

Department of Health and Human Services

**OFFICE OF
INSPECTOR GENERAL**

**MISSOURI MAY NOT HAVE USED ALL
CARES ACT FUNDS FOR THE OLDER
AMERICANS ACT NUTRITION SERVICES
PROGRAM IN ACCORDANCE WITH
FEDERAL AND STATE REQUIREMENTS**

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Office of Inspector General

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Report in Brief

Date: April 2024

Report No. A-07-22-04130

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



Why OIG Did This Audit

COVID-19 created extraordinary challenges for the delivery of health care and human services to the American people. During the public health emergency, many State and local governments instituted stay-at-home orders, which mandated individuals to stay confined to their homes except for essential activities. There was an increased need for home-delivered meals for older individuals. Congress passed the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), which provided \$480 million for the Older Americans Act (OAA) Nutrition Services Program distributed by the HHS, Administration for Community Living (ACL). ACL awarded Missouri \$9 million in CARES Act funds for the OAA Nutrition Services Program.

Our objective was to determine whether Missouri used CARES Act funds for the OAA Nutrition Services Program in accordance with Federal and State requirements.

How OIG Did This Audit

Our audit covered measures implemented by Missouri's 10 Area Agencies on Aging (AAAs) during the CARES Act award period of April 1, 2020, through September 30, 2021. We judgmentally selected 3 OAA nutrition expense transactions from each of the 10 AAAs in Missouri. We reviewed supporting documentation for the 30 selected transactions (which totaled \$337,906) to analyze Missouri's use of CARES Act funds for this program.

Missouri May Not Have Used All CARES Act Funds for the Older Americans Act Nutrition Services Program in Accordance With Federal and State Requirements

What OIG Found

Missouri may not have used all CARES Act funds for the OAA Nutrition Services Program in accordance with Federal and State requirements. Specifically, none of the 10 AAAs in Missouri could give us separate accounting records that delineated the CARES Act expenditures to support the charges against the Federal award for these nutrition services. The AAAs could, however, provide lists of home-delivered nutrition program expenditures for the timeframe in which Missouri reimbursed AAAs for Nutrition Services Program expenditures with CARES Act funds.

The AAAs could not delineate their CARES Act expenditures for nutrition services because they were conforming to the State's process, under which Missouri assigned a funding source to expenditures only after the AAAs had submitted their monthly service and expenditure reports. Also contributing to these vulnerabilities was the fact that although Missouri monitored program and financial activities of the AAAs annually, it did not specifically monitor use of CARES Act funds. As a result of these vulnerabilities in Missouri's process, the State may have used CARES Act funds in a manner that did not comply with Federal and State requirements.

What OIG Recommends and Missouri Comments

We recommend that Missouri require AAAs to track expenditures for supplemental awards by funding source, when required by Federal guidance, especially in instances of pandemic-related or other disaster relief funding; and consider implementing additional monitoring activities whenever the State receives large supplemental funding disbursements.

Missouri concurred with both of our recommendations and described actions that it had taken or planned to take to address them. For our first recommendation, Missouri stated that it would require the AAAs to track expenditures for supplemental awards by funding source, and added that it would improve communication by providing monthly reconciliation of the funding source used for each AAA for all future invoices. For our second recommendation, Missouri stated that it would implement increased monitoring whenever it receives large supplemental funding disbursements, and that it would do so immediately. We commend Missouri for these actions to address our recommendations.

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INTRODUCTION

WHY WE DID THIS AUDIT

The COVID-19 pandemic created extraordinary challenges for the delivery of health care and human services to the American people. On January 31, 2020, the Department of Health and Human Services (HHS) declared a public health emergency for the COVID-19 pandemic. In response, many State and local governments across the country instituted stay-at-home orders, which mandated individuals to stay confined to their homes except for essential activities such as to shop for groceries or to seek medical attention. Because older individuals were at a higher risk of hospitalization and death from complications of COVID-19, the HHS, Centers for Disease Control and Prevention, advised those individuals, including those who typically received meals and nutrition services at locations that served meals in group settings (congregate meals), to minimize their in-person interactions with the general public. Consequently, there was an increased need for home-delivered meals.

In response to the pandemic, Congress passed the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) to provide expedited, direct economic assistance to Americans.¹ Among many other things, the CARES Act provided approximately \$480 million for the Older Americans Act (OAA) Nutrition Services Program in the form of grants awarded to States and Territories. This program promotes the health and well-being of older individuals through nutrition services assistance, including home-delivered meals, and is administered by HHS's Administration for Community Living (ACL). ACL awarded the Missouri Department of Health and Senior Services (State agency) approximately \$9 million in CARES Act funds for the OAA Nutrition Services Program.

As the oversight agency for HHS, the Office of Inspector General (OIG) oversees HHS's COVID-19 response and recovery efforts. This audit is part of OIG's COVID-19 response strategic plan.² The OIG is also performing a similar audit to determine whether California used CARES Act funds for the OAA Nutrition Service Program in accordance with Federal and State requirements.

OBJECTIVE

Our objective was to determine whether the State agency used CARES Act funds for the OAA Nutrition Services Program in accordance with Federal and State requirements.

¹ The Coronavirus Aid, Relief, and Economic Security Act (CARES Act), P.L. No. 116-136 (Mar. 27, 2020).

² OIG's COVID-19 response strategic plan and oversight activities can be accessed at [HHS-OIG's Oversight of COVID-19 Response and Recovery | HHS-OIG](#) (accessed on Feb. 1, 2024).

BACKGROUND

Older Americans Act Nutrition Services Program

Title III of the OAA authorizes the Nutrition Services Program to provide funding to States and U.S. Territories to support nutrition services assistance to older individuals.³ The purposes of this program are to reduce hunger and food insecurity and promote the socialization, health, and well-being of older individuals. The primary services provided under this program are home-delivered meals and congregate meals. Before the COVID-19 pandemic, the Nutrition Services Program generally provided home-delivered meals to those older individuals who were essentially homebound for health or other reasons. Other older individuals generally received services in the form of congregate meals, in furtherance of the program's stated intent of promoting socialization opportunities for older individuals.

Program eligibility is determined almost entirely by States and local entities; the only Federal requirement for participation in the program is that an individual receiving benefits be at least 60 years of age. Section 339 of the OAA expanded eligibility to include spouses of eligible individuals, individuals with disabilities who live with eligible individuals, and individuals with disabilities who live in housing facilities where mainly older adults live and where congregate meals are provided.

Section 305 of the OAA outlines requirements for a State or Territory to be eligible to participate in the Nutrition Services Program. Among other things, these requirements specify that each State or Territory shall designate a State agency (referred to as "State Unit on Aging" in some criteria) to be primarily responsible for all OAA activities in the State, including developing and administering the ACL-approved State plan.

CARES Act Funds for Older Americans Act Nutrition Services Program

The CARES Act funding was structured such that all meals furnished to individuals under the OAA Nutrition Services Program were, as the pandemic continued, classified as home-delivered nutrition services. With this funding assistance, the structure and administration of this program shifted away from the provision of congregate meals because of physical distancing requirements and other pandemic-related measures. Although the CARES Act provided additional flexibilities to providers of these meal programs, such as the ability to purchase capital equipment and provide bags of groceries, it did not make changes to general program eligibility.⁴

³ The Older Americans Act (OAA), P.L. No. 89-73 (July 14, 1965). The most recent reauthorization of this act was the Supporting Older Americans Act, P.L. No. 116-131 (Mar. 25, 2020).

⁴ The CARES Act allowed for expanded eligibility during the period of the COVID-19 public health emergency, specifying that "the same meaning shall be given to an individual who is unable to obtain nutrition because the individual is practicing social [physical] distancing due to the emergency as is given to an individual who is homebound by reason of illness."

ACL distributed CARES Act funding to the State agency for each State and Territory. The State agencies contract with Area Agencies on Aging (AAAs), which are public or private nonprofit agencies designated by the State to address the needs of older individuals in regional areas. AAAs may be categorized as a county, city, regional planning council, or council of governments, private or nonprofit. The flexible nature of this structure allows a State agency to ensure that each region in its State or Territory is receiving goods and services based on those areas' specific needs. AAAs may also contract with local service providers to offer congregate and home-delivered meals.

According to ACL guidance, ACL issued CARES Act funds under a separate grant award number; these funds must therefore be accounted for separately from Nutrition Services Program funds awarded as part of regular Title III OAA funding (footnote 7 later in this report). Additionally, States are required to maintain appropriate records and documentation to support the charges against the Federal awards.

Missouri Department of Health and Senior Services

The State agency is responsible for developing and implementing the State Plan on Aging (State plan) for Missouri's OAA Nutrition Services Program. Accordingly, the State agency is responsible for developing and implementing programs designed to protect older individuals and individuals with disabilities, and it is responsible for the oversight of programs authorized under Title III of the OAA. The State agency annually performs programmatic and financial monitoring of OAA activities, to include some monitoring of the AAAs' Nutrition Services Program activities.

Missouri Area Agencies on Aging

The State agency contracts with 10 AAAs, which between them serve all 114 counties and the City of Saint Louis. A map of the areas served by the AAAs in Missouri appears as Appendix B. The AAAs are the primary administrators of the OAA Nutrition Services Program and are responsible for developing and administering programs for adults aged 60 and over who have the greatest social or economic need. To this end, the State plan requires each AAA to submit an area plan to the State agency for review and approval.

ACL awarded \$9,066,266 in CARES Act funds to the State agency for the OAA Nutrition Services program for the CARES Act award period: April 1, 2020, through September 30, 2021. The State agency allocated this funding to the AAAs according to the funding formula requirements

prescribed in the OAA.⁵ The State agency distributed the CARES Act funding allocation to the AAAs upon submission of monthly service and expenditure reports.

HOW WE CONDUCTED THIS AUDIT

We reviewed the State agency's policies and procedures and evaluated measures that the AAAs implemented to administer the OAA Nutrition Services Program for the CARES Act award period of April 1, 2020, through September 30, 2021.

We judgmentally selected 3 OAA nutrition expense transactions from each of the 10 AAAs in Missouri, using records that the AAAs provided. Specifically, we judgmentally selected transactions from a variety of the AAAs' nutrition services program expenditure categories including, but not limited to, food, salaries and wages, technology, supplies, and equipment.⁶ We reviewed supporting documentation for the 30 selected transactions (which totaled \$337,906) to analyze the State agency's use of CARES Act funds for the OAA Nutrition Services Program.

We asked questions of State agency staff and staff from the 10 AAAs to gather information that helped us evaluate the State agency's oversight of the OAA Nutrition Services Program implemented by AAAs, and more specifically, to determine compliance with requirements governing the use of CARES Act funds for the program.

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 findings and conclusions based on our audit objectives.

Appendix A contains the details of our audit scope and methodology.

FINDING

The State agency may not have used all CARES Act funds for the OAA Nutrition Services Program in accordance with Federal and State requirements. Specifically, none of the 10 AAAs

⁵ The State plan describes the Intrastate Funding Formula (IFF) as part of the mechanism that the State agency uses to prioritize the provision of services to older individuals who have the greatest economic and social needs (with particular attention to low-income older individuals, including low-income minority individuals, older individuals with limited English proficiency, and older individuals residing in rural areas) in accordance with the OAA, section 305(a)(2)(E). Missouri's IFF is based on the estimated number of older individuals in greatest social and economic need, including low-income older individuals, low-income minority individuals, and older individuals residing in rural areas.

⁶ Because of how the CARES Act funding was structured, the AAAs' Nutrition Services Program expenditures specified that meals were home-delivered.

in Missouri could give us separate accounting records that delineated the CARES Act expenditures to support the charges against the Federal award for these nutrition services. The AAAs could, however, provide lists of home-delivered nutrition program expenditures for the timeframe in which the State agency reimbursed AAAs for Nutrition Services Program expenditures with CARES Act funds. Our ability to identify the expenditures of CARES Act funds was hampered by the fact that the AAAs did not track these expenditures by funding source in their records and thus could not give us lists that delineated the CARES Act expenditures for nutrition services. This inability on the part of the AAAs to provide lists of CARES Act expenditures drawn from their records reflected a lack of transparency in accounting for the use of these pandemic-related relief funds.

The AAAs could not delineate their CARES Act expenditures for nutrition services because they were conforming to the State agency's process. Under this process, the State agency assigned a funding source to expenditures only after the AAAs had submitted their monthly service and expenditure reports. This process did not require the AAAs to track these expenditures by funding source in their own records. Accordingly, the funding source that the State agency assigned to an expenditure could be either the CARES Act or a different, non-emergency funding source. A related factor contributing to these vulnerabilities was the fact that although the State agency monitored program and financial activities of the AAAs annually, it did not specifically monitor use of CARES Act funds to verify that these funds were being expended in accordance with Federal and State requirements. Moreover, the State agency told us that ACL had instructed it to suspend use of regular OAA funds and instead use CARES Act funding until it had been fully expended. ACL's guidance did not, however, lift or modify the requirement that expenditures be tracked by funding source.

As a result of these vulnerabilities in the State agency's process for tracking and monitoring CARES Act expenditures for nutrition services, the State agency may have used CARES Act and other pandemic-related relief funds as if they were general budget funds (that is, funds used not for emergency purposes but rather, for general operating expenses). Therefore, instead of using those funds for their intended purposes—to prevent, prepare for, and respond to the public health emergency the State agency may have used CARES Act funds in a manner that did not comply with Federal and State requirements.

THE STATE AGENCY MAY NOT HAVE USED CARES ACT FUNDS IN ACCORDANCE WITH FEDERAL AND STATE REQUIREMENTS

Federal and State Requirements

The CARES Act (footnote 1) made available Federal funds to prevent, prepare for, and respond to the COVID-19 pandemic for activities authorized under the OAA, including \$480 million for nutrition services (Division B, Title VIII). These funds could only be used to prevent, prepare for, and respond to the COVID-19 public health emergency (Sec. 23004). The CARES Act further specified that each amount appropriated or made available by the CARES Act would be in addition to amounts otherwise appropriated for the Federal fiscal year involved (Sec. 23001).

Federal regulations stipulate that the financial management system of each grant recipient must provide accurate, current, and complete disclosure of the financial results of each Federal award or program. The grant recipient's records must identify the source and application of funds for federally funded activities and must be supported by source documentation (45 CFR §§ 75.302(b)(2) and (3)).

ACL issued guidance to States that they should be prepared to track the number of persons served, units provided, and related expenditures insofar as their use of CARES Act funds and other pandemic-related funds were concerned. In addition, the guidance directed States to separately track and report other sources of funding, including supplemental funding under the Families First Coronavirus Response Act, P.L. No. 116-127 (Mar. 18, 2020) and the CARES Act. States are required to continue maintaining appropriate records and documentation to support the charges against the Federal awards.⁷

Missouri's Code of State Regulations (CSR) states (19 CSR 15-4.170(1)):

The area agency on aging shall establish a system to monitor financial expenditures of grants and contracts. In order to ensure adequate monitoring, at a minimum, the area agency on aging shall—

- (A) Establish written policies and procedures governing the expenditures of funds by service providers. These procedures shall provide for record maintenance by each service provider;
- (B) Document, through assessment reports, that expenditures are made in accordance with the provisions of 45 CFR Part 75. . . .

The State Agency Could Not Ensure That It Used All CARES Act Funds in Accordance With Federal and State Requirements

The State agency may not have used all CARES Act funds for the OAA Nutrition Services Program in accordance with Federal and State requirements. Specifically, none of the 10 AAAs in Missouri could give us separate accounting records that delineated the CARES Act expenditures to support the charges against the Federal award for these nutrition services. The AAAs could, however, provide lists of home-delivered nutrition program expenditures for the timeframe in which the State agency reimbursed AAAs for Nutrition Services Program expenditures with CARES Act funds.

Our ability to identify the expenditures of CARES Act funds was hampered by the fact that the AAAs did not track these expenditures by funding source in their records and thus could not give us lists that delineated the CARES Act expenditures for nutrition services. This inability on the part of the AAAs to provide lists of CARES Act expenditures drawn from their records

⁷ ACL, [OAA COVID-19 Guidance: Comprehensive Guide Reference](#) (Jul. 8, 2020).

reflected a lack of transparency in accounting for the use of these pandemic-related relief funds. The fact that these lists included expenditures that may have been funded by one or more other funding sources prevented us from determining whether the State agency used CARES Act funds in compliance with Federal and State requirements.

Notwithstanding these difficulties, we selected a judgmental sample from the home-delivered nutrition expenditure transactions that the AAAs gave us so that we could review—to the extent possible—the State agency’s use of CARES Act funds. Of the 30 home-delivered nutrition program expenditure transactions we reviewed, 14 transactions appeared to involve purchases of food or meals, which appeared to represent uses of CARES Act funds for their intended purposes. However, the other 16 transactions appeared to involve routine program expenditures such as quarterly payments for program software, human resources staff membership fees, and advertising expenditures—usages that appeared not to support the intended purposes of CARES Act funding. The documentation that we reviewed for these 16 transactions did not indicate that they were distinctly public health emergency-related in nature. In fact, we found evidence that some of the expenditures we reviewed had been planned before the onset of the COVID-19 pandemic.

Specifically, the 16 transactions, which appeared not to support the intended purposes of CARES Act funding, totaled \$42,523 and included the following:

- Four food service-related transactions (one of which was the fuel for delivery trucks purchased prior to the pandemic);
- three payroll-related transactions (two of which were missing timesheet documentation);
- two transactions for upgrades to AAAs’ physical facilities that had been quoted (a purchase of large kitchen equipment and a roofing repair) before the pandemic;
- six transactions for information technology-related expenses (three transactions for software or database monthly or quarterly expenses; two transactions for payments for human resources organization membership fees, software licenses, and advertising expense; one transaction for network tools, such as cables); and
- one transaction coded to general expense/supplies for catered lunches for individuals who were packing meals to be delivered. The cost of these catered meals was \$10 per meal for 10 people, and the AAA provided the meals daily for a week at a time.

Thus, although we did find evidence of appropriate use of home-delivered Nutrition Services Program expenditures, there were also some transactions we reviewed that did not appear to meet the requirements set forth in the CARES Act and the other Federal criteria cited earlier in this report. Our review of these transactions did not give us sufficient information or assurance to determine with certainty that the State agency used all CARES Act funds in accordance with

Federal and State requirements. Accordingly, the State agency may have allowed CARES Act funds to be used for unallowable expenditures.

THE AREA AGENCIES ON AGING COULD NOT DELINEATE CARES ACT EXPENDITURES FOR NUTRITION SERVICES BECAUSE THEY WERE CONFORMING TO THE STATE AGENCY'S PROCESS

The AAAs could not delineate their CARES Act expenditures for nutrition services because the AAAs were conforming to the State agency's process. Under this process, the State agency assigned a funding source to expenditures only after the AAAs had submitted their monthly service and expenditure reports.

According to officials from the AAAs, the State agency did not require the AAAs to separately track expenditures (i.e., by funding source (from CARES Act funds and from other funding sources)); accordingly, the AAAs could not give us lists of CARES Act expenditures for nutrition services. The State agency told the AAA officials that in their view, all of their expenditures during the pandemic were to some degree pandemic-related. The AAAs also told us that the State agency's process was to allocate the invoices as CARES Act expenditures at the State agency level as opposed to a process that would allow—or direct—the AAAs to identify use of the CARES Act funds and track those funds accordingly. It was therefore entirely possible that funding source that the State agency assigned to an expenditure could be either the CARES Act or a different, non-emergency funding source.

This process did not require the AAAs to track these expenditures by funding source in their own records. The State agency confirmed that the process we describe above was the process in place for assigning funding for home-delivered Nutrition Services Program expenditures. The State agency also told us that ACL had instructed it to suspend use of regular OAA funds and instead use CARES Act funding until it had been fully expended. However, although ACL's guidance recommended use of pandemic relief funding first because those funds were "specifically appropriated for COVID-19 response," that guidance did not lift or modify the requirement that these expenditures be tracked by funding source. Rather, ACL specified that States should be prepared to track the number of persons served, units provided, and related expenditures insofar as their use of CARES Act funds and other pandemic-related funds were concerned. According to ACL guidance, States were required to continue maintaining appropriate records and documentation to support the charges against the Federal awards.

A related factor contributing to the vulnerabilities we discuss above was the fact that although the State agency had a process in place to monitor the OAA program and the financial activities of the AAAs annually, the State agency did not specifically monitor use of CARES Act funds to verify that these funds were being expended in accordance with Federal and State requirements. The State agency did not conduct additional monitoring activities with respect to the AAAs during the COVID-19 pandemic, even though it and the AAAs had received significant amounts of additional funding for the OAA Nutrition Services Program. State agency monitoring efforts could therefore be improved to specifically target supplemental funding to enhance oversight and to verify proper use of funds.

CONCLUSION

Our efforts in this audit to determine whether the use of CARES Act funds complied with Federal and State requirements was hampered by the fact that the AAAs did not track home-delivered nutrition program expenditures by funding source in their records. We concluded that there was a lack of transparency in accounting for the use of pandemic-related relief funds. This fact, combined with the vulnerabilities in the State agency's administration and monitoring of these funds, made it even more difficult for the State agency to ensure that it and the AAAs were complying with applicable requirements. The intent and spirit of the CARES Act do not appear to have been met by the State agency's use of CARES Act and other pandemic-related relief funds as if they were general budget funds for some expenditures that we reviewed, such as roofing repair and pre-planned purchases of new kitchen equipment. Consequently, the State agency and the AAAs may not have used those CARES Act funds for their intended purposes as specified in Federal requirements—to prevent, prepare for, and respond to the COVID-19 public health emergency.

RECOMMENDATIONS

We recommend that the Missouri Department of Health and Senior Services:

- require AAAs to track expenditures for supplemental awards by funding source, when required by Federal guidance, especially in instances of pandemic-related or other disaster relief funding; and
- consider implementing additional monitoring activities whenever the State receives large supplemental funding disbursements.

STATE AGENCY COMMENTS AND OFFICE OF INSPECTOR GENERAL RESPONSE

In written comments on our draft report, the State agency concurred with both of our recommendations and described actions that it had taken or planned to take to address them. For our first recommendation, the State agency acknowledged that although it did track expenditures for supplemental awards by funding source, the AAAs “did not do so as required by Federal guidance.” The State agency said that it would require the AAAs to track expenditures for supplemental awards by funding source and that it would “improve communication to ensure that the AAAs understand the funding sources utilized” to pay invoices “by providing monthly reconciliation of [the] funding source used for each AAA for all future invoices.”

For our second recommendation, the State agency said that it would implement increased monitoring whenever it receives large supplemental funding disbursements. The State agency added that the increased monitoring “will begin immediately” and named a funding disbursement that it is monitoring.

The State agency's comments appear in their entirety as Appendix C.

We commend the State agency for the actions it has taken and plans to take to address our recommendations.

APPENDIX A: AUDIT SCOPE AND METHODOLOGY

SCOPE

We reviewed the State agency's policies and procedures and evaluated measures that the AAAs implemented to administer the OAA Nutrition Services Program for the CARES Act award period of April 1, 2020, through September 30, 2021.

We judgmentally selected 3 OAA nutrition expense transactions from each of the 10 AAAs in Missouri, using records that the AAAs provided. Specifically, we judgmentally selected transactions from a variety of the AAAs' nutrition services program expenditure categories including, but not limited to, food, salaries and wages, technology, supplies, and equipment (footnote 6). We reviewed supporting documentation for the 30 selected transactions (which totaled \$337,906) to analyze the State agency's use of CARES Act funds for the OAA Nutrition Services Program.

We asked questions of State agency staff and staff from the 10 AAAs to gather information that helped us evaluate the State agency's oversight of the OAA Nutrition Services Program implemented by AAAs, and more specifically, to determine compliance with requirements governing the use of CARES Act funds for the program.

We determined that the State agency's control activities, information and communication, and monitoring were significant to the audit objective. We reviewed the State agency's documentation of responsibilities through policies and assessed the State agency's efforts to conduct periodic review of control activities for the program. We also reviewed the State agency's information requirements and reviewed external communication with the AAAs for the OAA Nutrition Services Program. Finally, we reviewed the State agency's internal control system monitoring and evaluation of issues and corrective actions for Missouri's OAA Nutrition Services Program.

We performed audit work from July 2022 through February 2024.

METHODOLOGY

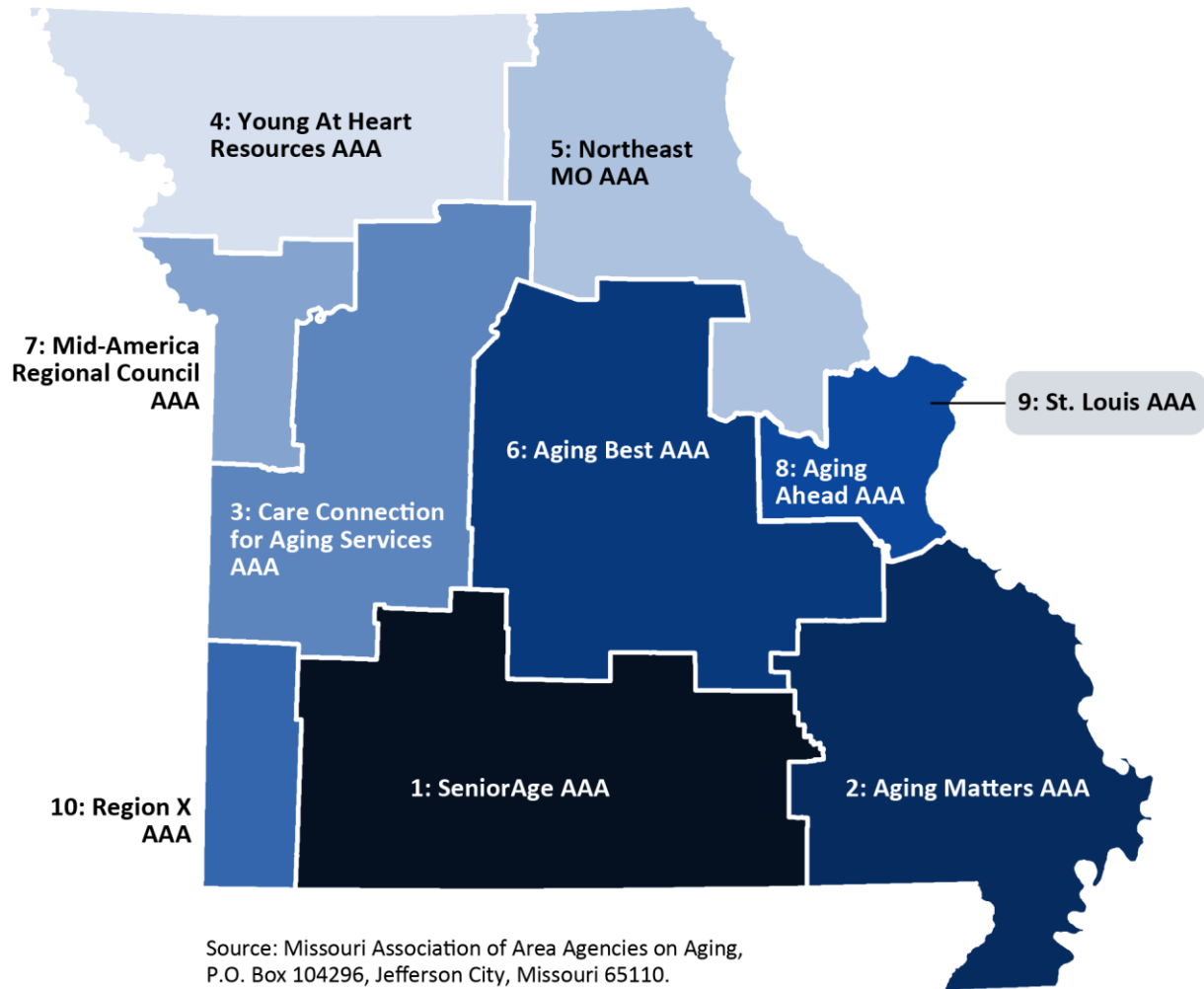
To accomplish our objective, we performed the following steps:

- We reviewed applicable Federal and State regulations, policies, and guidance. Specifically, we reviewed the OAA, the CARES Act, ACL program guidance including CARES Act flexibilities for the OAA Nutrition Services Program, the Missouri Code of State Regulations, and the Missouri State plan.
- We interviewed State agency officials to obtain an understanding of Missouri's OAA Nutrition Services Program and the State agency's oversight of the program.

- We assessed the design and implementation of internal controls applicable to our objective.
- We verified the amount of CARES Act funds that Missouri received for the OAA Nutrition Services Program.
- We reconciled the State agency's records to financial reports that the State agency submitted to ACL for CARES Act funds for the Nutrition Services Program.
- We reviewed the State agency's allocation of CARES Act funds to AAAs for Missouri's OAA Nutrition Services Program to determine whether funds were allocated in compliance with Federal and State requirements.
- We reviewed State agency programmatic and financial monitoring reports for the AAAs' OAA activities before and during the CARES Act award period of April 1, 2020, through September 30, 2021.
- We surveyed and interviewed AAA staff to evaluate how the AAAs used CARES Act funds for the OAA Nutrition Services Program and to further evaluate the State agency's program oversight.
- We reviewed AAAs' lists of OAA program expenditures for the timeframe in which AAAs used CARES Act funds for nutrition services (because a separate list of CARES Act expenditures could not be provided from the AAAs' records).
- We performed testing for the use of CARES Act OAA Nutrition Services Program funds by judgmentally selecting 30 transactions for review. Specifically, we selected 3 transactions from each of the 10 AAAs' lists of program expenditures for the timeframe in which CARES Act funds were used by that AAA.
- We reviewed the AAAs' supporting documentation for judgmentally selected program expenditures to determine, to the extent possible, whether the State agency used CARES Act OAA Nutrition Services Program funds in accordance with Federal and State requirements.
- We discussed the results of our audit with State agency officials on November 20, 2023.

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 findings and conclusions based on our audit objectives.

APPENDIX B: MISSOURI AREA AGENCIES ON AGING





Missouri Department of Health and Senior Services

P.O. Box 570, Jefferson City, MO 65102-0570 | Phone: 573-751-6400 | FAX: 573-751-6010
RELAY MISSOURI for Hearing and Speech Impaired and Voice dial: 711



Paula F. Nickelson
Director

Michael L. Parson
Governor

March 15, 2024

James I. Korn, Regional Inspector General for Audit Services
Office of Inspector General
Office of Audit Services, Region VII
1201 Walnut Street, Suite 1338
Kansas City, MO 64106

Dear Mr. Korn,

The Missouri Department of Health and Senior Services (DHSS) Division of Senior and Disability Services (DSDS) has reviewed Office of Inspector General, Office of Audit Services, Region VII draft report and recommendations for Missouri's use of CARES Act funds for the Older Americans Act Nutrition Services Program in accordance with federal and state requirements. Our responses to the two recommendations in the draft report are below.

The first recommendation was that the Missouri Department of Health and Senior Services (DHSS) require the Area Agencies on Aging (AAAs) to track expenditures for supplemental awards by funding source, when required by Federal guidance, especially in instances of pandemic-related or other disaster relief funding. DHSS/DSDS concurs that while the State Unit on Aging (SUA) did track expenditures for supplemental awards by funding source, the Area Agencies on Aging (AAAs) did not do so as required by Federal guidance. DHSS/DSDS will require the AAAs to track expenditures for supplemental awards by funding source. The State Unit on Aging will improve communication to ensure that the AAAs understand the funding sources utilized to pay the AAA invoices by providing monthly reconciliation of funding source used for each AAA for all future invoices.

The second recommendation was that Missouri DHSS should consider implementing additional monitoring activities whenever the State receives large supplemental funding disbursements. Missouri DHSS/DSDS concurs with this recommendation and will implement increased monitoring when the State receives large supplemental funding disbursements. This enhanced monitoring will begin immediately with the current ARPA funds that are currently being monitored by DHSS/DSDS.

Please accept this as Missouri's official response to the draft OIG report.

Respectfully submitted,

/s/ Melanie Highland

Melanie Highland, Director
Division of Senior and Disability Services

PROMOTING HEALTH AND SAFETY

The Missouri Department of Health and Senior Services' vision is optimal health and safety for all Missourians, in all communities, for life.