rules governing CAAs are codified at R 400.19101 to R 400.19606. This section will highlight some of the key rules:

**R 400.19206 (role of Bureau of Community Services):** This rule clarifies that it is the responsibility of the Bureau of Community Services to "designate, or rescind the designation of, CAAs...."

**R 400.19405 (voluntary decision to rescind):** The Mayor of Detroit (with the consent of City Council) has the right to request that the Bureau of Community Services rescind the designation of the CAA:

The chief elected official of a unit of local government of at least 10,000 population within a CAA's service area may, for reasons such as poor fiscal or programmatic administration specified in a written request concurred in by the local unit's governing body, do any of the following:

(a) Request that the executive director rescind official designation of the CAA serving the community.

(b) Request to withdraw from the CAA's service area.

(c) Request that a different CAA, either new or existing, be designated to serve the community.

**R 400.19405.**

**R 400.19406 (public hearing for designation of new CAA):** This rule describes in more detail the requirements for a public hearing in the affected community as required by MCL 400.1108(2)(c). The "public hearing" described in the administrative rule is triggered by a request from the local government officials or the CAA. Note, however, that even if no request were received, there would still be a statutory obligation to conduct a "public meeting" on the issue. See MCL 400.1108(2)(c).

**R. 400.19408 (grounds for rescission):** This rule sets forth the possible grounds for rescinding a designation for cause:

(1) The executive director, pursuant to the provisions of section 8(2) of the act, may rescind the designation of a CAA for cause if the agency fails to operate bureau-administered programs in compliance with these rules or applicable state and federal procedures. Cause for rescission of a CAA designation may include a combination of any of the following factors:

(a) The agency's governing board does not exercise sufficient authority or leadership to ensure that bureau-administered funds are expended in accordance with applicable regulations, laws, or contractual obligations.

(b) The agency's administrative leadership does not demonstrate the administrative knowledge and skills required to insure that the agency's fiscal, personnel, programs, or property management systems are adequate to support bureau-funded projects.

(c) The agency has not properly accounted for bureau-administered funds and property.

(d) The agency's general management systems are not adequate to support bureau-funded programs.

(e) The agency has not demonstrated the capacity for effective service delivery of bureau-funded programs.

(f) The agency has not sufficiently fulfilled its contractual obligations.

(g) The agency's liabilities significantly exceed its assets.

(h) The agency has filed for bankruptcy.

(i) The agency lacks community support and credibility with regard to its ability to competently administer bureau-funded programs.

(j) The agency's inability to make substantive improvement in problem areas following a bureau performance assessment.

(k) The agency has lost the support of a majority of the governmental jurisdictions in its service area.

(2) An agency whose designation has been rescinded by the executive director shall lose its eligibility for formula funding and shall not use the term "community action agency" or "CAA" to refer to itself.

**R 400.19410, R 400.19601-.19606 (state hearing process):** When the executive director of the Bureau of Community Services decides to rescind the designation of the CAA, the CAA or the chief local official of the area involved may seek a state "appeal" (i.e., a contested case hearing under the APA). See R 400.19410. Within 10 days of receiving notice of the request for a hearing, the DHS Director must assign the matter to a hearings officer to make findings of fact and conclusions of law. *Id.*

## CITY OF DETROIT - DEPARTMENT OF HUMAN SERVICES - COMMUNITY SERVICES COMMISSION GENERAL MEETING

**Present\***

January 18, 2012

**Excused\*\*****COMMISSIONER**

+Mayor Dave Bing

Detroit City Council - *VACANT 1/2010*Detroit City Council - *VACANT 1/2010*

Butzel Family Center, Cecilia Walker

Fire Department, Fred Wheeler

Health &amp; Wellness Promotion Department, Loretta V. Davis

Planning &amp; Development, Robert Anderson

Police Department, Ralph Godbee

Public Works, Alfred Jordan

Recreation Department, Alicia Minter

Work Force Development Department, Pamela Moore

City Department - *VACANT 10/1/10*

Board of Education, Minnie Pearce\*

Community Advocate, Monica Johnson

Head Start Policy Council, Anthony Williams

Osborn Neighborhood Alliance, Karen Robinson\*\*

Religion, Laura Washington

Social Security Administration, Rufus Gaston

United Way for Southeastern Michigan, Nicole McKinney

Wayne County Dept. of Human Services, Dwayne Haywood

Area A Community Representative, Maggie Hinton\*

+Area A Community Representative, James Wells\*

Area A Consumer Representative, Jacqueline Thornton\*

+Area A Consumer Representative, Tia Cromartie\*

+Area C Community Representative, Marcella Davis (Chair)\*

Area C Community Representative, *VACANT 10/1/10*

+Area C Consumer Representative, Arnold Gulley, III\*

Area C Consumer Representative, *VACANT 10/1/10*

Area D Community Representative, Jacqueline Trimble (Acting Chair)\*

Area D Community Representative, Anthony Ewell\*\*

+Area D Consumer Representative, Vaneka Mathews (Interim 2/16/11) \*

Area D Consumer Representative, *VACANT 10/1/10*

+Area G Community Representative, Pearl Chatman\*

Area G Community Representative, Alfrella Ryals (Interim 2/16/11)

+Area G Consumer Representative, Dorothy Powell (Chair)\*

Area G Consumer Representative, *VACANT 02/16/11***REPRESENTATIVE**

Emice Hayes

Gerod Funderburg\*

Yvonne C. Rush\*

Greg Holman

Francine Davis-Campbell

Cherie Polk\*

Raymell Tyler\*

Brynn Windom\*\*

Giancarlo Guzman

Carolyn Thompson

Chequita Scott (Chair)\*\*

Angles Hunt\*

Versandra Kennebrow\*

**+denotes Executive Board member**

## **CITY OF DETROIT - DEPARTMENT OF HUMAN SERVICES - COMMUNITY SERVICES COMMISSION GENERAL MEETING**

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### **DEPARTMENT OF HUMAN SERVICES STAFF PRESENT**

Director	Ursula Holland*
Deputy Director	VACANT
General Manager	VACANT
General Manager	Constance Phillips*
Accounting	LaJewel Dunwoody
Administration	D. Jeanelle Drake*
Center Operations	Tyra Williams*
Child Development	Virginia Saleem*
Planning	Sheila Washington-Bond*
Senior Citizens	Brenda Miner
Weatherization/Administrative Services	Geoffrey Thomas

Guests – None

#### **I. CALL TO ORDER**

a. Vaneka Mathew called meeting to order at 12:30 p.m. The meeting was held at 1151 Taylor, Detroit, MI 48221

b. Joyce Henderson took roll call. There was a quorum established at roll call.

#### **II. APPROVAL OF AGENDA**

A motion was made by Minnie Pearce; Seconded by Maggie Hinton and supported.

#### **III. APPROVAL OF MINUTES**

Correction by Yvonne Rush Director of Health Department is Loretta V. Davis. Under new business correction of the spelling of CSC Board Member name from Angela Hunt to Angeles Hunt. A motion was made by Tia Scott; seconded by Anthony Ewell to accept and approved the minutes of the November 16, 2011 meeting with the corrections.

#### **IV. COMMITTEE REPORTS**

Maggie Hinton verbal report that the Maggie Lee Community Center has been approved for 20K Prevention Grant from Wayne County, for kids ages 7 to 17 years of age. The kids will be split into two age groups 7 to 12 years old will meet on Saturdays from 10:00 a.m. until noon and the age group of 13 to 17 will meet on Mondays after school from 4:00 pm until 6:00 pm. The program will run from January to September 30<sup>th</sup>. Focus will be on how to stay away from drugs, abstained from sex, high school drop-out prevention along with martial arts in the form of kickboxing. Instructors are in place and will be working 3 hours on Monday and Saturday. It is dedicated to the kids in the Fitzgerald area however if there are opening we will accept other kids at large. The Fitzgerald area consists of 6 mile to John C. Lodge and Livernois to Wyoming. We also will serve snack for the kids. We are all set to go the program has been reviewed spoke with Ms. Medley from Wayne County our proposal is in order. She's waiting to present

## **CITY OF DETROIT - DEPARTMENT OF HUMAN SERVICES - COMMUNITY SERVICES COMMISSION GENERAL MEETING**

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to all the other awardees at the same time and have one meeting. If you have any children that you would like to enroll you may call me at 313-737-9042.

### **V. TARGET AREA REPORTS**

- A. Target Area A (Chequita Scott, Chairperson) - no report submitted
- B. Target Area C (Marcella Davis Chairperson) - no report submitted
- C. Target Area D (Jacqueline Trimble, Chairperson) - written report submitted
- D. Target Area G (Dorothy Powell, Chairperson) - no report submitted

### **VI. CITY DEPARTMENT REPORTS**

- A. Butzel Family Center (Cecilia Walker) - written report submitted
- B. Health & Wellness Promotion Department (Yvonne Rush) - written report submitted.

### **DHS DIRECTOR & DIVISION REPORTS**

- A. Director Report ( Ursula Holland) - I would like wish each of you a happy new year. As you know we have moved to the Herman Kiefer Complex and we are about 90% moved in. We still have Weatherization and Administrative items to relocate to this facility. We are currently working on getting signage and communications so that the community will know that we are cohabitating with the Health Department at this location.

We have received a small grant from CSBT to help with tax assistance. This Program will begin on Saturday January 28, 2012 at the Butzel Center. Flyers will be available at next meeting.

We had a Peer Review of our Head Start program last week. The review was based on the deficiencies from 2010 review and the quality improvement plan that was submitted to the federal government. We have filled 5 of the 9 vacancies in areas of compliance to ensure that the monitoring efforts of our program are effective. We will receive our outcome from the review within 90 days.

We are also taking a look at how we can do a better job within the department of collaborating with ourselves which would be the Center Operations Division. We hired a Parent agent who will be working with the our Center Operations Division so when people come in for services that they can also be referred to the Child Development program.

Deidre Buford Manager in Center Operations has retired and we now have on board Trya Williams as our new Manager and today is her first day.



## **CITY OF DETROIT - DEPARTMENT OF HUMAN SERVICES - COMMUNITY SERVICES COMMISSION GENERAL MEETING**

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### **VII CHAIRPERSON REPORT**

None

### **VIII OLD BUSINESS**

#### **A. Vacancies**

1. Department - Marcella Davis made the Motion that General Service Department replace Senior Department on CSC and that the Director write a letter to the Mayor so that he can make the official appointment; seconded by Chequita Scott. The Director was in agreement and that the letter could go out in the next week.
2. City Council - There are two vacancies, we have sent letters on two separate occasions to the City Council. D. Jeanelle Drake will resend letters to Council and indicate the importance for us to have 2 representative from the Council so that we can be in compliance. Marcella Davis made a motion that the letter be sent to Mayor and Council for the two vacancies. It was moved and supported.
3. Business Industry, Labor, Religious, Welfare, Education - D. Jeanelle Drake stated that is also an appointee of the Mayor. In the pass we have made recommendations to the Mayor. Karen Robinson resigned because she moved out of the city. Suggestions need to be made. One person can come for any of those areas. Gerod Funderburg made the motion to table the recommendations for the next meeting; seconded by Anthony Ewell.
4. Committee Chairpersons (Programs, Quality Improvement, Bylaws) - These positions are chaired by the Executive Board Members and members from the General Board will serve on those committees. Executive Board Members are asked to stay after meeting and select chairs for those committees. The description of the committee are in your bylaws. Yvonne Rush made the motion that we table those items until next meeting, Seconded by Marcella Davis.

B. Meeting Calendar - General Board will continue to meet through out the summer. Maggie Hinton made the motion to accept the calendar as is; seconded by Chequita Scott.

C. Renaming of Target Areas - Anthony Ewell made the motion that we table the renaming of the target areas until we have the maps available, seconded by Gerod Funderburg

## **CITY OF DETROIT - DEPARTMENT OF HUMAN SERVICES - COMMUNITY SERVICES COMMISSION GENERAL MEETING**

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- D. Rezoning the Target Areas – Marcella Davis made the motion to table the rezoning of the Target Areas until we get the maps; seconded by Yvonne Rush.

### **X NEW BUSINESS**

- A. **Weatherization lay off** – Director Holland reported that the Weatherization Contractual Staff under the Detroit Urban League was laid off effective December 9, 2011. The department did not have a mechanism to pay the agency reimbursement of funds that were not being received from the state. May 2011 I received notification from the State due to the investigation that had occurred in the Department of Human Services that we will be responsible for submitting reimbursement along with support documentation. Prior to the notification procedures for reimburse were, we submitted a statement of expenditures and we would received reimbursement the following month. We went back and forward with documentation that was needed. In which we provided everything that was requested and was told that we would receive payment. On December 9, I received phone call from the Internal Monitoring Division stating that going forward all statements of expenditures will be handle by the State of Michigan Monitoring Division and that informed that we should no longer have any dealings with the agency. I had a conference call with Ms. Corrigan, Director, Michigan Department of Human Services, Chris Brown, city of Detroit Chief Operation Officer, Kirk Lewis, city of Detroit Chief of Staff, Cheryl Johnson, City of Detroit Finance Director. Unfortunately, the Weatherization staff have not been paid for two weeks of work.

The only services Center Operations can offer are: Tax Program, Emergency Food Program and Clothing Boutique.

- B. **Head Start Funds being sent back & Policy Council Representative meeting notifications** – Director Holland reported that the information in the media was inaccurate. The Department did seek approval for usage of Head Start dollars to relocation to this facilitates. Those dollars came from turn over savings due to vacancies and it did not impact any of the Head Start services.

Virginia Burns-Salcem – The CSC Representative need to complete an information form and return to the Parent Involvement Coordinator. Then we will be able to contact you regarding meeting notices. The next meeting for Policy Council is scheduled for January 26, 2012 @ 9:30 on Head Start Conference room on the 6<sup>th</sup>. *(Forms were made available)*

Marshall Russell has been elected by her peers as Chair of the Policy Council. She will chair the committee of Head Start city wide.

## **CITY OF DETROIT - DEPARTMENT OF HUMAN SERVICES - COMMUNITY SERVICES COMMISSION GENERAL MEETING**

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- C. **Planning Division** – The question was purposed is there going to be any training this year? Director Holland responded that in moving forward any training that we attend that is suitable to this Board you will be included.

Discussion on Robert Rules Training: Prior to the General Manger, Constance Phillips coming on board as a DHS employee she served as a representative of one of our target areas and she was our bylaws expert. Virginia Burns-Saleem stated that we also have Minnie Pearce who is capable of providing us guidance. We should make a request to her to provide training or if she know someone else who would be available to provide training. D. Jeanelle Drake make a recommendation that Minnie Pearce fill the vacancy on the Excecutive board in the Business, Industry, Labor, Religious, Welfare, Education sector and serve as Bylaw chair. Further discuss at our next meeting.

- XI. **PUBLIC COMMENT** – Versandra Kennebrew had a verbal report as follows:  
Copies of Thrive Detroit a Street Newspaper was given to the Commission. This paper is to provide opportunities training, and support for low income homeless citizens of Detroit to participate in entrepreneurship through microenterprise. Training is held at COTS. Cost of the paper is \$1.00 and seller get .75 of each paper.
- XII. **GOOD AND WELFARE**
- A. CSC ID Badges- still being investigated.
  - B. CSC Parking – Please use parking lot C detailed information will be forwarded via mail.
- XIII. **ADJOURNMENT**  
It was moved and supported that the meeting be adjourned. Meeting adjourned at 2:15 p.m.

The next meeting is scheduled for February 15, 2012



RICK SNYDER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF HUMAN SERVICES  
LANSING

MAURA D. CORRIGAN  
DIRECTOR

February 2, 2012

Mayor Dave Bing  
Coleman A. Young Municipal Center  
2 Woodward Ave. Ste. 1126  
Detroit, Michigan 48226-3443

Re: Detroit Department of Human Services Community Action Agency Designation

Dear Mayor Bing:

Thank you for meeting with us today. The purpose of this letter is to clarify the action that the Michigan Department of Human Services ("MDHS") is requesting of the City of Detroit. Because of our concerns about fiscal and programmatic problems associated with the Detroit Department of Human Services ("DDHS"), we believe that a new Community Action Agency ("CAA") should be selected to serve the residents of the City of Detroit. This result could be accomplished if the City of Detroit voluntarily agrees that the DDHS will step aside as the CAA for the City of Detroit. In place of DDHS, the State of Michigan would select a new CAA to serve Detroit residents.

Specifically, we are asking for a letter from you, Mayor Dave Bing, concurred in by the Detroit City Council, requesting that the Executive Director of the Michigan Bureau of Community Services rescind the official designation of the DDHS as the CAA serving the City of Detroit.

Please advise me of your intentions in this regard by the close of business on Friday, February 10, 2012.

Sincerely,

Maura D. Corrigan

Cc: Rick Snyder, Governor  
Charles Pugh, City Council President

CITY OF DETROIT  
MAYOR'S OFFICE

COLEMAN A. YOUNG MUNICIPAL CENTER  
2 WOODWARD AVE., SUITE 1126  
DETROIT, MICHIGAN 48226  
PHONE: 313-224-3400  
FAX: 313-224-4128  
WWW.DETROITMI.GOV

February 8, 2012

Maura D. Corrigan, Director  
MI Department of Human Services  
235 South Grand Avenue  
P.O. Box 30037  
Lansing, Michigan 48909

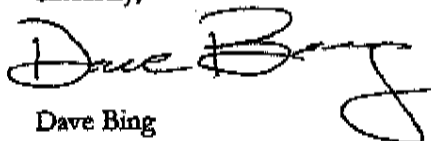
**Re: Detroit Department of Human Services Community Action Agency Designation**

Dear Ms. Corrigan:

The purpose of this letter is to clarify the action that the Michigan Department of Human Services ("MDHS") is requesting of the City of Detroit. We are in agreement that a new Community Action Agency ("CAA") should be selected to serve the residents of the City of Detroit. The City of Detroit voluntarily agrees that the Detroit Department of Human Services ("DDHS") will step aside as the CAA for the City of Detroit. In place of DDHS, the State of Michigan and the City of Detroit would mutually select a new CAA to serve Detroit residents.

Therefore, we are requesting that the Executive Director of the Michigan Bureau of Community Services rescind the official designation of the DDHS as the CAA serving the City of Detroit.

Sincerely,



Dave Bing

Cc: Rick Snyder, Governor  
Charles Pugh, City Council President  
Chris Brown, Chief Operating Officer



RICK SNYDER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF HUMAN SERVICES  
LANSING

MAURA D. CORRIGAN  
DIRECTOR

February 13, 2012

Mayor Dave Bing  
Coleman A. Young Municipal Center  
2 Woodward Ave. Ste. 1126  
Detroit, Michigan 48226-3443

Re: Detroit Department of Human Services Community Action Agency Designation

Dear Mayor Bing:

I am writing this letter on behalf of Maura Corrigan, Director of the Michigan Department of Human Services. Thank you for meeting with us on Friday, February 3, 2012. We believe it was a productive meeting.

The purpose of this letter is to confirm, in writing, our understanding of your position regarding the transfer of the Community Action Agency ("CAA") designation from the Detroit Department of Human Services ("DDHS") to a new, non-profit CAA. At the February 3 meeting, in response to our inquiry, you indicated that you would cooperate with our intention to effect this transfer and you agreed that a new, non-profit entity should be selected to serve as the CAA. We appreciate your willingness to help take this constructive step toward ensuring that federal grant funds intended for Detroit residents are, in fact, received by Detroit residents.

Our next step, with respect to this issue, will be to consult with City Council. Please let me know as soon as possible if—for any reason—this letter does not accurately state your position with respect to DDHS's administration of Community Service Block Grants.

Sincerely,

Paul C. Smith

Cc: Charles Pugh, City Council President  
Kirk Lewis, Maura Corrigan, Harvey Hollins, Stephanie Comai