

Department of Health and Human Services

**OFFICE OF
INSPECTOR GENERAL**

**CENTRAL CITY CONCERN,
A HEALTH RESOURCES AND
SERVICES ADMINISTRATION
GRANTEE, CLAIMED SOME
INADEQUATELY DOCUMENTED
COSTS UNDER THE
RECOVERY ACT**

*Inquiries about this report may be addressed to the Office of Public Affairs at
Public.Affairs@oig.hhs.gov.*



Lori A. Ahlstrand
Regional Inspector General

November 2012
A-09-11-01009

Office of Inspector General

<https://oig.hhs.gov>

The mission of the Office of Inspector General (OIG), as mandated by Public Law 95-452, as amended, is to protect the integrity of the Department of Health and Human Services (HHS) programs, as well as the health and welfare of beneficiaries served by those programs. This statutory mission is carried out through a nationwide network of audits, investigations, and inspections conducted by the following operating components:

Office of Audit Services

The Office of Audit Services (OAS) provides auditing services for HHS, either by conducting audits with its own audit resources or by overseeing audit work done by others. Audits examine the performance of HHS programs and/or its grantees and contractors in carrying out their respective responsibilities and are intended to provide independent assessments of HHS programs and operations. These assessments help reduce waste, abuse, and mismanagement and promote economy and efficiency throughout HHS.

Office of Evaluation and Inspections

The Office of Evaluation and Inspections (OEI) conducts national evaluations to provide HHS, Congress, and the public with timely, useful, and reliable information on significant issues. These evaluations focus on preventing fraud, waste, or abuse and promoting economy, efficiency, and effectiveness of departmental programs. To promote impact, OEI reports also present practical recommendations for improving program operations.

Office of Investigations

The Office of Investigations (OI) conducts criminal, civil, and administrative investigations of fraud and misconduct related to HHS programs, operations, and beneficiaries. With investigators working in all 50 States and the District of Columbia, OI utilizes its resources by actively coordinating with the Department of Justice and other Federal, State, and local law enforcement authorities. The investigative efforts of OI often lead to criminal convictions, administrative sanctions, and/or civil monetary penalties.

Office of Counsel to the Inspector General

The Office of Counsel to the Inspector General (OCIG) provides general legal services to OIG, rendering advice and opinions on HHS programs and operations and providing all legal support for OIG's internal operations. OCIG represents OIG in all civil and administrative fraud and abuse cases involving HHS programs, including False Claims Act, program exclusion, and civil monetary penalty cases. In connection with these cases, OCIG also negotiates and monitors corporate integrity agreements. OCIG renders advisory opinions, issues compliance program guidance, publishes fraud alerts, and provides other guidance to the health care industry concerning the anti-kickback statute and other OIG enforcement authorities.

Notices

THIS REPORT IS AVAILABLE TO THE PUBLIC
at <https://oig.hhs.gov>

Section 8L of the Inspector General Act, 5 U.S.C. App., requires that OIG post its publicly available reports on the OIG Web site.

OFFICE OF AUDIT SERVICES FINDINGS AND OPINIONS

The designation of financial or management practices as questionable, a recommendation for the disallowance of costs incurred or claimed, and any other conclusions and recommendations in this report represent the findings and opinions of OAS. Authorized officials of the HHS operating divisions will make final determination on these matters.

EXECUTIVE SUMMARY

BACKGROUND

The Health Centers Consolidation Act of 1996, P.L. No. 104-299, consolidated the Health Center Program under section 330 of the Public Health Service Act. This program provides comprehensive primary health care services through planning and operating grants to health centers. Health centers are nonprofit private or public entities that serve designated medically underserved populations and areas, as well as vulnerable populations of migrant and seasonal farmworkers, the homeless, and residents of public housing. Within the U.S. Department of Health and Human Services, the Health Resources and Services Administration (HRSA) administers the Health Center Program.

Under the American Recovery and Reinvestment Act of 2009 (Recovery Act), P.L. No. 111-5, enacted February 17, 2009, HRSA received \$2.5 billion, \$2 billion of which was to expand the Health Center Program by serving more patients, stimulating new jobs, and meeting the expected increase in demand for primary health care services among the Nation's uninsured and underserved populations. HRSA awarded a number of grants using Recovery Act funding in support of the Health Center Program, including Facilities Investment Program (FIP), Capital Improvement Program (CIP), and Increased Demand for Services (IDS) grants.

Central City Concern (Central City) is a nonprofit agency that serves single adults and families in the Portland, Oregon, metropolitan area. Central City has developed a comprehensive continuum of affordable housing options integrated with direct social services, including health care, recovery, and employment services.

During calendar year 2009, HRSA awarded Central City approximately \$9.6 million in Recovery Act funds. These awards consisted of \$8,950,000 under a FIP grant to help fund the construction of a new medical facility; \$426,400 under a CIP grant to improve program efficiencies, patient access, and information technology infrastructure; and \$187,917 under an IDS grant to increase access and reduce barriers to health care within Central City's service area. We limited our review to costs totaling \$5,138,216 that Central City claimed under the FIP, CIP, and IDS grants for the period March 27, 2009, through June 27, 2011.

As a nonprofit organization receiving Federal funds, Central City must comply with Federal cost principles in 2 CFR part 230, *Cost Principles for Non-Profit Organizations*. These cost principles require that grant costs claimed for Federal reimbursement be allowable and adequately documented, including the requirement that the grantee maintain signed personnel activity reports that reflect an after-the-fact determination of the actual activity of each employee working on Federal awards.

OBJECTIVE

Our objective was to determine whether the costs that Central City claimed were allowable in accordance with the terms of the Recovery Act grants and applicable Federal requirements.

SUMMARY OF FINDING

Of the \$5,138,216 of Central City's costs that we reviewed, \$5,040,282 was allowable in accordance with the terms of the Recovery Act grants and applicable Federal requirements. However, Central City claimed \$97,934 in IDS grant costs that were inadequately documented, consisting of (1) direct costs of \$87,441 for three employees' salaries, wages, and fringe benefits that were not supported by personnel activity reports that reflected an after-the-fact determination of the actual activity of each employee and (2) indirect costs of \$10,493 that were based on a percentage of the salaries, wages, and fringe benefits. Central City claimed these unsupported costs because it did not have written policies and procedures for maintaining personnel activity reports that complied with Federal requirements.

RECOMMENDATIONS

We recommend that HRSA:

- either require Central City to refund to the Federal Government \$97,934 for inadequately documented costs claimed under the IDS grant or work with Central City to determine whether any of the costs claimed were allowable and
- ensure that Central City develops and implements written policies and procedures for maintaining personnel activity reports that comply with Federal requirements.

CENTRAL CITY CONCERN COMMENTS AND OFFICE OF INSPECTOR GENERAL RESPONSE

In written comments on our draft report, Central City stated that it believed that costs were adequately documented for eight employees because personnel activity reports were properly signed and approved. (This finding was included only in the draft report sent to Central City.) Central City provided additional documentation to support approval information for these personnel activity reports. Regarding our finding related to after-the-fact determination of activity for three of the eight employees, Central City agreed that the costs for one employee were not adequately documented and should be refunded. For two employees, Central City stated that it believed that the costs were appropriate. Central City's comments are included in their entirety as Appendix A.

After reviewing the additional documentation provided by Central City, we agree that the costs for the eight employees were supported by signed personnel activity reports and removed that finding from our report. However, Federal cost principles clearly state that personnel activity reports must also reflect an after-the-fact determination of the actual activity of each employee and that budget estimates do not qualify as support for charges to awards. Our documented conversations and emails with Central City staff show that Central City used predetermined allocations of time (i.e., budget estimates) for three employees. Therefore, we maintain that our finding is valid.

HEALTH RESOURCES AND SERVICES ADMINISTRATION COMMENTS

In written comments on our draft report, HRSA concurred with our recommendations. HRSA's comments are included in their entirety as Appendix B.

TABLE OF CONTENTS

	<u>Page</u>
INTRODUCTION	1
BACKGROUND	1
Health Center Program	1
American Recovery and Reinvestment Act of 2009.....	1
Central City Concern	1
Federal Requirements for Grantees	2
OBJECTIVE, SCOPE, AND METHODOLOGY	2
Objective.....	2
Scope.....	2
Methodology.....	2
FINDING AND RECOMMENDATIONS	3
FEDERAL REQUIREMENTS	3
INADEQUATELY DOCUMENTED COSTS CLAIMED FOR FEDERAL REIMBURSEMENT	4
RECOMMENDATIONS	4
CENTRAL CITY CONCERN COMMENTS	4
OFFICE OF INSPECTOR GENERAL RESPONSE	5
HEALTH RESOURCES AND SERVICES ADMINISTRATION COMMENTS	5
APPENDIXES	
A: CENTRAL CITY CONCERN COMMENTS	
B: HEALTH RESOURCES AND SERVICES ADMINISTRATION COMMENTS	

INTRODUCTION

BACKGROUND

Health Center Program

The Health Centers Consolidation Act of 1996, P.L. No. 104-299, consolidated the Health Center Program under section 330 of the Public Health Service Act (42 U.S.C. § 254b). This program provides comprehensive primary health care services through planning and operating grants to health centers. Health centers are nonprofit private or public entities that serve designated medically underserved populations and areas, as well as vulnerable populations of migrant and seasonal farmworkers, the homeless, and residents of public housing. Within the U.S. Department of Health and Human Services (HHS), the Health Resources and Services Administration (HRSA) administers the Health Center Program.

American Recovery and Reinvestment Act of 2009

Under the American Recovery and Reinvestment Act of 2009 (Recovery Act), P.L. No. 111-5, enacted February 17, 2009, HRSA received \$2.5 billion, \$2 billion of which was to expand the Health Center Program by serving more patients, stimulating new jobs, and meeting the expected increase in demand for primary health care services among the Nation's uninsured and underserved populations. HRSA awarded a number of grants using Recovery Act funding in support of the Health Center Program, including Facilities Investment Program (FIP), Capital Improvement Program (CIP), and Increased Demand for Services (IDS) grants.

Central City Concern

Central City Concern (Central City) is a nonprofit agency that serves single adults and families in the Portland, Oregon, metropolitan area. Central City has developed a comprehensive continuum of affordable housing options integrated with direct social services, including health care, recovery, and employment services.

During calendar year 2009, HRSA awarded Central City \$9,564,317 in Recovery Act funds, consisting of:

- \$8,950,000 under a FIP grant to construct a new building;
- \$426,400 under a CIP grant to improve program efficiencies, patient access, and information technology infrastructure; and
- \$187,917 under an IDS grant to increase access and reduce barriers to health care within Central City's service area.

Grant funding for the FIP and CIP grants was for direct costs only. However, funding for the IDS grant was for direct costs (\$167,784) and indirect costs (\$20,133). Indirect costs were based

on a percentage of total direct costs; Central City negotiated the indirect cost rate with the U.S. Department of Housing and Urban Development.

Federal Requirements for Grantees

Federal regulations (45 CFR part 74) establish uniform administrative requirements governing HHS grants and agreements awarded to nonprofit organizations. As a nonprofit organization receiving Federal funds, Central City must comply with Federal cost principles in 2 CFR part 230, *Cost Principles for Non-Profit Organizations*, incorporated by reference at 45 CFR § 74.27(a). These cost principles require that grant costs claimed for Federal reimbursement be allowable. The HHS awarding agency may include additional requirements that are considered necessary to attain the award's objectives.

To help ensure that Federal requirements are met, grantees must maintain financial management systems in accordance with 45 CFR § 74.21. These systems must provide for accurate, current, and complete disclosure of the financial results of each HHS-sponsored project or program (45 CFR § 74.21(b)(1)) and must ensure that accounting records are supported by source documentation (45 CFR § 74.21(b)(7)). Grantees also must have written procedures for determining the allowability of costs in accordance with applicable Federal cost principles and the terms and conditions of the award (45 CFR § 74.21(b)(6)).

OBJECTIVE, SCOPE, AND METHODOLOGY

Objective

Our objective was to determine whether the costs that Central City claimed were allowable under the terms of the Recovery Act grants and applicable Federal requirements.

Scope

We performed this review in response to a request from HRSA. Of the \$9,564,317 that HRSA awarded to Central City, we limited our review to costs totaling \$5,138,216 that Central City claimed under the FIP, CIP, and IDS grants for the period March 27, 2009, through June 27, 2011.¹ We limited our review of internal controls to those that pertained directly to our objective.

We performed our fieldwork at Central City's office in Portland, Oregon, during the period July to November 2011.

Methodology

To accomplish our objective, we:

- reviewed applicable Federal laws, regulations, notices of awards, and guidance;

¹ Of the \$5,138,216, Central City claimed costs totaling \$4,523,899 for the FIP grant, \$426,400 for the CIP grant, and \$187,917 for the IDS grant.

- reviewed Central City's HRSA grant applications and supporting documentation;
- reviewed Central City's federally negotiated indirect cost rate agreement;
- interviewed Central City's personnel to gain an understanding of Central City's accounting system, internal controls over the claiming of costs for Federal reimbursement, and FIP, CIP, and IDS grant activities;
- reviewed Central City's procedures on accounting for funds, documenting transactions, withdrawing Federal funds, and processing payroll;
- reviewed Central City's independent auditor's reports and related financial statements for fiscal years ended June 30, 2009, and June 30, 2010;
- reviewed for allowability Central City's costs claimed under the FIP, CIP, and IDS grants; and
- discussed the results of our review with Central City officials.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our finding and conclusions based on our audit objective.

FINDING AND RECOMMENDATIONS

Of the \$5,138,216 of Central City's costs that we reviewed, \$5,040,282 was allowable in accordance with the terms of the Recovery Act grants and applicable Federal requirements. However, Central City claimed \$97,934 in IDS grant costs that were inadequately documented, consisting of (1) direct costs of \$87,441 for three employees' salaries, wages, and fringe benefits that were not supported by personnel activity reports that reflected an after-the-fact determination of the actual activity of each employee and (2) indirect costs of \$10,493 that were based on a percentage of the salaries, wages, and fringe benefits. Central City claimed these unsupported costs because it did not have written policies and procedures for maintaining personnel activity reports that complied with Federal requirements.

FEDERAL REQUIREMENTS

Pursuant to 2 CFR part 230, Appendix A, § A.2.g., to be allowable under an award, costs must be adequately documented. Pursuant to 2 CFR part 230, Appendix B, §§ 8.b. and 8.m., for salaries and wages to be allowable for Federal reimbursement, grantees must maintain personnel activity reports that reflect the distribution of activity of each employee whose compensation is charged, in whole or in part, directly to Federal awards. The reports must reflect an after-the-fact determination of the actual activity of the employee, be signed by the employee or a supervisory official having firsthand knowledge of the employee's activities, be prepared at least monthly,

coincide with one or more pay periods, and account for the total activity of the employee. Pursuant to 2 CFR part 230, Appendix B, § 8.m.(2)(a): “Budget estimates (*i.e.*, estimates determined before the services are performed) do not qualify as support for charges to awards.”

INADEQUATELY DOCUMENTED COSTS CLAIMED FOR FEDERAL REIMBURSEMENT

Central City claimed for Federal reimbursement \$97,934 in IDS grant costs that were inadequately documented:

- Central City did not adequately document \$87,441 in salaries, wages, and fringe benefits that it claimed as direct costs. Specifically, for three employees with time charged to the grant, Central City’s personnel activity reports did not reflect an after-the-fact determination of the actual activity of each employee.
- Of the \$20,133 that Central City claimed for indirect costs, \$10,493 was based on a percentage of the inadequately documented salaries, wages, and fringe benefits.

Central City claimed these unsupported costs because it did not have written policies and procedures for maintaining personnel activity reports that complied with Federal requirements.

RECOMMENDATIONS

We recommend that HRSA:

- either require Central City to refund to the Federal Government \$97,934 for inadequately documented costs claimed under the IDS grant or work with Central City to determine whether any of the costs claimed were allowable and
- ensure that Central City develops and implements written policies and procedures for maintaining personnel activity reports that comply with Federal requirements.

CENTRAL CITY CONCERN COMMENTS

In written comments on our draft report, Central City stated that it believed that costs were adequately documented for eight employees because personnel activity reports were properly signed and approved. (This finding was included only in the draft report sent to Central City.) Central City provided additional documentation to support approval information for these personnel activity reports.

Regarding our finding related to after-the-fact determination of activity for three of the eight employees, Central City agreed that the costs for one employee (a panel manager) were not adequately documented and should be refunded. For two employees (a health assistant and a primary care provider), Central City stated that it believed that the costs were appropriate.

- Central City stated that the health assistant worked solely in the position funded by the grant; therefore, no after-the-fact reconciliation of time was necessary.
- Central City stated that the primary care provider correctly reported by facility the actual time worked. Central City stated that it erroneously applied a predetermined allocation to a portion of the actual time, which resulted in an inaccurate allocation of time among three facilities but not an overallocation in total.

Central City's comments are included in their entirety as Appendix A.

OFFICE OF INSPECTOR GENERAL RESPONSE

After reviewing the additional documentation provided by Central City, we agree that the costs for the eight employees were supported by signed personnel activity reports and removed that finding from our report. However, Federal cost principles (2 CFR part 230, Appendix B, § 8.m.) clearly state that personnel activity reports must also reflect an after-the-fact determination of the actual activity of each employee and that budget estimates do not qualify as support for charges to awards.

Our documented conversations and emails with Central City staff show that Central City used predetermined allocations of time (i.e, budget estimates) for three employees:

- Central City officials told us that the health assistant worked 80 percent of her time on IDS-related activities and 20 percent of her time on non-IDS-related activities. These percentages were based on budget estimates, which do not qualify as support for charges to awards.
- During the audit, Central City officials stated that they used an estimated 50/40/10 percent split among 3 facilities for a portion of the primary care provider's recorded hours and said that the 40-percent portion of this split was not related to IDS. Because predetermined allocations are budget estimates, they do not qualify as support for charges to awards.

Therefore, we maintain that our finding is valid.

HEALTH RESOURCES AND SERVICES ADMINISTRATION COMMENTS

In written comments on our draft report, HRSA concurred with our recommendations. HRSA's comments are included in their entirety as Appendix B.

APPENDIXES

APPENDIX A: CENTRAL CITY CONCERN COMMENTS



Changing lives
Building communities
Creating opportunities

July 31, 2012

Lori A. Ahlstrand
Regional Inspector General for Audit Services
Office of Audit Services, Region IX
90 – 7th Street, Suite 3-650
San Francisco, CA 94103

Re. Response to report number A-09-11-01009

Dear Ms. Ahlstrand,

This letter is in response to the draft audit report issued by the Office of the Inspector General, dated July 11, 2012. We appreciate the opportunity to respond to the draft report.

Your finding for eight of our employees relate to a two-part adequate documentation requirement - Part 1: signed personnel activity reports, and Part 2: an after-the-fact determination of actual activity. We will respond, below, to the two requirements, separately.

Finding:

Central City claimed \$164,806 in IDS grant costs that were inadequately documented, consisting of (1) direct costs of \$147,148 for salaries, wages, and fringe benefits that were not supported by signed personnel activity reports that reflected an after-the-fact determination of the actual activity of each employee and (2) indirect costs of \$17,658 that were based on a percentage of the salaries, wages, and fringe benefits.

CCC's Response to the Finding:

During the period of the audit, Central City Concern utilized first, *ADP e-Time* and later, *Ultimate Time Management* electronic timekeeping software systems. Employees are required to enter their time for each time period, certify that the time entered accurately reflects time worked, and submit to their manager for approval. Managers are required to then review the submitted timesheets for accuracy and completeness and approve, as appropriate.

Part 1: Signed Personnel Activity Sheet Requirement: At the time of the audit, a sample of a timesheet submitted by an employee and approved by their manager was provided to the auditors (see attached). The timecard submission and approval process was discussed in detail. The auditors indicated that the sample provided sufficient evidence to satisfy the "signed personnel activity reports" requirement.

It was our oversight that we did not include the approval information for each of the sample items for the auditor; however, we can provide this for all eight of the employees sampled, upon request.



Changing lives
Building communities
Creating opportunities

Based on our discussions with the auditor, where no concerns related to approval were identified, we believe that the costs charged of \$164,806 (\$147,148 direct and \$17,658 indirect) are adequately documented to meet Part 1 of the requirement.

Part 2: After-the-fact Determination of Actual Activity:

In addition, your finding indicated that for three of the eight employees, noted above, the personnel activity reports did not reflect an after-the-fact determination of the actual activity of each employee. We will address each of the three, separately, below. These three resulted in a total finding of \$96,746 (\$86,380 direct and \$10,366 indirect).

1. **Health Assistant**— The budget proposal for the IDS grant included a 1.0 FTE Health Assistant to perform the services outlined in the IDS grant. This employee worked solely in the position funded by the grant; therefore, no after-the-fact reconciliation of time was necessary. Therefore, we believe that the costs charged of \$41,023 (\$36,628 direct and \$4,395 indirect) are appropriate.
2. **Primary Care Provider**— The budget for the IDS grant also included a 0.6 FTE Primary Care Provider (mid-level) and a 0.2 FTE Primary Care Provider (MD internist). The budgeted position provided primary care services only at the three facilities outlined in the IDS grant: the Old Town Clinic, Primary Care at 12th and Hooper Center, and not at any other CCC facilities. The employee correctly reported actual time worked by facility. Our error was that a pre-determined allocation was applied erroneously to a portion of the actual time. This resulted in an inaccurate allocation of time between facilities, but not an over allocation in total. Therefore, we believe that the costs charged of \$31,792 (\$28,386 direct and \$3,406 indirect) are appropriate.
3. **Panel Manager** - The budget for the IDS grant included a .5 Panel Manager. This employee provided services at the Primary Care at 12th facility, which is included in the grant and at the 12th Avenue Recovery Center, which is a facility not included in the grant. Our error was that we did not perform an after-the-fact reconciliation to ensure accuracy of the pre-determined allocation. Therefore, we agree with the finding that costs charged of \$23,931 (\$21,367 direct and \$2,564 indirect) were inadequately documented and should be refunded to the Federal Government.

This situation was identified in January 2011, during the 4th quarter 2010 routine internal review of the quarterly report, as required by the grant. At that time we modified how the employee recorded actual time worked, for the remainder of the contract.



Changing lives
Building communities
Creating opportunities

We appreciate the opportunity to continuously improve our quality and compliance and to work with the Office of the Inspector General and HRSA to achieve our shared goals of high-quality health care supported by highly compliant financial and operational documentation. When you have had the opportunity to review our response, please contact me at your convenience to schedule a time to discuss further.

Regards,

A handwritten signature in cursive script that reads "Katherine A. Ellis".

Katherine A. Ellis, MBA, CPA, CIA
Chief Financial Officer
Central City Concern
Tel. 503-294-1681
Fax. 503-294-4321

CC:

Ed Blackburn
Executive Director
Central City Concern

Mariet Steenkamp
Controller
Central City Concern

Leslie Tallyn
Director of Quality and Compliance
Central City Concern

Timecard Employee 1 4/13/2010-5/10/2010

Week starting: Mon 4/12

Pay Code	Transfer	Mon 4/12	Tue 4/13	Wed 4/14	Thu 4/15	Fri 4/16	Sat 4/17	Sun 4/18	Total
Hours Wor...	///16//		2:30		2:00				4:30
			2:30		2:00				4:30

Week starting: Mon 4/19

Pay Code	Transfer	Mon 4/19	Tue 4/20	Wed 4/21	Thu 4/22	Fri 4/23	Sat 4/24	Sun 4/25	Total
Hours Wor...	///16//		2:00		2:30				4:30
			2:00		2:30				4:30

Week starting: Mon 4/26

Pay Code	Transfer	Mon 4/26	Tue 4/27	Wed 4/28	Thu 4/29	Fri 4/30	Sat 5/01	Sun 5/02	Total
Hours Wor...			2:30						2:30
			2:30						2:30

Week starting: Mon 5/03

Pay Code	Transfer	Mon 5/03	Tue 5/04	Wed 5/05	Thu 5/06	Fri 5/07	Sat 5/08	Sun 5/09	Total
Hours Wor...							1:00		1:00
							1:00		1:00

Week starting: Mon 5/10

Pay Code	Transfer	Mon 5/10	Tue 5/11	Wed 5/12	Thu 5/13	Fri 5/14	Sat 5/15	Sun 5/16	Total
Hours Wor...		4:00							4:00
		4:00							4:00

Sign-offs & Approvals

Action Taken	Date	Time	Amount	User	Start Date	End Date	Comment
Approval by Manager	4/27/2010	1:56PM		Manager L	4/13/2010	4/26/2010	
Approval by Manager	5/13/2010	10:16AM			4/27/2010	5/10/2010	
Sign-off	5/17/2010	12:45PM				5/10/2010	

Timecard Employee 2 10/13/2009-10/26/2009

Week starting: Mon 10/12

Pay Code	Transfer	Mon 10/12	Tue 10/13	Wed 10/14	Thu 10/15	Fri 10/16	Sat 10/17	Sun 10/18	Total
Hours Wor...			10.00		4.00	10.45			24.45
Hours Wor...	/11/16/11			9.00	4.00				13.00
Hours Wor...	/11/1840/11		10.00	9.00	8.00	10.45			37.45

Week starting: Mon 10/19

Pay Code	Transfer	Mon 10/19	Tue 10/20	Wed 10/21	Thu 10/22	Fri 10/23	Sat 10/24	Sun 10/25	Total
Hours Wor...			10.45		4.00				14.45
Hours Wor...	/11/16/11	4.00							4.00
Hours Wor...	/11/1840/11	5.00		9.00	4.00				18.00
Hours Wor...		9.00	10.45	9.00	8.00				36.45

Week starting: Mon 10/26

Pay Code	Transfer	Mon 10/26	Tue 10/27	Wed 10/28	Thu 10/29	Fri 10/30	Sat 10/31	Sun 11/01	Total
Hours Wor...	/11/16/11	4.00							4.00
Hours Wor...	/11/1840/11	4.00							4.00
Hours Wor...		8.00							8.00

Sign-offs & Approvals

Action Taken	Date	Time	Amount	User	Start Date	End Date	Comment
Approval by Manager	10/26/2009	9:22AM		Manager2	10/13/2009	10/26/2009	
Sign-off	10/30/2009	11:17AM				10/29/2009	

**APPENDIX B: HEALTH RESOURCES AND SERVICES
ADMINISTRATION COMMENTS**



DEPARTMENT OF HEALTH & HUMAN SERVICES

Health Resources and Services
Administration

Rockville MD 20857

OCT 25 2012

TO: Inspector General

FROM: Administrator

SUBJECT: OIG Draft Report: "Central City Concern, a Health Resources and Services Administration Grantee, Claimed Inadequately Documented Costs Under the Recovery Act" (A-09-11-01009)

Attached is the Health Resources and Services Administration's (HRSA) response to the OIG's draft report, "Central City Concern, a Health Resources and Administration Grantee, Claimed Inadequately Documented Costs Under the Recovery Act" (A-09-11-01009). If you have any questions, please contact Sandy Seaton in HRSA's Office of Federal Assistance Management at (301) 443-2432.


Mary K. Wakefield, Ph.D., R.N.

Attachment

**Health Resources and Services Administration's Comments on the OIG Draft Report –
“Central City Concern, a Health Resources and Services Administration Grantee, Claimed
Inadequately Documented Costs Under the Recovery Act”
(A-09-11-01009)**

The Health Resources and Services Administration (HRSA) appreciates the opportunity to respond to the above draft report. HRSA's response to the Office of Inspector General (OIG) draft recommendations are as follows:

OIG Recommendation to HRSA:

We recommend that HRSA either require Central City to refund the Federal Government \$97,934 for inadequately documented costs claimed under the IDS grant or work with Central City to determine whether any of the costs claimed were allowable.

HRSA Response:

HRSA concurs with the OIG recommendation and will work with the grantee to determine whether any of the IDS costs claimed by the grantee were unallowable and should be refunded.

OIG Recommendation to HRSA:

We recommend that HRSA ensure that Central City develops and implements written policies and procedures for maintaining personnel activity reports that comply with Federal requirements.

HRSA Response:

HRSA concurs with the OIG recommendation and will ensure that the grantee develops and implements written policies and procedures for maintaining personnel activity reports that comply with federal requirements.