

STATE OF ILLINOIS

OFFICE OF THE AUDITOR GENERAL

**MANAGEMENT AUDIT OF THE
ISC SELECTION PROCESS**

APRIL 2020

FRANK J. MAUTINO

AUDITOR GENERAL

SPRINGFIELD OFFICE:
ILES PARK PLAZA
740 EAST ASH • 62703-3154
PHONE: 217/782-6046
FAX: 217/785-8222 • TTY: 888/261-2887
FRAUD HOTLINE: 1-855-217-1895



CHICAGO OFFICE:
MICHAEL A. BILANDIC BLDG. • SUITE S-900
160 NORTH LASALLE • 60601-3103
PHONE: 312/814-4000
FAX: 312/814-4006
FRAUD HOTLINE: 1-855-217-1895

OFFICE OF THE AUDITOR GENERAL
FRANK J. MAUTINO

*To the Legislative Audit Commission, the Speaker
and Minority Leader of the House of Representatives,
the President and Minority Leader of the Senate, the
members of the General Assembly, and the Governor:*

This is our report of the Management Audit of the Department of Human Services' process for selecting Independent Service Coordination agencies for the Fiscal year commencing July 1, 2019.

The audit was conducted pursuant to House of Representatives Resolution Number 214, which was adopted May 30, 2019. This audit was conducted in accordance with generally accepted government auditing standards and the audit standards promulgated by the Office of the Auditor General at 74 Ill. Adm. Code 420.310.

The audit report is transmitted in conformance with Sections 3-14 and 3-15 of the Illinois State Auditing Act.

SIGNED ORIGINAL ON FILE

FRANK J. MAUTINO
Auditor General

Springfield, Illinois
April 2020



STATE OF ILLINOIS
OFFICE OF THE
AUDITOR GENERAL

Frank J. Mautino, Auditor General

REPORT DIGEST

**PERFORMANCE
AUDIT**

**Release Date:
April 2020**

Audit performed in
accordance with
**House Resolution
Number 214**

Office of the Auditor General
lles Park Plaza
740 E. Ash Street
Springfield, IL 62703

Phone: (217) 782-6046
TTY: (888) 261-2887

The full audit report is available
on our website:
www.auditor.illinois.gov

EXECUTIVE SUMMARY

ISC Selection Process

On September 11, 2018, the Department of Human Services (DHS) posted a notice seeking proposals to provide Independent Service Coordination (ISC) services beginning July 1, 2019. This Notice of Funding Opportunity (NOFO) proposal process was the **first time DHS had requested to competitively procure these services**, services which have been provided for nearly 30 years. For the period FY15-FY19, DHS expended **\$179 million** on ISC services.

During the audit we found:

- DHS, prior to issuing the NOFO, **reduced the number of ISC regions from 17 to 12**. These 12 regions were awarded to eight ISCs.
- Six FY19 ISCs chose not to submit proposals for the NOFO.
- After the ISC awards were announced, the nine ISCs that did not receive an award **experienced a drop in State funding or closed completely**.
- After announcement of winning proposals, four ISCs and a guardian of an individual with developmental disabilities **filed suit against DHS** in two separate courts.
- DHS did not provide accurate information to the General Assembly **on matters relative to the ISC NOFO**.

From a planning perspective we found:

- DHS has stated the competitive selection process for the ISC services was driven by the requirements of the Grant Accountability and Transparency Act (GATA). However, the **DHS position was incorrect – ISC services were exempt from competitive bidding based on the Medicaid exemption to GATA, according to the Department of Healthcare and Family Services**.
- DHS developed **scoring parameters** that contained a number of **deficiencies**.
- DHS failed to adopt administrative rules relative to GATA and also did not have policies and procedures for conducting a NOFO process prior to the actual procurement process.
- DHS evaluators spent a **marginal amount of time** on the evaluation. **Only two days were budgeted** for evaluation even though DHS had the proposals for 17 days.

From an evaluation perspective we found:

- DHS did not **develop and maintain evaluator meeting minutes** for the three evaluation groups that scored the ISC proposals.
- DHS **failed to follow the selection criteria for awarding ISC services** for FY20.
- that **evaluation criteria were not uniformly applied** in the ISC NOFO. DHS **failed to review** whether the evaluation team for the ISC NOFO **followed scoring parameter guidance** when assigning scores. This failure, based on our assessment of the scoring, resulted in **three instances where a different ISC may have been selected**. In two of the three instances the ISCs **went out of business**. This analysis was constructed by re-scoring proposals based on, as noted earlier, a scoring instrument that contained **some** flawed parameters. **These were, however, the parameters used to score proposals**. Given the flawed scoring instrument and other uncertainties with scoring, such as a lack of discussion of scoring differences, we cannot say with absolute certainty which proposer should ultimately have won the award. Overall, we found **274 scoring irregularities** in DHS documentation for the regions where there was competition.
- DHS **did not maintain documentation to show how appeals to the ISC NOFO selections were determined**.

AUDIT SUMMARY AND RESULTS

On May 30, 2019, the Illinois House of Representatives adopted House Resolution Number 214, which directed the Auditor General to conduct a management audit of the Department of Human Services’ (DHS) selection of Independent Service Coordination (ISC) agencies for FY20. The Resolution contained five determinations. Our assessment of these determinations is shown in Digest Exhibit 1.

Digest Exhibit 1 ASSESSMENT OF AUDIT DETERMINATIONS	
Determination from Resolution	Auditor Assessment
<i>Whether all aspects of the competitive funding process were conducted in accordance with applicable laws, rules, regulations, and policies.</i>	<ul style="list-style-type: none"> • DHS did not comply with all requirements of the Illinois Administrative Code in conducting the ISC Selection NOFO process. (pages 58-60)
<i>Whether the evaluative criteria guiding DHS's selection of ISC agencies were adequate and uniformly applied.</i>	<ul style="list-style-type: none"> • The evaluation criteria were not uniformly applied in the ISC NOFO. (pages 67-73)
<i>Whether decisions concerning the selection of successful bidding agencies were adequately supported and documented.</i>	<ul style="list-style-type: none"> • DHS failed to follow the selection criteria for awarding ISC services for FY20. (pages 63-67)
<i>Whether decisions concerning the resolution of protests were adequately supported and documented.</i>	<ul style="list-style-type: none"> • DHS did not maintain documentation to show how protests were determined. (pages 73-76)
<i>Whether the competitive funding process was adequately planned to allow reasonable time frames for response by bidding agencies, review of responses by DHS, and implementation of the transition of ISC services from unsuccessful to successful bidding agencies.</i>	<ul style="list-style-type: none"> • While documentation showed that DHS did conduct planning, the planning was inadequate and not always timely. (page 23)
Source: OAG assessment of the audit determinations contained in House Resolution Number 214.	

DHS oversees the administration of ISC services in Illinois.

DHS oversees ISCs and conducted a competitive procurement for the grant funds for the first time in the history of the program. DHS, through its Division of Developmental Disabilities (DDD), oversees the administration of ISC activities around the State of Illinois. ISC agencies serve as the primary connection between individuals (and guardians) who are seeking or receiving developmental disability services and the DHS’ DDD. (pages 4, 6)

During the audit we found:

- ISC agencies are essential to providing accurate individual information for statewide planning, as well as collaborating with service providers to ensure individual’s health, safety, welfare, well-being, and satisfaction with services funded by DDD. (page 6)
- ISC services, according to DHS, have been provided for nearly 30 years. For the period FY15-FY19, **DHS expended \$179 million** on ISC services under the four contracts with ISC agencies. Digest Exhibit 2 provides the expenditures by service contract. (page 6)

Digest Exhibit 2 PAYMENTS FOR ISC SERVICES Fiscal Years 2015-2019					
Fiscal Year	PUNS ¹	PAS ²	ISSA ³	Bogard ⁴	Totals
2019	\$6,530,052	\$6,757,053	\$26,074,738	\$334,480	\$39,696,323
2018	\$5,677,659	\$6,576,069	\$24,841,490	\$369,591	\$37,464,809
2017	\$6,805,902	\$6,368,976	\$20,111,487	\$387,245	\$33,673,610
2016	\$7,238,870	\$6,368,976	\$20,297,874	\$429,944	\$34,335,664
2015	\$7,238,868	\$6,368,976	\$19,654,783	\$429,944	\$33,692,571
Totals	\$33,491,351	\$32,440,050	\$110,980,372	\$1,951,204	\$178,862,977

Notes:
¹ Independent Service Coordination for outreach, education, and Prioritization of Urgency of Need for Services (PUNS) registration and management.
² Pre-Admission Screening (PAS) for eligibility determination, initiation of services, and first month of service monitoring.
³ Individual Service and Support Advocacy (ISSA) for quarterly service monitoring.
⁴ Bogard Service Coordination for supports specific to the Bogard Consent Decree class members.

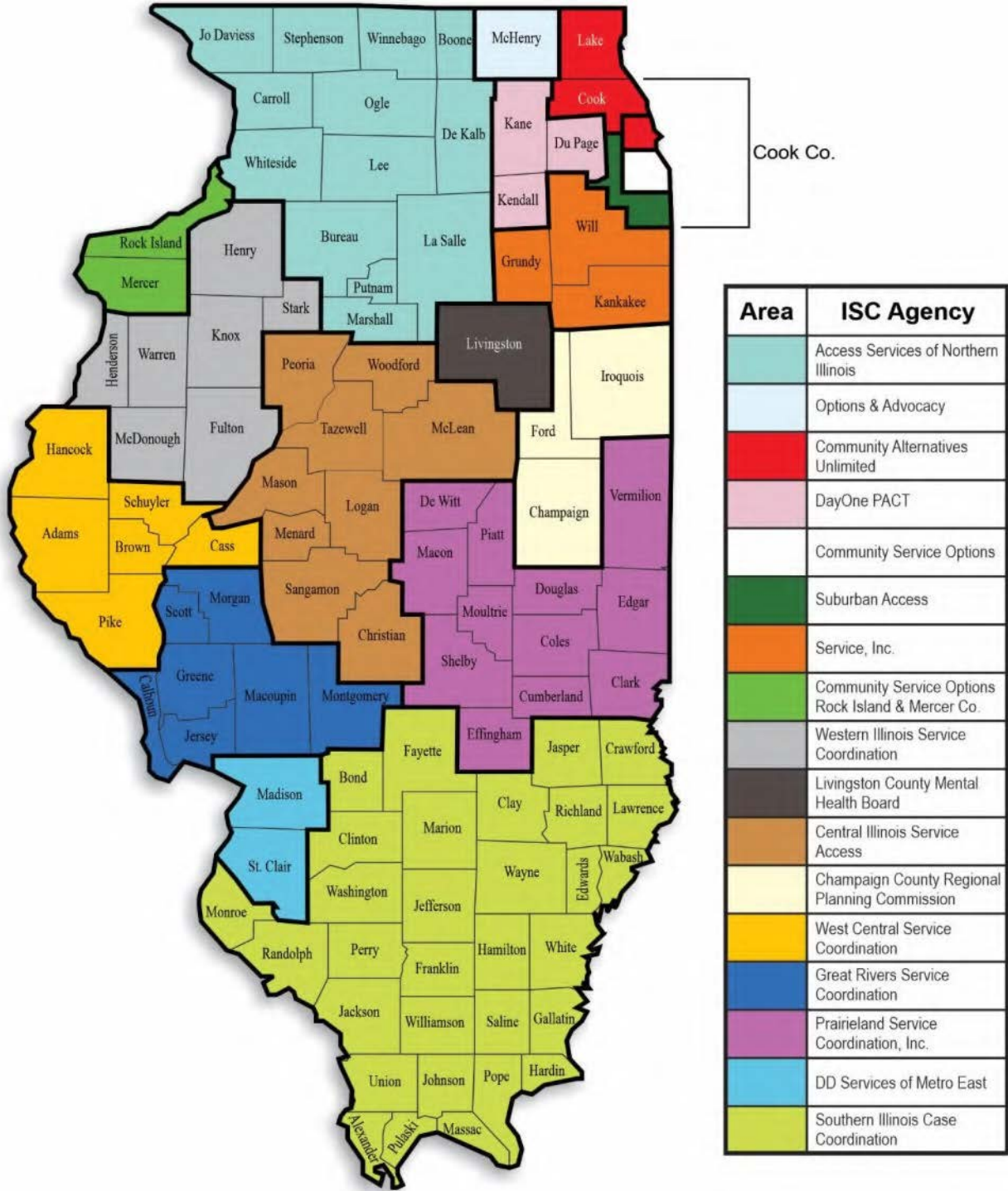
Source: OAG developed from DHS information.

DHS reduced the number of ISC regions from 17 to 12 for FY20.

DHS did not provide accurate information to the General Assembly.

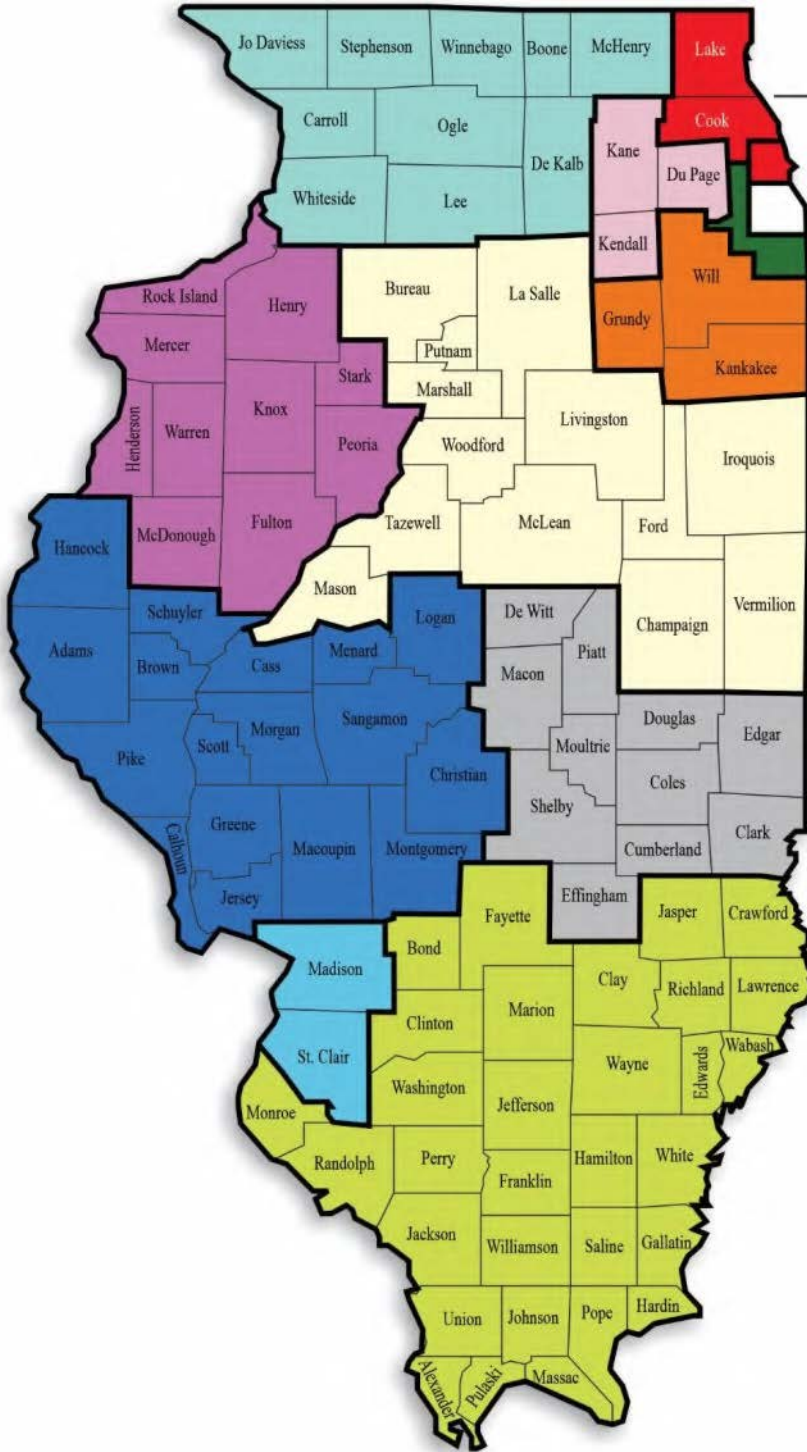
- ISC services, prior to FY20, had been provided by 17 organizations, mostly not-for-profits. (page 7)
- DHS, prior to issuing the Notice of Funding Opportunity (NOFO), **reduced the number of ISC regions from 17 to 12**. These 12 regions were awarded to 8 ISCs. Digest Exhibit 3 shows the ISC providers in the State prior to FY20. Digest Exhibit 4 shows the ISC providers starting in FY20. (pages 7-9)
- On September 1, 2016, DHS met with all 17 ISCs and informed them of the intent to seek competitive proposals for the delivery of ISC services. **Over 700 days later**, on September 11, 2018, DHS published the NOFO for ISC services. (page 10).
- After the ISC awards were announced, the nine ISCs that did not receive an award experienced a drop in funding or closed completely. (pages 9-10)
- After announcement of winning proposals, four ISCs and a guardian of an individual with developmental disabilities filed suit against DHS in two separate courts. (pages 19-22)
- DHS did not provide accurate information to the General Assembly **on matters relative to the ISC NOFO**. (pages 14-19)

Digest Exhibit 3
ISC AREAS PRIOR TO COMPETITIVE PROCUREMENT OPPORTUNITY
 Period Ended June 30, 2019



Source: OAG developed from DHS information.

Digest Exhibit 4
ISC REGIONS AFTER COMPETITIVE PROCUREMENT OPPORTUNITY
 Fiscal Year Commencing July 1, 2019



Cook Co.

Region	ISC Agency
A	Service, Inc.
B	Community Alternatives Unlimited
C	Community Service Options
D	Suburban Access
E	Service, Inc.
F	Service, Inc.
G	Prairieland Service Coordination, Inc.
H	Champaign County Regional Planning Commission
I	Central Illinois Service Access
J	Prairieland Service Coordination, Inc.
K	Prairieland Service Coordination, Inc.
L	Southern Illinois Case Coordination

Source: OAG developed from DHS information.

Six FY19 ISCs chose **not to submit** proposals for the NOFO. We reached out to all 17 of the FY19 ISCs and asked if they proposed and if not why they did not submit a proposal. The results are presented in Digest Exhibit 5. (pages 10-11)

Digest Exhibit 5 ISC REASONS FOR NOT PROPOSING FOR FY20 PROGRAM	
ISC Agency	Reasons for Not Proposing
Access Services of Northern Illinois	<ul style="list-style-type: none"> • NOFO indicated that we needed to use current program manuals for guidance on expected services – however, all program manuals were in the process of revision and the revisions were not shared prior to proposal submission due date. • Numerous additional program deliverables related to data collection and reporting with no explanation as to the purpose of the deliverables. • NOFO disclosure of no guarantee of the funding amount to be awarded. • No indication of how the changes in the number of ISCs was in the best interest of the people served in the waiver program.
Community Service Options/Rock Island & Mercer Counties	Did not respond to OAG request. Prairieland Services assumed control of the ISC during FY19.
Great Rivers Service Coordination	Did not respond to OAG request.
Livingston County Mental Health Board	<ul style="list-style-type: none"> • No rationale or explanations why they remapped the ISC regions. • Lack of planning for transition with no communication to individuals or families. • Decision on a major change a week before a new administration and legislature. • NOFO would disrupt the existing service delivery system. • Reference to program manuals that are in draft form. • No startup money. • As a county entity would have to go to Board to use county funds to pay new hires. • Each year more expected of ISCs with no commensurate funding. • Changes removed all choice for individuals. • Not enough time to submit proposal and definitely not enough time for transition.
Options and Advocacy	<ul style="list-style-type: none"> • Increase in size of the catchment area.
West Central Service Coordination	<ul style="list-style-type: none"> • Only one visit to ensure individual’s health, safety and well-being. • NOFO did not support choice for the individual. • Compliance with a manual that was not written before bidding. • DDD does not have any manual that tells ISC what is needed. • Refers to maintaining requirements in legislative rules, rules which have not been updated. ISCs have been asked since July 2017 to disregard parts of the legislative rules that contradict part of the federal Waiver Program.
Source: OAG developed from ISC information.	

Planning

While documentation showed that DHS did conduct planning, the planning was inadequate and not always timely. We found that DHS: lacked policies, procedures and administrative rules for grantmaking; developed scoring parameters that contained deficiencies; budgeted two days for evaluation; had potential bias among the evaluation team; asked proposers to propose based on manuals and rules that were not yet developed; and delayed transition activities. Despite these issues, DHS pressed on and conducted a competitive procurement for ISC services, a competitive procurement process that was not required. (page 23)

DHS has stated the competitive selection process for the ISC services was driven by the requirements of the Grant Accountability and Transparency Act (GATA). Our review of documentation and the position of the Department of Healthcare and Family Service (HFS) is that **the DHS position was incorrect – ISC services were exempt from competitive bidding based on the Medicaid exemption to GATA. We asked for, and received, a written opinion, on October 16, 2019, from HFS legal counsel about the position of whether ISC services needed to be competitively procured through a NOFO process.** Despite ample opportunity to do so, DHS never requested a **written opinion** from HFS. On March 5, 2020, the Chief Accountability Officer (CAO) stated that he orally requested for HFS to provide a written determination. The CAO stated he did not receive any written determination from DHS. (pages 24-29)

DHS claimed that it was required to competitively procure ISC grant services.

We found that position to be inaccurate.

DHS developed a set of **scoring parameters** for the ISC services NOFO that contained a number of **deficiencies**. These deficiencies may have led to inaccurate assignment of scores given that all eight of the evaluators we spoke with **were conducting their first competitive grant evaluations**. The DDD official that managed the NOFO selection process told us he was not sure the parameters would work, and evaluators were to use their best judgment. He also told us that this was the first NOFO that was done “right” by DDD and that this was the first time DDD was holding proposers accountable. (pages 30-35)

DHS scoring parameters contained a number of deficiencies.

DHS has failed to adopt administrative rules relative to the Grant Accountability and Transparency Act (GATA). During the **839 days that DHS was untimely in adopting rules**, it conducted the NOFO for ISC services, a grant process totaling **over \$38 million** for FY20 and a process that **resulted in some ISCs closing their doors**. (pages 35-38)

DHS conducted the ISC NOFO without having promulgated administrative rules.

DHS was **negligent in planning** the ISC competitive procurement in that it did so **without having policies and procedures in place** to guide the grantmaking process. Not only was the ISC services NOFO subject to this weakness, so too were all the other competitive selections which DHS has conducted. As reported by DHS, it **took no action on the development of policies and procedures until February 2019, after the ISC Selection NOFO was completed**. (pages 38-42)

DHS had no policies and procedures on how to conduct a NOFO.

The DHS evaluation team for the ISC NOFO spent a **marginal amount of time** on the evaluation, and a number of evaluators were concerned about how much time was required for the process. **Only two full days were budgeted** for evaluation even though the proposals had been in DHS’

DHS budgeted two days for proposal evaluation.

possession for 17 days prior to evaluations beginning. Additionally, it appears that there may have been **bias** in the evaluation team due to working relationships with current ISCs. (pages 42-48)

DHS failed to provide complete and up to date guidance to the ISCs during the ISC NOFO process. At the time the ISC NOFO was published on September 11, 2018, **DHS had neither completed changes to the ISC Manual nor had it completed changes to the CILA Rule**, a procedural manual and administrative rule **DHS was requiring proposers to follow**. (pages 48-51)

We found DHS’ planning for the ISC transition not to be as sound as DHS described. We found a number of issues **with items in the transition plan which were not followed**. We also found that the timing of the formation of the DHS formed ISC Transition Advisory Committee was late, and the recommendations from the Committee that could have been useful to the transition process were **too late to be incorporated**. (pages 51-56)

Evaluation

DHS did not comply with all requirements of the Illinois Administrative Code in conducting the ISC Selection NOFO process. While DHS does not have policies and procedures for processing a NOFO, we believe this is no excuse for not complying with documented laws and rules when completing a competitive grant process. Not following all laws and rules also reflects negatively on the procurement process. (pages 58-60)

DHS did not **develop and maintain evaluator meeting minutes** for the three evaluation groups that scored the ISC proposals. While the NOFO detailed that discussions should take place after individual scoring, **none of the discussions were formal, or apparently complete**. Our examination found 97 total instances where the **difference in scoring was 20 points or more** among evaluators. (pages 60-63)

DHS **failed to follow the selection criteria for awarding ISC services** for FY20. Additionally, the DHS practice of not considering past performance of the ISCs in the NOFO process as found during this audit has not been applied to other DHS competitive grant processes. (pages 63-67)

We found that evaluation criteria were not uniformly applied in the ISC NOFO. DHS failed to review whether the evaluation team for the ISC NOFO **followed scoring parameter guidance** when assigning scores. This failure, based on our assessment of the scoring, resulted in **three instances where a different ISC may have been selected**. In two of the three instances the ISCs **went out of business**. This analysis was constructed by re-scoring proposals based on, as noted earlier, a scoring instrument that contained **some** flawed parameters. **These were, however, the parameters used to score proposals**. Given the flawed scoring instrument and other uncertainties with scoring, such as a lack of discussion of scoring differences, we cannot say with absolute certainty which proposer should ultimately have won the award. Overall, we found **274 scoring irregularities** in our review of the DHS documentation for the regions where there was competition in the submission of proposals. Digest Exhibit 6 provides the breakdown of irregularities by ISC Proposal Region. (pages 67-73)

We found that evaluation criteria were not uniformly applied.

We identified 274 scoring irregularities in the DHS evaluation of proposals.

Based on our assessment there were three instances where a different ISC may have been selected.

Two of these ISCs went out of business.

Digest Exhibit 6 SCORING IRREGULARITIES ISC NOFO									
Criteria	Region								Totals
	A	C	E	G	H	I	K	L	
Analysis of Client Needs and Plan for Meeting those Needs	0	0	0	0	1	1	0	0	2
Capability to Provide Service by July 1, 2019	1	0	1	0	0	0	3	0	5
Makeup of the Board	1	2	1	0	1	0	0	0	5
Key Personnel Education	1	0	2	2	2	1	2	2	12
Key Personnel Experience	2	0	2	2	4	1	3	2	16
Agency Years of Experience with Specialty Populations	1	1	1	1	3	1	2	2	12
Potential Conflicts	1	0	1	0	0	0	0	0	2
Salaries and Wages	1	2	1	2	4	2	1	1	14
Fringe Benefits	1	2	1	1	4	2	2	2	15
Travel	2	2	1	1	3	2	1	1	13
Equipment	0	2	0	3	4	2	3	0	14
Supplies	1	2	1	2	4	2	1	1	14
Contractual Service and Subawards	2	2	2	1	2	1	2	1	13
Consultant Services and Expenses	2	2	2	2	4	2	2	1	17
Occupancy-Rent and Utilities	1	2	1	2	4	2	2	2	16
Telecommunications	1	1	1	1	4	2	1	1	12
Training and Education	1	0	1	2	3	2	2	2	13
Direct Administrative Costs	1	2	1	0	4	2	2	1	13
Other or Miscellaneous Costs	1	2	1	1	3	2	1	1	12
Grant Exclusive Line Item	1	1	1	1	1	0	1	1	7
Indirect Costs	1	0	1	0	0	0	0	1	3
Centralized Operating Sites	2	1	1	1	4	2	2	1	14
ADA Accessible Sites	0	1	0	0	0	0	1	0	2
Staffing Strategy	1	1	1	1	2	1	1	1	9
Training Programs	2	1	2	0	1	1	1	2	10
Bilingual or Translator	0	1	0	1	2	2	2	1	9
Totals	28	30	27	27	64	33	38	27	274

Source: OAG developed.

DHS could not provide documentation to show how the Appeals Review Officer determined the validity of appeals from ISCs.

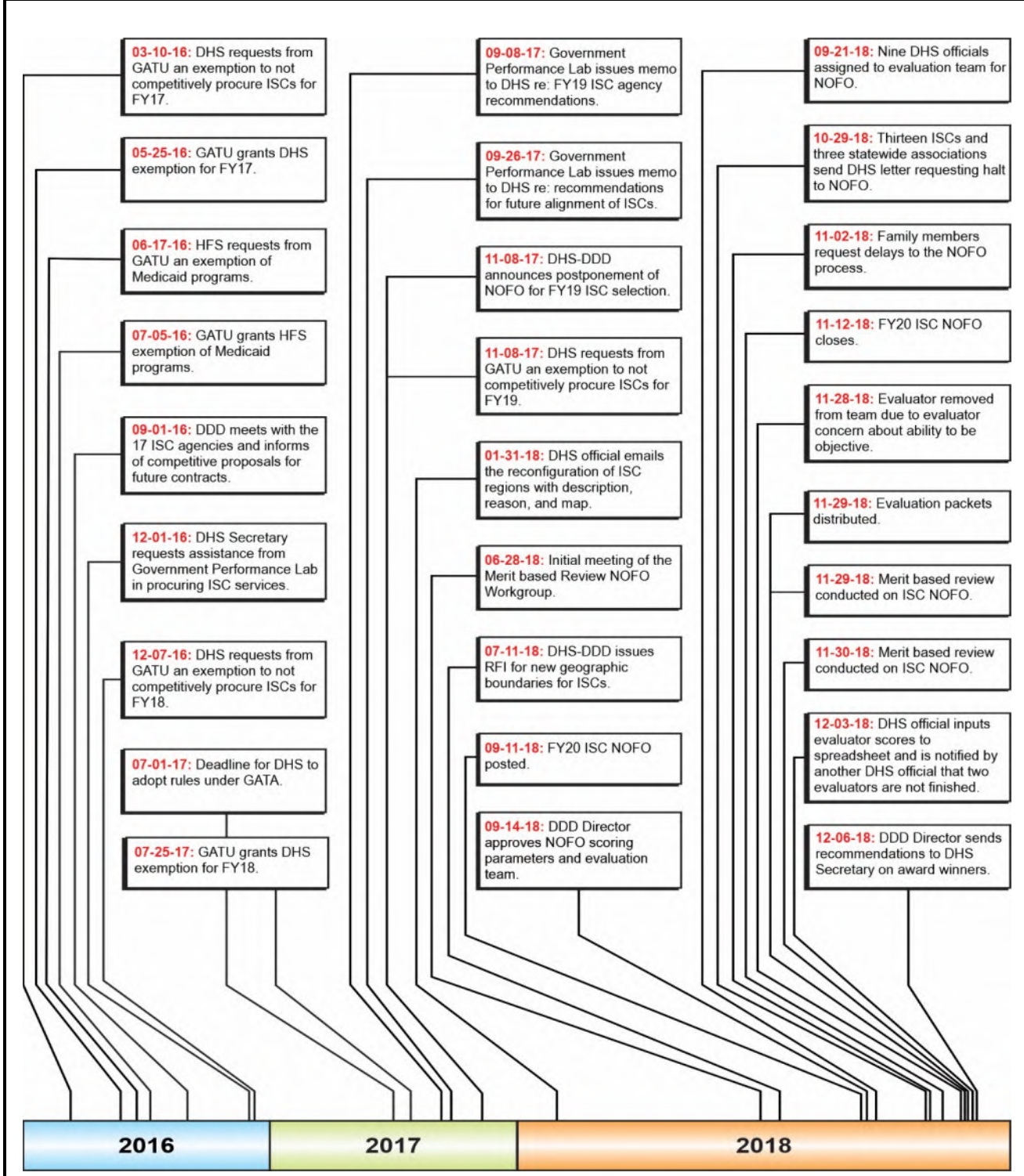
The Appeals Review Officer spent one day reviewing the scoring for the NOFO.

DHS did not maintain documentation to show how appeals to the ISC NOFO selections were determined. Also, as of October 9, 2019, **251 days after the Appeals Review Officer (ARO) dated appeal decisions** in the ISC NOFO procurement, **there was no formal policy for a review officer to follow at DHS.** Finally, while **evaluation scores could not be part of the appeal**, the ARO did review the scoring, but only **for a single day.** (pages 73-76)

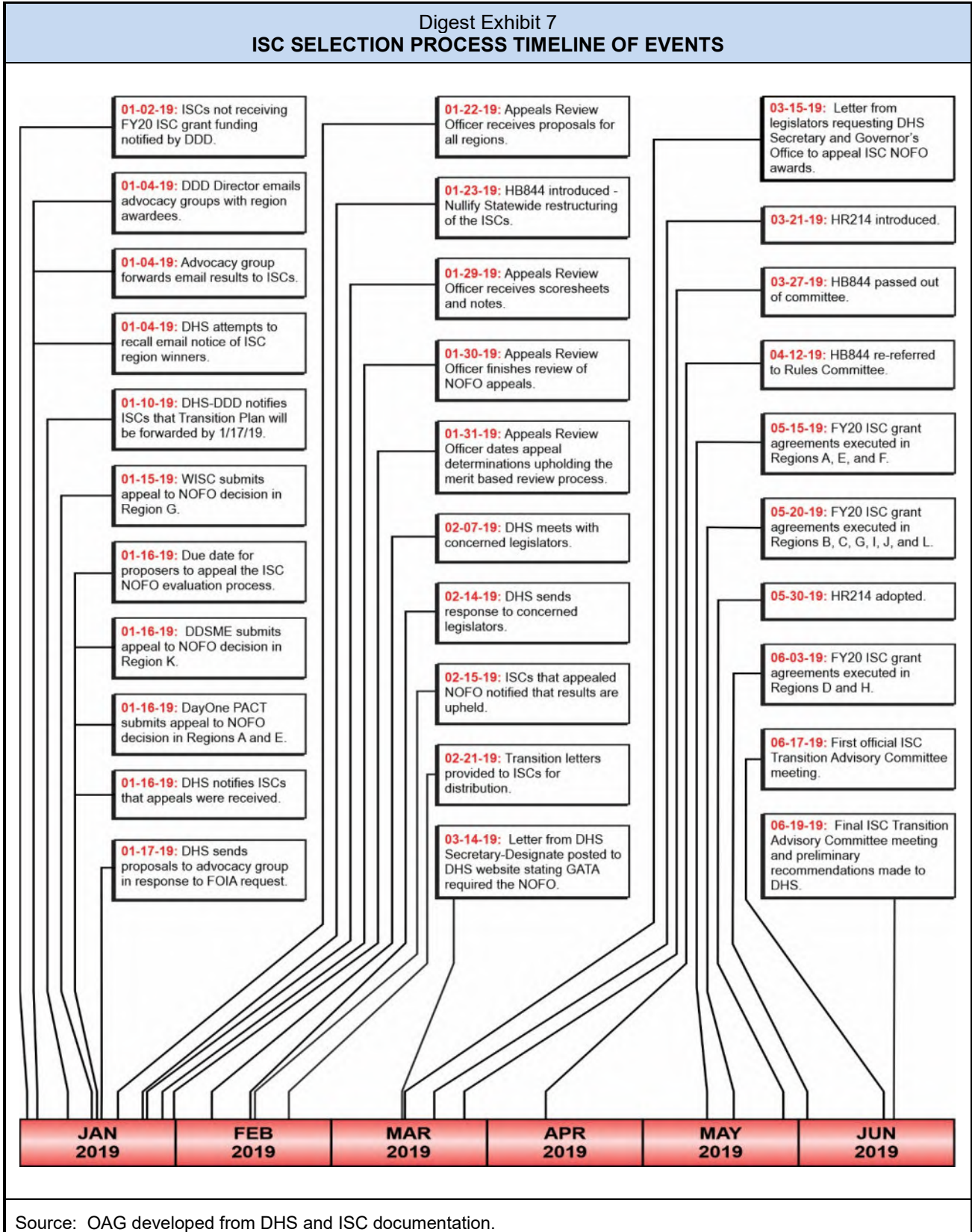
During this audit of the ISC Selection Process we concluded that **the scoring for the competitive grant process was flawed.** However, **proposers are left with no recourse** under current Illinois administrative rules. (pages 76-77)

Digest Exhibit 7 provides a timeline of NOFO activities relevant to the ISC selection process.

Digest Exhibit 7
ISC SELECTION PROCESS TIMELINE OF EVENTS



Source: OAG developed from DHS and ISC documentation.



RECOMMENDATIONS

This audit report contains 13 recommendations directed to the Department of Human Services and a Matter for Consideration for the General Assembly. The Department, in its response stated, *“While IDHS had differences from the OAG regarding some of the claims and statements underlying certain findings, we agreed, across the board, with the principles in the findings, themselves, and we value the OAG’s perspective and insight as detailed in the report.”* Appendix E to the audit report contains the agency responses.

This performance audit was conducted by staff of the Office of the Auditor General.

SIGNED ORIGINAL ON FILE

Joe Butcher
Division Director

This report is transmitted in accordance with Sections 3-14 and 3-15 of the Illinois State Auditing Act.

SIGNED ORIGINAL ON FILE

FRANK J. MAUTINO
Auditor General

FJM:MJM

TABLE OF CONTENTS

	Auditor General’s Transmittal Letter Report Digest Table of Contents Acronyms & Glossary	i
Chapter One INTRODUCTION & BACKGROUND	Report Conclusions Introduction Department of Human Services Independent Service Coordination Agencies Notice of Funding Opportunity (NOFO) Information Sharing with the General Assembly • Recommendation 1: Information Sharing with the General Assembly Litigation from ISC NOFO	1 4 4 6 10 14 18 19
Chapter Two PLANNING ACTIVITIES	Chapter Conclusions Introduction Planning – Necessity of NOFO • Recommendation 2: Planning – Necessity of NOFO Bidder Response Time Planning – Scoring Parameters • Recommendation 3: Planning – Scoring Parameters Planning – Development of Administrative Rules • Recommendation 4: Planning – Development of Administrative Rules Planning – Policies and Procedures • Recommendation 5: Planning – Policies and Procedures Planning – Evaluation Team • Recommendation 6: Planning – Evaluation Team Planning – NOFO Issues • Recommendation 7: Planning – NOFO Issues Planning – Transition • Recommendation 8: Planning – Transition	23 24 24 27 29 30 33 35 37 38 40 42 45 48 50 51 55

<p>Chapter Three EVALUATION ACTIVITIES</p>	<p>Chapter Conclusions 57 Introduction 58 Competitive Process Compliance 58 <ul style="list-style-type: none"> • Recommendation 9: Compliance Process Issues 60 Evaluation – Outlier Scoring 60 <ul style="list-style-type: none"> • Recommendation 10: Evaluation – Outlier Scoring 63 Evaluation – Inconsistent Selection Criteria 63 <ul style="list-style-type: none"> • Recommendation 11: Evaluation – Inconsistent Selection Criteria 65 Evaluation – Scoring Irregularities 67 <ul style="list-style-type: none"> • Recommendation 12: Evaluation – Scoring Irregularities 72 Evaluation – Appeal Review Process 73 <ul style="list-style-type: none"> • Recommendation 13: Evaluation – Appeal Review Process 76 Matter for Consideration by the General Assembly 76 <ul style="list-style-type: none"> • Matter for Consideration by the General Assembly 77 </p>	
<p>APPENDICES</p>	<p style="text-align: center;">TITLE</p>	
<p>Appendix A Appendix B Appendix C Appendix D Appendix E</p>	<p>House Resolution Number 214 Audit Scope and Methodology Merit Based Review Scoring Parameters Auditor Exceptions to Evaluation Scoring for Competitive Regions Agency Responses</p>	<p>81 85 91 109 139</p>

ACRONYMS & GLOSSARY

ARO	Appeals Review Officer.
CFR	Code of Federal Regulation.
Department of Human Services (DHS)	State agency that oversees interactive provider networks that treat persons with developmental disabilities, mental health, and substance abuse challenges and provides rehabilitation services. This agency also aids eligible, low-income individuals and families with essential financial support, locating training and employment opportunities, and obtaining child care in addition to other family services.
Developmental Disability (DD)	An intellectual disability or related condition that is manifested before age 18 or 22 respectively, is likely to continue indefinitely, and results in substantial functional limitations in major life activity.
Discovery Tool	The first component of the DD Person Centered Planning process. The Tool is used to gather information about a person's preferences, interests, abilities, preferred environments, activities, and supports needed.
Division of Developmental Disabilities (DDD)	A Division within the Department of Human Services that provides services and supports for individuals with developmental disabilities and their families.
GATA	Grant Accountability and Transparency Act.
Grant Accountability and Transparency Unit (GATU)	A unit of the Governor's Office of Management and Budget that is tasked with administering the Grant Accountability and Transparency Act.
Independent Service Coordination (ISC)	Entities contracted with the Division of Developmental Disabilities that provide case management/service coordination which includes maintaining the Division's waiting list, determining clinical eligibility, assisting with identifying providers of choice, developing the Personal Plan, and monitoring the Plan. ISC agencies serve as the front line for information and assistance to help the individuals and families make informed choices and to navigate the system.
Individual Service and Support Advocacy (ISSA)	Service coordination or case management to persons who are enrolled in DD Home and Community Based Service Waiver and to Bogard class members who live in an Intermediate Care Facility for Individuals with Developmental Disabilities. Through the provision of ISSA, the ISC monitors whether services are being provided as outlined in the person's Plan, as well as monitors the person's welfare, health, and safety. ISCs also ensure continued eligibility for DD Waiver services.

ACRONYMS & GLOSSARY

Notice of Funding Opportunity (NOFO)	An agency's formally issued announcement of the availability of State, federal, or federal pass-through funding through one of its financial assistance programs. The announcement provides eligibility and evaluation criteria, funding preferences/priorities, the submission deadline, and information on how to obtain an application for the funding opportunity.
NOSA	Notice of State Award.
Pre-Admission Screen (PAS)	A process used to determine whether an individual has a developmental disability and, if so, to determine whether the individual needs 24-hour nursing care and/or active treatment as well as the type of services needed.
Priority of Urgency of Needs for Services (PUNS)	DDD statewide database that registers individuals who want or need DDD Waiver services. As funding becomes available, this database is used to invite individuals to apply for DDD Waiver services.

Chapter One

INTRODUCTION & BACKGROUND

REPORT CONCLUSIONS

On May 30, 2019, the Illinois House of Representatives adopted House Resolution Number 214, which directed the Auditor General to conduct a management audit of the selection of Independent Service Coordination (ISC) agencies for FY20. The Department of Human Services (DHS) oversees ISCs and conducted a competitive procurement for the grant funds for the first time in the history of the program.

DHS, through its Division of Developmental Disabilities (DDD), oversees the administration of ISC activities around the State of Illinois. ISC agencies serve as the primary connection between individuals (and guardians) who are seeking or receiving developmental disability services and the DHS' DDD. During the audit we found:

- ISC agencies are essential to providing accurate individual information for statewide planning, as well as collaborating with service providers to ensure individual's health, safety, welfare, well-being, and satisfaction with services funded by DDD.
- ISC services, according to DHS, have been provided for nearly 30 years. For the period FY15-FY19, DHS expended \$179 million on ISC services under the four contracts with ISC agencies.
- ISC services, prior to FY20, had been provided by 17 organizations, mostly not-for-profits.
- DHS, prior to issuing the Notice of Funding Opportunity (NOFO), **reduced the number of ISC regions from 17 to 12**. These 12 regions were awarded to 8 ISCs.
- Six FY19 ISCs chose **not to submit** proposals for the NOFO.
- On September 1, 2016, DHS met with all 17 ISCs and informed them of the intent to seek competitive proposals for the delivery of ISC services. **Over 700 days later**, on September 11, 2018, DHS published the NOFO for ISC services.
- After the ISC awards were announced, the nine ISCs that did not receive an award experienced a drop in funding or closed completely.
- After announcement of winning proposals, four ISCs and a guardian of an individual with developmental disabilities filed suit against DHS in two separate courts.
- DHS did not provide accurate information to the General Assembly **on matters relative to the ISC NOFO**.

Planning

While documentation showed that DHS did conduct planning, the planning was inadequate and not always timely. We found that DHS: lacked policies, procedures and administrative rules for grantmaking; developed scoring parameters that contained deficiencies; budgeted two days for evaluation; had potential bias among the evaluation team; asked proposers to propose based on manuals and rules that were not yet developed; and delayed transition

activities. Despite these issues, DHS pressed on and conducted a competitive procurement for ISC services, a competitive procurement process that was not required.

DHS has stated the competitive selection process for the ISC services was driven by the requirements of the Grant Accountability and Transparency Act (GATA). Our review of documentation and the position of the Department of Healthcare and Family Service (HFS) is that the DHS position was incorrect – ISC services were exempt from competitive bidding based on the Medicaid exemption to GATA. We asked for, and received, a written opinion, on October 16, 2019, from HFS legal about the position of whether ISC services needed to be competitively procured through a NOFO process. Despite ample opportunity to do so, **DHS never requested a written opinion from HFS.** On March 5, 2020, the CAO stated that he orally requested for HFS to provide a written determination. The CAO stated he did not receive any written determination from DHS.

DHS developed a set of **scoring parameters** for the ISC services NOFO that contained a number of **deficiencies**. These deficiencies may have led to inaccurate assignment of scores given that all eight of the evaluators we spoke with **were conducting their first competitive grant evaluations**. The DDD official that managed the NOFO selection process told us he was not sure the parameters would work and evaluators were to use their best judgment. He also told us that this was the first NOFO that was done “right” by DDD and that this was the first time DDD was holding proposers accountable.

DHS has failed to adopt administrative rules relative to the Grant Accountability and Transparency Act (GATA). During the **839 days that DHS was untimely in adopting rules**, it conducted the NOFO for ISC services, a grant process totaling **over \$38 million** for FY20 and a process that **resulted in some ISCs closing their doors**.

DHS was **negligent in planning** the ISC competitive procurement in that it did so **without having policies and procedures in place** to guide the grantmaking process. Not only was the ISC services NOFO subject to this weakness, so too were all the other competitive selections which DHS has conducted. As reported by DHS, it **took no action on the development of policies and procedures until February 2019, after the ISC Selection NOFO was completed**.

The DHS evaluation team for the ISC NOFO spent a **marginal amount of time** on the evaluation and a number of evaluators were concerned about how much time was required for the process. **Only two full days were budgeted** for evaluation even though the proposals had been in DHS’ possession for 17 days prior to evaluations beginning. Additionally, it appears that there may have been **bias** in the evaluation team due to working relationships with current ISCs.

DHS failed to provide complete and up to date guidance to the ISCs during the ISC NOFO process. At the time the ISC NOFO was published on September 11, 2018, **DHS had neither completed changes to the ISC Manual nor had it completed changes to the CILA Rule**, a procedural manual and administrative rule **DHS was requiring proposers to follow**.

We found DHS’ planning for the ISC transition not to be as sound as DHS described. We found a number of issues **with items in the transition plan which were not followed**. We also found that the timing of the formation of the DHS formed ISC Transition Advisory

Committee was late, and the recommendations from the Committee that could have been useful to the transition process were **too late to be incorporated**.

Evaluation

DHS did not comply with all requirements of the Illinois Administrative Code in conducting the ISC Selection NOFO process. While DHS does not have policies and procedures for processing a NOFO, we believe this is no excuse for not complying with documented laws and rules when completing a competitive grant process. Not following all laws and rules also reflects negatively on the procurement process.

DHS did not **develop and maintain evaluator meeting minutes** for the three evaluation groups that scored the ISC proposals. While the NOFO detailed that discussions should take place after individual scoring, **none of the discussions were formal, or apparently complete**. Our examination found 97 total instances where the **difference in scoring was 20 points or more** among evaluators.

DHS **failed to follow the selection criteria for awarding ISC services** for FY20. Additionally, the DHS practice of not considering past performance of the ISCs in the NOFO process as found during this audit has not been applied to other DHS competitive grant processes.

We found that evaluation criteria were not uniformly applied in the ISC NOFO. DHS failed to review whether the evaluation team for the ISC NOFO **followed scoring parameter guidance** when assigning scores. This failure, based on our assessment of the scoring, resulted in **three instances where a different ISC may have been selected**. In two of the three instances the ISCs **went out of business**. This analysis was constructed by re-scoring proposals based on, as noted earlier, a scoring instrument that contained **some** flawed parameters. **These were, however, the parameters used to score proposals**. Given the flawed scoring instrument and other uncertainties with scoring, such as a lack of discussion of scoring differences, we cannot say with absolute certainty which proposer should ultimately have won the award. Overall, we found **274 scoring irregularities** in our review of the DHS documentation for the regions where there was competition in the submission of proposals.

DHS did not maintain documentation to show how appeals to the ISC NOFO selections were determined. Also, as of October 9, 2019, **251 days after the Appeals Review Officer (ARO) dated appeal decisions** in the ISC NOFO procurement, **there was no formal policy for a review officer to follow at DHS**. Finally, while **evaluation scores could not be part of the appeal**, the ARO did review the scoring, but only **for a single day**. We determined the ARO conclusions were not adequately supported.

During this audit of the ISC Selection Process we concluded that **the scoring** for the competitive grant process **was flawed**. However, **proposers are left with no recourse** under current Illinois administrative rules. We submit a Matter for Consideration to the General Assembly to further define the statutory ability for a proposer to appeal the scoring in a competitive grant procurement in the GATA guidance on rulemaking.

INTRODUCTION

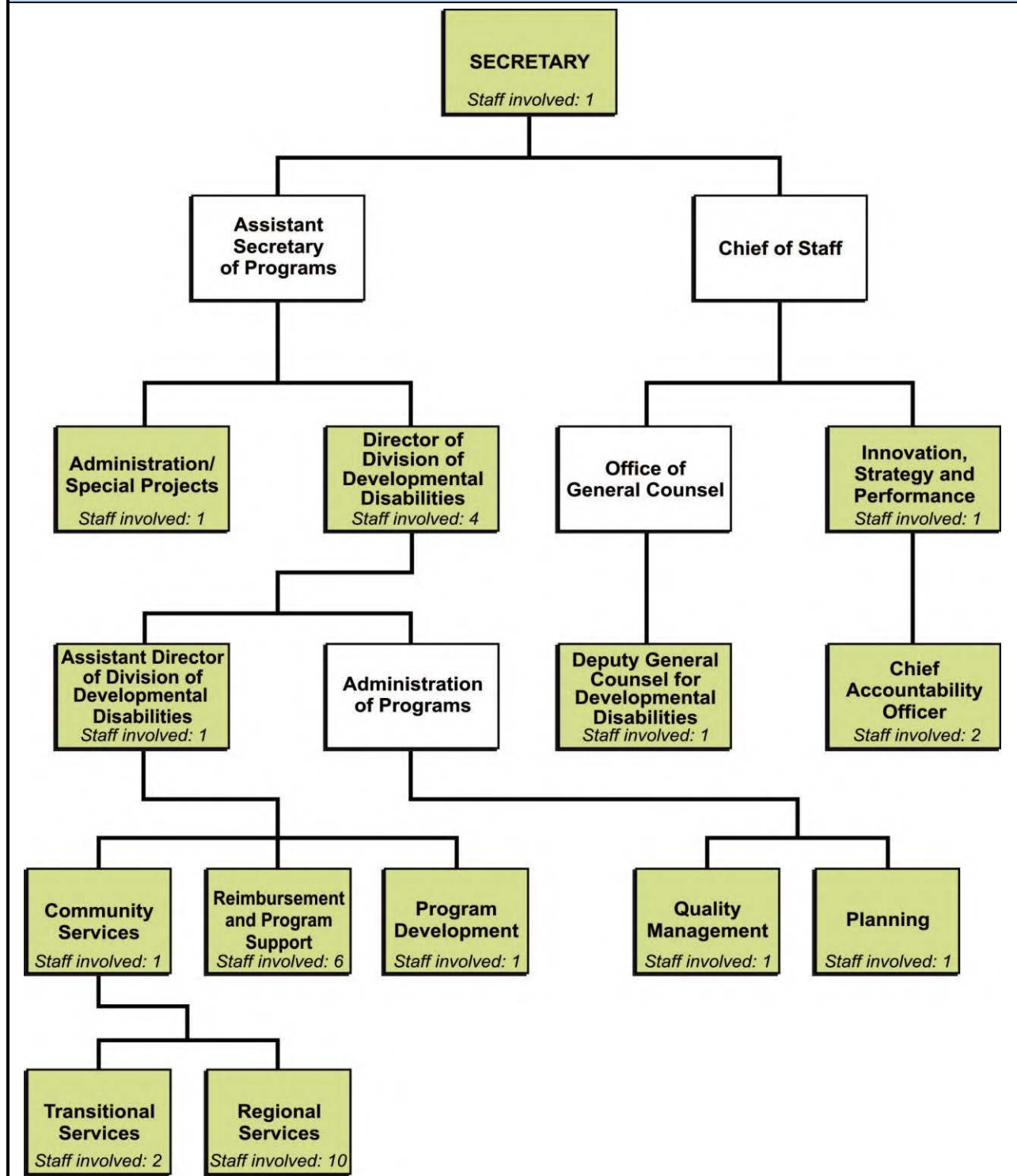
On May 30, 2019, the Illinois House of Representatives adopted House Resolution Number 214 (See Appendix A), which directed the Auditor General to conduct a management audit of the DHS process for selecting ISC agencies for the Fiscal Year commencing July 1, 2019. The Resolution asked us to determine:

- whether all aspects of the competitive funding process were conducted in accordance with applicable laws, rules, regulations, and policies;
- whether the evaluative criteria guiding DHS' selection of ISC agencies were adequate and uniformly applied;
- whether decisions concerning the selection of successful bidding agencies were adequately supported and documented;
- whether decisions concerning the resolution of protests were adequately supported and documented; and
- whether the competitive funding process was adequately planned to allow reasonable time frames for response by bidding agencies, review of responses by DHS, and implementation of the transition of ISC services from unsuccessful to successful bidding agencies.

DEPARTMENT OF HUMAN SERVICES

The Department of Human Services (DHS), through its Division of Developmental Disabilities (DDD), oversees the administration of Independent Service Coordination activities around the State of Illinois. DHS has a number of different individuals and organizational units that have been part of the **reshaping of the service areas, the competitive selection process, and the transition of ISCs** for FY20. Exhibit 1-1 presents the DHS organizational chart with the functional units highlighted that have been a part of this grant selection process. The Exhibit also contains the number of individuals in each of the 14 units that DHS identified as having a role in the process.

Exhibit 1-1
DHS ORGANIZATIONAL CHART
 Functional Areas Involved with ISC Selection



Note: Functional areas involved in the ISC selection are highlighted. NOFO activities began in 2016 through transition activities in July 2019.

Source: OAG developed from DHS information.

INDEPENDENT SERVICE COORDINATION AGENCIES

Independent Service Coordination (ISC) agencies serve as the primary connection between individuals (and guardians) who are seeking or receiving developmental disability services and the DHS' DDD. ISC agencies are essential to providing accurate individual information for statewide planning, as well as collaborating with service providers to ensure individuals' health, safety, welfare, well-being, and satisfaction with services funded by DDD. ISCs hold **four contracts**, which are all part of the NOFO, with DHS. Those contracts relate to:

1. **Independent Service Coordination:** For outreach, education, and Prioritization of Urgency of Need for Services (PUNS) registration and management.
2. **Pre-Admission Screening (PAS):** For eligibility determination, initiation of services, and first month of service monitoring.
3. **Individual Service and Support Advocacy (ISSA):** For quarterly service monitoring.
4. **Bogard Service Coordination:** For supports specific to the Bogard Consent Decree class members. The Department of Human Services is required to follow the Bogard Modified Consent Decree signed July 25, 2000, for individuals identified as a Bogard class member. Members are all persons 18 years of age or older with developmental disabilities who, on or after March 23, 1986, resided in an Intermediate Care Facility or Skilled Nursing Facility in Illinois as a Medicaid recipient for a period of more than 120 days in the aggregate. Class members receive a specific form of case coordination directly related to their residential setting. These class members live in nursing facilities, nontraditional DD settings such as State Operated Mental Health Centers, shelter care homes, their own or family homes, apartments without DD services, and State Operated Developmental Centers.

ISC services, according to DHS, have been provided for nearly 30 years. For the period FY15-FY19, DHS expended \$179 million on ISC services under the four contracts with ISC agencies. During the period: overall expenditures **increased** by 18 percent; ISSA expenditures **increased** by 33 percent; PAS expenditures **increased** by 6 percent; PUNS expenditures **decreased** by 10 percent; and Bogard expenditures **decreased** by 22 percent. Exhibit 1-2 provides the amounts, by contract, for each fiscal year.

Exhibit 1-2 PAYMENTS FOR ISC SERVICES Fiscal Years 2015-2019					
Fiscal Year	PUNS	PAS	ISSA	Bogard	Totals
2019	\$6,530,052	\$6,757,053	\$26,074,738	\$334,480	\$39,696,323
2018	\$5,677,659	\$6,576,069	\$24,841,490	\$369,591	\$37,464,809
2017	\$6,805,902	\$6,368,976	\$20,111,487	\$387,245	\$33,673,610
2016	\$7,238,870	\$6,368,976	\$20,297,874	\$429,944	\$34,335,664
2015	\$7,238,868	\$6,368,976	\$19,654,783	\$429,944	\$33,692,571
Totals	\$33,491,351	\$32,440,050	\$110,980,372	\$1,951,204	\$178,862,977

Source: OAG developed from DHS information.

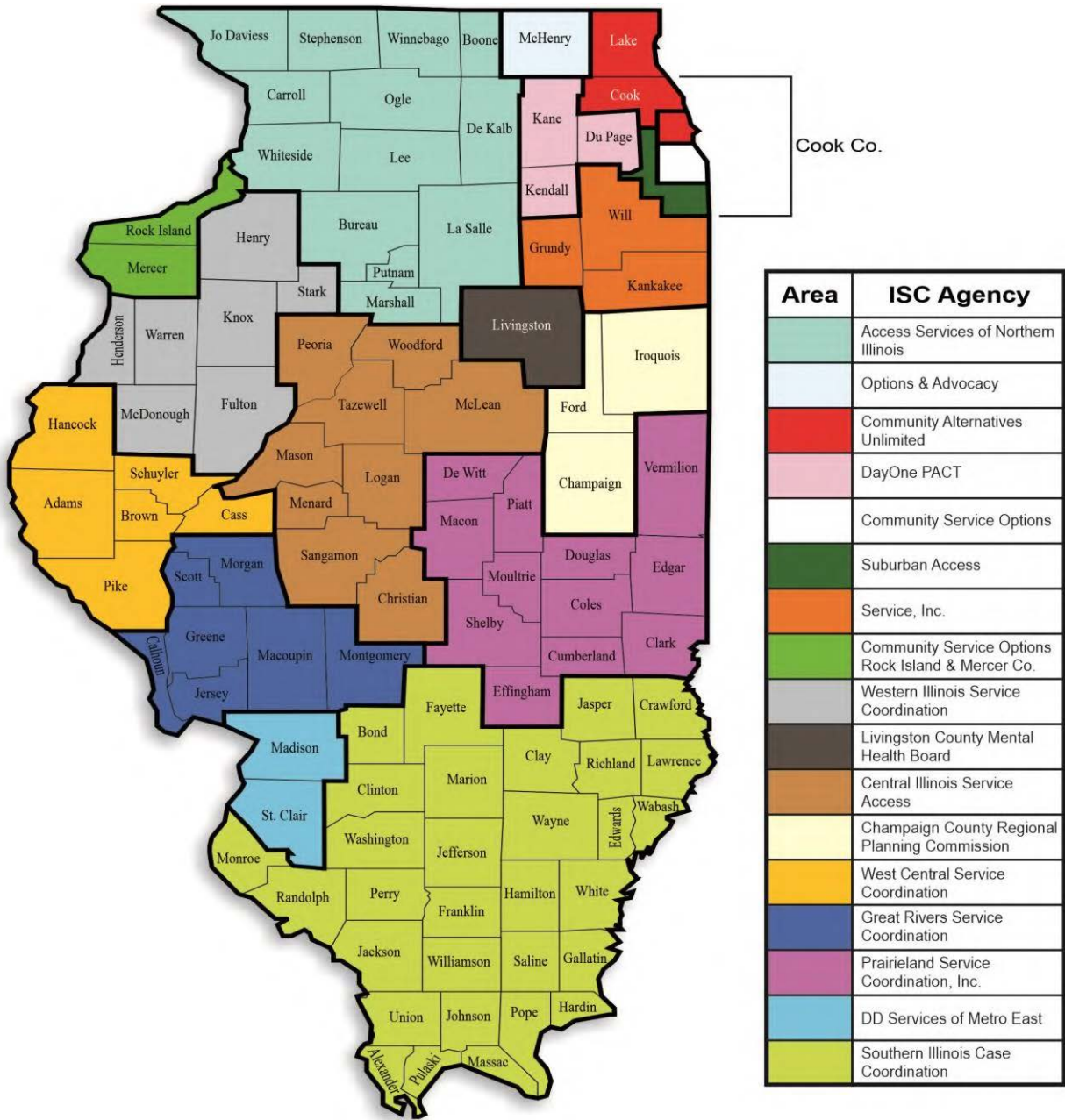
According to DHS documentation, the ISC system has been in effect since the 1980's. For an agency that expended \$179 million over a 5-year period for ISC services, there appears to be **little oversight of those ISC activities by DHS**. During the audit we found:

- A DDD official reported to us that the ISC NOFO for FY20 services forced DHS to start from scratch including **having to learn what the ISCs actually do** to even write the NOFO.
- Another DHS official, in an email on November 22, 2017, was discussing the idea of a NOFO for FY19 ISC services, a NOFO project that was cancelled on November 8, 2017. The official stated to an individual from the Department of Public Health, *“DDD decided the timing of a NOFO isn't good for the recipients of the services so they requested an exception for an additional year. In my opinion the primary reason they elected to defer the NOFO is that they aren't able to write a statement of work. They **don't know what the ISC agencies do now** much less what they want them to do. One more year isn't going to change that issue.”* This DHS official ended up being the Appeals Review Officer for the FY20 ISC NOFO. [Emphasis added.]

ISC Regions Prior to FY20

ISC services prior to FY20 had been provided by 17 organizations, mostly not-for-profits. This system had been in place for approximately 30 years. The 17 ISCs that provided services during FY19 reported being involved in ISC activities with the State for that entire time period. Each of the 17 ISCs covered 1 of 17 areas across Illinois. Exhibit 1-3 provides a map showing these areas and the ISCs that served the areas.

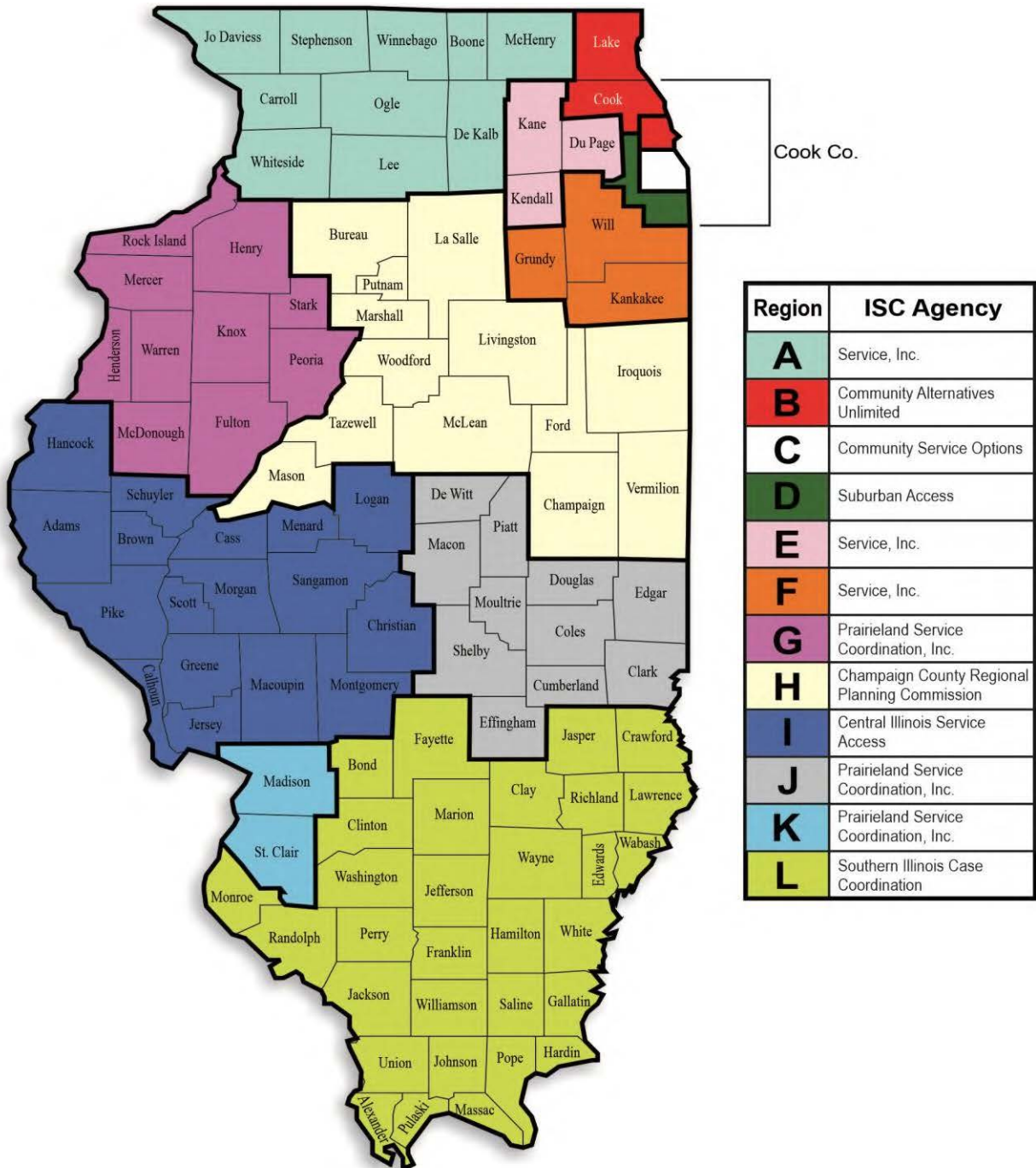
Exhibit 1-3
ISC AREAS PRIOR TO COMPETITIVE PROCUREMENT OPPORTUNITY
 Period Ended June 30, 2019



Source: OAG developed from DHS information.

DHS, prior to issuing the NOFO, **reduced the number of ISC regions from 17 to 12.** These 12 regions were awarded to 8 ISCs. Exhibit 1-4 presents the FY20 ISC regions with the winning proposers for each region.

Exhibit 1-4
ISC REGIONS AFTER COMPETITIVE PROCUREMENT OPPORTUNITY
 Fiscal Year Commencing July 1, 2019



Source: OAG developed from DHS information.

After the July 1, 2019 transition, the nine ISCs that did not receive an award experienced a drop in State funding or closed completely. **DHS reported on October 24, 2019:**

- Livingston County Mental Health Board – still in operation as a mental health board,
- Options and Advocacy – still operating an early intervention program,
- DayOne/PACT – still operating an early intervention program,
- Access Services of Northern Illinois – no longer in operation,
- Western Illinois Service Coordination – no longer in operation,
- Great Rivers Service Coordination – no longer in operation,
- West Central Service Coordination – no longer in operation,
- Developmental Disability Services of Metro-East – no longer in operation, and
- Community Service Options Rock Island & Mercer Counties – no longer in operation due to financial instability.

NOTICE OF FUNDING OPPORTUNITY (NOFO)

A NOFO is an agency’s formally issued announcement of the availability of State, federal, or federal pass-through funding through one of its financial assistance programs. The **announcement provides** eligibility and evaluation criteria, funding preferences/priorities, the submission deadline, and information on how to obtain an application for the funding opportunity. The NOFO has become utilized for State grant funding after the passage of the Grant Accountability and Transparency Act.

On September 1, 2016, DHS met with all 17 ISCs and informed them of the intent to seek competitive proposals for the delivery of ISC services. **Over 700 days later**, on September 11, 2018, DHS published the NOFO for ISC services. The **estimated** total funding for the 12 anticipated awards **in the NOFO** was \$38,497,022.

Proposals were due on November 12, 2018. The NOFO divided the State into Regions A-L and providers could bid on as many regions as they wanted as long as a separate proposal was submitted for a particular region. DHS received a total of 22 proposals for the 12 regions, broken down as:

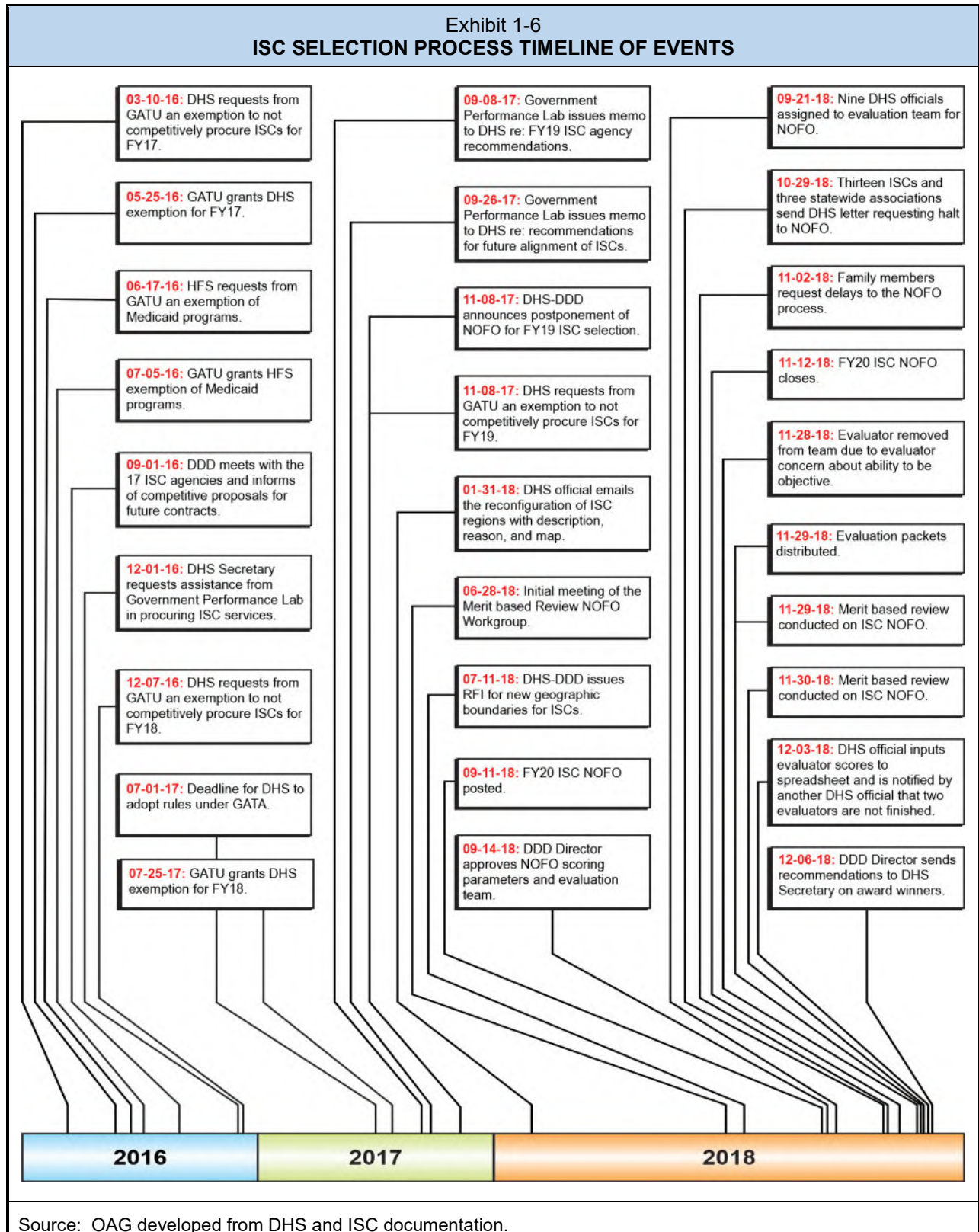
Region A (2)	Region B (1)	Region C (2)
Region D (1)	Region E (2)	Region F (1)
Region G (2)	Region H (4)	Region I (2)
Region J (1)	Region K (2)	Region L (2).

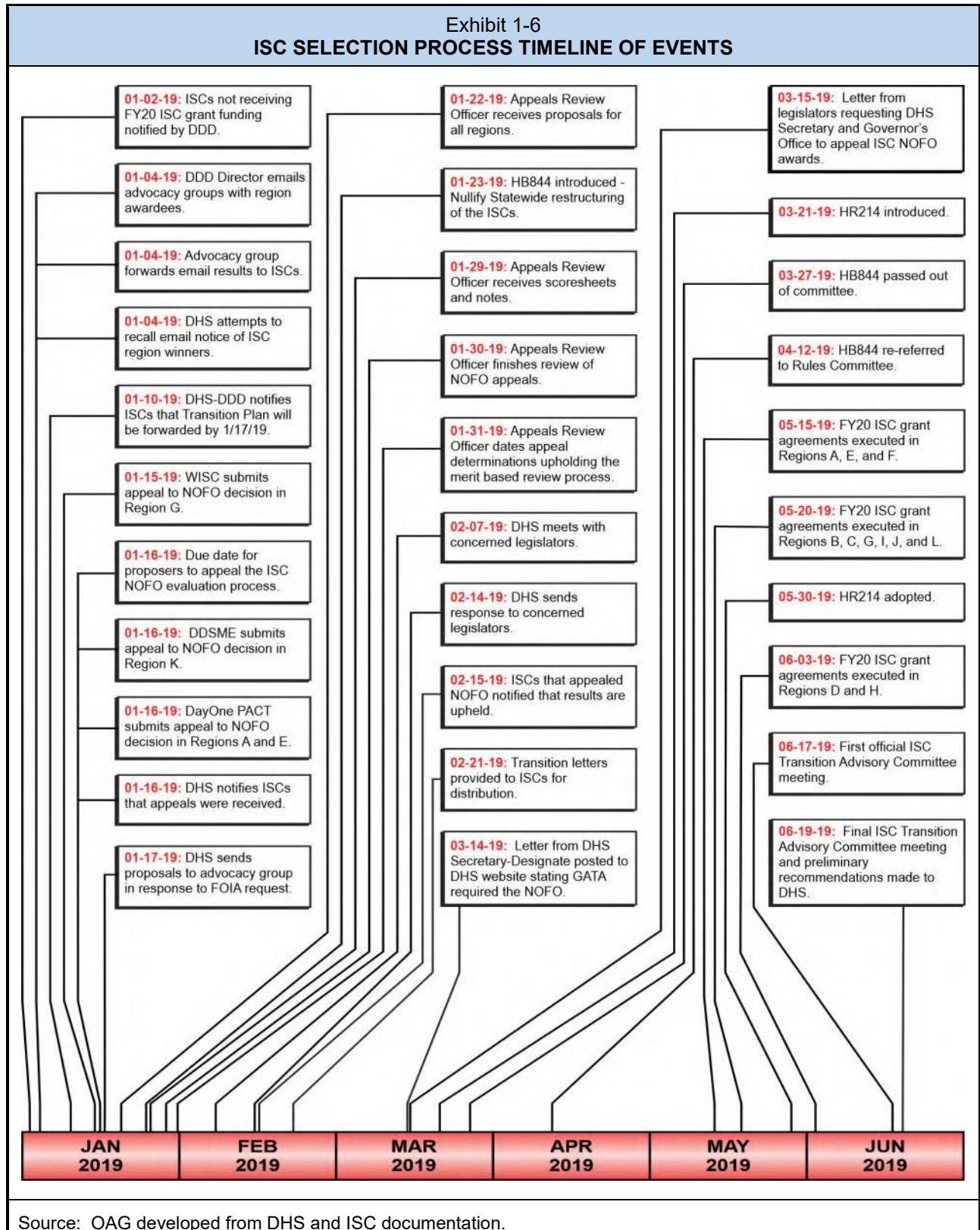
DHS officials scored the proposals and awards were announced on January 2, 2019. ISCs were expected to begin services on July 1, 2019.

Not all of the ISCs that were part of the program in FY19 submitted proposals to participate in the competitive process. We reached out to all 17 of the FY19 ISCs and asked if they proposed and if not why they did not submit a proposal. Six FY19 ISCs chose **not to submit** proposals for the NOFO. The results are presented in Exhibit 1-5.

Exhibit 1-5 ISC REASONS FOR NOT PROPOSING FOR FY20 PROGRAM	
ISC Agency	Reasons for Not Proposing
Access Services of Northern Illinois	<ul style="list-style-type: none"> • NOFO indicated that we needed to use current program manuals for guidance on expected services – however, all program manuals were in the process of revision and the revisions were not shared prior to proposal submission due date. • Numerous additional program deliverables related to data collection and reporting with no explanation as to the purpose of the deliverables. • NOFO disclosure of no guarantee of the funding amount to be awarded. • No indication of how the changes in the number of ISCs was in the best interest of the people served in the waiver program.
Community Service Options Rock Island & Mercer Counties	Did not respond to OAG request. Prairieland Services assumed control of the ISC during FY19.
Great Rivers Service Coordination	Did not respond to OAG request.
Livingston County Mental Health Board	<ul style="list-style-type: none"> • No rationale or explanations why they remapped the ISC regions. • Lack of planning for transition with no communication to individuals or families. • Decision on a major change a week before a new administration and legislature. • NOFO would disrupt the existing service delivery system. • Reference to program manuals that are in draft form. • No startup money. • As a county entity would have to go to Board to use county funds to pay new hires. • Each year more expected of ISCs with no commensurate funding. • Changes removed all choice for individuals. • Not enough time to submit proposal and definitely not enough time for transition.
Options and Advocacy	<ul style="list-style-type: none"> • Increase in size of the catchment area.
West Central Service Coordination	<ul style="list-style-type: none"> • Only one visit to ensure individual’s health, safety and well-being. • NOFO did not support choice for the individual. • Compliance with a manual that was not written before bidding. • DDD does not have any manual that tells ISC what is needed. • Refers to maintaining requirements in legislative rules, rules which have not been updated. ISCs have been asked since July 2017 to disregard parts of the legislative rules that contradict part of the federal Waiver Program.
Source: OAG developed from ISC information.	

On March 10, 2016, DHS originally requested an exemption from the Grant Accountability and Transparency Unit within the Governor’s Office of Management and Budget to not competitively procure ISC services. This activity, along with multiple other actions related to the ISC NOFO, is presented in Exhibit 1-6. These activities will be discussed throughout the report.





INFORMATION SHARING WITH THE GENERAL ASSEMBLY

DHS did not provide accurate information to the General Assembly **on matters relative to the ISC NOFO**. Failure to provide accurate information negatively impacts the oversight function of the General Assembly.

In January and February 2019, a number of legislators had concerns about the ISC NOFO and contacted DHS about those concerns. Among the concerns were the process for the awards and the appeals process. These members of the General Assembly asked a number of questions relative to the ISC NOFO. DHS provided responses to those questions.

Additionally, a meeting between legislators and DHS was held on February 7, 2019. The former DHS Secretary sent a letter a week later to the legislators explaining that it had reviewed the concerns and still came to the same award decisions.

The February 7th meeting was **after DHS had already decided on the appeals** made to the NOFO by ISCs. The Appeals Review Officer (ARO) had advised another DDD official that the appeal review was **completed on January 30, 2019, eight days prior to meeting with legislators**. The DDD official had concerns about the appeal ruling and meeting schedule. In an email to the DHS Chief of Staff on January 31, 2019, the official stated, *“Don’t know if ... is aware that [ARO] has completed his review, but wondered how this plays into the scheduling (or agenda) for a meeting with the Metro East state reps and state senators. If we move forward with the next steps, it might look like we’re pulling the rug out from under the legislators’ concerns, but it’s important to have as much time as possible for ensuring smooth transitions for individuals and their families.”*

On March 15, 2019, six members of the General Assembly wrote to the former DHS Secretary. While the correspondence thanked the Secretary for meeting, it stated *“However, we remain deeply troubled by the entire process that took place by the Division of Developmental Disabilities (DDD) to carry out the NOFO. The process was rushed and presented endless opportunities for error....The Department of Human Services (DHS) states that the NOFO was necessary because it needs to comply with the Grant Accountability and Transparency Act (GATA)....While we understand the need to comply with GATA, we agree that the division’s execution of the NOFO does not uphold the ideals that created the Act in the first place.”* As we discuss in Chapter 2 of this report, DHS was inaccurate in its assessment that a NOFO was required for ISC services.

We reviewed these questions and responses as part of our audit work. We also found information, during interviews and document review, which refutes the answers provided by DHS to the General Assembly members. Exhibit 1-7 provides the questions and DHS responses along with what we found during the audit.

Exhibit 1-7 INFORMATION REQUESTS FROM THE GENERAL ASSEMBLY ISC Selection NOFO		
Question/Issue	DHS Response	Auditor Information
Were there any concerns about combining the smaller territories into a larger territory, like the new Area H? For example, was it considered that this may add to families' travel times to reach an ISC office?	The applicants had to submit plans for centralized office locations and ways to minimize travel for families and these plans were graded during the merit based review process.	On 11/6/19, DHS told us the winner in Region H determined in its final budget the additional sites in its proposal, which were graded, were not needed.
Were there instances where ISCs did not propose based on the NOFO process or uncertainties of the NOFO?	No, none of the reasons provided related to the process and/or uncertainty in the NOFO.	On 10/29/18, a letter was sent to DHS-DDD by six ISCs that did not propose, among others, that detailed technical and clarity issues with the NOFO.
If bidders in the same territory were within less than 5 percent was there any special consideration/review of scores since they were so close?	Areas E, G, H, I, K and L were decided by less than 5 percent. The Division Director reviewed the scores and proposals in totality.	We interviewed the former Division Director on October 17, 2019. She told us that she looked at Areas A, E, and K proposals to see which was better but did not score the proposals herself.
If bidders in the same territory were within less than 1 percent was there any special consideration/review of scores since they were so close?	Areas G, H, and L were decided by less than 1 percent. A thorough quality review was conducted by the Division Director.	The former Division Director did not review those areas . Also, she told us she did not use the scoring parameters or look at the scores .
Was there any consideration/weight given to providers that served a specific region?	We concluded that this would be contrary to the spirit of the merit based review process and wanted to encourage as much competition as possible.	DHS changed this view when it sought to re-NOFO Region K in that points were dedicated to an ISC that previously served the region.
If a bidder did not anticipate any costs under Agency Readiness and were scored a "0," would this be addressed in the appeal process?	If an area of the budget was not applicable to the applicant, then the total points available were adjusted to not count against the applicant. The score was then calculated as a percentage of the total points available to the applicant.	Our review of the scoring shows that scores were not always adjusted .

Source: OAG developed from DHS evaluation documentation and ISC information.

Relative to the 2nd issue in the Exhibit, in response to the **questions regarding the NOFO made by advocates and ISCs**, the former DDD Director responded via email on

October 29, 2018, *“I always think one should be very careful about what words one chooses when writing documents of this nature. I’ve sent it on to the attorneys. A response by October 31st is unlikely.”* [Emphasis added.] NOFO proposals were due by November 12, 2018. The same official, responding to the head of an ISC that eventually was awarded a region and had indicated via email that he did not sign the October 29th letter, *“I can’t really talk about this except to tell you that **the fact that you did not sign the letter did not go unnoticed** and we very much appreciated it.”* [Emphasis added.]

On March 14, 2019, DHS provided members of the General Assembly with a correspondence from the Secretary-Designate relative to the NOFO process posted to the DHS website on March 14, 2019. The letter stated, *“The Grant Accountability and Transparency Act (GATA) **required that this NOFO process occur**.... We have confidence in the process and in the array of providers selected.”* [Emphasis added.]

On March 19, 2019, the chief sponsor of House Resolution 214 filed a committee amendment to House Bill 844 (HB844). The amendment added a section to the Grant Accountability and Transparency Act (GATA) (30 ILCS 708) to **exempt ISCs** from provisions of GATA with respect to the grant application and notice of funding opportunity process. The amendment also would **void any awards** by DHS to an ISC made under a NOFO prior to the effective date of this legislation.

The House Human Services Committee, on March 27, 2019, adopted the amendment and recommended “do pass” to the floor. HB844 was placed on “Second Reading” on March 29, 2019, and then read a second time on April 10, 2019. On April 12, 2019, HB844 was re-referred to the Rules Committee.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires all State agencies to establish and maintain a system of internal fiscal and administrative controls. These controls should include the **dissemination of accurate and complete information to queries from the General Assembly.**

On January 27, 2020, DHS responded to each of the deficiencies noted in Exhibit 1-7. We provided those responses and our comments below:

- Question/Issue #1: DHS stated, *“During the Division’s discussions on geographic boundaries, there were many factors taken into consideration including the fact that families often meet with ISCs at the family home or other locations that the family chooses. The Division required each agency to have at least one brick and mortar presence in a region. However, many of the ISC staff work from home and will travel to locations, including the family’s home, that are convenient for the family.”* Auditors note that DHS scored the proposals for Region H and provided the information to the General Assembly prior to any contract negotiations that may have resulted in the ISC selected for Region H not following its proposal.
- Question/Issue #2: DHS stated, *“This letter was sent while the NOFO application process was still pending. The Division promptly provided answers to each question raised in the letter. This provided the potential applicants with the detailed technical*

information and clarity necessary to submit a proposal.” Auditors note, as discussed in this finding, that the ISCs did question technical deficiencies in the NOFO. The information passed to the General Assembly months later was inaccurate.

- Question/Issue #3: DHS apparently contacted the former DDD Director even though a DHS attorney sat in on our interview with the former Director. DHS stated, “[Former DDD Director] stated in my interview, I was not asked about proposals that were within a certain percentage of another. I was asked if I reviewed any proposals and I answered just as I did above. I didn’t care about the scores per se. I wanted to see if the proposal that had the higher score was, in fact, the stronger proposal. That was the only lens through which I looked.” Auditors note the former DDD Director, a contractual DHS employee, was correct, we did not ask about Regions within a certain percentage. The General Assembly did ask DHS about these Regions. And DHS, in its response to the General Assembly stated “The Division Director reviewed the scores and proposals in totality.” This does not appear to be the same scenario the former Director now states that **“I didn’t care about the scores per se.”**
- Question/Issue #4: DHS referred us to the response from the former Director in Question/Issue #3. Auditors note that DHS, in its response to the General Assembly, stated a **thorough quality review was conducted by the Division Director**. We believe that was misleading to the General Assembly since a thorough review would surely include some consideration of the scores and points awarded. After all, this was a **competitive grant procurement**.
- Question/Issue #5: DHS stated, “After issuing the Notice of State Awards, the Division received feedback from a number of stakeholders stating that experience in the region should be a consideration **for future NOFOs**. Based on that feedback, the Division gave limited consideration, amongst many other scored factors, to experience in the region when it re-NOFO’d Region K.” [Emphasis added.] DHS stated, on March 5, 2020, that this feedback was provided orally, but did not provide any documentation to substantiate this. Additionally, we did find a couple of NOFO instances from May 2017 where part of the criteria for selection included, “In addition to the merit based review process, consideration may then be given to past performance, if applicable.” These two NOFOs were for Regions-The Living Room and Regions-Donated Funds Initiative.

Not providing accurate and complete information negatively impacts the ability of the General Assembly to conduct effective oversight. It also decreases the transparency of the ISC procurement process.

INFORMATION SHARING WITH THE GENERAL ASSEMBLY	
RECOMMENDATION NUMBER 1	<i>DHS should provide complete and accurate information to the General Assembly so that the General Assembly can provide oversight for State spending.</i>
DEPARTMENT OF HUMAN SERVICES RESPONSE	<p>The Illinois Department of Human Services (IDHS) agrees with the recommendation that it should provide complete and accurate information to the General Assembly. IDHS respectfully disagrees that it failed to provide accurate information to the General Assembly related to the ISC NOFO and respectfully disagrees that this should be an audit finding. Throughout all its communications with members of the General Assembly, IDHS was providing information it believed to be accurate at the time. In some cases, additional information was received, or a different interpretation was made at a later date. A response to each of the claims in Exhibit 1-7 is below.</p> <div style="border: 1px solid black; padding: 5px; margin: 10px 0;"> <p>Auditor Comment: <i>DHS had previously submitted responses to the technical issues in Exhibit 1-7 and we included those responses in the report, along with our comments to those responses.</i></p> </div> <p>As to the legislative background, following the notification of the NOFO results to the ISC agencies, a number of legislators began to reach out to the Division on behalf of their constituents. For the most part, these constituents were ISC agencies who were not successful in the NOFO process. Emails were exchanged and conference calls were arranged between the Division and various legislators. By the time the Appeal Review Officer completed his review of the appeals, legislators were engaged in communications with the Office of the Secretary of IDHS and arrangements for a face to face meeting were underway.</p> <p>At the February 7, 2019 meeting, legislators raised a number of questions about the process. Two primary concerns were a perceived disparity in scoring on two proposals and the belief that Mental Health 708 Board money would be lost in St. Clair County. These new questions and concerns were researched by Division staff and reviewed with the Secretary’s Office. On February 14, 2019, the Department wrote the legislators to advise them of its conclusion that the information provided did not provide a basis for a reconsideration of the process. The following day, the Division notified the appealing ISCs that their appeals were denied. It was only after the Department completed its review of the legislative concerns that there was certainty on the outcome of the appeals.</p> <div style="border: 1px solid black; padding: 5px; margin: 10px 0;"> <p>Auditor Comment: <i>DHS contends that the appeal was not finalized until February 14, 2019, because of scoring issues and mental health board funding</i></p> </div>

<p>(Response Continued)</p>	<p><i>discussions. Neither of these issues were, according to DHS, something that could be appealed. As stated in the finding, the ARO finalized his decisions on January 30, 2019, and the decisions were dated January 31, 2019. Also, as stated in the finding, DHS officials discussed “Don’t know if ... is aware that [ARO] has completed his review, but wondered how this plays into the scheduling (or agenda) for a meeting with the Metro East state reps and state senators. If we move forward with the next steps, it might look like we’re pulling the rug out from under the legislators’ concerns....”</i></p> <p>The OAG references emails from Interim Director responding to a “final hours” October 29, 2018 letter citing technical errors in the NOFO posting. The letter was signed by 13 ISC executive directors along with members of various trade associations. Among other conclusions, the letter incorrectly referenced the non-existence of a transition plan and described it as “unconscionable.” Five of the 13 signatories were successful applicants and six did not submit a proposal. Only two of the ISC agencies signing this letter were unsuccessful in their NOFO bid.</p> <p>The technical issues raised about the NOFO required consultation with the IDHS Office of General Counsel, the Chief Accountability Officer, and staff from GATU (the unit overseeing GATA statewide). These issues were discussed during a November 5, 2018 meeting and were determined not to be substantive. Some minor formatting changes were made to the posted NOFO and the matter was considered closed.</p> <p>See Appendix E for full DHS response.</p>
------------------------------------	--

LITIGATION FROM ISC NOFO

In September 2018, DHS published notice seeking proposals for ISC services for FY20 through a NOFO. After the announcement of winning proposals, four ISCs and a guardian of an individual with developmental disabilities filed suit against DHS in two separate courts. Those suits are detailed below and summarized in the timeline in Exhibit 1-8.

State Court – Circuit Court of St. Clair County

In March 2019, Developmental Disability Services of Metro-East (DDSME) filed two lawsuits against DHS in the twentieth judicial circuit in St. Clair County. DDSME filed suit seeking an administrative review and a temporary restraining order and preliminary injunction against DHS relative to the NOFO process. Defendants in the case included the DHS Secretary, Acting Director of the Division of Developmental Disabilities (DDD), and the DHS Chief Accountability Officer.

DDSME had been the ISC for the region known as Region K from the NOFO (Madison and St. Clair counties) for nearly 30 years. DDSME claimed it was **never given a hearing** or reasons why its appeal of the decision to award the NOFO in Region K was denied. The DDSME argument centered on **DHS not promulgating rules** pursuant to the Grant

Accountability and Transparency Act and that the NOFO **violated sections of federal law** in that funds were based on block grants and not subject to NOFO. DDSME also asserted that **there were errors in the selection process** which resulted in the selection of another provider (Prairieland) for Region K.

On April 25, 2019, the Court was advised that DDSME and DHS were working to amicably resolve the outstanding issues. DDSME and DHS **settled these suits** on May 31, 2019. In the Settlement Agreement, DHS **agreed to issue a new NOFO** for the area of the State known as Region K. DDSME was to **remain the ISC** for Region K until the results of the re-issued process. DDSME also agreed to dismiss the two lawsuits currently before the court.

A DHS official reported that, on the advice of counsel, a settlement with a new NOFO for the region was the best way to proceed. The official claimed there was no problem with the NOFO process and that additional suits would not have needed to be settled. However, on January 2, 2019, **DHS issued** a Notice of State Award to Prairieland. While **Prairieland did sign** the Notice of State Award, Prairieland **was not given a grant agreement** to sign. Finally, while DHS didn't provide a grant to Prairieland to execute, **DHS did advance \$26,200 for start-up funds** for Region K in May 2019.

On April 10, 2019, the Court found that the DHS announced winner of Region K (Prairieland) was a necessary party to the action. Prairieland was added to the DDSME suits as a Third-Party Defendant/Counter-Plaintiff. On May 20, 2019, Prairieland filed a complaint to make any settlement agreement between DDSME and DHS null and void because Prairieland was not a party to any such agreement. Additionally, on the same date, Prairieland filed suit against DHS for anticipatory breach of contract and against DDSME for tortious interference with its contract.

On July 17, 2019, the Circuit Court of St. Clair County ruled the settlement agreement between DDSME and DHS to be **invalid** due to Prairieland not being a party to the agreement. On August 8, 2019, DHS notified DDSME that the contract for ISC services would be terminated effective September 8, 2019.

DDSME filed an appeal request for injunction of the Circuit Court ruling on August 6, 2019, with the Fifth District Appellate Court. DDSME was unsuccessful in its appeal based on an appellate court ruling on November 18, 2019.

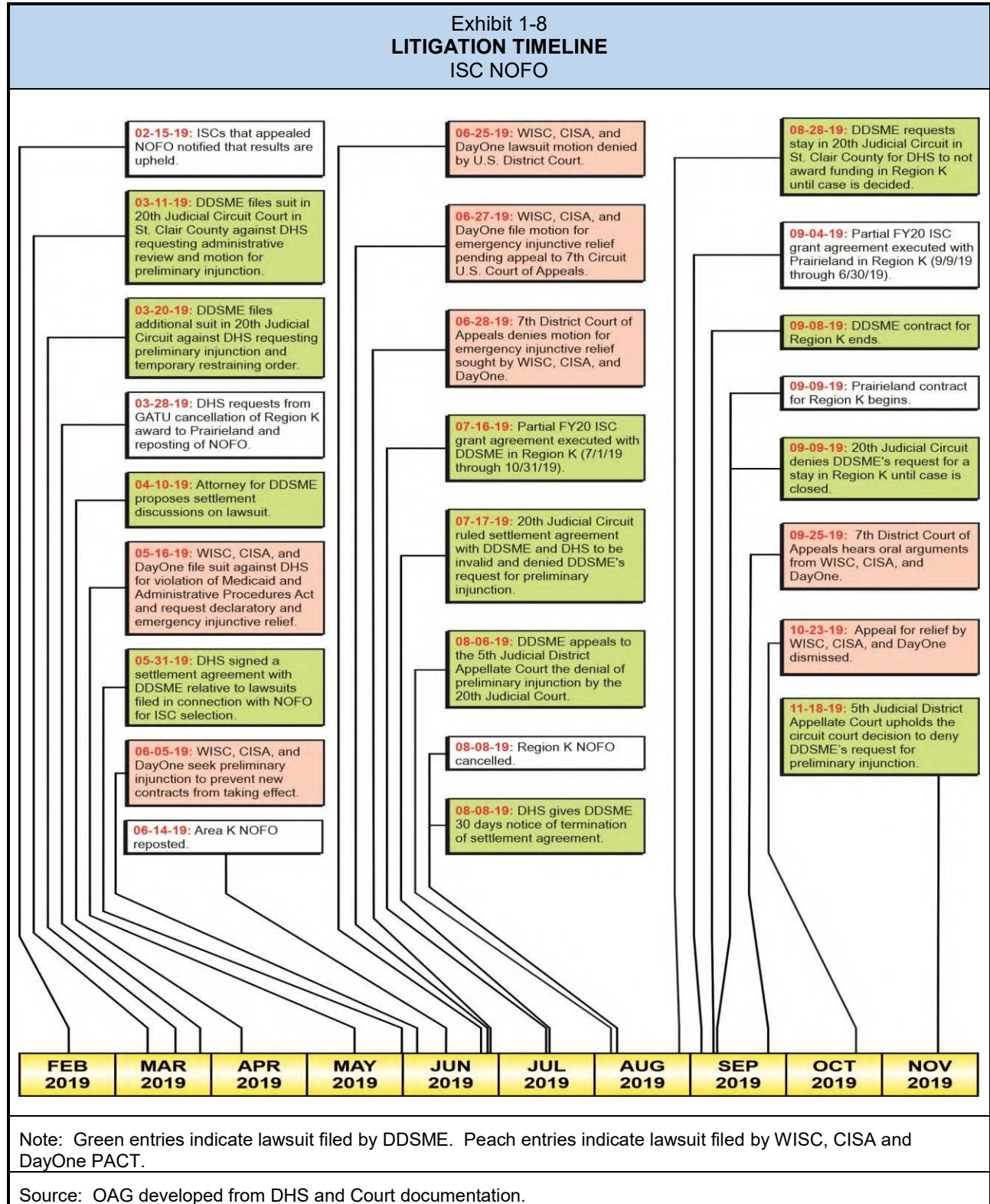
United States District Court – Central District of Illinois

On May 16, 2019, three ISCs (Western Illinois Service Coordination, Central Illinois Service Access, and DayOne PACT) and the guardian of an individual with developmental disabilities filed a complaint in the United States District Court – Central District of Illinois against DHS relative to the NOFO process to select ISCs. In Count One, plaintiffs allege that DHS **violated the Medicaid Act** by denying the plaintiff (individual with development disabilities) **the right to choose** any willing, qualified provider of ISC services under the Home or Community-Based Services waiver program. In Count Two, plaintiffs allege DHS **failed to properly promulgate GATA rules** related to the NOFO, a **violation of the Illinois Administrative Procedures Act**.

Plaintiffs requested, through their attorneys, that the Court:

- issue declaratory judgment that DHS’ actions violated the Medicaid Act;
- issue a declaratory judgment that DHS’ actions violated the Illinois Administrative Procedures Act; and
- issue temporary, preliminary, and permanent injunctive relief, without bond, enjoining DHS to maintain funding to plaintiffs and stay DHS from entering any contracts to implement the ISC NOFO for FY20.

The judge from the United States District Court denied the motion on June 25, 2019. The plaintiffs appealed to the Seventh Circuit United States Court of Appeals but that court, on June 28, 2019, denied the request for an emergency injunction. The plaintiffs had another hearing on September 25, 2019, in the Seventh Circuit. On October 23, 2019, the Seventh Circuit dismissed the appeal.



Chapter Two

PLANNING ACTIVITIES

CHAPTER CONCLUSIONS

While documentation showed that DHS did conduct planning, the planning was **inadequate and not always timely**. We found that DHS: lacked policies, procedures and administrative rules for grantmaking; developed scoring parameters that contained deficiencies; budgeted two days for evaluation; had potential bias among the evaluation team; asked proposers to propose based on manuals and rules that were not yet developed; and delayed transition activities. Despite these issues, DHS pressed on and conducted a competitive procurement for ISC services, a competitive procurement process that was not required.

DHS has stated the competitive selection process for the ISC services was driven by the requirements of the Grant Accountability and Transparency Act (GATA). Our review of documentation and the position of the Department of Healthcare and Family Service (HFS) is that **the DHS position was incorrect – ISC services were exempt from competitive bidding based on the Medicaid exemption to GATA**. We asked for, and received, a written opinion, on October 16, 2019, from HFS legal counsel about the position of whether ISC services needed to be competitively procured through a NOFO process. Despite ample opportunity to do so, **DHS never requested a written opinion from HFS**. On March 5, 2020, the Chief Accountability Officer (CAO) stated that he **orally requested** for HFS to provide a written determination. The CAO stated he did not receive any written determination from DHS.

DHS developed a set of **scoring parameters** for the ISC services NOFO that contained a number of **deficiencies**. These deficiencies may have led to inaccurate assignment of scores given that all eight of the evaluators we spoke with **were conducting their first competitive grant evaluations**. The DDD official that managed the NOFO selection process told us he was not sure the parameters would work and evaluators were to use their best judgment. He also told us that this was the first NOFO that was done “right” by DDD and that this was the first time DDD was holding proposers accountable.

DHS has failed to adopt administrative rules relative to the Grant Accountability and Transparency Act (GATA). During the **839 days that DHS was untimely in adopting rules**, it conducted the NOFO for ISC services, a grant process totaling **over \$38 million** for FY20 and a process that **resulted in some ISCs closing their doors**.

DHS was **negligent in planning** the ISC competitive procurement in that it did so **without having policies and procedures in place** to guide the grantmaking process. Not only was the ISC services NOFO subject to this weakness, so too were all the other competitive selections which DHS has conducted. As reported by DHS, it **took no action on the development of policies and procedures until February 2019, after the ISC Selection NOFO was completed**.

The DHS evaluation team for the ISC NOFO spent a **marginal amount of time** on the evaluation and a number of evaluators were concerned about how much time was required for

the process. **Only two full days were budgeted** for evaluation even though the proposals had been in DHS' possession for 17 days prior to evaluations beginning. Additionally, it appears that there may have been **bias** in the evaluation team due to working relationships with current ISCs.

DHS failed to provide complete and up to date guidance to the ISCs during the ISC NOFO process. At the time the ISC NOFO was published on September 11, 2018, **DHS had neither completed changes to the ISC Manual nor had it completed changes to the CILA Rule**, a procedural manual and administrative rule **DHS was requiring proposers to follow**.

We found DHS' planning for the ISC transition not to be as sound as DHS described. We found a number of issues **with items in the transition plan which were not followed**. We also found that the timing of the formation of the DHS formed ISC Transition Advisory Committee was late, and the recommendations from the Committee that could have been useful to the transition process were **too late to be incorporated**.

INTRODUCTION

House Resolution Number 214 directed the Auditor General to review the selection process utilized by DHS to obtain ISC services for FY20. Specifically, we were to determine whether **planning conducted by DHS was adequate** in the areas of: time frames for bidder responses; review time for response evaluation; and implementation of the transition process from unsuccessful to successful bidders.

During the audit we examined over 9,200 pages of documentation, reviewed nearly 14,500 emails and interviewed many officials associated with the ISC Selection NOFO. **While documentation showed that DHS did conduct planning, the planning was inadequate and not always timely**.

PLANNING – NECESSITY OF NOFO

DHS has stated the competitive selection process for the ISC services was driven by the requirements of the Grant Accountability and Transparency Act (GATA). Our review of documentation and the position of the Department of Healthcare and Family Service (HFS) is that **the DHS position was incorrect – ISC services were exempt from competitive bidding based on the Medicaid exemption to GATA**.

The DHS General Counsel provided us an explanation as to the change in position of the need for the competitive ISC NOFO. He stated, *“At the time the NOFO was issued, IDHS believed that it was subject to GATA’s NOFO requirements. Under the new Administration, in April 2019, IDHS ultimately determined, in consultation with HFS and GATU, that the NOFO was covered by the Medicaid exemption (e.g. 30 ILCS 708/45 (e)(1)(E)) and had not been subject to (i.e. was not required to comply with) GATA’s NOFO requirements beyond...public notice requirements.”* Public Act 100-676, effective January 1, 2019, now lists the citation above as blank in the statute.

The DHS Chief Accountability Officer (CAO) told us in a meeting on October 9, 2019, for the most recent NOFO, DHS determined it was **best practice to issue a NOFO** for

transparency and ensuring best value. This determination was not documented in any memos, emails, or other records provided to auditors. Additionally, this position was **inconsistent** with his position in 2016, and in May of 2019.

- On March 25, 2016, the current CAO penned an email where he stated, *“State funded programs that receive Medicaid are subject to the provisions of GATA. They cannot be exempted.”*
- On March 28, 2016, the DDD Acting Chief of Staff emailed the DDD Director at the time attaching the March 25th email and stated, *“This is the first time that anyone here was made aware that all our programs fall under GATA. You might recall that [official] sat in our senior staff meeting and said that Medicaid programs were not subject to GATA. Even more recently, the ‘party line’ had seemed to be that most Medicaid programs were probably exempt from GATA, but we might need to put something in writing to the Governor’s Office in order to officially receive the exemption.”*
- On May 23, 2019, the DHS CAO informed the Secretary, *“The HFS Director and GC [General Counsel] don’t agree that the ISC programs are grants or that GATA applies; however, they have not put it in writing. Based on the requirements stated in 2 CFR 200...all agree that GATA does apply with one exception. In my opinion, **we need a written statement from the HFS Director that GATA does not apply**, otherwise we should follow the federal statute. I’ve no doubt that if the LAC engages the Auditor General to look into the ISC NOFO and process, their audit personnel will discuss this very issue with me.”* [Emphasis added.] The CAO did not ask HFS for a written determination. On March 5, 2020, the CAO stated that he **orally requested** for HFS to provide a written determination. The CAO stated he did not receive any written determination from DHS.

DHS repeatedly communicated that the **competitive bidding was required** by GATA. This included:

- In the question/answer document relative to the ISC NOFO, published September 18, 2018, DHS tells potential proposers that, *“Since ISSA services are part of the overall ISC responsibilities they become subject to GATA and need to be included in the grant. If ISSA services were competitively bid and contracted separately it would raise the potential that different providers could be awarded pieces of the overall ISC responsibilities. This would be an unacceptable outcome for the Division.”*
- In a February 28, 2019 email, an advocacy group official asked a DDD official what DDD was expecting to save from the NOFO. The DDD official replied, *“I’m not sure what you or your CEO mean. The Department was required to do the NOFO pursuant to the Grant Accountability and Transparency Act.”*
- In letters to guardians of individuals with developmental disabilities in March 2019, DHS stated, *“The ISC NOFO was required by the Grant Accountability and Transparency Act (GATA), a recently enacted law governing all grant programs funded by the State of Illinois.”*
- On March 8, 2019, the Secretary-Designate emailed multiple DHS officials regarding the ISC NOFO. She indicated that *“The Gov’s office is supportive of the transition advisory group – and suggested additional objectives....We need to communicate directly (to the*

extent possible with parents as well).” The end result of this correspondence was a letter explaining the NOFO process.

- An email on March 14, 2019, shows the Secretary-Designate, relative to the NOFO process, stating, *“The Grant Accountability and Transparency Act (GATA) of 2014 required that this NOFO process occur.”* [Emphasis added.]
- This correspondence from the Secretary-Designate that GATA required DHS to competitively procure ISC services was provided to members of the General Assembly.

DHS reported it believed the NOFO was subject to GATA. However, we have seen conflicting documentation to that position. One of the four components of ISC services, Individual Service and Support Advocacy (ISSA), accounted for over 60 percent of the expenditures for ISC services in the period FY15-FY19. During the question and answer period for the NOFO, a proposer asked why ISSA was included since it was not subject to GATA. The DHS response was that, *“Since ISSA services are part of the overall ISC responsibilities they become subject to GATA and need to be included in the grant.”* **This answer was given after DHS, in FY17 and FY18, requested exceptions from GATU for ISSA and was granted the exemptions.** Specifically, on May 25, 2016, GATU provided notice **that the ISSA program was exempt from Uniform Guidance and GATA.**

On June 4, 2019, a DDD official emailed the DHS General Counsel and stated, *“I am very upset about how this whole thing has come down and hope Secretary was not thinking anyone currently with DD had anything to do with taking the position that the ISCs were subject to GATA and required to do the NOFO.”* [Emphasis added.] Eight of nine of the evaluators, along with the Chief Accountability Officer, were with DDD while this NOFO process played out and are still with DHS. It seems **inconceivable** that none of them would not have raised the concern prior to competitively procuring the ISC services.

We asked the DDD official why she would have made this statement. The official explained that the NOFO was not required, but at the time the Department believed it had to do the NOFO. She stated that she had found a memo from a former DHS official that indicated that Medicaid was exempt from competitive bidding. The DDD official explained that the June 4 email was an attempt to cover herself considering the changeover in administrations and DHS management. She explained that there was a national search for a new Director of DDD and she did not want the NOFO and GATA to be a reason the General Counsel/Secretary questioned her credibility.

We asked for, and received, a written opinion on October 16, 2019, from HFS legal counsel about the position of whether ISC services needed to be competitively procured through a NOFO process. HFS told us, *“It is HFS’ position that the Medicaid waiver services undertaken by the contracted ISCs are not subject to the ‘competitive bidding requirements’ of the federal Uniform Guidance (2 CFR 200) and GATA. HFS requested, and GATU granted HFS’s request for, the exception of its Medicaid programs to the federal Uniform Guidance and GATA....Further, Medicaid is exempted from the federal Uniform Guidance and corresponding GATA requirements at issue here.”*

HFS, on June 17, 2016, requested an exception from GATU for the Child Support Enforcement Program, Children’s Health Insurance Program, and the Medicaid cluster of programs, including related waiver and demonstration programs, and their fee-for service/managed care providers from GATA requirements. GATU granted the HFS request on July 5, 2016. Despite ample opportunity to do so, **DHS never requested a written opinion from HFS**. On March 5, 2020, the CAO stated that he **orally requested** for HFS to provide a written determination. The CAO stated he did not receive any written determination from DHS.

Section 7000.60 of the Illinois Administrative Code (44 Ill. Adm. Code 7000.60) sets out program-specific exceptions and exemptions to uniform requirements and GATA. Specifically, the rules state, *“If the federal OMB and awarding agency has [sic] granted an exception, GATU will accept that exception....If the State of Illinois funds an equivalent program, the State award will be subject to the same exceptions as the federal award it mirrors.”*

The DDD official responsible for the NOFO process emailed other DDD officials about the ISC lawsuits on May 17, 2019. The official stated, *“This [that ISCs were not subject to NOFO] wasn’t the position that anyone within DHS took. This was what the Governor’s Office and our General Counsel’s office was told by HFS. I still believe that HFS is discounting the differences between certain types of services such as CILA and ISCs. Hopefully, these lawsuits and the upcoming OAG audit legislation will force a final determination on these issues.”*

When officials state the competitive grant procurement process was required by GATA, when it was not, it **creates skepticism** that the awards are transparent and fair. Additionally, failure to adequately understand whether services need to be competitively procured reflects poorly on those who conducted such processes.

PLANNING – NECESSITY OF NOFO	
RECOMMENDATION NUMBER 2	<i>DHS should verify and document the necessity for conducting competitive grant NOFOs prior to issuing the NOFO.</i>
DEPARTMENT OF HUMAN SERVICES RESPONSE	The Illinois Department of Human Services (IDHS) agrees with the recommendation that adequate planning is necessary but disagrees with the conclusion that IDHS’ planning was inadequate. The Division of Developmental Disabilities followed 2 CFR 200 Section 203 (Notice of Funding Opportunities), and Section 204 (Awarding Agency Review of Merit of Proposals), and Appendix I (Notice of Funding Opportunity), and GOMB-GATU Uniform Merit Based Review Policy. With the exception of not having a specialized and finalized GATA policy, IDHS was in compliance with State statute and both GATU and federal administrative rule and GATU policies. Applicants to the ISC NOFO were afforded fair and honest consideration. There is nothing presented in this PAF that demonstrates differently. Any administrative errors made during the merit based review process or scoring process were not material and the same selections would have been made.

(Response Continued)

Auditor Comment:

The audit finds that DHS: lacked policies, procedures and administrative rules for grantmaking; developed scoring parameters that contained deficiencies; budgeted two days for evaluation; had potential bias among the evaluation team; asked proposers to propose based on manuals and rules that were not yet developed; and delayed transition activities. These DHS actions, or inactions, would not be how we would define “adequate planning.”

While IDHS agrees with the recommendation that recommendation appears to ignore the fact that a competitive solicitation process (e.g. NOFO) can be followed even when not required to be by law.

Auditor Comment:

The report clearly shows, in DHS’ own words, that DHS portrayed the ISC Selection NOFO as being required by GATA. It is difficult to determine whether DHS actually knew the NOFO process was not required or if it truly believed it was required but just incorrect in its thought process in that we reviewed conflicting documentation.

We respectfully disagree with the characterization that IDHS “took no action on the development of policies and procedures until February 2019.” Action began in September of 2017, when the CAO and members of all five IDHS program divisions worked as a Committee, starting the information gathering process necessary to create Department-wide GATA policies and procedures. During the numerous working meeting sessions over the course of more than one and a half years, the Committee discovered that each of the five program divisions had vastly different organizational structures, funding streams (e.g. Federal grant programs and General Revenue Fund (GRF)); levels of knowledge, skills and abilities, and systems and processes, such that the Committee had to create individual grant process value stream maps of each Division’s workflow. Additionally, the Committee workgroups documented each of the Division’s different grant management processes. This was necessary to understand the numerous variables that must be accounted for when developing Department-wide process, procedures, and the overarching policies. This work then morphed and became the basis of the work that started in late 2018 and the work of the Committee continues today.

Auditor Comment:

DHS contends that it worked on policies and procedures much earlier than we stated in the report. However, in this report we used DHS’ own words when it reported to us on September 16, 2019, “We identified that the Department lacked policies/procedures for grant making and management. In February 2019, the Department established a Grants Monitoring Steering Committee and subordinate workgroups to develop standard grant business procedures, forms,

<p>(Response Continued)</p>	<p><i>and approval levels for the grant processes.”</i></p>
	<p>The Department is approximately 75% complete with the processes and procedures.</p> <p>IDHS respectfully disagrees that the September 1, 2016 date as to when “IDHS reported that it would seek a competitive procurement for ISC services” is a reasonable date to use in discussing policies and procedures. IDHS requested exemptions from GATU on having to competitively solicit the ISCs at that time, due to the Division implementing person-centered planning changes. The Division received those exemptions and did not issue the ISC NOFO until two years later.</p> <p><i>Auditor Comment:</i> <i>We would think that adequate planning would include having policies and procedures in place when DHS announced on September 1, 2016 that the ISC services would be competitively procured. Additionally, the DHS response that it received exemptions due to person-centered planning was <u>misleading</u>. In FY17 and FY18, as noted in this finding, DHS requested and was granted exemptions not because of person-centered planning but due to Medicaid waiver issues.</i></p> <p>IDHS notes that during a conference call between the CAO, members of the IDHS General Counsel’s Office, and GATU the HFS Agency Head stated that Medicaid programs are not grants and not subject to GATA. During the conference call, the CAO ask for a written determination with statutory citations to support the determination; however, none was provided by HFS.</p>

BIDDER RESPONSE TIME

DHS first informed ISC agencies in September 2016 that the services would need to be procured based on a competitive selection process. While DHS did attempt to develop a competitive procurement for the period beginning in FY19, those plans were cancelled on November 8, 2017.

Once DHS decided to competitively procure ISC services through a NOFO for Independent Service Coordination (#20-444-24-1731-00) for FY20, it was bound by posting requirements set forth in the administrative rules. Section 7000.310 of the rules details that State agencies are required to publish notice of a NOFO for 30 to 45 calendar days (44 Ill. Adm. Code 7000.310). While State agencies may request an exception to the posting requirement due to extenuating circumstance, DHS did not have that need.

The ISC Selection NOFO was posted on September 11, 2018. Responses to the NOFO were due on November 12, 2018. The 62 days between posting and closing was in compliance with the administrative rules.

PLANNING – SCORING PARAMETERS

DHS developed a set of scoring parameters for the ISC services NOFO that contained a number of **deficiencies**. These deficiencies may have led to inaccurate assignment of scores given that all eight of the evaluators we spoke with **were conducting their first competitive grant evaluations**. The DDD official that managed the NOFO selection process told us he was not sure the parameters would work and evaluators were to use their best judgment. He also told us that this was the first NOFO that was done “right” by DDD and that this was the first time DDD was holding proposers accountable.

Four DDD officials worked to develop the merit based review process, scoring tool, and **parameters for scoring each question**. The team presented the results of its efforts to a larger NOFO team and the process was accepted. Three of the four officials were eventually members of the scoring team for the ISC NOFO.

The parameters were related to scoring for three overall categories: Need (200 total points), Capacity (2,700 total points), and Quality (1,000 total points). Guidance provided to the evaluators in the parameters listed ideal proposal characteristics and a scoring rubric based on those ideal characteristics. A copy of the parameters can be found in Appendix C of this report.

Each question on the scoring parameters was assigned a total possible value of 100 points. That meant DHS did not consider any one scoring element to be **any more important** than another. Therefore, the element “Capability to provide service by July 1, 2019” **received the same emphasis** as “Other or Miscellaneous Costs.”

We found that the scoring parameter document developed for use had deficiencies. While the group to develop the NOFO actually began meeting on June 28, 2018, these deficiencies were not discovered in the 137 days from when the team began meeting and the proposals were due on November 12, 2018. Deficiencies we noted included:

- No scoring parameter was lower than 60. Therefore, if a proposer did not address a scoring element, the parameters still dictated a score of 60. This gave the appearance of scores being closer than they would have been had the evaluators had the opportunity to assign scores less than 60. DHS did report that since the ISC NOFO, it has incorporated a wider ranges of point values into its scoring parameters.
- The Need section provided **no characteristics for evaluators to apply to the proposals for assigning points**. The two questions scored amounted to subject interpretation by the evaluators with scores based on exceptional, strong, average, below average, and well below average. Proposers had to give a detailed analysis of client needs in the area and a plan for meeting those needs. Most of the proposers have been providing ISC services for nearly 30 years, mostly in the same geographical area on which they proposed. The three evaluators for the Need section told us this was their **first NOFO evaluation**. One of the evaluators was new to DDD. **None of the evaluators verified** the statistics provided in the analysis of client needs.

On February 25, 2020, DHS reported, *“Some of the information in this section didn’t need to be verified. For example, population, state operated developmental centers*

located in an area. Much of the information in this section was the type of information someone would take ‘judicial notice’ of.” We would again note that **none** of the three evaluators **verified any information** in the section. This would include statistics proposers presented on: number of children with individual education plans and whether there is a diagnosis that would qualify for services; the likely number of individuals in a region with a developmental disability; and the demographic make-up of the counties in the region.

Also on February 25, 2020, DHS reported, “DHS respectfully disagrees with OAG’s conclusion that ‘The Need section provided no characteristics for evaluators to apply to the proposals for assigning points.’ Overall guidance was included.” As shown in Appendix C, the guidance for this evaluation element was to assign points based on a subjective scale of exceptional, strong, average, below average, and well below average. The **subjective guidance** was for a section where the information presented in the proposals **was not verified** by the evaluators or by DHS.

- The Capacity section of the scoring parameters, while providing evaluators some objective measures to assign scores, still had multiple deficiencies. This section mainly evaluated the budget line items proposed by the potential ISC agencies. The ISC NOFO was the **first competitive grant procurement** any of the three had ever evaluated. One evaluator told us that he had **just started in DDD and hardly knew what an ISC was**. See Exhibit 2-1 for a listing of deficiencies.

Exhibit 2-1 SCORING PARAMETER DEFICIENCIES – CAPACITY SECTION ISC Selection NOFO	
Scoring Element	Deficiency
Grant Exclusive Line Item	Gave no guidance for evaluators on how to assign scores.
Research and Development	Gave no guidance for evaluators on how to assign scores.
Travel	Parameters listed four ideal characteristics, but the point distribution listed points for up to six characteristics.
Contractual Services and Subawards	One of the ideal characteristics would not be applicable if the proposer did not have a sole source contractor in excess of \$150,000. Yet the point distribution negatively impacts the proposer for not having the sole source.
Key Personnel	Scoring parameters list three specific positions for evaluators to score. However, the NOFO does not indicate to proposers which positions to include for these points.
Supplies	Two of the ideal characteristics related to training materials and another to “other” expendable items. If the ISC did not propose either of these, the point distribution negatively impacted the ISC for not having these types of costs.

Source: OAG developed from DHS evaluation documentation.

On January 27, 2020, DHS responded to each of the deficiencies noted in the Exhibit. We provided those responses and our comments below:

- Grant Exclusive Line Item: DHS stated, *“All of the scorers understood that this section related to the ISSA budget. Each of these individuals had a good understanding of how the ISSA program works and specifically how the Division Statewide ISSA rate for FY20 needed to be evaluated.”* Auditors note that while DHS reported the evaluators understood how the rates and budgets worked, **their scores did not necessarily reflect that understanding**. In Region H, two proposers, Central Illinois Service Access and Champaign County Regional Planning Commission, submitted ISSA budget figures totaling \$1,735,850 in each of its proposals. These two proposers were scored 100/100/100 by the evaluators. Another proposer, Western Illinois Service Coordination (WISC), apparently **had the same understanding of the ISSA budget and proposed the same \$1,735,850 figure. However, the evaluators, which had a “good understanding” scored WISC 70/100/60**. Having criteria would have been beneficial to WISC. Additionally, the three DDD evaluators had **no notes** on this evaluation element for the scores issued to WISC.
- Research and Development: DHS stated, *“The exact reference provided is copied from the GATA budget template on how to make a determination. In addition, none of the applicants indicated that funds would be used for research and development so, even if there had been any lack of guidance, it could not have affected the scoring or overall outcome.”* Auditors note that we do not see how DHS can contend that not providing specific criteria for a scoring element would not have an effect on scoring. We also note that **none of the proposers** to the ISC NOFO bid on the Research and Development element.
- Travel: DHS stated, *“Each of the 4 characteristics indicates more than one element.”* Auditors note that based on the DHS assertion, the first of four ideal characteristics lists seven parts, yet the scoring parameter only goes to six elements.
- Contractual Services and Subawards: DHS stated, *“If this element was not applicable, then the scorers counted it as being present, therefore not negatively impacting the scores.”* Auditors found that evaluators **inconsistently** gave points to a proposer when it did not have a \$150,000 sole source contract listed in its proposal.
- Key Personnel: DHS stated, *“Reviewers could substitute another, comparable title for a key position.”* Auditors note that the guidance in the scoring parameters does not detail this was an option for the evaluators.
- Supplies: DHS stated, *“If these elements were not applicable, then the scorers counted them as being present, therefore not negatively impacting the scores.”* Auditors found that evaluators **inconsistently** gave points to a proposer when it did not propose training supplies or did not list some “other” supply in its proposal.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires all State agencies to *“establish and maintain a system of internal fiscal and administrative controls.”*

These controls should include the **development of sound evaluation parameters when conducting competitive grant procurements.**

DHS stated that *“The thought process in developing the merit based review was based loosely on the idea of a teacher evaluating a student’s yearly grades.”* The DDD official that managed the NOFO selection process told us that the parameters were to be the guide evaluators used to score the proposals. Additionally, he stated that he was not sure the parameters would work, and evaluators were to use their best judgment. He also told us that this was the first NOFO that was done “right” by DDD and that this was the first time DDD was holding proposers accountable. Finally, the official indicated there were other NOFOs issued in 2017, but those were not conducted right.

On February 25, 2020, DHS reported, *“As this was the first time the merit based selection was being done, there was some uncertainty about the parameters, as would be the case for a first-time process. The reference to done ‘right’ was that for the first time the ISCs would be subject to a competitive merit based selection process, not that the grant selection process had been wrong in the past.”*

Failure to adequately construct the scoring parameters to be followed by evaluators can negatively impact the spirit of competitive grant procurements and could result in incorrect decisions on grant awards. Additionally, given that all eight of the evaluators we spoke with indicated this was the first NOFO evaluation they had conducted, complete guidance should have been a priority for DHS.

PLANNING – SCORING PARAMETERS	
RECOMMENDATION NUMBER 3	<i>DHS should conduct adequate planning in developing scoring parameters for evaluators to follow when conducting competitive grant procurements.</i>
DEPARTMENT OF HUMAN SERVICES RESPONSE	<p>The Illinois Department of Human Services (IDHS) agrees with the recommendation that it should conduct adequate planning in developing scoring parameters for evaluators to follow when conducting competitive grant procurements. As this was the first time the merit based selection was being done, there was some uncertainty about the parameters, as would be the case for any first-time process. IDHS respectfully disagrees with OAG’s conclusion that evaluators somehow were not qualified because they did not participate in previous NOFO scoring. However, we do agree that standardizing the process across all State grant making agencies and creating training and resources for evaluators would help create a more effective evaluation process.</p> <div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <p>Auditor Comment: <i>DHS is inaccurate, we do not question the qualifications of the evaluators, we question the development of some of the parameters that DHS asked the evaluators to follow when scoring the ISC proposals. Being the first time the evaluators were asked to conduct a merit based evaluation, we would think that DHS would want to</i></p> </div>

<p>(Response Continued)</p>	<div data-bbox="576 195 1430 279" style="border: 1px solid black; background-color: #e0e0e0; padding: 5px;"> <p><i>provide completely structured criteria to the evaluators. Unfortunately, DHS did not.</i></p> </div> <p>In Fiscal Year 2017, the implementation of the Grant Accountability and Transparency Act was still in its infancy and most people had never participated in NOFO scoring, since NOFOs were new to the State. Some procedures and guidelines have evolved based on feedback provided from stakeholders and the ultimate publishing of 44 Ill. Adm. Code 7000. To respond to this evolution, it was necessary for IDHS to change the methods of conducting a merit based review to comply with updated requirements. As stated by OAG, four DDD officials worked to develop the merit based review process, scoring tool, and parameters for scoring each question. This team included the Acting Director and the Division Chief of Staff. The team presented the results of its efforts to a larger NOFO team and the process was accepted. Ultimately, the merit based review process utilized by the Division of Developmental Disabilities in FY2020 was much more detailed than the one used in FY2017. The Division followed 44 Ill. Adm. Code 7000.350 (5) - “Evaluation by Committee. Evaluation committee members shall be determined by the State grantmaking agency, tailored to the particular grant application, as appropriate, persons with the appropriate technical expertise to ensure a comprehensive evaluation of applicants.” The scorers were determined to be subject matter experts and the best qualified people available to assess the proposals. All scorers were briefed and provided with the Merit Based Scoring Parameters document used in the scoring process. They were told that the information was not to be used as a grade sheet with definitive answers. The scorers had the discretion to score based on their judgment and extensive experience. Additionally, a total of nine people scored the NOFO in groups of three that were responsible for scoring each section. Each group’s score was averaged together to mitigate the effects of disparity in the scoring process. Finally, each group was given instructions to discuss any large disparity in scoring amongst the group and to reconcile differences. The people selected by the Acting Director to be evaluators, were senior staff members within the Division. Each evaluation team contained personnel with significant experience in the area they were assigned to evaluate. Many of the evaluators have served the developmentally disabled community at a local and state level in multiple capacities; others had experience conducting reviews to award state and federal contracts, extensive budgeting experience, etc. While it is true that this was the first NOFO merit based review process for the three (3) scorers of the Capacity section, it is also true that the same three have participated as evaluators in other competitive procurement processes such as RFPs, RFAs, etc. prior to the ISC NOFO. As stated previously, the NOFO process was just beginning at the State and lack of NOFO experience was not unusual—it was the reality and norm for the implementation of the new NOFO process. The agency acknowledges that policies and training for evaluators and administrators of the merit based review process would have aided in the Divisions planning and execution of this process.</p>
------------------------------------	--

<p>(Response Continued)</p>	<p>IDHS partially agrees with OAG’s conclusion that because each question on the scoring parameters was assigned a total possible value of 100 points, that meant IDHS did not consider any scoring element to be any more important than another. The values of certain parameters have been changed and the Division is no longer weighting all parameters within a category equally. For the ISC NOFO IDHS did weight the three categories of scoring by their overall importance. The “Need” section was worth 20%; The “Capacity” section was worth 40%; and the “Quality of Programs” section was worth 40% of the total score. Each section contained a different number of points to be evaluated. The sections were assigned a multiplier and taken times the weighted percentage. The net effect being that the “Need” section was worth 540 points or 270 points per question; The “Capacity” section was worth 1080 points or 40 points per question; and the “Quality of Programs” section was worth 1080 points or 108 points per question.</p> <div style="border: 1px solid black; padding: 5px; margin: 10px 0;"> <p>Auditor Comment: <i>DHS partially disagreed with our conclusion that because all scoring elements were valued at 100 points, DHS did not consider any scoring element to be any more important than another. Our conclusion is based on the scoring document developed by DHS, which listed each scoring element at a value of 100 points.</i></p> </div> <p>See Appendix E for full DHS response.</p>
------------------------------------	--

PLANNING – DEVELOPMENT OF ADMINISTRATIVE RULES

DHS has failed to adopt administrative rules relative to the Grant Accountability and Transparency Act (GATA). During the **839 days that DHS was untimely in adopting rules**, it conducted the NOFO for ISC services, a grant process totaling **over \$38 million** for FY20 and a process that **resulted in some ISCs closing their doors**.

DHS issued the NOFO for ISC services on September 11, 2018. Officials from the Grant Accountability and Transparency Unit (GATU) told us that administrative rules require that *“State agencies should adopt GATA rules by incorporation **and add program-specific requirements and exemptions/exceptions as necessary based on the statutory requirements.**”* [Emphasis added.] The officials added that starting in August 2015 at the Chief Accountability Officer meetings, GATU emphasized the state agency requirement to adopt grant rules.

ISCs which filed legal action as the result of the NOFO selections **were well aware** that DHS had not adopted required rules for grants.

- Developmental Disability Services of Metro East, in its suit filed March 12, 2019, included in the legal background section that DHS had failed to file rules and was in violation of the Administrative Procedures Act (5 ILCS 100/5-5).

- Western Illinois Service Coordination, Central Illinois Service Access, and DayOne PACT, in their suit filed May 16, 2019, state in part in their Introductory Statement, that DHS “*adopted the policies and procedures used to implement this funding scheme without going through the formal rulemaking process, as required by GATA.*”

As we examined the process DHS utilized in the ISC Selection NOFO, we found a number of problems related to scoring. These problems included:

- Individual evaluator scores not accurately entered into the summary scoring spreadsheet;
- Instances where a proposer response of “N/A” was actually evaluated by the evaluation team and entered into the summary scoring spreadsheet;
- No process developed for a review to ensure that evaluators followed the Merit-Based Scoring Parameters when assigning evaluation scores;
- No process developed for a review of the summary scoring spreadsheet even though there were instances where the calculations in the spreadsheet were inaccurate; and
- Lack of evaluator notes to support scoring or rationale for not following scoring parameters.

On October 18, 2019, **839 days after being required to adopt rules and 402 days after the release of the NOFO**, DHS published an amendment to the Illinois Register with **draft rules** for general grantmaking. That publishing started the 45-day comment period.

The Grant Accountability and Transparency Act (30 ILCS 708/50) requires State agencies that make State grant awards to adopt, by rule, the federal guidance at 2 CFR 200 Subpart C through Subpart F. The Illinois Administrative Code (44 Ill. Adm. Code 7000.200 (b)) requires State agencies making State awards to adopt rules reflecting federal guidance and regulations applicable to grant funds, known as the Uniform Requirements, by July 1, 2017.

On January 24, 2020, DHS informed us that, “*DHS waited until the State (GOMB/GATU) finalized GATA rules so that the Department rules would not conflict with State-wide rules. State rules were finalized/effective 10/5/18.*” However, we note that GOMB adopted GATA rules in the Illinois Register on August 7, 2015. Included in those rules was the requirement that State grantmaking agencies adopt the federal requirements by July 1, 2016. In October 2015, GATU presented information to State grantmaking agencies informing them of the necessity of rules. Additionally, in the Chief Accountability Officer meeting on February 18, 2016, GATU warned agencies that the Auditor General would be looking and writing findings if the agencies were not codifying rules. Finally, the Director of GATU also told us that, “*Although the instructions were not followed by agencies, we then changed the deadline from 2016 to 2017 in the GATA statute, due to the budget impasse.*”

Failure to timely adopt administrative rules is a violation of State statute and administrative rules. Further, not having policies and procedures increases the possibility that mistakes are made in the selection of grantees in a competitive process.

PLANNING – DEVELOPMENT OF ADMINISTRATIVE RULES	
<p>RECOMMENDATION NUMBER</p> <p>4</p>	<p><i>DHS should complete the rulemaking process for the grantmaking process.</i></p>
<p>DEPARTMENT OF HUMAN SERVICES RESPONSE</p>	<p>The Illinois Department of Human Services (IDHS) agrees with the recommendation that the Department should complete the rulemaking process for the grant making process. The Department respectfully disagrees with Illinois Auditor General’s (OAG) conclusion that failure to adopt administrative rules prior to the issuance of the Independent Service Coordination (ISC) Notice of Funding Opportunity (NOFO) had a material effect on the NOFO, the merit based review process, or “resulted in some ISCs closing its doors.”</p> <div style="border: 1px solid black; padding: 5px; margin: 10px 0;"> <p><i>Auditor Comment:</i> <i>DHS is inaccurate stating we concluded that ISCs closed due to not having administrative rules. We simply point out that while it took DHS 839 days to adopt rules, DHS conducted a multi-million dollar grant procurement and once the process was completed, some ISCs did close its doors.</i></p> </div> <p>While the OAG is correct that the requirement is to “adopt GATA rules by incorporation and add program-specific requirements and exemptions/exceptions as necessary based on the statutory requirements,” failure to adopt such rules had no effect on the NOFO process or merit based review. When no program-specific requirements, exemptions or exceptions apply to a program then the federal rules and GATA apply, which is exactly what was believed at the time of the ISC NOFO, regardless of whether IDHS had its own separate rulemaking. In other words, whether IDHS had adopted rules at the time of the NOFO had no effect on the NOFO because such IDHS rules would have been exactly the same as what IDHS did. IDHS followed the existing GATA policies and federal rules. The ISC NOFO provided that “[t]he Department will follow the merit based review process established by the Governor’s Office of Management and Budget (GOMB) Award Administration Information.” This policy references the administrative procedures established at 44 Ill. Admin. Code 7000.350. Thus, although a specific IDHS rule was not in place, the existing federal and state rules were followed.</p> <div style="border: 1px solid black; padding: 5px; margin: 10px 0;"> <p><i>Auditor Comment:</i> <i>DHS states it believed at the time of the NOFO that GATA applied. In FY17 and FY18, as noted in this report, DHS requested and was granted exemptions to competitively procuring ISC services due to Medicaid waiver issues.</i></p> </div> <p>We also disagree that the process “resulted in some ISCs closing its</p>

<p>(Response Continued)</p>	<p>doors.” The fact that some ISCs closed was a direct result of the Department’s decision to consolidate the number of regions (some of which were a single, smaller-population county) from 17 to 12. It was inevitable that some of the ISCs would close with this reduction.</p> <p>The GATU rules adopted in 2015, particularly as they went to State Agency Responsibilities and State Agency Implementation, merely and almost exclusively repeated what was in the GATA statute. It was the subsequent and amended GATU rules, adopted in October 2018 that made significant substantive additions. IDHS agrees and understands that it missed the initial deadline to issue rules, incorporating GATU’s rules by reference. However, it was well-reasoned for IDHS to wait until those more-substantive October 2018 rules—going beyond the statutory language—were in place before adopting its own rules. In the interim, IDHS followed the federal rules, GATA, and GATU policies when it issued a NOFO—just as it did for the ISC NOFO. As stated above, in the absence of program-specific requirements or an exception, even if IDHS rules had been in place, they simply would have been to follow the GATU and federal rules, which is what happened.</p> <p>As a matter of update, the Department’s Chief Accountability Officer and General Counsel’s Office, Bureau of Policy and Administrative Rules personnel are actively working to finalize rulemaking—currently on First Notice with JCAR. There are no substantive changes in the IDHS rule from that of GATU. The Department’s GATA Rules were scheduled for JCAR meeting on 2/18/2020 (Springfield); however, JCAR deferred the rules until the Meeting scheduled for 3/18/2020. JCAR announced that there are no objections on record for the Department’s GATA Rules. All of that being said, as cited by the OAG in its audit report: <i>“At the time the NOFO was issued, IDHS believed that it was subject to GATA’s NOFO requirements. Under the new Administration, in April 2019, IDHS ultimately determined, in consultation with HFS and GATU, that the NOFO was covered by the Medicaid exemption (e.g. 30 ILCS 798/45 (e) (1) (E)) and had not been subject to (i.e. was not required to comply with) GATA’s NOFO requirements beyond...public notice requirements.”</i> Thus, in hindsight, the NOFO provisions of GATA (including any GATU or ultimate IDHS rulemaking) did not need to be—but certainly were permitted to be—applied to the ISC NOFO.</p>
------------------------------------	--

PLANNING – POLICIES AND PROCEDURES

DHS was **negligent in planning** the ISC competitive procurement in that it did so without having policies and procedures in place to guide the grantmaking process. Not only was the ISC services NOFO subject to this weakness, so too were all the other competitive selections which DHS has conducted. As reported by DHS, it **took no action on the development of policies and procedures until February 2019, after the ISC Selection NOFO was completed.**

The Grant Accountability and Transparency Act (GATA) details that GATA is **intended to increase the accountability and transparency** in the use of grant funds (30 ILCS 708/5 (b)). DHS reported that it would seek a competitive procurement for ISC services on September 1, 2016. The NOFO for ISC services was published on September 11, 2018. DHS was unable, **in the 740 days in between**, to develop policies and procedures for how to conduct a NOFO process.

On June 10, 2019, we requested “*Copies of **ALL policies, procedures, directives, manuals and regulations** utilized by DHS relative to the **selection of ISCs and services that ISC agencies must provide.**” [Emphasis original.] DHS responded with four documents which were program related to ISC services. **None of the documents** related to policies and procedures for selection of ISCs.*

On August 5, 2019, after we **again** asked for policies and procedures on how staff were to conduct a NOFO process, DHS responded that the Chief Accountability Officer stated DHS follows 2 CFR 200 and 44 Ill. Adm. Code 7000. That same day, we responded to DHS that we understood that DHS lacked policies and procedures.

On August 12, 2019, DHS reported that it had a **committee looking at** developing policies and procedures for grantmaking. That document stated that both the Grant Accountability and Transparency Unit (GATU) and DHS lacked policies and procedures.

Finally, on September 16, 2019, DHS provided a **final document on the committee** working on the policies and procedures. It had removed mention that GATU had no policies and procedures. Additionally, the committee was to complete work in four phases. As of September 16, 2019, **over 1,100 days since the competitive ISC Selection NOFO was first announced**, DHS was in the last stage of Phase II and first two stages of Phase III in developing policies and procedures.

A DHS official told us on October 24, 2019, that he had not even seen any draft of policies and procedures. This individual led the ISC Selection NOFO and currently oversees other NOFOs in DDD.

In Chapter 3 of this report, we detail instances where DHS was non-compliant with State statute and administrative rules.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires all State agencies to “*establish and maintain a system of internal fiscal and administrative controls.*” These controls should include the **development of policies and procedures for the grant making process and management of grants**.

The Illinois Administrative Code (44 Ill. Adm. Code 7000.210 (a)) requires State agencies to implement the **policies and procedures** applicable to federal and federal pass-through awards by adopting, on or before July 1, 2017, rules for non-federal entities. This was an administrative rule that DHS should have been aware of in August 2015.

On September 16, 2019, DHS reported, “*We identified that the Department lacked policies/procedures for grant making [sic] and management. In February 2019, the Department*

*established a Grants Monitoring Steering Committee and subordinate workgroups to develop standard grant business procedures, forms, and approval levels for the grant processes...workgroups continue to meet and develop the requirements for procedures and policies. The Department follows the GATU’s Uniform Merit Based Review Policy.” We would note that our audit work found that **DHS was not compliant in following all requirements** in conducting the ISC Selection NOFO. Having policies and procedures quite possibly could have kept DHS in compliance with State statute and administrative rules.*

Failure to develop and implement policies and procedures for grantmaking increases the likelihood that the competitive selection processes are not conducted in a manner where potential grantees were afforded fair and honest consideration.

PLANNING – POLICIES AND PROCEDURES	
RECOMMENDATION NUMBER 5	<i>DHS should complete its process of developing policies and procedures for grantmaking and management to ensure that the competitive selections are fair and transparent.</i>
DEPARTMENT OF HUMAN SERVICES RESPONSE	<p>The Illinois Department of Human Services (IDHS) agrees with the Illinois Auditor General (OAG) recommendation to complete development of our grant policies and procedures; however, we disagree that it was not compliant in following all policy in conducting the Independent Service Coordination (ISC) Selection Notice of Funding Opportunity (NOFO). While the Department’s GATA policies were still under development, the Division of Developmental Disabilities (DDD) followed 2 CFR 200 Section 203 (Notice of Funding Opportunities), and Section 204 Awarding Agency Review of Merit of Proposals, and Appendix I (Notice of Funding Opportunity), and GOMB-GATU Uniform Merit Based Review Policy. With the exception of not having a specialized and finalized GATA policy, IDHS was in compliance with statutes, GATU rules and policies, and the federal administrative rules. Applicants to the ISC NOFO were afforded fair and honest consideration. While administrative errors were made during the merit based review process, they were not material. Furthermore, had the administrative mistakes not been made, the scoring and selections would have been the same.</p> <div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <p><i>Auditor Comment:</i> <i>DHS may have not made the administrative mistakes during this grant process if it had taken time to develop policies and procedures prior to putting out the NOFO for ISC services.</i></p> </div> <p>IDHS was aware of the requirement cited by the OAG regarding rule adoption, in the 44 Ill. Admin. Code 7000.210(a). According to that requirement, IDHS was to adopt rules “on or before July 1, 2017.” However, the initial rules promulgated by GATU lacked the specificity required to implement GATA, which is understandable given the complexity of GATA and all of its requirements. A complete set of rules were promulgated in October 5, 2018 (after issuance of the ISC NOFO).</p>

<p>(Response Continued)</p>	<p>After the State rules were promulgated, IDHS developed rules to adopt and submitted its rules to JCAR on June 27, 2019.</p> <p>We disagree with the characterization that IDHS “took no action on the development of policies and procedures until February 2019.” The CAO and members of all five IDHS program divisions took action beginning in September 2017 by forming a Committee to start the information gathering process necessary to create Department-wide GATA policies and procedures. During the numerous working meeting sessions over the course of more than one and a half years, the Committee discovered that each of the five program divisions had vastly different organizational structures, funding streams (e.g. Federal grant programs and General Revenue Fund (GRF)); levels of knowledge, skills and abilities, and systems and processes, such that the Committee had to create individual grant process value stream maps of each division’s workflow. Additionally, the Committee workgroups documented each of the Division’s different grant management processes. This was necessary to understand the numerous variables that must be accounted for when developing Department-wide processes, procedures, and the overarching policies. This work morphed and became the basis of the work that started in late 2018. The work of the Committee continues today.</p> <div style="border: 1px solid black; padding: 5px; margin: 10px 0;"> <p>Auditor Comment: <i>DHS contends that it worked on policies and procedures much earlier than we stated in the report. However, in this report we used <u>DHS’ own words</u> when it reported to us on September 16, 2019, “We identified that the Department lacked policies/procedures for grant making and management. In February 2019, the Department established a Grants Monitoring Steering Committee and subordinate workgroups to develop standard grant business procedures, forms, and approval levels for the grant processes.”</i></p> </div> <p>The Department is approximately 75% complete with the processes and procedures. The policies associated with the process and procedures are as follows:</p> <p><u>Grantee Compliance Enforcement Policy:</u> Completed and Executed. <u>Grants Payment Policies:</u> Completed and with General Counsel for review prior to issuance. <u>General Grants Management Policies:</u> Work in progress. Main outline is completed. Completion is pending completion of the Committee workgroup development of processes and procedures.</p> <p>IDHS respectfully disagrees that the September 1, 2016, date as to when “DHS reported that it would seek a competitive procurement for ISC services” is a reasonable date to use in discussing policies and procedures. IDHS requested exemptions from GATU to NOFO the ISCs at that time, due to the DDD’s implementing person-centered planning changes. The Division received those exemptions and did not issue the</p>
------------------------------------	---

<p>(Response Continued)</p>	<p>ISC NOFO until two years later.</p> <div style="border: 1px solid black; padding: 5px; background-color: #e6f2ff;"> <p>Auditor Comment: <i>We would think that adequate planning would include having policies and procedures in place when DHS announced on September 1, 2016 that the ISC services would be competitively procured. Additionally, the DHS response that it received exemptions due to person-centered planning was <u>misleading</u>. In FY17 and FY18, as noted in this finding, DHS requested and was granted exemptions not because of person-centered planning but due to Medicaid waiver issues.</i></p> </div>
------------------------------------	---

PLANNING – EVALUATION TEAM

The DHS evaluation team for the ISC NOFO spent a **marginal amount of time** on the evaluation and a number of evaluators were concerned about how much time was required for the process. **Only two full days were budgeted** for evaluation even though the proposals had been in DHS’ possession for 17 days prior to evaluations beginning. Additionally, it appears that there may have been **bias** in the evaluation team due to working relationships with current ISCs.

Timing

Nine DDD officials were officially notified of their assignments as evaluators for the ISC NOFO on September 21, 2018. Each evaluator was assigned one of three major sections to score and completed the scoring for that section on all proposals. While this was the **first NOFO evaluation** for eight members of the team (the ninth evaluator chose not to participate in this audit), DHS **conducted zero evaluation team meetings prior** to handing out the proposals for scoring.

In the **69 days between assignment and beginning the evaluation**, DHS apparently did not deem evaluation team meetings a necessity, even though it was the initial NOFO evaluation for the evaluators. Proposals, submitted for all Regions, totaled 2,198 pages for the 22 proposals submitted. Based on the scoring sheets, there were 39 total scoring decisions that had to be made for each proposal.

Proposals for FY20 ISC services were due by November 12, 2018. **Seventeen days later**, on November 29, 2018, proposals and evaluation packets were handed out to the evaluation team to initiate the evaluation process. A meeting notice was sent to the evaluation team for the **evaluation starting** on November 29, 2018 at 9:00 am and **ending** on November 30, 2018 at 3:00 pm.

Evaluation team members reported differences in the amount of time spent evaluating proposals. It appears that while evaluators stated they had enough time to complete the evaluations, our problems with evaluators following scoring parameters when assigning scores, as we report in Chapter 3, indicated **more time may have been needed**.

- An evaluator of the Capacity Section told us that it would not have been better to evaluate the entire proposals. He added that it was an exhausting process and a huge demand to evaluate the one section he was assigned.

- An evaluator in the Need Section told us that the entire NOFO process was exhausting and the Division put in a huge effort. The evaluator added that it would have been too time consuming to evaluate the entire proposal.

Potential Bias

DHS grant file information showed a memo from the DDD Director at the time explaining that one evaluator had been officially removed from the team because the evaluator “*expressed concerns about her ability to be objective because of the close working relationship she has with the ISCs.*” [Emphasis added.] This memo was dated November 28, 2018, the day before evaluations were conducted. The replacement had been in her current position for two months, since September 2018.

We interviewed eight evaluators from the ISC NOFO. DHS documentation stated these individuals were subject matter experts in the area of ISCs. Seven of eight evaluators told us that they had interactions with all of the ISCs as part of their positions. One evaluator stated his interaction was limited in nature.

One evaluator that scored the Quality Section told us that at the beginning of the process **she was concerned if the group could evaluate objectively**. By the end of developing the NOFO and scoring parameters, she was confident in the process and had no concerns.

Another evaluator that scored the Capacity Section told us he could see why the other evaluator recused herself because **in doing business you always form an opinion**. All evaluators did sign the Merit Based Review Confidentiality Agreement and Conflict of Interest form. Based on the form, evaluators assert they understand that information observed would be confidential and that they, or their family members, have no interest that would affect participation in the project. The form does not address bias. DHS was originally looking to competitively procure ISC services for a period beginning July 1, 2018. Those plans were cancelled in November 2017. During that time, there was planning on who would evaluate the ISC proposals. The DDD Chief of Staff and another DDD official discussed who should serve on the evaluation team in a series of emails on October 30, 2017. Documentation showed:

- The DDD official told the Chief of Staff, “*Well, I feel like there is a lot of bias on the current providers. I’m thinking we might want to have some new staff be on the committee and also see if someone from a different division/budget would want to review.*” The official told us that the thought was that from a general evaluation perspective evaluation team members should not be embedded in the program or division and should not have specific input or knowledge of the providers. We agreed with the official.
- The Chief of Staff responded, “*Good observations. I had wondered if there were a way to review the NOFOs blindly. **There is bias. Even I have opinions on some of our current ISCs.***” [Emphasis added.] The Chief of Staff eventually became an evaluator on the FY20 ISC Selection NOFO. The evaluator did tell us that she felt she was able to put her opinions aside, so she could perform an objective evaluation.
- The idea of using evaluators that were not embedded in the program **was not followed** during the FY20 ISC NOFO. All the evaluators were DDD officials. Additionally, all

the ISCs that provided services during FY18, **when bias was a concern**, were also ISCs in FY19 and **able to propose** on the NOFO.

DHS officials, in April 2019, were discussing how to deal with issuing a new NOFO in Region K. In an April 2, 2019 email, under the subject of a meeting with a member of the General Assembly from the CAO to DHS management, the CAO was summarizing potential courses of action. One action would be to vacate the award and *“Add non-DDD personnel to the merit based review teams or an oversight team (optics-independence/objectivity).”*

DHS, as part of the settlement agreement with Developmental Disability Services of Metro-East (DDSME), agreed to reissue the NOFO for Region K. On June 4, 2019, when there was discussion about the reissue of the Region K NOFO, the DDD official responsible for the NOFO process reported to other DHS officials that, *“I think it will be very hard to get anyone from the Division that will agree to be a scorer.”* We asked the official why he came to that conclusion. The official told us that **considering all the scrutiny the FY20 ISC NOFO received**, using people in any Bureau to participate in the NOFO process is difficult. He added that people know how this NOFO “blew up” and do not want to get involved in future NOFOs that have the same possibility.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires all State agencies to *“establish and maintain a system of internal fiscal and administrative controls.”* These controls should include **that evaluation teams for competitive grant procurement opportunities have the time to conduct such evaluation activities and that the evaluators are free of bias towards possible proposers.**

The Illinois Administrative Code (44 Ill. Adm. Code 7000.350) details the Merit Based Review of Grant Applications. Section 7000.350 (e) (5) (A) requires that *“Evaluation committee members shall not have any conflicts of interest or apparent conflicts of interest.”* Further, Section 7000.350 (e) (5) (C) details that *“The head of a grantmaking agency or his/her designee may remove committee members for due cause, such as failure to comply with the directions of the grant application or evaluation process or failure to ensure the integrity of the grantmaking process.”* Surely bias towards potential proposers would be instrumental to the “integrity” of the evaluation process.

The DDD official responsible for management of the NOFO told us on October 15, 2019, that he developed the timeline for evaluation. He added that he allowed for a small amount of time because he **could not take away too much time from the day to day activities of DDD personnel.** He also told us that **the evaluation was a small part of what DDD does.**

On January 24, 2020, DHS, regarding the bias issue stated, *“This comment was made prior to the State of Illinois publishing 44 Ill. Adm. Code 7000 which addresses conflicts and does not cite knowledge of current providers as a basis for conflict. Additionally, the Acting Division Director made the decision on who would be part of the merit based review process.”* We note that the ISCs that were providing services when the comment was made on October 30, 2017, were the same providers that had been providing services since the program began and were eligible to propose on the NOFO.

Considering the NOFO process was new to DHS and the **impact of the results** of the NOFO evaluation were so important to the proposers, with some eventually going out of business, DHS should have budgeted adequate time for the evaluation process. Additionally, individuals with real or perceived biases in the competitive grant procurement process raise the skepticism level that awards are fair and transparent.

PLANNING – EVALUATION TEAM	
RECOMMENDATION NUMBER 6	<p><i>DHS should take steps during the process for selecting evaluation team members to ensure that the members have sufficient time to conduct the evaluations. Additionally, DHS should ensure that individuals with a real or perceived bias do not serve as evaluators on competitive grant procurements.</i></p>
DEPARTMENT OF HUMAN SERVICES RESPONSE	<p>The Illinois Department of Human Services (IDHS) agrees with the recommendation that in selecting evaluation team members, it should take steps to ensure that members have sufficient time to conduct the evaluations and that policies, resources, and training be developed to facilitate a better evaluation process.</p> <p>IDHS respectfully disagrees with the OAG’s assertion that IDHS “conducted zero evaluation team meetings prior to handing out the proposals for scoring.” IDHS conducted eleven weekly ISC NOFO planning meetings between September 21, 2018 and November 29, 2018 that included members of the evaluation team. These meetings included briefings and discussions about how the proposals would be prepared, the evaluation tool that was to be used, and the parameters for evaluation, etc. However, more in depth examples and skill testing could have further aided evaluators in the conduct of their evaluation duties.</p> <div style="border: 1px solid black; padding: 5px; margin: 10px 0;"> <p>Auditor Comment: <i>It is not our assertion that DHS conducted zero evaluation team meetings prior to handing out proposals to be evaluated, it is a matter of fact. Conducting planning meetings that include some but not all evaluators seems problematic since this was the <u>first evaluation of a NOFO for all the evaluators.</u></i></p> </div> <p>IDHS partially agrees with OAG’s conclusion that more time should have been allotted to complete the evaluation. However, the Division of Developmental Disabilities (DDD) did understand that the evaluation process would require a significant amount of time. The Division addressed this issue by dividing the evaluation process into sections to allow three evaluation teams to work simultaneously. Additionally, the Division set aside two full days for senior staff to dedicate exclusively to the review of proposals and to the completion of evaluation packets.</p> <div style="border: 1px solid black; padding: 5px; margin: 10px 0;"> <p>Auditor Comment: <i>The proposers submitted 22 total proposals comprised of 2,198 total pages and were evaluated using a total of 39 scoring elements. We</i></p> </div>

<p>(Response Continued)</p>	<div data-bbox="576 195 1430 243" style="border: 1px solid black; padding: 2px;"> <p><i>believe two days was not adequate time for the evaluation process.</i></p> </div> <p>After receiving the submitted proposals and prior to substantive evaluation, other personnel were assigned the following:</p> <ol style="list-style-type: none"> 1. Pre-screen the packets for completeness by ensuring the entity registered and pre-qualified through the Grant Accountability and Transparency Act (GATA) website, www.grants.illinois.gov; 2. Verify entity was not federally debarred and/or suspended 3. Verify entity was not listed on the Illinois Stop Payment List 4. Verify as part of the pre-qualification process, that a financial and administrative risk assessment was completed, utilizing the Internal Controls Questionnaire. Was a programmatic risk assessment completed? 5. Copies of each proposal were made and included in scoring packets for each group 6. Scoresheets and parameters were pre-printed with the entity name and scorers coded identification code for each evaluator’s packet. <p>This pre-screening and preparation process enabled evaluators to focus on just the evaluation process and decreased the amount of time required to complete their review.</p> <p>At the end of the full, two-day period allotted for evaluation, only one group (the “Need” evaluation team) completed their review and evaluation of the proposals. The “Need” section did not have as much information to review and was worth half of the points of the other two sections. The Capacity and Quality of Programs evaluation teams needed additional time to complete their reviews and both were provided with the additional time to complete a thorough evaluation. After the Quality of Programs evaluation team completed their formal review, they asked for and were granted extra time to ensure that their notes were more detailed.</p> <p>IDHS respectfully disagrees with the OAG’s assertion that evaluators were or could have been perceived as biased. The question under the GATU Administrative Rules is whether an evaluator has a conflict of interest, not is biased. Under both the GATU Administrative Rules and conflict of interest guidance, knowledge of a subject matter area and of an entity’s past performance are not conflicts of interest. In fact, in a separate finding, the OAG argues that past performance should be a factor in evaluation. Under the GATU Administrative Rules, a conflict of interest involves having submitted an application on behalf of or having represented an entity: Except when required by statute, evaluation committee members must neither have submitted an application nor represent an entity that has submitted an application for the grant program during the grant cycle under review.</p> <div data-bbox="576 1755 1430 1871" style="border: 1px solid black; padding: 2px;"> <p>Auditor Comment: <i>The idea of bias was not developed by auditors, it was <u>stated by an upper management official from the Division of Developmental of</u></i></p> </div>
------------------------------------	---

<p>(Response Continued)</p>	<p><i>Disabilities, an official that served on the evaluation team. Additionally, DHS’ response says we confuse conflict of interest with bias. As stated in administrative rules, and this finding, the integrity of the process needs to be ensured by the agency head. Surely bias towards potential proposers would be instrumental to the “integrity” of the evaluation process.</i></p> <p>44 Ill. Adm. Code 7000.350(e)(5)(a)(i). Similarly, GATU’s Confidentiality Agreement and Conflict of Interest Disclosure Form (https://www2.illinois.gov/sites/GATA/Documents/Resource%20Library/Confidentiality%20Agreement%20and%20Conflict%20of%20Interest%20Disclosure%20Grant%20Evaluation.pdf) provides potential examples of conflicts, all of which go toward the evaluators or a household member having a financial or fiduciary interest in an applicant or having a close, personal relationship with an applicant. None of that goes towards having knowledge of an applicant as an incumbent provider. In fact, under the GATU Administrative Rules, evaluation teams are to include “persons with the appropriate technical expertise to ensure a comprehensive evaluation of applicants.” 44 Ill. Adm. Code 7000.350(e)(5). Likewise, GATU’s Confidentiality Agreement and Conflict of Interest Disclosure Form refers to this being a “subject matter expertise grant evaluation” (i.e. not surprisingly, evaluators are to know the subject matter). The contention—agreed to by the OAG—that “evaluation team members should not be embedded in the program or division and should not have specific input or knowledge of the providers” (1) is contrary to GATU’s Administrative Rules, encouraging “persons with the appropriate technical expertise” and to GATU calling this a “subject matter expertise grant evaluation[.]” (2) is not consistent with GATU’s Administrative Rules or guidance on conflicts of interest which goes to having a financial or fiduciary interest in an applicant or having a close, personal relationship with an applicant, and (3) goes against the OAG’s contention that knowledge of past performance should have been part of the evaluation. Two evaluation team members speculated in emails dated October 30, 2017 that their knowledge of the ISCs and the ISC process might create bias—but their speculation was prior to GATU issuing updated Administrative Rules and guidance on the issue. In fact, such technical expertise is explicitly encouraged under the GATU Administrative Rules and is not listed amongst potential conflicts by GATU.</p> <p>The members of the evaluation teams were picked because of their expertise and were all senior staff members within the Department. While bias is not a specific concern, thoughtfulness in the selection process was demonstrated in that one staff member that did not feel comfortable being an evaluator and requested removal from the evaluation team which was granted. At any point, if other evaluators felt they could not be unbiased or had a conflict of interest (as the OAG notes, all completed the conflict of interest disclosure form), they could have asked to be recused. None of the other evaluators expressed any such concerns at the time of evaluation.</p>
------------------------------------	---

PLANNING – NOFO ISSUES

DHS failed to provide complete and up to date guidance to the ISCs during the ISC NOFO process. At the time the ISC NOFO was published on September 11, 2018, **DHS had neither completed changes to the ISC Manual nor had it completed changes to the CILA Rule**, a procedural manual and administrative rule **DHS was requiring proposers to follow**.

The ISC Manual and CILA Rule **were not updated during the NOFO process**. The entire NOFO process was conducted from September 11, 2018, the day the NOFO was issued, through February 15, 2019, the day ISCs that appealed the NOFO were notified that the results of the NOFO were upheld.

In fact, the ISC Manual was not completed or posted until July 2019, following the start date of the FY20 ISC contracts. One evaluator confirmed that **the ISC Manual was not available by July 1, 2019, which was the effective date of the FY20 ISC contracts**. Even when it was finally available, it still included sections which were either ‘currently unavailable’ or ‘temporarily on-hold.’

The **purpose of the Manual is to outline the policies and procedures** to be followed by ISC agencies when performing their duties on the behalf of DHS/DDD. The Manual details ISC agency responsibilities which include but are not limited to:

- Completing PUNS forms for interest in DD services as well as updating, changing and closing records in the PUNS database;
- Documenting the person centered planning (PCP) process which focuses on desired outcomes and assisting with placement;
- General service coordination including intake, education, referral, and crisis intervention; and
- Monitoring the implementation of the personal plan though a minimum of two required annual visits.

Additionally, the draft CILA Rule (59 Ill. Adm. Code 115) was not even submitted to the DD Rules Bureau until July 29, 2019, nearly **260 days after ISC proposals were due**. The draft CILA Rule defines an ISC as *“An entity designated by the Department of Human Services’ Division of Developmental Disabilities to provide case management services to Medicaid Waiver participants. Case management services shall include the development of an individual’s Personal Plan.”* The official CILA Rule does not currently provide a definition of an Independent Service Coordination agency.

The NOFO requested proposers to state, **“Agency’s qualifications as they relate to the requirements outlined in the Division’s procedural manuals and applicable legislative rules.”** The NOFO included links to manuals that were in “draft” form.

Potential proposers questioned DHS during the NOFO process by asking, *“The list of manuals and guidelines that must be followed are not up to date. The ISSA manual is outdated and requires 4 visits. The information in the NOFO must be accurate for it to be a fair process.”* DHS responded, *“Please use currently published procedural manuals and rules.”* A later question asked, *“Without seeing said Program Manual because it has yet to be released, how*

are applicants expected to adhere to an unknown, nonexistent document?” DHS responded with the same response.

Discussions about the completion of the Manual were still occurring after the November 11, 2018 deadline to respond to the NOFO. In an email from the DDD Chief of Staff to other DHS officials on November 16, 2018, the Chief of Staff stated, *“The [Acting Director of DDD] and I talked...It’s really important that we have the manual ready for posting by the time we identify the successful bidders for the NOFO. With that in mind, we want this done by year end.”* DHS neither completed the Manual by year end nor completed the Manual by the time the successful bidders were announced on January 2, 2019.

Discussions about changes to the ISC Manual continued to occur through November 2018. Not only did the DDD Chief of Staff want the ISC Manual completed by year end, she also expressed an opinion about the **Manual needing a significant amount of updating**. In a November 30, 2018 correspondence between the DDD Chief of Staff and two other DHS officials, she stated: *“How much do you guys want to change the Program Manual? I feel it could stand a fair amount of editing – and I probably never paid that much attention to it until now...given the mileage that some of our stakeholders are trying to get from the fact that we’re requiring the ISC NOFO recipients to comply with the Program Manual – and it’s not even posted yet, I decided to look at it carefully...I’ve only looked at the Introduction, and want to make lots of changes to it.”* This correspondence took place 18 days after responses were due and 80 days since the NOFO was originally posted.

The Illinois Administrative Code (44 Ill. Adm. Code 7000.310) details the Public Notice of Grant Programs. Section 7000.310 (f) (2) details that the State agency include the following information in the full text of the grant announcement: *“State grant information, including sufficient information to help an applicant make an informed decision about whether to submit an application.”*

DHS had required ISCs to comply with the Manual without really knowing what the ISCs did. With the federal requirement separating case management from service delivery, DHS needed a considerable amount of time, time which it did not allow, to overhaul the Manual. At the same time, it failed to adopt rules per GATA requirements by July 2017 and failed to create internal policies and procedures on how to conduct a NOFO.

On March 2, 2020, DHS reported, *“IDHS respectfully requests that the sentence in ‘Underlying Cause,’ stating, IDHS had required ISCs to comply with the Manual without really knowing what the ISCs did’ be removed. It either implies that ISCs did not know what they did or that IDHS did not know what ISCs did, neither of which are correct.”* This position is not consistent with what one DHS official reported to us during the audit and an email we reviewed during the audit.

- A DDD official reported to us on October 15, 2019, that the ISC NOFO for FY20 services forced DHS to start from scratch including **having to learn what the ISCs actually do** to even write the NOFO.
- Another DHS official, in an email on November 22, 2017, was discussing the idea of a NOFO for FY19 ISC services, a NOFO project that was cancelled on November 8, 2017.

The official stated to an individual from the Department of Public Health, “*DDD decided the timing of a NOFO isn’t good for the recipients of the services so they requested an exception for an additional year. In my opinion the primary reason they elected to defer the NOFO is that they aren’t able to write a statement of work. They don’t know what the ISC agencies do now much less what they want them to do. One more year isn’t going to change that issue.*” This DHS official ended up being the Appeals Review Officer for the FY20 ISC NOFO. [Emphasis added.]

ISC proposers **responded to a NOFO with unknown requirements**, questioning the accuracy of an ISC’s response both in capacity and budget. Further, DHS’ evaluation of such potentially inaccurate responses risks the State entering into contracts with ISC’s who are unable to meet the requirements and purpose of the NOFO.

PLANNING – NOFO ISSUES	
RECOMMENDATION NUMBER 7	<i>DHS should ensure that all applicable procedural manuals and rules are complete and up to date before conducting competitive grant procurements.</i>
DEPARTMENT OF HUMAN SERVICES RESPONSE	<p>The Illinois Department of Human Services (IDHS) agrees with the recommendation that it should ensure all applicable procedural manuals and rules are complete and up to date before conducting competitive grant procurements but disagrees that it failed to provide complete and up to date guidance to the ISCs during the ISC NOFO process.</p> <div style="border: 1px solid black; padding: 5px; margin: 10px 0;"> <p>Auditor Comment: <i>DHS disagrees that it failed to provide complete and up to date guidance to the ISCs during the ISC NOFO process. As shown in the finding that position is blatantly incorrect. The ISC Manual and CILA Rule were not updated during the NOFO process, a violation of the Illinois Administrative Code.</i></p> </div> <p>The ISC Manual is a compilation of all ISC activities and responsibilities, most of which the ISCs were already performing (i.e. Person-Centered Planning, PAS, and PUNS) prior to September 2018. Previously, information on ISC activities and responsibilities was contained in several documents. A primary reason for developing the ISC Manual was to have all guidance for the ISCs in one place. Its existence as a single document was neither necessary for nor did it affect the NOFO process.</p> <p>Similarly, the ISCs were provided with guidance on the person-centered planning process. Multiple trainings were conducted statewide throughout FY2017 to ensure ISCs were aware of the conflict-free case management requirements and their responsibility to conduct the personal plan process. Although IDHS agrees the CILA Rule had not been updated to reflect that residential providers could no longer be responsible for the personal plans, it disagrees that the ISCs were</p>

<p>(Response Continued)</p>	<p>unaware of or unfamiliar with these changes.</p> <p>ISC Executive Directors met quarterly with Division management prior to and throughout the NOFO process. These meetings were used to provide updates to the ISCs and address concerns. As sections of the ISC Manual were drafted, copies were provided to the ISCs. The ISC Manual in its final form reflects input from the ISCs.</p> <p>As a final note, the Program Manual is available on the IDHS website and is updated each fiscal year. The ISC Manual, overall, is new to the DD system as of July 2019.</p>
------------------------------------	---

PLANNING - TRANSITION

We found DHS’ planning for the ISC transition not to be as sound as DHS described. We found a number of issues **with items in the transition plan which were not followed**. We also found that the timing of the formation of the DHS formed ISC Transition Advisory Committee was late, and the recommendations from the Committee that could have been useful to the transition process were **too late to be incorporated**.

In response to our question whether there was enough time between January 4, 2019, and July 1, 2019, to ensure a seamless transition, DHS responded *“Yes, that was enough time to ensure a seamless transition. The Division considered its transition process to be sound...”*

Transition Plan

DHS issued an ISC Transition Plan which was to be used in the six regions where an ISC transition was to occur. This plan had an effective date of February 25, 2019, which was only **126 days before** the July 1, 2019 transition completion date. DHS confirmed that this was the only formal transition plan document it utilized. The plan included:

- references to two letters – one in March 2019 and one in June 2019 – which were notices of ISC changes to be sent to families; and,
- dates and an agenda for transition meetings which were to occur between DDD staff and the ISCs.

We would note that the **draft** version of the plan was **provided in advance** separately to two ISCs, Service and Prairieland. In correspondence from the Acting Director of DDD to the Executive Director of Prairieland dated February 22, 2019, the Acting Director of DDD stated, *“Here is the draft transition plan so you can have an idea of its contents. I am passing it on – even though it is a draft and dates need to be changed. I’m hoping that it will help you plan for your meeting with [ISC official] but I’m also hoping you won’t share it with anybody.”* This information could have been helpful to all ISCs in preparation of the transition. We asked the DDD officials why the draft plan was only provided to those two ISCs. We asked both officials separately and received similar responses – the information was requested by each ISC.

We requested from DHS copies of the two letters that were to be sent out by the ISCs. In response, a DDD official stated that the Division’s **initial plan was for three notices to go to**

families in January 2019 and updates on March 15, 2019 and June 1, 2019. **However, the initial plan was not followed.** In fact, only two letters were sent to families – the first letter was not sent out until March 2019 and the second letter not until July 1, 2019.

DHS, in a June 30, 2019 email, stated, “*That initial plan did not contemplate appeals of the NOFO results, legislative inquiries, proposed legislation, and federal and state court litigation. It also did not contemplate time for the new department administration to review the decisions made under the prior administration nor did it contemplate the degree to which several of the ISC agencies would decline to cooperate with the division’s requests.*” We would note that:

- DHS **did not notify ISCs** who appealed the results of DHS’ decision to deny their appeals **until February 15, 2019**, which was two weeks after the ARO had made his determination and **two weeks that could have been spent working on the transition.** According to DHS, it was not until the week after the results were sent to the appealing ISCs that the Division forwarded the letters to be sent out to families by the ISCs.
- As of December 2019, **more than 5 months** after the transition deadline, litigation was still ongoing.

Transition Letters

DHS had to rely on the ISCs to notify families of any changes. A DDD official stated, “*The Division **does not maintain or possess** contact information for individuals and their families/guardians. Rather, that information is maintained by the ISC agencies.*” [Emphasis added.] **DHS does not maintain contact information on clients receiving ISC services, services for which the State expended nearly \$180 million over the past five fiscal years.**

DHS said it received negative feedback (i.e. lack of manpower and funds) from ISCs about it being the ISCs’ responsibility to send the notices, a **responsibility not identified in the NOFO.** As a result, DHS gave ISCs options including reimbursement for postage or the ISC could send the contact information to DHS and DHS would then send out the notices.

We reached out to ISCs where a transition occurred and asked about the process utilized for sending the two notices. We also reviewed information published by an advocate for the disabled. The following are several of the responses we received:

- Livingston County Mental Health Board (LCMHB) reported that it sent out the first notice, but did not comply with DHS’ request on the last day of the fiscal year to send out the second notice. LCMHB cited time, cost, and no longer having access to the client information as reasons for not complying.
- Southern Illinois Case Coordination Services (SICCS) reported printing a copy of the letters for each individual/guardian; putting the letters in addressed envelopes; and taking 1,848 letters to DDD for them to provide postage and mail.
- Central Illinois Service Access (CISA) reported sending DHS a comprehensive list of contact information for the clients it serves. CISA cited manpower and cost to send over 3,000 letters as the reason it did not send out the notices.

- On August 2, 2019, **one month after the transition** was supposed to be complete, Access Services of Northern Illinois, an ISC no longer in operation, reported to us, *“We continue to receive phone calls at our former office from individuals asking who has been assigned to work with their family member.”*
- In relaying information the advocate received from a parent on the performance of her new ISC agency, the parent shared: *“They can’t seem to find clients. I left several messages at the phone number left on (previous agency’s) message after July 1. No response. So I called my state representative to find out what is going on. After he called DHS asking for a contact number, I finally got a call from a woman who I think is in charge. She said a message was for my daughter at her home. I asked what number they called, it was the house she was at 10 years ago!”*

In addition to receiving negative feedback from the ISCs, documentation showed a guardian expressing concern over the lack of communication. Utilizing the email address **established by DHS** for families to communicate directly with DDD, this guardian requested additional communication and emphasized that this communication would allow for a better understanding of expectations of the improved service. **DHS admittedly failed to send the communication.**

Transition Meetings

DHS’ transition plan included scheduled weekly transition meetings for incoming ISCs and bi-weekly transition meetings for current ISCs with incoming ISCs. The plan also gave an agenda for the meetings which included: staffing, data, offices, files/record, equipment, and communication. The plan also provided a DHS team leader and two supporting DHS staff in each of the six regions.

However, **certain ISCs reported that the transition meetings were not very productive.**

- We asked ISCs involved with the transition about their experiences. DayOne PACT and West Central Service Coordination told us: “staffing” from the agenda was not discussed, DHS staff read only from the outline, some meetings were cancelled, and data transfer was a “mess” – data did not transfer correctly.
- DayOne/PACT specifically stated, *“The state staff handling the meetings did very little in the meetings...Near the end of the process the meetings were, in effect, managed by the ISC agencies in our situation...”*

Advocacy groups also noted problems with issues that were supposed to be discussed during the transition meetings.

- In an email correspondence to the Acting Director of DDD dated April 14, 2019, Illinois Parents of Adults with Developmental Disabilities (IPADD) voiced concerns about missed deadlines/visits that may negatively impact individuals and data migration. With regard to missed deadlines/visits, the IPADD official stated: *“With some staff in affected Regions leaving, many others being reassigned or promoted, families are concerned about ISC ‘capacity’ to handle the many deadlines which could affect our individuals. Families are already reporting phone calls not being returned & cases being reassigned*

to supervisory ‘Leads’ who are overwhelmed, they anticipate this will only get worse...” With regard to data migration, referencing a prior DHS rollout, that same IPADD official stated “...families don’t have a lot of confidence in DHS/DDD’s ability to transfer all of their loved ones case data...They’re also concerned about their new ISC agency’s capacity to handle the influx of all these new case files.”

- In an email correspondence to the Acting Director of DDD dated April 11, 2019, The Arc of Illinois voiced its concerns which included slow response time from transitioning ISCs, later age requirement for PUNS waiting list sign up information being communicated, and confusion from early notification recipients about who is helping them.

ISC Transition Advisory Committee (ITAC)

The purpose of ITAC was to understand stakeholders’ concerns and make recommendations about upcoming ISC changes. ITAC planned to open up the isctransition.gov email address; receive responses; review the recommendations, and provide the committee’s own recommendations. Ultimately, ITAC would provide recommendations to DHS. The Director of the Illinois Council on Developmental Disabilities told us that she was asked in early March 2019 to chair ITAC by the Acting Director of DDD.

ITAC only met on two occasions – June 17, 2019, and June 19, 2019 – before providing **preliminary** recommendations to the Department on June 19th. The final committee meeting was only **12 days prior to the effective date of the transition**. The late recommendations made by ITAC to DHS were, in part, based on only six emails from stakeholders to the email address established to field feedback statewide. Several of the recommendations included:

- Limited visits and successful case management;
- ISC choice for current ISCs with different boundaries;
- Lack of DDD issued communication; and
- DDD has not dedicated enough staff to the transition.

The recommendations made by ITAC to DHS could have been instrumental in the ISC NOFO process, but due to the late establishment, there is no way DHS could have considered such recommendations before the July 1, 2019 transition. The committee itself even stated in its recommendations to DHS, “*The time between the request to form an Advisory Committee and the transition date was too short to be as effective as the committee would have liked to have been.*”

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires all State agencies to “*establish and maintain a system or systems of internal fiscal and administrative controls.*” These controls should include a transition plan that is well communicated and timely executed.

DHS only allowed 126 days to complete the ISC transition, a transition that was **changing a process in effect for 30 years**. This time was not sufficient enough to complete all of the activities in the original plan, nor was it followed.

ISCs and guardians **relied on the transition plan to successfully transition individuals** to new ISCs as a result of the NOFO. Failure to timely follow the plan, as well as complete the activities of the plan, left guardians confused about the care of their loved ones as well as lapses in communication responsibilities and data transfer issues between ISCs. Considering the ISC Transition Plan was the only formal document utilized by DHS for the transition, DHS should have placed a greater emphasis on the timeline and activities found within the plan.

PLANNING – TRANSITION	
<p>RECOMMENDATION NUMBER</p> <p>8</p>	<p><i>DHS should better follow its own transition plan, both in time and activities, for changes or transitions in any system it maintains. DHS should ensure that it has and maintains all applicable data needed for any transition. Additionally, when DHS seeks outside resources to assist with change, it should allow enough time to receive and consider any feedback it receives.</i></p>
<p>DEPARTMENT OF HUMAN SERVICES RESPONSE</p>	<p>The Illinois Department of Human Services (IDHS) agrees with the recommendations that it should follow its own transition plan, both in time and activities, for changes or transitions in any system it maintains. IDHS agrees it should ensure that it maintains all applicable data needed for any transition. IDHS agrees that when IDHS seeks outside resources to assist with change, it should allow enough time to receive and consider any feedback it receives.</p> <p>The Department respectfully disagrees with the Office of Auditor General’s findings regarding the “soundness” of the ISC transition plan. A “transition timeline” was prepared in advance and circulated internally in early January 2019. That timeline called for occurrences such as:</p> <div style="border: 1px solid black; padding: 5px; margin: 10px 0;"> <p>Auditor Comment:</p> <p><i>We would point out that DHS, not the auditors, described the transition as “sound.” DHS states that GATA appeals, legislative inquiries, and litigation necessitated adjustments to the timeline. We would suggest that the time lags at DHS, such as the two weeks between proposal submission and evaluation or the month between evaluation and award announcement, had an effect on the transition timeline.</i></p> </div> <p>January 22-March 30, 2019 – Bi-weekly transition meetings for successor ISCs (for those where budget negotiations are not necessary)</p> <p>January 22, 2019 – Notice to Families Letter to Families whose ISC has changed Letter to Families whose ISC has not changed</p> <p>February 2-March 30, 2019 – Bi-Weekly Transition Meetings for Successor ISCs (for those where budget negotiations are necessary)</p> <p>At the time this transition timeline was prepared, the Department did not know that GATA appeals, legislative inquiries, or litigation in two separate court systems would ensue. These events necessitated</p>

<p>(Response Continued)</p>	<p>adjustments to the timeline before it was published on the website.</p> <p>The Department maintains that its initial transition timeline was more than adequate, as demonstrated by the successful ISC implementation on July 1, 2019, with little to no disruption to families. ISC agencies continued to operate and/or successfully transitioned, regardless of the timeline adjustments necessary to address the uncertainty arising from the appeals, inquiries, and litigation noted above. During the two-week period after the ARO made his initial appeal determination, the Department conducted a thorough review of concerns brought to its attention by members of the General Assembly before finalizing that appeal determination. The results of this review were communicated to those same members, the ARO finalized his determination, and the Department proceeded with notifying the affected ISC agencies of the decision on their appeals.</p> <p>As to letters to be sent by the incumbent ISCs, (1) the ISCs were contractually required to facilitate and participate in the transition to succeeding providers—although some declined to cooperate in transitioning their clients and had to be legally reminded of their contractual obligations--and (2) as the OAG notes, IDHS offered to cover postage or, if provided the contact information, to send the notices, itself.</p> <p>Transition meetings between Department staff and ISC agencies were part of the initial transition plan. Negative statements about the Transition Meetings were in large part from disappointed ISC applicants who continue to sue IDHS in federal court. An additional layer of transition meetings was implemented in late spring of 2019.</p> <p>As pointed out in the Auditor’s Report, this group (ITAC) was only able to convene twice and made preliminary recommendations to the Department a few days before the July 1 implementation date. These recommendations were helpful and inform the Corrective Action Plan for this finding.</p>
------------------------------------	--

Chapter Three

EVALUATION ACTIVITIES

CHAPTER CONCLUSIONS

DHS did not comply with all requirements of the Illinois Administrative Code in conducting the ISC Selection NOFO process. While DHS does not have policies and procedures for processing a NOFO, we believe this is no excuse for not complying with documented laws and rules when completing a competitive grant process. Not following all laws and rules also reflects negatively on the procurement process.

DHS did not **develop and maintain evaluator meeting minutes** for the three evaluation groups that scored the ISC proposals. While the Notice of Funding Opportunity detailed that discussions should take place after individual scoring, **none of the discussions were formal, or apparently complete**. Our examination found 97 total instances where the **difference in scoring was 20 points or more** among evaluators.

DHS **failed to follow the selection criteria for awarding ISC services** for FY20. Additionally, the DHS practice of not considering past performance of the ISCs in the NOFO process as found during this audit has not been applied to other DHS competitive grant processes.

We found that evaluation criteria were not uniformly applied in the ISC NOFO. DHS failed to review whether the evaluation team for the ISC NOFO **followed scoring parameter guidance** when assigning scores. This failure, based on our assessment of the scoring, resulted in **three instances where a different ISC may have been selected**. In two of the three instances the ISCs **went out of business**. This analysis was constructed by re-scoring proposals based on, as noted earlier, a scoring instrument that contained **some** flawed parameters. **These were, however, the parameters used to score proposals**. Given the flawed scoring instrument and other uncertainties with scoring, such as a lack of discussion of scoring differences, we cannot say with absolute certainty which proposer should ultimately have won the award. Overall, we found **274 scoring irregularities** in our review of the DHS documentation for the regions where there was competition in the submission of proposals.

DHS did not maintain documentation to show how appeals to the ISC NOFO selections were determined. Also, as of October 9, 2019, **251 days after the Appeals Review Officer (ARO) dated appeal decisions** in the ISC NOFO procurement, **there was no formal policy for a review officer to follow at DHS**. Finally, while **evaluation scores could not be part of the appeal**, the ARO did review the scoring, but only **for a single day**. We determined the ARO conclusions were not adequately supported.

During this audit of the ISC Selection Process we concluded that **the scoring** for the competitive grant process **was flawed**. However, **proposers are left with no recourse** under current Illinois administrative rules. We submit a Matter for Consideration to the General Assembly to further define the statutory ability for a proposer to appeal the scoring in a competitive grant procurement in the GATA guidance on rule making.

INTRODUCTION

House Resolution Number 214 directed the Auditor General to review the selection process utilized by DHS to obtain ISC services for FY20. Specifically, we were to determine whether: all aspects of the competitive funding process were conducted in accordance with **applicable laws, rules, regulations and policies**; the **evaluation criteria were adequate** and uniformly applied; **decisions were adequately supported and documented**; and if the **decisions relating to protests were adequately supported and documented**.

COMPETITIVE PROCESS COMPLIANCE

DHS did not comply with all requirements of the Illinois Administrative Code in conducting the ISC Selection NOFO process.

During the audit we compared grant file information to the guidance provided in the Grant Accountability and Transparency Act (30 ILCS 708) and the grantmaking rules detailed in the Illinois Administrative Code (44 Ill. Adm. Code 7000). We found compliance issues during our review. These exceptions are discussed in Exhibit 3-1.

Section 7000.200 of the Illinois administrative rules details State agency responsibilities in grantmaking. Among those responsibilities is a requirement that State agencies must adopt rules to follow uniform requirements in federal laws by July 1, 2017 (44 Ill. Adm. Code 7000.200 (b)).

Section 7000.350 of the Illinois administrative rules details the merit based review of grant applications. Among those rules are:

- evaluation process shall review applications based solely on the criteria identified in the grant application (44 Ill. Adm. Code 7000.350 (c), 7000.350 (e)(3));
- evaluation committee members shall not have any conflicts or apparent conflicts of interest (44 Ill. Adm. Code 7000.350 (e)(5)(A));
- scoring tools must reflect the evaluation criteria and ranking priorities set forth in the grant application (44 Ill. Adm. Code 7000.350 (e)(6)(A));
- any substantial scoring differences shall be reviewed and documented (44 Ill. Adm. Code 7000.350 (e)(6)(D));
- award shall be made pursuant to a written determination (44 Ill. Adm. Code 7000.350 (f)(1)); and
- appeals review officer should consider integrity of competitive grant process in determining recommendation on appeal (44 Ill. Adm. Code 7000.350 (g)(6)(B)).

The Grant Accountability and Transparency Act requires that the grant file maintained by the grantmaking agency must contain a written determination, signed by an authorized representative, setting forth the reason for the grant award decision (30 ILCS 708/110 (a)(7)).

On January 24, 2020, DHS stated, *“Documentation exists that the Secretary was advised of the outcome. The Secretary ultimately spoke with the Acting Division Director and provided verbal approval of the results.”* The NOFO stated that final award decisions would be made by the DHS Secretary. We would note that DHS cannot provide evidence that the Secretary approved the decision other than “verbal” assurance.

Exhibit 3-1 COMPLIANCE PROCESS ISSUES ISC Selection NOFO		
Cite	Requirement Summary	Reason for Exception
44 Ill. Adm. Code 7000.200 (b)	Adoption of grantmaking rules by July 1, 2017.	DHS filed proposed rules to Illinois Register on October 18, 2019. This is discussed in Chapter Two.
44 Ill. Adm. Code 7000.350 (c) and (e)(3)	Evaluation process shall review the application based solely on the criteria in the grant application.	DHS application said award will not be based solely on the scoring of the proposal. This “other” criterion was not identified by DHS.
44 Ill. Adm. Code 7000.350 (e)(5)(A)	Evaluation committee members shall not have any conflicts of interest or apparent conflicts of interest.	DHS, in an attempt to competitively procure ISC services in 2018, contemplated using staff from different divisions to avoid any such bias towards current ISCs but did not do so. This is discussed in Chapter Two.
44 Ill. Adm. Code 7000.350 (e)(6)(A)	The rating system scoring tool must reflect the evaluation criteria from the grant application.	There were several instances: makeup of the board, key personnel experience and key personnel education, where the parameters assigned point values for specific board member backgrounds and specific personnel which were not outlined in the NOFO.
44 Ill. Adm. Code 7000.350 (e)(6)(D)	The rating system shall review and document substantial scoring variances among evaluators.	There was neither documentation to support such discussions nor documentation to support revisions, if any, that were made.
44 Ill. Adm. Code 7000.350 (f)(1)	Award shall be made pursuant to a written determination.	Pursuant to the NOFO, DHS could not provide documentation to show that the Secretary approved the finalists for award, or what other criteria was used in determining the award.
44 Ill. Adm. Code 7000.350 (g)(2)	The Appeals Review Officer (ARO) shall make a recommendation to the agency head or designee.	The ARO did not make a recommendation to the Secretary.
44 Ill. Adm. Code 7000.350 (g)(6)(B)	The ARO should consider the integrity of the competitive grant process in determining a recommendation on appeal.	The ARO told us he reviewed the scoring against the parameters and found nothing incorrect. Our examination found a number of issues including scores not being correctly transferred and instances where an evaluator gave a score when the proposal stated N/A.
Source: OAG developed.		

The failure to adopt policies and procedures as well as not adopting administrative rules leads to instances of non-compliance. The Grant Accountability and Transparency Act requires that the grant file maintained by the grantmaking agency must contain a written determination, signed by an authorized representative, setting forth the reason for the grant award decision (30 ILCS 708/110 (a) (7)).

While DHS does not have policies and procedures for processing a NOFO, we believe this is no excuse for not complying with documented laws and rules when completing a competitive grant process. Not following all laws and rules also reflects negatively on the procurement process. Findings from these areas of non-compliance are reported throughout this report.

COMPLIANCE PROCESS ISSUES	
RECOMMENDATION NUMBER 9	<i>DHS should follow all requirements in the administrative rules when conducting a competitive grant procurement process.</i>
DEPARTMENT OF HUMAN SERVICES RESPONSE	<p>The Illinois Department of Human Services (IDHS) agrees with the recommendation that it should follow all requirements in the administrative rules when conducting a Notice of Funding Opportunity (NOFO) or other competitive grant solicitation. With the possible exception of an award needing to be made pursuant to a written determination, this finding is duplicative of and responded to in other findings (e.g. findings 4, 6, 10, 11, 12, and 13).</p> <p>As to the requirement for a written determination, that written determination was the evaluation scoring. The previous DD Director ultimately deferred to the evaluation scoring and that was the written determination of the successful applicants. There was no role of the previous Secretary (i.e., he did not have to approve the award)—either in the NOFO, itself, or statute and rule—in the process.</p>

EVALUATION – OUTLIER SCORING

DHS did not **develop and maintain evaluator meeting minutes** for the three evaluation groups that scored the ISC proposals. While the Notice of Funding Opportunity detailed that discussions should take place after individual scoring, **none of the discussions were formal, or apparently complete**. Our examination found 97 total instances where the **difference in scoring was 20 points or more** among evaluators.

DHS received a total of 22 proposals in response to the ISC NOFO. After individual scores were determined by the evaluation team, **12 percent of the scoring criteria had significant differences** among the evaluators. Since **DHS did not have any definition of what a significant difference was**, we determined 20 points to be significant since the point values for individual scoring items were between 60 and 100. Exhibit 3-2 provides a breakdown of significant scoring differentials for the 12 ISC Regions.

Exhibit 3-2 SIGNIFICANT SCORING DIFFERENTIALS ISC Selection NOFO						
Region	Total Scoring Categories	Differences of 20 Points or More			Total Significant Scoring Differences	Percentage Significant Cases
		Need Section	Capacity Section	Quality Section		
A	72	1	11	0	12	16.67%
B	36	2	0	2	4	11.11%
C	74	0	2	2	4	5.41%
D	37	1	3	0	4	10.81%
E	72	1	7	0	8	11.11%
F	36	0	6	0	6	16.67%
G	71	0	5	0	5	7.04%
H	143	0	18	1	19	13.29%
I	72	0	11	1	12	16.67%
J	35	0	1	4	5	14.29%
K	71	0	9	0	9	12.68%
L	72	0	7	2	9	12.50%
Totals	791	5	80	12	97	12.26%
Note: Total Scoring Categories by Region can differ based on the number of proposers and whether proposers submitted material for all scoring elements.						
Source: OAG developed from DHS evaluation documentation.						

DHS **did not maintain documentation**, such as meeting minutes, of discussions among evaluators after individual evaluations were conducted for the ISC NOFO.

We interviewed eight of the nine evaluators of the ISC NOFO (one evaluator was no longer with DHS and even though we reached out to the individual, we received no response). While seven of eight evaluators reported some level of discussion, **none of those discussions were formal or documented**. One evaluator reported she did not remember any discussion of variances but that was **contradicted** by the other two individual evaluators of the Need section.

One evaluator in the Capacity section told us that the evaluators for that section had discussions **one or two times**. This doesn't appear to be enough discussion given that in **80 instances across all regions, the Capacity section had a significant difference in scoring of 20 or more points**.

While DHS indicated the discussions were listed in the evaluator notes, we **did not see evidence** of those discussions. Additionally, from our review of the evaluator scoresheets and notes we found that **three of nine evaluators had either no notes or very limited notes** to support their scoring. All three of these individuals evaluated the Capacity section, the section with the majority of evaluation points.

The Illinois Administrative Code (44 Ill. Adm. Code 7000.350) details the Merit Based Review of Grant Applications. Section 7000.350 (e) (6) (D) requires that *“Any significant or substantial variance among evaluator scores shall be reviewed and documented, along with any resulting revision of individual scores.”*

The NOFO described the evaluation process to be utilized by DHS for scoring proposals. The NOFO stated, *“Each application will first be scored individually. Then, review team members will collectively review the application, their scores, and comments to ensure review team members have not missed items within the application that other review team members identified. Application highlights and concerns will be discussed.”*

DHS officials stated that there was no trigger in the scoring that initiated conversations among evaluators. Officials further reported that the administrative rules do not require minutes to be kept. Finally, DHS reported, *“The Evaluator’s [sic] documented the discussions of any substantial variance along with any resulting revision of individual scores in the notes section of their scoresheets. The scoresheets were provided to OAG.”* On February 28, 2020, DHS pointed out one instance where an evaluator of the Need section, in Region G, made a note about group discussion. We would comment that this note does not indicate what the results of that discussion were, but it was most certainly not about a significant variance because the scores in the Need section for Region G were 60’s and 70’s.

On January 24, 2020, DHS stated, *“Just because they did not have notes does not mean scores were not discussed. Discussions were held, and, in some cases, scorers documented the discussions in their notes.”* As stated in the finding, evaluators did tell us discussions were held. However, these were **not documented**, a violation of the administrative rules.

On February 28, 2020, DHS reported, *“IDHS respectfully disagrees that this rises to the level of an audit finding. The difference between one evaluator giving a 70 and another evaluator giving a 90 on an application or one evaluator giving an 80 and another evaluator giving a 100 on an application is not outlier scoring.”* While it is true that auditors determined the 20 point difference, we did so **because DHS had not made such a determination**. That 20 point difference was a significant variance to us since the range of scores could only be 40 total points based on the parameters developed by DHS. Without some measure of significant difference it would be impossible to determine whether DHS was in compliance with the administrative rules.

Failure to document the discussions by individual evaluators increases the likelihood that scoring criteria are not followed. Additionally, not documenting review of substantial scoring variances is a violation of administrative rules. Finally, not following the criteria within a Notice of Funding Opportunity increases the skepticism that the competitive grant process was transparent and fair.

EVALUATION – OUTLIER SCORING	
RECOMMENDATION NUMBER 10	<p><i>DHS should determine what constitutes a significant difference in scoring and maintain documentation of discussion of scoring differences among evaluators to provide evidence that the scoring process detailed in the Notice of Funding Opportunity was followed.</i></p>
DEPARTMENT OF HUMAN SERVICES RESPONSE	<p>The Illinois Department of Human Services (IDHS) agrees with the recommendation that it should determine what constitutes a significant difference in scoring and maintain documentation of discussion of scoring differences among evaluators to provide evidence that the scoring process detailed in the Notice of Funding Opportunity (NOFO) was followed. However, IDHS contends that difference between one evaluator giving a 70 and another evaluator giving a 90 on an application, or one evaluator giving an 80 and another evaluator giving a 100 on an application is not outlier scoring.</p> <div style="border: 1px solid black; padding: 5px; margin: 10px 0;"> <p>Auditor Comment: <i>As stated in the finding, while it is true that auditors determined the 20 point difference, we did so because DHS had not made such a determination. That 20 point difference was a significant variance to us since the range of scores could only be 40 total points based on the parameters developed by DHS. Without some measure of significant difference it would be impossible to determine whether DHS was in compliance with the administrative rules.</i></p> </div> <p>See Appendix E for full DHS response.</p>

EVALUATION – INCONSISTENT SELECTION CRITERIA

DHS failed to follow the selection criteria for awarding ISC services for FY20. Additionally, the DHS practice of not considering past performance of the ISCs in the NOFO process as found during this audit **has not been applied to other DHS competitive grant processes.**

The NOFO indicated that there would be **something other than scoring of proposals** involved in the awarding of grants for ISC services.

This issue, considering the scores of the review team to be non-binding, raised concern from the DHS Chief Accountability Officer (CAO). In a November 1, 2018 email from the CAO to the DDD Director, the CAO stated, *“The Division NOFO describes the merit based process but goes on to say that the Division is not bound by the process. In our opinion, the text...circumvents the merit based review process and could be problematic for adjudicating appeals for non-selected grantee applicants. The point of a merit based process is to ensure the process is objective and transparent. The ability to set aside the merit based review scores and allow a single individual to select grant awardees on something other than merit is counter to the Uniform Guidance.”* [Emphasis added.] The ARO brought forth this issue **51 days after the NOFO had been published** and 11 days before responses were due. Nonetheless, his concerns apparently were not followed because the language remained in the NOFO.

We asked DHS to **provide the additional criterion** denoted in the NOFO. DHS responded that the DDD Director at the time reviewed the scoring and *“She recommended that the Secretary accept the outcomes based solely on the results the scoring committee presented.”* The recommendation was apparently made in a December 6, 2018 email from the DDD Director to the Secretary. In that correspondence the Director concluded with *“So, take a look and let me know when you’re comfortable with us moving forward and if you have a preference on how we deliver the news.”*

Just a day prior to the email to the Secretary, the DDD Director seemed hesitant on relying on scoring. The Director emailed the DHS official responsible for the NOFO process on December 5, 2018, and after explaining she was reading the submissions stated, *“Assume we’re going with the results as they were scored by the teams **for the time being.**”* [Emphasis added.]

The General Assembly asked DHS if there was any consideration/weight given to providers that had a history in serving a specific region. DHS responded, *“We concluded that this would be contrary to the spirit of the merit based review process and wanted to encourage as much competition as possible.”*

Apparently the “spirit” of the process was scrapped when DHS reissued the NOFO for Region K on June 14, 2019. The reposted **NOFO included** mention of emphasis on prior history in Region K. The **new scoring parameters, for the reposting, included an element to** *“Describe the agency’s experience serving the Developmentally Disabled or any other specialty population in the Metro East or the contiguous area. The ideal experience will include: Prior experience serving the Developmentally Disabled or any other specialty population in the Metro East area.”* DHS was awarding 100 points for prior experience serving a population in the Metro East.

We examined other DHS NOFO documents and found that DHS does take into account past performance in selection of grant awards. While the NOFOs indicate that scoring is not the sole criterion, it lists other criteria that could be utilized. These include geographical distribution of service areas, patient populations, and **past performance**. These criteria were found in NOFOs for:

- Homeless Youth – Issued July 10, 2019, by the Division of Family and Community Services,
- Community Youth Services – Issued July 17, 2019, by the Division of Family and Community Services,
- Independent Living Services for Older Individuals Who are Blind – Issued July 18, 2019, by the Division of Rehabilitation Services, and
- Gambling Disorder Services – Issued September 19, 2019, by the Division of Substance Use Prevention and Recovery.

On February 28, 2020, DHS reported, *“Past performance would have been considered in this NOFO, if a consistent record of reporting existed. Unfortunately, prior to the implementation of the GATA rules, IDHS did not receive detailed performance reports from the ISC agencies. Thus, IDHS did not have a way to objectively evaluate one ISC provider’s performance from another.”* We would note that, as detailed in this report, ISC services have been provided for nearly 30 years. In the last five fiscal years, DHS expended \$179 million. Not being able to determine performance calls into question the DHS monitoring of ISC services.

The NOFO for the selection of ISC services contains a Review and Selection Process section. It states, “*The scoring process described above **will not be the sole criterion to determine award. While recommendations of the review team will be a key factor in the funding decisions, the Division maintains final authority over funding decisions and **considers the scores of the review team to be non-binding recommendations.** Any internal documentation used in scoring or awarding of grants **shall not be considered public information.*****” [Emphasis added.]

The Illinois Administrative Code (44 Ill. Adm. Code 7000.350) details the Merit Based Review of Grant Applications. Section 7000.350 (e) (3) requires that the evaluation process include “*A review of the application based solely on the criteria identified in the grant application.*”

The DHS Chief Accountability Officer, who was also the Appeals Review Officer for the ISC NOFO, told us that with respect to “not the sole criterion” that the NOFO could have been written better.

The same official, in discussions with senior DHS management on March 28, 2019, regarding a meeting with legislators stated, “[*The legislator*] feels the incumbent’s experience should have been given weight in the scoring. Because we did not give points for having served that specific geographic location there was a flaw. **I disagree; simply having experience or serving an area isn’t a good basis for selection criteria.**” [Emphasis added.] The official indicated that performance reports could provide objective measures for experience. However, the official indicated DHS did not have the data to support any such objective measures.

On January 24, 2020, DHS told us, “*The decision was made based on the Grant application and proposal. No other criteria were used even though it did state in the NOFO we would use other criteria.*” We believe that is the point that proposers would want to know exactly how awards were to be determined.

Publishing that scores will not be the sole criterion for selection of ISC awards creates the impression to proposers that there is some other selection method being utilized. It also creates **skepticism that the process was neither competitive nor transparent.**

EVALUATION – INCONSISTENT SELECTION CRITERIA	
RECOMMENDATION NUMBER 11	<i>DHS should comply with administrative rules and only award competitive grants based on the criteria presented in Notices of Funding Opportunity. DHS should also consider implementing consistent selection processes across all Department units that are utilizing competitive grant procurements.</i>
DEPARTMENT OF HUMAN SERVICES RESPONSE	<p>The Illinois Department of Human Services (IDHS) agrees with the recommendation that it should comply with administrative rules and only award competitive grants based on the criteria presented in Notices of Funding Opportunity. IDHS agrees that it should consider implementing consistent selection processes across all Department units that are utilizing competitive grant requirements.</p> <p>IDHS respectfully disagrees with OAG’s conclusion that the Division “failed to follow the selection criteria for awarding ISC services for FY20.”</p>

(Response Continued)

Auditor Comment:

As stated in the finding, DHS told us, “The decision was made based on the Grant application and proposal. No other criteria were used even though it did state in the NOFO we would use other criteria.” We believe that is the point – that proposers would want to know exactly how awards were to be determined.

OAG suggests that IDHS did not identify all criteria that would be used when selecting providers. They indicate that this is because “The NOFO indicated that there would be something other than scoring of proposals involved in the awarding of grants for ISC services.” It is true that the NOFO did indicate something other than scoring of proposals would be involved in the awarding of grants for the ISC services. However, it is inaccurate that IDHS failed to provide the criteria that would be used in the NOFO. In fact, the very next paragraph in the NOFO states “Final award decisions will be made by the Director of Developmental Disabilities. The Division reserves the right to negotiate with successful applicants to adjust award amounts, service areas, etc.” This statement clearly defines the additional criteria that may have been considered. The Acting Director went on to explain: “She recommended that the Secretary accept the outcomes based solely on the results the scoring committee presented.” The recommendation was made in a December 6, 2018 email from the DDD Director to the Secretary. In that correspondence, the Director concluded with, “So, take a look and let me know when you’re comfortable with us moving forward and if you have a preference on how we deliver the news.” IDHS agrees that it was not best practice to leave the final award decision to the DD Director, with her determination as the final criteria—even if she ultimately deferred to and relied upon the evaluation team’s scoring—and it will not do so for future NOFOs.

OAG further assumes that [former Acting Director] implied that other factors were being considered based on the following sentence included in an email to [DDD official]. “Assume we’re going with the results as they were scored by the teams for the time being.” However, [former] Acting Director clarified that she needed final approval from the then-Secretary, and she believed the then-Secretary wanted to inform the Governor’s Office of the decision before making any announcement.

OAG seems to conflate two different issues in their findings above. The first issue is past performance and the second issue is whether to provide points for previously providing services in or near a specific geographical area.

1. Past performance would have been considered in this NOFO, if a consistent record of reporting existed. Unfortunately, prior to the implementation of the GATA rules, IDHS did not receive detailed performance reports from the ISC agencies. Thus, IDHS did not have a way to objectively evaluate one ISC provider’s performance against another’s. With the implementation of the GATA

<p>(Response Continued)</p>	<p>administrative rules and the Fiscal Year 2020 NOFO, the ISCs are now required to meet performance standards, and to submit quarterly periodic performance and financial reports to document compliance. These measures will be incorporated into future NOFOs as a criterion for selection going forward. Past performance was indirectly addressed through assessing the experience of the ISC and of its key personnel.</p> <div style="border: 1px solid black; padding: 5px; margin: 10px 0;"> <p>Auditor Comment: <i>As stated in the finding, on February 28, 2020, DHS reported, “Past performance would have been considered in this NOFO, if a consistent record of reporting existed. Unfortunately, prior to the implementation of the GATA rules, IDHS did not receive detailed performance reports from the ISC agencies. Thus, IDHS did not have a way to objectively evaluate one ISC provider’s performance from another.” We would note that, as detailed in this report, ISC services have been provided for nearly 30 years. In the last five fiscal years, DHS expended \$179 million. Not being able to determine performance calls into question the DHS monitoring of ISC services.</i></p> </div> <p>2. As to whether to provide points for previous experience in or near the region, the Division originally determined that would not be a factor in scoring. However, based on stakeholder feedback and concerns, it gave previous experience in or near the region limited weighting in the re-NOFO for Region K.</p>
------------------------------------	---

EVALUATION – SCORING IRREGULARITIES

We found that evaluation criteria were not uniformly applied in the ISC NOFO. DHS failed to review whether the evaluation team for the ISC NOFO **followed scoring parameter guidance** when assigning scores. This failure, based on our assessment of the scoring, resulted in **three instances where a different ISC may have been selected**. In two of the three instances the ISCs **went out of business**. This analysis was constructed by re-scoring proposals based on, as noted earlier, a scoring instrument that contained **some** flawed parameters. **These were, however, the parameters used to score proposals**. Given the flawed scoring instrument and other uncertainties with scoring, such as a lack of discussion of scoring differences, we cannot say with absolute certainty which proposer should ultimately have won the award. Overall, we found **274 scoring irregularities** in our review of the DHS documentation for the regions where there was competition in the submission of proposals.

We conducted **discovery testing** on the scoring in Region K to determine whether evaluators followed the criteria in the scoring parameters. We found a number of instances where this testing showed **irregularities** in following parameters. This included:

- For the criterion Capability to provide service by July 1, 2019, Evaluator 1B scored Developmental Disability Services of Metro-East (DDSME) at 80. The parameters show this was basically a yes/no question. If yes, the proposal should be scored at 100. If no, the proposal should be scored at 60.

- For the criterion Key Personnel Experience, Evaluator 1B scored DDSME a 90 but the summary spreadsheet used to tabulate winning scores showed a 70 for DDSME, apparently a transfer error to the summary. A DDD official told us that the evaluations had gone through the appeals process and that all senior staff including the Secretary at the time and the Legal Counsel at the time reviewed the evaluations.
- For the criterion Direct Administrative Cost, DDSME **did not bid anything** and indicated N/A in its proposal. However, the three evaluation team members scored that criteria at 100/60/60 **even though the proposer stated the criteria was N/A**.
- For the criteria Key Personnel Experience and Education, DDSME listed the names and titles of specific individuals along with the staff education and years of experience. The other proposer, Prairieland, which had not provided ISC service previously in Region K, listed only two individuals and **all other positions were described as “Vacant.”** However, Prairieland was scored higher by the DDD evaluators than DDSME. A DDD official told us that the parameters were just a guide for evaluators.
- For the criterion Equipment, Prairieland proposed expenses for equipment and evaluators scored the proposal. However, on the summary spreadsheet, the maximum score was listed as “0” instead of “100.” Including that maximum of “100” **had an impact** on the Prairieland final calculated score.

We asked the DDD official responsible for the management of the NOFO selection process whether he **checked to see if the evaluators followed the parameters and the criteria** in those parameters. The **official replied that he had not** checked and no check was made to that level of detail. He indicated **that he did not think there would be this level of scrutiny** with the ISC NOFO process.

On October 15, 2019, we discussed the issue that **evaluation scores cannot be appealed** by proposers with DHS. We would argue that the **scores are the biggest part of the competitive selection process**. A DDD official told us that **he did not think it was the intent of the General Assembly to go through the scores to this level of detail to ensure they are correct**. We would think that the General Assembly expected agencies to develop administrative rules, as directed, for competitive selection of grants. Further, we would think that the General Assembly expects agencies to develop policies and procedures for competitive grant procurements. DHS did neither. This does not appear to be the transparency that GATA is designed to accomplish.

Given that scores were not reviewed to determine compliance with the scoring parameters, and the issues we found in discovery testing, **we conducted audit work on the eight regions where there was competition** in the ISC NOFO to determine whether scoring was correct when compared to the proposals and the parameters. In total, **we found 274 scoring irregularities for the eight regions**. Exhibit 3-3 provides the breakdown of irregularities by ISC Proposal Region. Additionally, Appendix D of this report lists the specifics behind each irregularity.

Many of the criteria to be scored by the evaluators had objective measures to base the scoring on stated in the parameters. While some criteria were subjective, the majority of the criteria, including those in the Capacity section, were able to be objectively scored. In those

instances we re-scored the proposals using the scoring parameters, correcting the scoring irregularities.

Exhibit 3-3 SCORING IRREGULARITIES ISC NOFO									
Criteria	Region								Totals
	A	C	E	G	H	I	K	L	
Analysis of Client Needs and Plan for Meeting those Needs	0	0	0	0	1	1	0	0	2
Capability to Provide Service by July 1, 2019	1	0	1	0	0	0	3	0	5
Makeup of the Board	1	2	1	0	1	0	0	0	5
Key Personnel Education	1	0	2	2	2	1	2	2	12
Key Personnel Experience	2	0	2	2	4	1	3	2	16
Agency Years of Experience with Specialty Populations	1	1	1	1	3	1	2	2	12
Potential Conflicts	1	0	1	0	0	0	0	0	2
Salaries and Wages	1	2	1	2	4	2	1	1	14
Fringe Benefits	1	2	1	1	4	2	2	2	15
Travel	2	2	1	1	3	2	1	1	13
Equipment	0	2	0	3	4	2	3	0	14
Supplies	1	2	1	2	4	2	1	1	14
Contractual Services and Subawards	2	2	2	1	2	1	2	1	13
Consultant Services and Expenses	2	2	2	2	4	2	2	1	17
Occupancy-Rent and Utilities	1	2	1	2	4	2	2	2	16
Telecommunications	1	1	1	1	4	2	1	1	12
Training and Education	1	0	1	2	3	2	2	2	13
Direct Administrative Costs	1	2	1	0	4	2	2	1	13
Other or Miscellaneous Costs	1	2	1	1	3	2	1	1	12
Grant Exclusive Line Item	1	1	1	1	1	0	1	1	7
Indirect Cost	1	0	1	0	0	0	0	1	3
Centralized Operating Sites	2	1	1	1	4	2	2	1	14
ADA Accessible Sites	0	1	0	0	0	0	1	0	2
Staffing Strategy	1	1	1	1	2	1	1	1	9
Training Programs	2	1	2	0	1	1	1	2	10
Bilingual or Translator	0	1	0	1	2	2	2	1	9
Totals	28	30	27	27	64	33	38	27	274

Source: OAG developed.

After we applied the scoring parameters to the proposals submitted for the eight regions, we utilized the summary spreadsheets and recalculated scores for each of the proposers in the eight regions. Our analysis showed that 17 of 18 scores were changed. Additionally, our analysis showed that **a different winner may have been selected in three of the regions:**

- Western Illinois Service Coordination, Inc. in Region G instead of Prairieland Service Corporation;
- Central Illinois Service Access in Region H instead of Champaign County Regional Planning Commission; and
- Developmental Disability Services of Metro East in Region K instead of Prairieland Service Corporation.

Our scoring irregularity exceptions were shared with DHS, for review, on December 12, 2019. On January 13, 2020, we asked about the status of the review of those exceptions. On February 25, 2020, 75 days after we provided the exceptions, DHS responded to our exceptions. DHS specifically objected to 16 of the 274 exceptions listed in Exhibit 3-3, and provided its position on our conclusions in Regions G, H, and K. On March 5, 2020, DHS clarified that the 16 exceptions were on items where DHS asserted that the OAG's changes appeared to clearly be in error. We considered those positions, made changes in 2 of 16 specific objections by DHS, but stand by our conclusions.

After the July 1, 2019 transition, the nine ISCs that did not receive an award experienced a drop in State funding **or closed completely. DHS reported on October 24, 2019:**

- Livingston County Mental Health Board – still in operation as a mental health board,
- Options and Advocacy – still operating an early intervention program,
- DayOne PACT – still operating an early intervention program,
- Access Services of Northern Illinois – no longer in operation,
- **Western Illinois Service Coordination – no longer in operation,**
- Great Rivers Service Coordination – no longer in operation,
- West Central Service Coordination – no longer in operation,
- **Developmental Disability Services of Metro-East – no longer in operation,** and
- Community Service Options of Rock Island & Mercer Counties – no longer in operation due to financial instability.

Based on our analysis of the proposals and scoring parameters, in two of the three regions where a **different ISC may have won a grant award**, those ISCs went out of business.

One of those ISCs that our review found could have been the winner, DDSME in Region K, did not have its proposal viewed by DDD favorably. On March 28, 2019, a DDD official emailed other DHS officials about a meeting regarding NOFO legislation. The official stated, *“I’m going to say we at the Division were stunned by how poorly presented DDSMEs [sic] response to the NOFO was. When I called [Executive Director] on January 2, to tell her that she was not the successful bidder, I finally told her at one point that she should have spent more time on her proposal. For many years, these grants were given out no questions asked. It has only been the last few years that the ISCs have been held accountable at all.”* This is concerning to us in that our analysis showed DDSME could have been the winner if evaluators had followed the scoring parameters in Region K and that **ISCs have been providing services for 30 years and DHS has only been holding them accountable “the last few years.”** We would also add that the DDD official **was an evaluator** that told us she had a small section and only read that section but yet was able to determine the DDSME proposal to be poor.

The Illinois Administrative Code (44 Ill. Adm. Code 7000.350) details the Merit Based Review of Grant Applications. Section 7000.350 (e) (6) details that the evaluation should be based on numerical ratings that meet the following requirements:

- Any scoring tool must reflect the evaluation criteria and ranking of priorities set forth in the grant application.
- Committee members must have an individual score sheet that is completed independently.
- A summary score sheet must be completed that shows the comparative scores and identifies the resulting finalists for the grant award.
- Any significant or substantial variance among evaluator scores shall be reviewed and documented, along with any resulting revision of individual scores.

DHS reported, on September 17, 2019, that a “[DDD official] consolidated the information from the scoresheets into an excel spreadsheet that tallied the scores for each applicant. [DDD official] then presented the results to [former DDD Director], as Interim Division Director, for approval. The Interim Division Director reviewed those proposals where the results indicated there would be a change in ISC. She put the proposals side-by-side and read them a section at a time to assure herself that the scoring of each reflected the strength of the proposal. She did not question the scoring values, themselves, but focused on ensuring that the higher scoring proposal was, in fact, the stronger proposal. In no instance did she determine that she would have scored the lower scoring proposal higher than did the reviewers, meaning she agreed with the reviewers’ assessments of the proposals.”

On January 24, 2020, DHS stated, “If agency’s [sic] did not have the Key Personnel positions stated it was not counted against them. We did rate makeup of the board across all regions. The scoring tool met the requirements outlined in 44 Ill. Adm. Code 7000.350 (e) (6) (A). Scorers used their expertise in the field to evaluate the expertise of the board, key personnel experience, and key personnel education.” We would note that, as stated earlier in this report, **all 8 of 8 evaluators we interviewed indicated this was the first NOFO evaluation in which they participated.**

A lack of policies and procedures by DHS in conducting a competitive grant procurement **surely contributed to the scoring irregularities** we found in the evaluation of ISC proposals. While DHS told us that an official reviewed to see which proposal was stronger, **DHS misses the point that this was a competitive procurement** where parameters determined how strong the proposals were viewed.

Failure to ensure that evaluators follow scoring parameters when conducting competitive grant procurements **can result in incorrect award decisions** being made by DHS. Additionally, not following scoring parameters puts into question the **fairness of the process**, and it can also **negatively impact proposers.**

EVALUATION – SCORING IRREGULARITIES	
<p>RECOMMENDATION NUMBER</p> <p>12</p>	<p><i>DHS should develop controls for the competitive procurement of grants that include a verification that evaluators followed guidance provided in scoring parameters.</i></p>
<p>DEPARTMENT OF HUMAN SERVICES RESPONSE</p>	<p>The Illinois Department of Human Services (IDHS) agrees with the recommendation that it can improve upon the controls for the competitive solicitation of grants to verify that evaluators followed guidance provided in scoring parameters.</p> <p>However, IDHS respectfully disagrees with the OAG’s conclusion that alleged errors in the scoring process could have resulted in different winners receiving awards in three regions. IDHS generally disagrees with anyone, whether it is the OAG, the Appeal Review Officer, the DDD Director, a Court, or anyone else, trying to universally substitute their judgment for that of evaluation team members and their technical expertise. If this was an entirely objective, scientific process--without nuance, individual analysis, and reasonable, potential differences of opinion--then you would not need an evaluation team, but only check boxes. However, as reflected in the many reasonable differences in scoring amongst the panel members (i.e. you cannot reasonably expect panel members to give the exact same scores to submissions across the board) and in the OAG’s own open-ended language (“appears to contain”), throughout the exception analysis that it provided to IDHS, the review of NOFO applications is not scientific or simply a check box exercise.</p> <div style="border: 1px solid black; padding: 5px; margin: 10px 0;"> <p><i>Auditor Comment:</i></p> <p><i>DHS mentions open-ended language in our exceptions. These were draft exceptions we provided to DHS, for review, on December 12, 2019. On February 25, 2020, 75 days after we provided the draft exceptions, DHS responded to our exceptions. DHS specifically objected to 16 of the 274 exceptions, and provided its position on our conclusions in Regions G, H, and K. On March 5, 2020, DHS clarified that the 16 exceptions were on items where DHS asserted that the OAG’s changes appeared to clearly be in error. We considered those positions, made changes in 2 of 16 specific objections by DHS, but stand by our conclusions.</i></p> </div> <p>In providing a response to the OAG’s proposed audit findings, IDHS focused on just the three regions OAG flagged and on the 16 exceptions where the OAG’s changes appear to clearly be in error. IDHS did not respond on an exception-by-exception basis regarding reasonable differences in scoring (e.g. items in the Region H analysis that changed an 80/80/90 to an 80/80/80, a 70/60/60 to a 60/60/60, or an 80/90/90 to a 90/90/90), but both stated in its response and continues to assert that those could and should have remained as scored—deferring to the reasonable judgment and analysis of the evaluation team members. Nor</p>

<p>(Response Continued)</p>	<p>did IDHS conduct a separate analysis of the scoring for regions in which, even under the OAG’s analysis, the outcome could not and would not have changed—this accounts for 145 of the 274 alleged scoring irregularities. (Which is not to say, as touched upon above, that IDHS agrees with all of the OAG’s other changes or that it believes they were warranted. In other words, just because IDHS specifically objected to 16 of the 274 exceptions, does not at all mean that it agrees with the rest. It is just that, looking at these 16 clear errors, alone, in the three noted regions, none of the ultimate awardees would have changed, without even reaching the other 113 alleged scoring irregularities in those regions.) In addition, we continue to assert that irregularities, in and of themselves, do not equate to errors.</p> <p>IDHS has provided detailed responses/explanations of the process on the 16 exceptions in the 3 allegedly impacted regions in the table below. Once these few corrections are factored into the final scoring—again not changing back the many other items that could have and arguably should have been--the outcome for these areas did not change. The end percentages, even, for the sake of argument, accepting all of the OAG’s other changes are listed after the table, below. Attached is a spreadsheet, providing the detail on how these percentages were calculated.</p> <p>In addition, IDHS notes that lawsuits were brought related to each of these regions (G, H, and K) by the unsuccessful ISC applicants and both of those courts (the state Circuit Court in St. Clair County and the U.S. District Court for the Central District of Illinois) as well as the state and federal appellate courts have not provided any relief to the unsuccessful applicants, to date, including having denied a preliminary injunction and any stay on the new (now completing their eighth month) ISC grant agreements.</p> <p>See Appendix E for full DHS response.</p>
------------------------------------	--

EVALUATION – APPEAL REVIEW PROCESS

DHS did not maintain documentation to show how appeals to the ISC NOFO selections were determined. Also, as of October 9, 2019, **251 days after the ARO dated appeal decisions** in the ISC NOFO procurement, **there was no formal policy for a review officer to follow at DHS**. Finally, while **evaluation scores could not be part of the appeal**, the Appeals Review Officer (ARO) did review the scoring, but only **for a single day**. We determined the ARO conclusions were not adequately supported.

After ISC awards were announced on January 2, 2019, the NOFO allowed proposers to submit an appeal to the awards within 14 calendar days, or by January 16, 2019. Four appeals were submitted:

- On January 15, 2019, Western Illinois Service Corporation submitted an appeal to the award for Region G.

- On January 16, 2019, Developmental Disability Services of Metro-East submitted an appeal to the award for Region K.
- On January 16, 2019, DayOne PACT submitted appeals to the awards for Regions A and E.

DHS, in the NOFO, allowed proposers to appeal the evaluation process. The NOFO stated, ***“Evaluation scores may not be protested. Only the evaluation process is subject to appeal, and shall be reviewed by IDHS’ Appeals Review Officer.”*** [Emphasis added.] This does not match the guidance in the Illinois Administrative Code (44 Ill. Adm. Code 7000.350 (g) (1)).

Proposers could not protest the scores and **DHS designed the NOFO** to ensure that proposers were not aware of the scores. The NOFO states, ***“Any internal document used in scoring or awarding of grants shall not be considered public information.”*** [Emphasis added.] Unfortunately for DHS, on January 4, 2019, the DDD Director inadvertently sent an email to advocacy groups that contained the summary spreadsheet scoring for each region. The advocates shared the information with ISCs prior to DHS’ attempt to recall the email.

After receiving this information it raised concerns among the ISCs about the scoring and included scoring reasons in the appeal arguments. Additionally, we would argue that **scoring in a competitive grant procurement may be the greatest factor** to determining whether the evaluation process was conducted according to criteria.

The ARO for the ISC NOFO performs the same ARO duties on other DHS NOFOs. On September 24, 2019, DHS responded to **our request for policies and procedures** for ARO appeal activities with a document titled IDHS Appeal Review Process.

The document was **not a set of policies and procedures** but a recitation of the guidance found in the administrative rules. The ARO reported, on October 9, 2019, **251 days after the ARO dated appeal decisions** in the ISC NOFO procurement **there is no formal policy for a review officer to follow at DHS**.

DHS **had no documentation to show how the ARO arrived at his decisions** regarding the four appeals submitted by unsuccessful proposers. While DHS told us the ARO reviewed the documents for appeal electronically, they stated *“There were notes on a notepad but we have been unable to locate them since the move from the Harris Building to Iles Park Place.”* Additionally, DHS had **no documentation to show that the ARO made his recommendations to the DHS Secretary**. In fact, the ARO told us that he did not submit his recommendations to the Secretary.

The ARO told us that for this NOFO:

- he performed his normal appeal activities regarding the evaluation process;
- he then conducted his own scoring and compared it to the evaluators; and
- he checked the responses against the criteria and then checked the scores to the summary.

On February 28, 2020, DHS reported, *“The Department maintains that the ARO conclusion is correct. There were no process irregularities that gave rise to material differences noted during the review or subsequent to the review that would have resulted in different awarding determinations.”* We would note, as detailed earlier in this chapter, that the NOFO stated that scoring was not the sole criterion for the award. The NOFO did not detail what the other criterion would be, yet the ARO did not find that to be a “process” irregularity.

The ARO also told us his evaluation overall **agreed with the evaluation team and found that the evaluators followed the scoring criteria**. We cannot understand how that was possible given the scoring irregularities we found in our review of the scoring which is discussed earlier in this chapter. These **irregularities included**: transfer errors from the individual score sheets to the summary; evaluators utilizing scores not detailed in the scoring parameters; scoring proposal elements when the proposer proposed “N/A” for the element; and errors in the calculation on the summary spreadsheet.

The amount of time reviewing the appeals **may have had an impact** on the ARO conclusions. After the appeals were submitted:

- The appeals **sat for six days** prior to being provided to the ARO on Tuesday, January 22, 2019.
- The ARO **received the scoresheets and notes** on Tuesday, January 29, 2019. For each of the eight proposals, the ARO would have had to review a total of 39 scoring elements (a total of 312) against the proposals and the scoring parameters.
- The ARO **finished his review of the appeals the next day**, on Wednesday, January 30, 2019.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires all State agencies to establish and maintain a system of internal fiscal and administrative controls. These controls should include **policies and procedures for conducting appeals of competitive grant procurements**.

In the Review of Appeal Notice of Non-Selection of a State Award document, the ARO tells appellants, “*It is the responsibility of the Appeals Review Officer (ARO) to evaluate the merit based review process and **provide a recommendation to the Agency Head**.*” [Emphasis added.] There was no such recommendation to the Secretary of DHS. The ARO submitted his recommendations to the DDD Director.

On January 24, 2020, DHS stated, “*The ARO provided a recommendation to the Director in writing on 1/31/19.*” We would note that the document followed by the ARO required the recommendation to go to the agency head. We would believe that to be the Secretary of DHS and not the Director of DDD. The ARO reported that grant making policies were being developed and the appeals process would be included in the protocol for the administrative directive.

Also on January 24, 2020, DHS stated, “*The rules for appeals do not mandate this review step. Additionally, GATU has not provided standardized processes for required review steps. The ARO performed a review of the non-selected grantee scores. The ARO did not perform an examination or audit of the information. The incorrectly transferred scores and issue with scoring items marked N/A were taken into consideration but did not affect the outcome of the award.*” As stated in the finding, the ARO told us his evaluation overall **agreed with the evaluation team and found that the evaluators followed the scoring criteria**. We are also surprised at the DHS position on the “incorrectly transferred scores and issue with scoring items marked N/A” given that the DDD official responsible for the ISC Selection NOFO process was unaware of these issues when we spoke with him on October 15, 2019, which was 257 days after the ARO ruled on appeals.

Failure to maintain documentation to support how appeals were ruled on raises skepticism that the appeal decisions were fair. Additionally, spending one day on review of competitive scoring does not instill confidence that conclusions reached were adequate in determining whether there was integrity in the competitive grant procurement process.

EVALUATION – APPEAL REVIEW PROCESS	
RECOMMENDATION NUMBER 13	<i>DHS should develop policies and procedures for conducting the competitive grant appeal process. These procedures should include maintaining documentation to support how appeal decisions were determined. Additionally, DHS should consider whether a review of evaluation scores should be part of determining the integrity of the process.</i>
DEPARTMENT OF HUMAN SERVICES RESPONSE	The Illinois Department of Human Services (IDHS) agrees with the recommendation that there is no formal policy for a review officer to follow at IDHS. IDHS should develop policies and procedures for conducting the competitive grant appeal process. These procedures should include maintaining documentation to support how appeal decisions were determined. Additionally, IDHS should consider whether a review of evaluation scores should be part of determining the integrity of the process.

MATTER FOR CONSIDERATION BY THE GENERAL ASSEMBLY

The **legislative intent** of the Grant Accountability and Transparency Act (GATA) is to **increase the accountability and transparency** in the use of grant funds from whatever source and to reduce administrative burdens on both State agencies and grantees (30 ILCS 708/5 (b)). To achieve such intent, GATA required the Governor’s Office of Management and Budget (GOMB) to adopt the federal rules applicable to grants (30 ILCS 708/20 (a)). These rules were to be adopted on or before July 1, 2016. GATA also placed the responsibility for the adoption of rules on the Grant Accountability and Transparency Unit (GATU), a unit with GOMB (30 ILCS 708/60 (a) (9)).

With respect to the appeals process **GATA is silent, other than to say the Catalog of State Financial Assistance shall contain, among others, information regarding an appeal procedure.** GATU, in developing rules for the implementation of GATA, **did create rules** that addressed how the appeals process was to be conducted.

Section 7000.350 of the administrative rules details the merit based review of grant applications. This section includes rules for the appeals process. The initial rule states, *“Appeals of competitive grants are limited to the evaluation process. Evaluation scores may not be protested. Only the evaluation process is subject to appeal.”* [Emphasis added.] (44 Ill. Adm. Code 7000.350 (g) (1))

The Director of GATU reported, *“The federal government does not have an appeal process for a discretionary grant award process, but only non-compliance issues post-award. The subcommittee working on this area in formulating the rules felt an appeal process was necessary in order to ensure that agencies followed the federal rules regarding the Notice of Funding Opportunity and the merit based review.”* [Emphasis added.]

It appears to us that the scoring, in a competitive grant process, is **the major component** of the evaluation process. As such, the **inability to appeal scoring is counter to the transparency desire of GATA** and the intent of the legislation

During this audit of the ISC Selection Process we concluded that **the scoring** for the competitive grant process **was flawed**. However, **proposers are left with no recourse** under current Illinois administrative rules.

MATTER FOR CONSIDERATION BY THE GENERAL ASSEMBLY
--

<i>The General Assembly may wish to consider amending the Grant Accountability and Transparency Act to further define the statutory ability for a proposer to appeal the scoring in a competitive grant procurement.</i>
--

APPENDICES

APPENDIX A

HOUSE RESOLUTION NUMBER 214

STATE OF ILLINOIS
HOUSE OF REPRESENTATIVES
101ST GENERAL ASSEMBLY

HOUSE RESOLUTION NO. 214

OFFERED BY REPRESENTATIVES JAY HOFFMAN-NORINE K. HAMMOND-MONICA BRISTOW-LATOYA GREENWOOD-KATIE STUART
AND STEVEN REICK

WHEREAS, On September 10, 2018, the Department of Human Services (DHS) published a Notice of Funding Opportunity (NOFO) for the Independent Service Coordination (ISC) Program; and

WHEREAS, According to the NOFO, "Independent Service Coordination (ISC) agencies serve as the primary connection between individuals (and guardians) who are seeking or receiving developmental disability services and the Illinois Department of Human Services' Division of Developmental Disabilities (DDD) ... These service coordination activities are critical contributions to a comprehensive system of high-quality services for individuals with developmental disabilities."; and

WHEREAS, DHS planned for the selected applicants to commence services for assigned service areas on July 1, 2019, at an anticipated FY 2020 cost of \$38,134,100 in general revenue funds; and

WHEREAS, In conjunction with the NOFO, DHS took the opportunity to adjust service area boundaries, reducing the number of service delivery areas from 17 to 12; and

WHEREAS, As a result of the competitive application for funding process, a total of eight bidding agencies were selected to provide ISC services effective July 1, 2019; and

WHEREAS, Concerns about the NOFO process and award decisions have been raised by interested parties; therefore, be it

RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE ONE HUNDRED FIRST GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that the Auditor General is directed to conduct a management audit of the Department of Human Services' process for selecting Independent Service Coordination agencies for the Fiscal Year commencing July 1, 2019; and be it further

RESOLVED, That the audit include, but not be limited to, the following determinations:

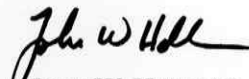
- (1) Whether all aspects of the competitive funding process were conducted in accordance with applicable laws, rules, regulations, and policies;
- (2) Whether the evaluative criteria guiding DHS's selection of ISC agencies were adequate and uniformly applied;
- (3) Whether decisions concerning the selection of successful bidding agencies were adequately supported and documented;
- (4) Whether decisions concerning the resolution of protests were adequately supported and documented; and
- (5) Whether the competitive funding process was adequately planned to allow reasonable time frames for response by bidding agencies, review of responses by DHS, and implementation of the transition of ISC services from unsuccessful to successful bidding agencies; and be it further

RESOLVED, That DHS and any other State agency or other entity that may have relevant information pertaining to this audit cooperate fully and promptly with the Auditor General's Office in the conduct of this audit; and be it further

RESOLVED, That the Auditor General commence this audit as soon as possible and report his findings and recommendations upon completion in accordance with the provisions of Section 3-14 of the Illinois State Auditing Act; and be it further

RESOLVED, That suitable copies of this resolution be delivered to the Auditor General and DHS.

Adopted by the House of Representatives on May 30, 2019.


JOHN W. HOLLMAN
CLERK OF THE HOUSE




MICHAEL J. MADIGAN
SPEAKER OF THE HOUSE

APPENDIX B

AUDIT SCOPE AND METHODOLOGY

Appendix B

AUDIT SCOPE AND METHODOLOGY

This performance audit was conducted in accordance with generally accepted government auditing standards and the audit standards promulgated by the Office of the Auditor General at 74 Ill. Adm. Code 420.310. 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.

The audit objectives for this audit were those as delineated in House Resolution Number 214 (see Appendix A) which directed the Auditor General to conduct a management audit of the Department of Human Services' (DHS) process for selecting Independent Service Coordination (ISC) agencies for the Fiscal Year commencing July 1, 2019. The audit timeframe was not defined in the Resolution. DHS originally told ISCs of the competitive Notice of Funding Opportunity (NOFO) in September 2016. Therefore we defined the audit period as September 2016 to the present. The majority of fieldwork for the audit was completed between September 2019 and November 2019.

In conducting the audit, we reviewed applicable federal laws, State statutes, and rules. We reviewed compliance with those laws and rules to the extent necessary to meet the audit's objectives. We requested policies and procedures relevant to the audit areas. However, we found that DHS had no internal policies and procedures for processing grant agreements obtained by a NOFO. We also reviewed management controls and assessed risk related to the audit's objectives. A risk assessment was conducted to identify areas that needed closer examination. Any significant weaknesses or non-compliance in those controls are included in this report.

We interviewed 8 of the 9 members of the evaluation team for the ISC NOFO. One evaluator had retired from DHS and did not respond to us when we requested her assistance. Additionally, we interviewed the DDD official that had recused herself from the evaluation team. We also reached out to the former DDD Directors that served when the NOFO process was first reported to ISCs and when the actual evaluation was conducted. Finally, we interviewed the individual that acted as the Appeal Review Officer for the ISC NOFO.

We also reached out to other State officials for related information. We interviewed and had communications with officials from the Grant Accountability and Transparency Unit within the Governor's Office of Management and Budget. Additionally, we received and reviewed information from the Department of Healthcare and Family Services (HFS) relative to whether ISC services were exempt from the Grant Accountability and Transparency Act due to the Medicaid exemption. HFS is the State's subject matter expert regarding Medicaid.

We requested and reviewed the email vaults of 17 individuals from DHS. We provided 18 key word phrases for a search. This resulted in 14,489 emails matching the criteria of the search. After our review, we selected 965 pages of emails for our public work papers. The emails were used to provide context and support to the activities involved in the geographic breakdown and the NOFO. References to such emails can be found throughout the report.

We thought it important to contact the ISCs that had been providing services in FY19 to obtain views on the NOFO process. We reached out to all 17 ISCs on June 6, 2019. On three other occasions during the audit we requested responses to questions from the ISCs. While some ISCs closed their doors as of July 1, 2019, or were still in operation just not as an ISC, some did continue to provide assistance on this audit. Prairieland, which received three regions for FY20, **chose not to provide assistance** for the audit due to being involved in litigation. Central Illinois Service Access, **another party to litigation due to the NOFO, provided assistance on all four occasions**. Service Inc., another ISC that received three regions for FY20, responded to our initial request but after a change in Executive Directors, did not cooperate due to litigation. We were unaware that Service Inc. was a party in any litigation. The table below illustrates which ISCs provided assistance during the audit.

ISC AUDIT COOPERATION				
ISC	Initial Request [6/6/19]	Transition Process Issues [9/17/19]	Transition Notification Letters [9/17/19]	Transition Plan [10/29/19]
Livingston County Mental Health Board	YES	YES	YES	N/A
Options & Advocacy	YES	NO	NO	N/A
Access Services of Northern Illinois	YES	YES	YES	N/A
Southern Illinois Case Coordination	YES	NO	YES	N/A
DayOne PACT	YES	YES	NO	N/A
Western Illinois Service Coordination	YES	NO	NO	N/A
Suburban Access	YES	NO	NO	N/A
West Central Service Coordination	YES	YES	YES	N/A
Central Illinois Service Access	YES	YES	YES	YES
Community Service Options	YES	YES	NO	N/A
Service, Inc.	YES	NO	NO	NO
Developmental Disability Services of Metro-East	YES	NO	NO	N/A
Great Rivers Service Coordination	NO	NO	NO	N/A
Champaign County Regional Planning Commission	YES	NO	YES	YES
Community Alternatives Unlimited	YES	NO	NO	N/A
Prairieland Service Coordination Inc.	NO	NO	NO	NO
Community Service Options of Rock Island & Mercer	NO	NO	NO	N/A

Source: OAG developed from ISC information.

We requested the contracts for the FY20 ISC services from the Comptroller. We reviewed the contracts to compare: the bid amounts by region with the contract amounts received by the winning ISCs, and the budget expenditure categories from the winning ISC proposals to what was contained in the final contracts.

DHS officials told us that no verification was conducted to ensure that the evaluation team members followed the Merit Based Scoring Parameters when scoring the ISC NOFO proposals. Following these parameters is instrumental in a fair competitive grant process. For the eight regions where there was competition between ISC proposers, we compared the proposals to the individual scoring sheets based on application of the parameters. We then compared the individual scoring sheets to the summary document which was used to determine winning proposers. We developed a number of exceptions which were shared with DHS.

We reviewed the appeal documentation submitted to DHS and the process utilized by DHS to respond to the appeals. We also reviewed the litigation filed in response to the ISC award notifications and the court rulings. Also, we reviewed other NOFO opportunities at DHS to compare to how the ISC NOFO was processed. Finally, we reached out to the head of the Transition Advisory Group to determine what activities the committee conducted relative to the change in ISCs.

In total we reviewed nearly 14,500 emails and over 9,200 pages of documentation relative to the audit objectives. Our summary of that documentation is contained in this report.

A draft report was sent to DHS. An exit conference was held with officials from DHS. Those in attendance were:

Date: March 10, 2020

<u>Agency</u>	<u>Name/Title</u>
Department of Human Services	Grace Hou, Secretary John Schomberg, General Counsel Bob Brock, CFO Allison Stark, Director DDD Bobby Gillmore, DDD Kathy Ward, DDD Gary Kramer, Chief Accountability Officer Amy DeWeese, Internal Audit Albert Okwuegbunam, Internal Audit
Office of the Auditor General	Mike Maziarz – Senior Audit Manager Jill Paller – Audit Manager Grant Bale – Audit Intern

APPENDIX C

**MERIT BASED REVIEW SCORING
PARAMETERS**

Merit Based Review Scoring Parameters

Need – Description of Need

Provide a detailed analysis of the needs of clients in the ISC geographical area and discuss your agencies plans for meeting those needs:

1. Analysis indicates understanding of client needs in the geographical area and plan to address these needs is logical.

A or 100 points = Exceptional understanding & plan to address needs.

B or 90 points = Strong understanding & plan to address needs.

C or 80 points = Average understanding & plan to address needs.

D or 70 points = Below average understanding & plan to address needs.

F or 60 points = Well below average understanding & plan to address needs.

Capacity – Agency Qualification/Organizational Capacity

1. Capability to provide service by July 1, 2019

ISC must be capable of providing service by July 1, 2019

A or 100 points = ISC is capable of providing service by July 1, 2019.

F or 60 points = ISC is not capable of providing service by July 1, 2019.

2. Makeup of the Board

The ideal makeup of the board will consist of members from the following backgrounds:
Family Member of a person with Developmental Disabilities, Lawyer, Doctor,
Psychiatrist/Psychologist, Accountant

A or 100 points = Board consists of members with 5 of these backgrounds.

B or 90 points = Board consists of members with 4 of these backgrounds.

C or 80 points = Board consists of members with 3 of these backgrounds.

D or 70 points = Board consists of members with 2 of these backgrounds.

F or 60 points = Board consists of members with 1 or less of these backgrounds.

3. Key Personnel

The ideal experience of key personnel includes a combination of experience and education of the Executive Director, Director of Programs, and Chief Fiscal Officer.

Evaluate each individual's education and qualifications separately and average the three scores together.

EDUCATION:

- A or 100 points = PHD or MD
- B or 90 points = Master's degree
- C or 80 points = BS or BA
- D or 70 points = AS or AA
- F or 60 points = No degree

EXPERIENCE:

- A or 100 points = 21 or more years
- B or 90 points = 16-20 years
- C or 80 points = 11-15 years
- D or 70 points = 6-10 years
- F or 60 points = 5 years or less

4. Describe the agencies prior experience serving the Developmentally Disabled or any other specialty population.

The ideal experience will include: Prior IDD Case Management Experience, Prior experience assessing persons with IDD and determining eligibility, Prior experience interviewing families and persons with IDD or other specialty populations about their wants and needs, Prior experience developing a Person Centered Plan or similar product for a specialty population, Prior experience ensuring the Health, Safety, and welfare of people who have IDD or other specialty populations.

- A or 100 points = plan that contains elements of all 5
- B or 90 points = plan that contains elements of 4
- C or 80 points = plan that contains elements of 3
- D or 70 points = plan that contains elements of 2
- F or 60 points = plan that contains 1 element or less

5. Potential conflicts -- Per Federal Requirements at 42 CFR 431.301(c)(1)(vi) and at 42 CFR 441.550(c), States are required to separate case management from service delivery functions. Conflict occurs not just if they are a provider but if the entity has an interest in a provider or if they are employed by a provider. Individuals or entities providing case management *cannot be*:
- a. Related by blood or marriage to the individual or a paid caregiver
 - b. Financially responsible for the individual
 - c. Empowered to make health-related decisions for the individual
 - d. Individuals who would benefit financially from service provision
 - e. Providers of State Plan HCBS

- A or 100 points = Contains None of the potential conflicts
- B or 90 points = Contains 1 of the potential conflicts with a conflict mediation plan

- C or 80 points = Contains 2 of the potential conflict with a conflict mediation plan
D or 70 points = Contains 3 of the potential conflicts with a conflict mediation plan
F or 60 points = Contains 4 or more potential conflicts with or without a mediation plan.

6. Describe your agency's qualifications as they relate to the requirements outlined in the Division's procedural manuals and applicable legislative rules.
- PAS Manual - <http://www.dhs.state.il.us/page.aspx?item=53018>
 - PUNS Manual -
 - <http://www.dhs.state.il.us/OneNetLibrary/27897/documents/DD/PUNSMANUAL021116.pdf>
 - ISSA Guidelines - <http://www.dhs.state.il.us/page.aspx?item=67698>
 - Attachment A - <http://www.dhs.state.il.us/page.aspx?item=82796>
 - Administrative Rules - <http://www.dhs.state.il.us/page.aspx?item=22450>

- A or 100 points = Agency meets qualifications.
F or 60 points = Agency does not meet qualifications.

8. Is the overall budget proposal within the cost range provided?

- A or 100 points = budget proposal is within the cost range provided.
F or 60 points = budget proposal is not within the cost range provided.

9. Salaries and Wages

Ideal submission will:

- List each position by title and name of employee, if available.
- It will show the annual salary rate and the percentage of time to be devoted to the project and length of time working on the project.
- Compensation paid for employees engaged in grant activities must be consistent with that paid for similar work within the applicant organization.
- It will include a description of the responsibilities and duties of each position in relationship to fulfilling the project goals and objectives.
- It will also include justification and description of each position (including vacant positions) and relate each position specifically to program objectives.
- Personnel cannot exceed 100% of their time on all active projects.

- A or 100 points = plan that contains all required elements
B or 90 points = plan contains 5 elements
C or 80 points = plan contains 4 elements
D or 70 points = plan contains 3 elements
F or 60 points = plan contains 2 elements or less

10. Fringe Benefits

Ideal submission will include:

- Fringe benefits are based on actual known costs or an established formula.
- Fringe benefits are for the personnel listed in direct salaries and wages, and only for the percentage of time devoted to the project.
- A clear description of how the computation for the fringe benefit rate used was calculated must be included.
- If a fringe benefit rate was not used, then the submission must show how the fringe benefits were computed for each position.
- All elements that comprise fringe benefits must be indicated.
- The justification of fringe benefits should be reflected.

A or 100 points = plan that contains all required elements

B or 90 points = plan contains 5 elements

C or 80 points = plan contains 4 elements

D or 70 points = plan contains 3 elements

F or 60 points = plan contains 2 elements or less

11. Travel

Ideal submission will include:

- Travel should include: origin and destination, estimated costs and type of transportation, number of travelers, related lodging and per diem costs, brief description of the travel involved, its purpose, and explanation of how the proposed travel is necessary for successful completion of the project.
- In training projects, travel and meals for trainees should be listed separately. Show the number of trainees and unit cost involved. Identify the location of travel, if know; or if unknown; indicate: "location to be determined."
- Indicate source of Travel Policies applied, Applicant or State of Illinois Travel Regulations. NOTE: Dollars request in the travel category should be for staff travel only. Travel for consultants should be shown in the consultant category along with the consultant's fee.
- Travel for training participants, advisory committees, review panels and etc. should be itemized the same way as indicated above and placed in the "Miscellaneous" category.

A or 100 points = plan that contains all required elements

B or 90 points = plan contains 5 elements

C or 80 points = plan contains 4 elements

D or 70 points = plan contains 3 elements

F or 60 points = plan contains 2 elements or less

12. Equipment

Ideal submission will include:

- Provide justification for the use of each item and relate them to specific program objectives.
- Does the equipment listed meet the following criteria?
 - Equipment is defined as an article of tangible personal property that has a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the non-Federal entity for financial state purposes, or \$5,000. An applicant organization may classify equipment at a lower dollar value but cannot classify it higher than \$5,000 (Note: Organization's own capitalization policy for classification of equipment can be used.)
- Provide both the annual (for multiyear awards) and total for equipment.
- Applicants should analyze the cost benefits of purchasing versus leasing equipment, especially high cost items and those subject to rapid technical advances.
- Rented or leased equipment costs should be listed in the "Contractual" category. Explain how the equipment is necessary for the success of the project.
- Attach a narrative describing the procurement method to be used.

A or 100 points = plan that contains all required elements

B or 90 points = plan contains 5 elements

C or 80 points = plan contains 4 elements

D or 70 points = plan contains 3 elements

F or 60 points = plan contains 2 elements or less

13. Supplies

Ideal submission will include:

- Office supplies and show the basis for computation.
- Postage and show the basis for computation.
- Training materials and show the basis for computation.
- Copying paper and show the basis for computation.
- Other expendable items such as books, and hand-held tape recorders and show the basis for computation.

A or 100 points = plan that contains all required elements

B or 90 points = plan contains 4 elements

C or 80 points = plan contains 3 elements

D or 70 points = plan contains 2 elements

F or 60 points = plan contains 1 elements or less

14. Contractual Services & Subawards

Ideal submission will include:

- Provide a description of the product or service to be procured by contract and an estimate of the cost. Applicants are encouraged to promote free and open competition in awarding contracts.
- A separate justification must be provided for sole contracts in excess of \$150,000 NOTE: this budget category may include subawards.
- Provide separate budgets for each subaward or contract, regardless of the dollar value and indicate the basis for the cost estimates in the narrative.
- Describe products or services to be obtained and indicate the applicability or necessity of each to the project.

A or 100 points = plan that contains all required elements

B or 90 points = plan contains 3 elements

C or 80 points = plan contains 2 elements

D or 70 points = plan contains 1 elements

F or 60 points = plan contains 0 elements

Please also note the differences between subaward, contract, and contractor (vendor):

- 1) Subaward means an award provided by a pass-through entity to a sub-recipient to carry out part of a Federal/State award, including a portion of the scope of work or objectives. It does not include payments to a contractor or payments to an individual that is a beneficiary of a Federal/State program.***
- 2) Contract means a legal instrument by which a non-Federal entity purchases or services needed to carry out the project or program under a Federal award. The term as used in this part does not include a legal instrument, even if the non-Federal entity considers it a contract, when the substance of the transaction meets the definition of a Federal award or subaward.***
- 3) "Vendor" or "Contractor" is generally a dealer, distributor or other seller that provides supplies, expendable materials, or data processing services in support of the project activities.***

15. Consultant Services and Expenses

Consultant Services (Fees):

- For each consultant enter the name, if known
- service to be provided
- hourly or daily fee (8-hour day)
- estimated time on the project.

Consultant Expenses:

- List all expenses to be paid from the grant to the individual consultant in addition to their fees (i.e. travel, meals, lodging, etc.)
- Indicate whether applicant's formal, written Procurement Policy or the Federal Acquisition Policy is used.

A or 100 points = plan that contains all required elements
 B or 90 points = plan contains 5 elements
 C or 80 points = plan contains 4 elements
 D or 70 points = plan contains 3 elements
 F or 60 points = plan contains 2 elements or less

16. Construction

- Provide a description of the construction project and an estimate of the costs.
- drawings
- estimates
- formal bids, etc.

A or 100 points = plan that contains all required elements
 B or 90 points = plan contains 3 elements
 C or 80 points = plan contains 2 elements
 D or 70 points = plan contains 1 elements
 F or 60 points = plan contains 0 elements

17. Occupancy – Rent and Utilities

- List items and descriptions by major type and the basis of the computation.
- Explain how rental and utility expenses are allocated for distribution as an expense to the program/service.
- Provide the square footage cost per square foot rent and utility
- Provide a monthly rental and utility cost
- How many months to rent.

A or 100 points = plan that contains all required elements
 B or 90 points = plan contains 4 elements
 C or 80 points = plan contains 3 elements
 D or 70 points = plan contains 2 elements
 F or 60 points = plan contains 1 elements or less

NOTE: This budgetary line item is to be used for direct program rent and utilities, all other indirect or administrative occupancy costs should be listed in the indirect expense section of the Budget worksheet and narrative. Maintenance and repair costs may be included here if directly allocated to program.

18. Research & Development

All research activities, both basic and applied, and all development activities that are performed by non-Federal entities directed toward the production of useful materials, devices, systems, or methods, including design and development of prototypes and processes. Provide a description of the research and development project and an estimate of the costs. Consult with the program office before budgeting funds in this category.

19. Telecommunications

- List items
- List descriptions by major type
- Provide the basis of the computation.
- Explain how telecommunication expenses are allocated for distribution as an expense to the program/services.

A or 100 points = plan that contains all required elements

B or 90 points = plan contains 3 elements

C or 80 points = plan contains 2 elements

D or 70 points = plan contains 1 elements

F or 60 points = plan contains 0 elements

NOTE: This budgetary line item is to be used for direct program telecommunications, all other indirect or administrative telecommunication costs should be listed in the indirect expense section of the Budget worksheet and narrative.

20. Training and Education

- Describe the training and education cost associated with employee development.
- Include rental space for training (if required)
- Include training materials
- Include speaker fees
- Include substitute teacher fees
- Include any other applicable expenses related to the training.
- When training materials (pamphlets, notebooks, videos, and other various handouts) are ordered for specific training activities, these items should be itemized.

A or 100 points = plan that contains all required elements

B or 90 points = plan contains 6 elements

C or 80 points = plan contains 5 elements

D or 70 points = plan contains 4 elements

F or 60 points = plan contains 3 elements or less

21. Direct Administrative Costs

The salaries of administrative and clerical staff should normally be treated as indirect (F&A) costs. Direct charging of these costs may be appropriate **only if all** the following conditions are met

- 1) Administrative or clerical services are integral to a project or activity
- 2) Individuals involved can be specifically identified with the project or activity.
- 3) Such costs are explicitly included in the budget or have the prior written approval of the State awarding agency; and
- 4) The costs are not also recovered as indirect costs.

A or 100 points = plan that contains direct administrative costs that meet all required conditions.

F or 60 points = plan contains direct administrative costs that do not meet all the required conditions

22. Other or Miscellaneous Costs

This category contains items not included in the previous categories.

- List items by type of material or nature of expense
- break down costs by quantity and cost per unit if applicable
- state the necessity of other costs for successful completion of the project
- exclude unallowable costs (e.g. Printing, Memberships & subscriptions, recruiting costs, etc.)

A or 100 points = plan that contains all required elements

B or 90 points = plan contains 3 elements

C or 80 points = plan contains 2 elements

D or 70 points = plan contains 1 elements

F or 60 points = plan contains 0 elements

23. Grant Exclusive Line Item

Costs directly related to the service or activity of the program that is an integral line item for budgetary purposes. To use this budgetary line item, an applicant must have Program approval. (Please cite reference per statute for unique costs directly related to the service or activity of the program). **INCLUDE ISSA BUDGET IN THIS AREA.**

24. Indirect Cost

- Provide the most recent indirect cost rate agreement information with the itemized budget.
- The applicable indirect cost rate(s) negotiated by the organization with the cognizant negotiating agency must be used in computing indirect costs (F&A) for a program budget.
- The amount for indirect costs should be calculated by applying the current negotiated indirect costs rate(s) to the approved base(s).

- After the amount of indirect costs is determined for the program, a breakdown of the indirect costs should be provided in the budget worksheet and narrative.

A or 100 points = plan that contains all required elements
 B or 90 points = plan contains 3 elements
 C or 80 points = plan contains 2 elements
 D or 70 points = plan contains 1 elements
 F or 60 points = plan contains 0 elements

25. Centralized operating sites

- Travel time required to nearest satellite site.
- Evaluation of any geographic areas not covered.
- Work from home model that minimizes drive times.
- Use of technology such as Electronic Visit Verification Systems.

A or 100 points = plan that contains all required elements
 B or 90 points = plan contains 3 elements
 C or 80 points = plan contains 2 elements
 D or 70 points = plan contains 1 elements
 F or 60 points = plan contains 0 elements

26. ADA accessible sites

All sites that clients will visit must be fully accessible.

A or 100 points = All sites that clients will visit are fully accessible.
 F or 60 points = All sites that clients will visit are not fully accessible.

27. IT System Capabilities

ISCs must have the following capabilities for submitting electronic funding requests to the current DHS/DD.org in the Salesforce Government Cloud:

- Data Sharing Agreement
- Encrypted Salesforce Cloud to Salesforce FedRAMP certified Government ePacket transmission from ISC.org
- Or approved, encrypted other commercial Cloud to Salesforce FedRAMP certified Government Cloud ePacket transmission
- ePacket payload transmission must be compliant with the DHS/DD Birdseye data format
- Funding request data must be validated for accuracy in accordance with DHS/DD requirements prior to ePacket transmission – otherwise it will be rejected
- ISC must submit funding requests packets in a timely manner

- Changes to the ePacket Birdseye payload data format that are required by DHS/DD policy and/or federal or state mandates, must be implemented in a timely manner to keep the system “real-time”
- The ISC data processing must maintain federal and state security compliance (i.e. HIPAA, PII, PHI, etc.) and will be required to pass an annual security assessment.

A or 100 points = currently have all elements required.

B or 90 points = currently have 6-7 or more elements required and a plan to acquire remaining elements.

C or 80 points = currently have 2-5 or more elements required and a plan to acquire remaining elements

D or 70 points = currently have 0-1 elements required and a plan to acquire remaining elements

F or 60 points = currently have 0 elements required and do not have a plan to acquire

Quality of Program/Services

1. Conducting initial and/or annual PUNs updates

To ensure accuracy and timeliness of all annual requirements, the agency will develop an internal quality assurance process that will address each of the following:

- Identify the date the record/activity is due and the description of this process.
- Monitor records/activities for quality and accuracy.
- Track overdue records/activities.
- Ensure a timely update to overdue record/activity.
- Develop in-house training on PUNs completion requirements to ensure staff are aware of the expectations and guidelines provided by the Division.

A or 100 points = includes all 5 activities above and identifies the ISC’s role in educating individuals and family members on service and support options, establishing a reasonable basis to believe a person has a developmental disability, and specific utilization of systems such as (Mobius, ROCS, Medi, etc.)

B or 90 points = includes 4 (w/o specific systems identified) or 5 activities above

C or 80 points = includes 3 activities above

D or 70 points = includes 2 activities above

F or 60 points = includes 1 or none of the activities above

The agency should present with an internal process which will identify the date a PUNs record is due whether by referencing a Mobius report or by other means, the agency must also be able to track overdue PUNs records and address activities related to ensuring an individual’s access to receiving a timely update.

2. Updating Discovery Tools and Personal Plans

To ensure accuracy and timeliness of all annual requirements, the agency will develop an internal quality assurance process that will address each of the following:

- Identify the date the record/activity is due and the description of this process.
- Monitor records/activities for quality and accuracy.
- Track overdue records/activities.
- Ensure a timely update to overdue record/activity.
- Develop in-house training on annual requirements to ensure staff are aware of the expectations and guidelines provided by the Division.

A or 100 points = includes all 5 activities above and identifies specific systems such as (Mobius, ROCS, Medi, etc.)

B or 90 points = includes 4 (w/o specific systems identified) or 5 activities above

C or 80 points = includes 3 activities above

D or 70 points = includes 2 activities above

F or 60 points = includes 1 or none of the activities above

3. Ensuring continued eligibility of Medicaid Benefits

To ensure participant's waiver eligibility, the agency will develop and maintain a process to support accurate and timely submission of the annual Medicaid Redetermination by will address each of the following:

- Identify the date the record/activity is due and the description of this process.
- Monitor records/activities for quality and accuracy.
- Track overdue records/activities.
- Ensure a timely update to overdue record/activity.
- Develop in-house training on annual requirements to ensure staff are aware of the expectations and guidelines provided by the Division.

A or 100 points = includes all 5 activities above and identifies specific systems such as (Mobius, ROCS, Medi, etc.)

B or 90 points = includes 4 (w/o specific systems identified) or 5 activities above

C or 80 points = includes 3 activities above

D or 70 points = includes 2 activities above

F or 60 points = includes 1 or none of the activities above

4. Conducting waiver programmatic eligibility redeterminations

The agency will implement a process to ensure that clinical eligibility is reviewed, and a redetermination is rendered on an annual basis. This will usually align with the date of the plan development. The eligibility redetermination will be submitted/reported through the appropriate ROCS interface.

- Identify the date when clinical eligibility is due for each individual.
- Tickler system in place so that responsible staff are alerted to clinical eligibility due date in sufficient time to complete prior to due date
- Supervisory process to identify past due clinical eligibility determinations
- Past due clinical eligibility determinations are completed within 30 days of identification
- Analysis of past due eligibility determinations to identify persons or issues responsible for multiple delays
- Commitment to taking action to address factors that contribute to on-going issues.

Scoring

A or 100 points = includes all 6 activities above with specific methods or systems that will be used

B or 90 points = includes 6 activities (w/o specific systems identified) or 5 activities above (with or without methods/systems)

C or 80 points = includes 4 activities above

D or 70 points = includes 2 or 3 activities above

F or 60 points = includes 1 or none of the activities above

5. Conducting monitoring visits

The agency will ensure that at least one visit is completed with the individual (face to face) for monitoring of the plan. Additional follow up and visits may be required for plan revision and addressing unmet needs of the individual. The agency may have a policy or detailed process to ensure adequate supports are being provided to the individual in achieving personal outcomes and addressing identified risks.

- Agency has a training program to ensure all representatives understand the expectations for monitoring visits
- Training/policy specifies expectations for routine visits as well as additional visits, including factors that would prompt additional visits
- Training/policy is specific about the need for face-to-face meeting with the individual to monitor plan implementation and satisfaction
- Training/policy includes contact with guardian, actively involved family members (as appropriate), and provider agency staff to solicit input as part of the monitoring activities
- Training/policy addresses time frames and process for follow-up if problems are noted during the monitoring visit
- Tracking process to allow supervisory staff to identify missed or delayed visits

- Tracking process to allow supervisory staff to determine appropriateness of follow up when problems are noted

Scoring

- A or 100 points = includes all 7 components listed above
- B or 90 points = includes 6 components
- C or 80 points = includes 4 – 5 components
- D or 70 points = includes 2 or 3 activities above
- F or 60 points = includes 1 or none of the activities above

6. Describe your agency's quality assurance process to ensure accuracy in initial clinical eligibility determinations.

- **Periodic sampling of eligibility determinations for each ISC representative**
- **Independent review of eligibility by a qualified staff person for comparison with the initial determination**
- **Process to address errors including retraining of staff.**

Scoring

- A or 100 points = includes all 3 components with an ANNUAL sample for each staff person
- B or 90 points = includes all 3 components but process evaluates accuracy less than annually for each staff person (even if some evaluation is done annually, it does not include all staff each year)
- C or 80 points = includes 2 components with an ANNUAL sample for each staff person
- D or 70 points = includes 2 components but process evaluates accuracy less than annually for each staff person (even if some evaluation is done annually, it does not include all staff each year)
- F or 60 points = includes 1 or none of the components listed above

7. Staffing Strategy

The ideal strategy will contain detail elements of employee incentives, marketing & advertising techniques for attracting and retaining quality employees, fringe benefits, employee recognition and awards programs, and other innovative Human Resources strategies.

- A or 100 points = plan that contains elements of all 5
- B or 90 points = plan that contains elements of 4
- C or 80 points = plan that contains elements of 3
- D or 70 points = plan that contains elements of 2
- F or 60 points = plan that contains 1 element or less

8. Staff to client ratio

- A or 100 points = 1-30 ratio that is verified by budget projections

B or 90 points = 1-31 – 1-40 ratio that is verified by budget projections
C or 80 points – 1-41 – 1-50 ration that is verified by budget projections
D or 70 points – 1-51 – 1-60 ration that is verified by budget projections
F or 60 points – Greater than 1-61 ration or any ration that is un verified by budget projections.

9. Training programs

The ideal training program will contain:

- New hire orientation
- Professional Development program for in-service training (On company time)
- On-line training opportunities
- Train the Trainer Programs
- Assistance with professional certifications and license renewals.

A or 100 points = plan that contains elements of all 5
B or 90 points = plan that contains elements of 4
C or 80 points = plan that contains elements of 3
D or 70 points = plan that contains elements of 2
F or 60 points = plan that contains 1 element or less

10. Bilingual, Translator or Alternative means of communications

The ideal program will include staff or plans to contract services for:

- Spanish
- Polish
- Chinese
- Sign language
- Other alternative means of communications.

A or 100 points = plan that contains elements of all 5
B or 90 points = plan that contains elements of 4
C or 80 points = plan that contains elements of 3
D or 70 points = plan that contains elements of 2
F or 60 points = plan that contains 1 element or less

APPENDIX D

**AUDITOR EXCEPTIONS TO
EVALUATION SCORING FOR
COMPETITIVE REGIONS**

**Appendix D
EVALUATION VERIFICATION EXCEPTIONS**

Region	Criteria	Issues from Review
A	Capability to Provide Service by July 1, 2019	In its proposal, Service states, "Service Inc.'s process to successfully transition Region A understands the infrastructure component needs to be put in place while at the same time investing in the human capital component to have the right team in place by October 1." Evaluator 1B scored Service at 100 when that parameter is for an ISC capable of providing services by July 1, 2019. The other two Evaluators scored Service at 60. Evaluator 1B had no notes to support this deviation from the parameters.
A	Makeup of the Board	The Service proposal lists backgrounds for accounting, law, family member/individual that has received DD services. The parameters dictate scoring of three elements at 80 points. The Evaluators scored Service as 80/100/100. Evaluators 1B and 3B had no notes to support their scores. Evaluator 2B had a note showing three backgrounds but still scored Service at 100 - with no note to justify scoring outside the parameter.
A	Key Personnel Education	DayOne PACT listed an executive director and a program manager. One had a PhD (100) the other BA (80). No CFO listed with a resume. DHS previously stated that Evaluators could substitute another position for the CFO. The other key individuals listed by DayOne PACT had bachelor's degrees which would indicate from the scoring parameters scores of 100/80/80 for an average of 87 percent. The average is nearest to 90 in the parameters. DayOne PACT received 70/80/80. Evaluators 1B and 3B had no notes to support their scores.
A	Key Personnel Experience	DayOne PACT listed an executive director and a program manager. Executive director had 31 years of experience (100) the program manager had 19 years (90). No CFO listed with a resume. DHS previously stated that Evaluators could substitute another position for the CFO. The other key individuals listed by DayOne PACT had, as the least amount of experience, 13 years - which would indicate from the scoring parameters scores of 100/90/80 for an average of 90 percent. The average is worth 90 points in the parameters. DayOne PACT received 80/90/80. Evaluators 1B and 3B had no notes to support their scores.
A	Key Personnel Experience	Service listed an executive director and a program manager. Executive director had 15 years of experience in DD services (80) the program manager had 29 years (100). No CFO listed. DHS previously stated that Evaluators could substitute another position for the CFO. The other 2 key individuals listed by Service had, as the least amount of experience, 20 years - which would indicate from the scoring parameters scores of 80/100/90 for an average of 90 percent. The average is worth 90 points in the parameters. Service received 80/90/90. Evaluator 1B had no notes to support the score.
A	Agency Years of Experience with Specialty Populations	Both Service and DayOne PACT describe the history of the services but do not address the ideal characteristics from the scoring parameters in their responses. The parameters require a score of 60 for one or fewer elements. Evaluators scored Service at 90/100/100 and DayOne PACT at 80/80/70. Evaluators had no notes to support their scores.
A	Potential Conflicts	Both Service and DayOne PACT indicated no potential conflicts of interests yet Service received 100/100/100 and DayOne PACT received 100/90/100. Evaluators 1B and 3B had no notes to support their scores on this criteria.
A	Salaries and Wages	Both Service and DayOne PACT submitted budget sheets with 5 of 6 ideal characteristics from scoring parameters. Consistent salaries for similar work not addressed (element 3). Parameters for five characteristics should be scored at 90. Evaluators scored Service at 100/70/80 and DayOne PACT at 100/70/90. Evaluators 1B and 3B had no notes to support their scores.

**Appendix D
EVALUATION VERIFICATION EXCEPTIONS**

Region	Criteria	Issues from Review
A	Fringe Benefits	Both Service and DayOne PACT submitted budget sheets with 4 of 6 ideal characteristics from scoring parameters. Fringe calculation (element 3) was not discussed nor was the fringe benefit justification (element 6). Parameters for four characteristics should be scored at 80. Evaluators scored Service at 90/70/80 and DayOne PACT at 90/90/80. Evaluators 1B and 3B had no notes to support their scores.
A	Travel	DayOne PACT submitted a proposal that includes elements 1 and 3 from the parameters. Elements 2 and 4 do not apply because no training costs are included. For 2 elements the scores should have been 60. Evaluator scores for DayOne PACT were 60/70/60. No notes from Evaluators 1B and 3B on this criteria/response.
A	Travel	Service submitted a proposal that includes elements 1 and 3 from the parameters. Elements 2 and 4 do not apply because no training costs are included. For two elements the scores should have been 60. Evaluator scores for Service were 100/90/90. No notes from Evaluators 1B and 3B on this criteria/response. Evaluator 2B only noted based in Joliet.
A	Supplies	Service submitted budget sheets that includes elements 1, 2, and 4 from the parameters. Training materials (element 3) and other expendable items (element 5) not included in either proposal. Parameters for three characteristics should be scored at 80. Evaluators scored Service at 90/80/80. Evaluator 1B had no notes to support the score.
A	Contractual Services and Subawards	Service submitted budget sheets that include elements 1, 3, and 4 from the parameters. Service did not list an item over \$150,000 (element 2). Service received perfect scores of 100/100/100. Parameters for three characteristics should be scored at 90. Evaluators had no notes to support their scores.
A	Contractual Services and Subawards	DayOne PACT submitted budget sheets that include elements 1 and 3 from the parameters. DayOne PACT did not list an item over \$150,000 (element 2), or describe the necessity of the contractual service (element 4). DayOne PACT received scores of 80/100/80. Parameters for two characteristics should be scored at 80. Evaluator 2B had no specific notes to support the perfect score of 100 for this criteria.
A	Consultant Services and Expenses	DayOne PACT submitted budget sheets that include elements 2 and 3 from the parameters. DayOne PACT did not provide consultant name (element 1), estimated time on project (element 4), expenses outside of fees (element 5), or the procurement policy (element 6). DayOne PACT received scores of 80/80/80. Parameters for two characteristics should be scored at 60. Evaluators 1B and 3B had no notes to support the scores.
A	Consultant Services and Expenses	Service submitted budget sheets that include elements 1 and 2 from the parameters. Service did not provide hourly or daily fee information (element 3), estimated time on project (element 4), expenses outside of fees (element 5), or the procurement policy (element 6). Service received scores of 80/80/80. Parameters for two characteristics should be scored at 60. None of the evaluators had notes to support the scores for this criteria.
A	Occupancy-Rent and Utilities	DayOne PACT submitted budget sheets that include elements 1, 4, and 5 from the parameters. DayOne PACT did not explain allocation (element 2) or provide a square footage figure (element 3). DayOne PACT received scores of 90/80/90. Parameters for three characteristics should be scored at 80. Evaluators had no notes to support the scores for this criteria.
A	Telecom	DayOne PACT submitted budget sheets that include elements 1, 2, 3, and 4 from the parameters. DayOne PACT received scores of 80/100/80. Parameters for four characteristics should be scored at 100. Evaluators had no notes to support the scores for this criteria.

**Appendix D
EVALUATION VERIFICATION EXCEPTIONS**

Region	Criteria	Issues from Review
A	Training and Education	Service submitted budget sheets that include elements 1 and 4 from the parameters. Service did not need to include rental cost (element 2), no mention of training materials (element 3), no substitute teach fees (element 5), no other expenses listed (element 6), or mention training materials being ordered (element 7). Service received scores of 80/60/70. Parameters for two characteristics should be scored at 60. Evaluators 1B and 3B had no notes to support the scores for this criteria.
A	Direct Administrative Costs	Service and DayOne PACT completed this budget category as "N/A" yet the Evaluators scored Service at 60/60/70 and DayOne PACT at 60/60/60. Evaluators had no notes to show why they scored a category for which N/A was proposed.
A	Other or Miscellaneous Costs	Both Service and DayOne PACT submitted budget sheets that include elements 1, 2, and 3 from the parameters. The proposals both included what parameters described as unallowable costs (association dues and recruiting costs - element 4). Parameters for three characteristics should be scored at 90. Evaluators scored Service at 80/100/100 and DayOne PACT at 90/80/70. Evaluators had no notes to support their scores.
A	Grant Exclusive Line Item	Both Service and DayOne PACT provided budget figures for the ISSA expenses as a fee-for-service. The budget figures were \$34.81 different from one another. Evaluators had no notes to show why Service received 100/100/100 and DayOne PACT received 90/100/80.
A	Indirect Costs	Both Service and DayOne PACT submitted budget sheets with 4 of 4 ideal characteristics from the parameters. Both proposers selected De Minimus 10% and included the same information in their proposals. Parameters for four characteristics should be scored at 100, which is what Service received. However, Evaluators scored DayOne PACT at 80/90/80. Evaluators had no notes to support their scores.
A	Centralized Operating Sites	Service submitted proposal narrative that includes elements 1 and 4 from the parameters. Service did not discuss an evaluation of any geographic areas not covered (element 2) or a work from home model (element 3). Service received scores of 100/100/100. Parameters for two characteristics should be scored at 80. Evaluators had no notes to support the scores for this criteria.
A	Centralized Operating Sites	DayOne PACT submitted proposal narrative that includes elements 1, 3, and 4 from the parameters. DayOne PACT did not discuss an evaluation of any geographic areas not covered (element 2). DayOne PACT received scores of 100/90/90. Parameters for three characteristics should be scored at 90. Evaluators had no notes to support the scores for this criteria.
A	Staffing Strategy	Service submitted proposal narrative that includes elements 1, 2, 3, and 4 from the parameters. Service did not discuss innovative HR strategies (element 5). Service received scores of 80/80/90. Parameters for four characteristics should be scored at 90.
A	Training Programs	DayOne PACT submitted proposal narrative that includes elements 1, 2, 3, and 5 from the parameters. DayOne PACT did not discuss "Train the Trainer" program (element 4). DayOne PACT received scores of 80/90/80. Parameters for four characteristics should be scored at 90.
A	Training Programs	Service submitted proposal narrative that includes elements 1, 2, and 3 from the parameters. Service did not discuss "Train the Trainer" program (element 4) or discuss certification assistance (element 5). Service received scores of 80/90/80. Parameters for three characteristics should be scored at 80.
C	Makeup of the Board	Easter Seals proposal listed backgrounds that included: lawyer, accountant, family member of individual with a disability, and a school psychologist. Four backgrounds indicates 90 points based on the parameters yet Evaluators scored Easter Seals 90/80/80. Evaluator 1B had no notes. Evaluators 2B and 3B did not include the family member in their evaluation notes.

**Appendix D
EVALUATION VERIFICATION EXCEPTIONS**

Region	Criteria	Issues from Review
C	Makeup of the Board	Community Service Options (CSO) proposal listed backgrounds that included: accountant, family member of individual with a disability and a physician. Three backgrounds indicates 80 points based on the parameters yet Evaluators scored CSO 90/80/80. Evaluator 1B had no notes to support score.
C	Agency Years of Experience with Specialty Populations	Easter Seals proposal discusses case management and plan development. Two elements from parameters would be a score of 70. Evaluators scored Easter Seals at 60/70/70. No notes by Evaluator 1B to support score.
C	Salaries and Wages	CSO proposal listed elements 1, 2, 4, 5, and 6 from the parameters. No discussion on consistent salaries within the organization (element 3). Five elements indicates 90 points based on the parameters yet Evaluators scored CSO 90/100/100. Evaluator 1B had no notes, and Evaluators 2B and 3B did not address this criteria in their notes.
C	Salaries and Wages	Easter Seals proposal listed elements 1, 2, and 6 from parameters. No discussion on consistent salaries within the organization (element 3), description of responsibilities (element 4), or justification to program objectives (element 5). Three elements indicates 70 points based on the parameters yet Evaluators scored Easter Seals 100/100/100. Evaluator 1B had no notes, and Evaluators 2B and 3B did not address this criteria in their notes.
C	Fringe Benefits	Easter Seals proposal listed elements 1, 3, and 5 from the parameters. No discussion to show the fringes were for those listed in salaries page (element 2), a fringe rate was used (element 4), no justification of the fringe benefits was included (element 6). Three elements indicates 70 points based on the parameters yet Evaluators scored Easter Seals 100/100/100. Evaluator 1B had no notes, and Evaluators 2B and 3B did not address this criteria in their notes.
C	Fringe Benefits	CSO proposal listed elements 1, 3, 5, and 6 from the parameters. The calculations were not based on the percentage of salaries devoted to the grant (element 2), and a fringe rate was used (element 4). Four elements indicates 80 points based on the parameters yet Evaluators scored CSO 90/80/80. Evaluator 1B had no notes.
C	Travel	CSO submitted a proposal that includes element 1 from the parameters. Elements 2 and 4 do not apply because no training costs are included. CSO also did not indicate source of travel policy (element 3). For one element, the scores should have been 60. Evaluator scores for CSO were 70/60/60. Evaluator 1B had no notes.
C	Travel	Easter Seals submitted a proposal that includes elements 1 and 3 from the parameters. Elements 2 and 4 do not apply because no training costs are included. For two elements the scores should have been 60. Evaluator scores for Easter Seals were 70/60/60. Evaluator 1B had no notes.
C	Equipment	Easter Seals submitted a proposal that includes element 3 from the parameters. Easter Seals did not provide justification for each piece of equipment (element 1), describe equipment to determine if tangible (element 2), analyze cost benefit of rent versus buy (element 4), explain how equipment is necessary (element 5), or the procurement method used (element 6). For one element, the scores should have been 60. Evaluator scores for Easter Seals were 70/60/60. Evaluator 1B had no notes.
C	Equipment	CSO submitted a proposal that includes elements 2 and 3 from the parameters. CSO did not provide justification for each piece of equipment (element 1), analyze cost benefit of rent versus buy (element 4), explain how equipment is necessary (element 5), or the procurement method used (element 6). For two elements the scores should have been 60. Evaluator scores for CSO were 70/60/60. Evaluator 1B had no notes.

**Appendix D
EVALUATION VERIFICATION EXCEPTIONS**

Region	Criteria	Issues from Review
C	Supplies	CSO submitted a proposal that includes elements 1, 2, and 4 from the parameters. Training materials (element 3) and other expendable items (element 5) were not included. For three elements, the scores should have been 80 based on the parameters. Evaluator scores for CSO were 100/80/90. Evaluators 1B and 3B did not address this criteria in their notes.
C	Supplies	Easter Seals submitted a proposal that includes element 1 from the parameters. No mention of postage (element 2), training materials (element 3), copy paper (element 4) and other expendable items (element 5). For one element, the scores should have been 60 based on the parameters. Evaluator scores for Easter Seals were 90/80/90. Evaluators 1B and 3B had no notes on this criteria/response to support scores.
C	Contractual Services and Subawards	Easter Seals submitted a proposal that includes elements 1, 3, and 4 from the parameters. No contracts in excess of \$150,000 (element 2) included. For three elements, the scores should have been 90. Evaluator scores for Easter Seals were 100/100/100. No notes from any evaluator on this criteria/response to support scores.
C	Contractual Services and Subawards	CSO submitted a proposal that includes elements 1, 3, and 4 from the parameters. No contracts in excess of \$150,000 (element 2) included. For three elements the scores should have been 90. Evaluator scores for CSO were 90/100/100. No notes from any evaluator on this criteria/response to support scores.
C	Consultant Services and Expenses	CSO submitted a proposal that includes elements 1, 2, and 4 from the parameters. CSO did not list an hourly or daily fee (element 3), list expenses (element 5) or indicate the procurement policy utilized (element 6). For three elements the scores should have been 70 based on the parameters. Evaluator scores for CSO were 70/60/60. Evaluator 3B had no notes. Evaluator 2B had notes which indicated two elements but ignored the time column from the table.
C	Consultant Services and Expenses	Easter Seals submitted a proposal that includes elements 1, 2, and 4 from the parameters. Easter Seals did not list an hourly or daily fee (element 3), list expenses (element 5) or indicate the procurement policy utilized (element 6). For three elements, the scores should have been 70 based on the parameters. Evaluator scores for Easter Seals were 70/60/60. Evaluator 3B had no notes on this issue/criteria to support scores.
C	Occupancy-Rent and Utilities	Easter Seals submitted a proposal that includes elements 1, 4, and 5 from the parameters. Easter Seals did not explain how costs were allocated (element 2) or provide the square footage requested (element 3). For three elements the scores should have been 80 based on the parameters. Evaluator scores for Easter Seals were 80/80/70. No notes from Evaluator 3B on this criteria/response to support scores.
C	Occupancy-Rent and Utilities	CSO submitted a proposal that includes elements 1, 2, 3, and 5 from the parameters. CSO did not provide a monthly rent and utility figure (element 4). For four elements the scores should have been 90 based on the parameters. Evaluator scores for CSO were 70/70/60. No notes from Evaluators 1B and 3B.
C	Telecom	CSO submitted a proposal that includes all 4 elements from the parameters. For four elements the scores should have been 100 based on the parameters. Evaluator scores for CSO were 90/100/100. No notes from Evaluator 1B on this criteria/response to support scores.
C	Direct Administrative Costs	CSO submitted a proposal that responds with N/A for this criteria. Evaluators nonetheless scored CSO as 60/60/60. No notes from any evaluator on this criteria/response as to why they scored CSO when they proposed N/A. Scoring this has an impact on the multipliers.
C	Direct Administrative Costs	Easter Seals submitted a proposal that responds with N/A for this criteria. Evaluators nonetheless scored Easter Seals as 60/60/60. No notes from any evaluator on this criteria/response as to why they scored Easter Seals when they proposed N/A. Scoring this has an impact on the multipliers.

**Appendix D
EVALUATION VERIFICATION EXCEPTIONS**

Region	Criteria	Issues from Review
C	Other or Miscellaneous Costs	Easter Seals submitted a proposal that includes elements 1 and 2 from the parameters. Easter Seals did not discuss the necessity of the expenses to successful completion (element 3), and did include unallowable costs (element 4) for memberships. For two elements the scores should have been 80 based on the parameters. Evaluator scores for Easter Seals were 60/60/70. No notes from any Evaluators 1B and 3B on this criteria/response to support scores.
C	Other or Miscellaneous Costs	CSO submitted a proposal that includes elements 1, 2, and 4 from the parameters. CSO did not discuss the necessity of the expenses to successful completion (element 3). For three elements the scores should have been 90 based on the parameters. Evaluator scores for CSO were 70/60/60. No notes from Evaluators 1B and 3B on this criteria/response to support scores.
C	Grant Exclusive Line Item	Easter Seals submitted a proposal that responds with N/A for this criteria. Evaluators nonetheless scored Easter Seals as 70/60/60. No notes from any evaluator on this criteria/response as to why they scored Easter Seals when they proposed N/A. Scoring this has an impact on the multipliers.
C	Centralized Operating Sites	Easter Seals submitted a proposal that includes elements 1, 3, and 4 from the parameters. Easter Seals did not discuss the unserved geographic locations (element 2). For three elements the scores should have been 90 based on the parameters. Evaluator scores for Easter Seals were 90/80/90. No notes from any evaluator on this criteria/response to support scores.
C	ADA Accessible Sites	Easter Seals submitted a proposal that stated both buildings were accessible. For all sites accessible the scores should have been 100 based on the parameters. Evaluator scores for Easter Seals were 90/100/100. No notes from Evaluator 1B on this criteria/response and why it was scored with a value not outlined in the parameters.
C	Staffing Strategy	Easter Seals submitted a proposal that contained elements 1, 2, 3, 4, and 5 from the parameters. Parameters list 100 points for proposals with five ideal elements. Evaluator scores for Easter Seals were 90/100/100.
C	Training Programs	Easter Seals submitted a proposal that contained elements 1 and 2 from the parameters. No discussion of on-line training (element 3), "Train the Trainer" program (element 4), or assistance with certifications (element 5). Parameters list 70 points for proposals with two elements. Evaluator scores for Easter Seals were 60/80/70.
C	Bilingual or Translator	Easter Seals submitted a proposal that contained elements 1, 2, 3, and 5 from the parameters. No discussion of sign language (element 4). Parameters list 90 points for proposals with four elements. Evaluator scores for Easter Seals were 80/80/90.
E	Capability to Provide Service by July 1, 2019	In its proposal, Service states, "Service Inc.'s process to successfully transition REGION E understands the infrastructure component needs to be put in place while at the same time investing in the human capital component to have the right team in place by October 1." Evaluator 1B scored Service at 100 when that parameter is for an ISC capable of providing services by July 1, 2019. The other two Evaluators scored Service at 60. Evaluator 1B had no notes to support this deviation from the parameters.
E	Makeup of the Board	The Service proposal lists backgrounds for accounting, law, and individual that has received DD services. The parameters dictate scoring of three elements at 80 points. The Evaluators scored Service as 80/100/100. Evaluators 1B and 3B had no notes to support their scores. Evaluator 2B had a note showing 3 backgrounds but still scored Service at 100 - with no note to justify scoring outside the parameter.

**Appendix D
EVALUATION VERIFICATION EXCEPTIONS**

Region	Criteria	Issues from Review
E	Key Personnel Education	DayOne PACT listed an executive director and a program manager. One had a PhD (100) while the other had a BA (80). No CFO listed. DHS previously stated that Evaluators could substitute another position for the CFO. The other key individuals listed by DayOne PACT had bachelor's degrees which would indicate from the scoring parameters scores of 100/80/80 for an average of 87 percent. The average is nearest to 90 in the parameters. DayOne PACT received 90/80/80. Evaluators 1B and 2B had no notes to support their scores. Evaluator 3B had notes but incorrectly gave the executive director 90 instead of 100, and gave points for a CFO position when none was included in the proposal.
E	Key Personnel Education	Service listed an executive director and a program manager. One had a master's (90) while the other had a bachelor's (80). No CFO listed. DHS previously stated that Evaluators could substitute another position for the CFO. The other two key individuals listed by Service had bachelor's degrees, which would indicate from the scoring parameters scores of 90/80/80 for an average of 83 percent. The average is nearest to 80 in the parameters. Service received 80/80/80. Evaluators had no notes to support their scores for this element.
E	Key Personnel Experience	DayOne PACT listed an executive director and a program manager. Executive director had 31 years of experience (100) the program manager had 19 years (90). No CFO listed. DHS previously stated that Evaluators could substitute another position for the CFO. The other key individuals listed by DayOne PACT had, as the least amount of experience, 13 years - which would indicate from the scoring parameters scores of 100/90/80 for an average of 90 percent. The average is worth 90 points in the parameters. DayOne PACT received 80/90/80. Evaluators 1B and 2B had no notes to support their scores. Evaluator 3B had notes but gave points for a CFO position when none was included in the proposal.
E	Key Personnel Experience	Service listed an executive director and a program manager. Executive director had 15 years of experience in DD services (80) the program manager had 29 years (100). No CFO listed. DHS previously stated that Evaluators could substitute another position for the CFO. The other two key individuals listed by Service had, as the least amount of experience, 20 years - which would indicate from the scoring parameters scores of 80/100/90 for an average of 90 percent. The average is worth 90 points in the parameters. Service received 80/90/90. Evaluators had no notes to support their scores.
E	Agency Years of Experience with Specialty Populations	Both Service and DayOne PACT describe the history of the services but do not address the characteristics from the scoring parameters in their responses. The parameters require a score of 60 for 1 or fewer elements. Evaluators scored Service at 90/100/100 and DayOne PACT at 60/80/70. Evaluators had no notes to support their scores.
E	Potential Conflicts	Both Service and DayOne PACT indicated no potential conflicts of interest yet Service received 100/100/100 and DayOne PACT received 100/90/100. Evaluators had no notes to support their scores.
E	Salaries and Wages	Both Service and DayOne PACT submitted budget sheets with 5 of 6 elements from the parameters. Consistent salaries for similar work not addressed. Parameters for five elements should be scored at 90. Evaluators scored Service at 100/70/80 and DayOne PACT at 80/90/90. Evaluators had no notes to support their scores.
E	Fringe Benefits	Both Service and DayOne PACT submitted budget sheets with 4 of 6 elements from scoring parameters. Fringe calculation (element 3) was not discussed nor was the fringe benefit justification (element 6). Parameters for four elements should be scored at 80. Evaluators scored Service at 90/70/80 and DayOne PACT at 80/80/80. Evaluators had no notes to support their scores.

**Appendix D
EVALUATION VERIFICATION EXCEPTIONS**

Region	Criteria	Issues from Review
E	Travel	Both Service and DayOne PACT submitted budget sheets with 2 of 4 elements from scoring parameters. Training projects and training participants not addressed by either proposer. Parameters for two elements should be scored at 60. Evaluators scored Service at 100/90/90 and DayOne PACT at 70/70/60. Evaluators had no notes to support their scores.
E	Supplies	Both Service and DayOne PACT submitted budget sheets with 3 of 5 elements from scoring parameters. Training materials and other expendable items not included in either proposal. Parameters for three elements should be scored at 80. Evaluators scored Service at 90/80/80 and DayOne PACT at 70/80/80. Evaluators had no notes to support their scores.
E	Contractual Services and Subawards	DayOne PACT submitted budget sheets with 2 of 4 elements from scoring parameters. Proposal did not have an item over \$150,000 (element 2) nor did it describe the necessity (element 4). Parameters for two elements should be scored at 80. Evaluators scored DayOne PACT at 70/80/80. Evaluators had no notes to support their scores.
E	Contractual Services and Subawards	Service submitted budget sheets that include elements 1, 3, and 4 from the parameters. Service did not list an item over \$150,000 (element 2). Service received scores of 100/100/100. Parameters for three elements should be scored at 90. Evaluators had no notes to support their scores.
E	Consultant Services and Expenses	DayOne PACT submitted budget sheets that include elements 2 and 3 from the parameters. DayOne PACT did not provide consultant name (element 1), estimated time on project (element 4), expenses outside of fees (element 5), or the procurement policy (element 6). DayOne PACT received scores of 70/80/80. Parameters for two elements should be scored at 60. Evaluators had no notes to support the scores for this criteria.
E	Consultant Services and Expenses	Service submitted budget sheets that include elements 1 and 2 from the parameters. Service did not provide hourly or daily fee information (element 3), estimated time on project (element 4), expenses outside of fees (element 5), or the procurement policy (element 6). Service received scores of 80/80/80. Parameters for two elements should be scored at 60. None of the Evaluators had notes to support the scores for this criteria.
E	Occupancy-Rent and Utilities	DayOne PACT submitted budget sheets with 4 of 5 elements from scoring parameters. DayOne PACT did not discuss square footage (element 3). Parameters for four elements should be scored at 90. Evaluators scored DayOne PACT at 90/80/90. Evaluators had no notes to support their scores for this criteria.
E	Telecom	Both Service and DayOne PACT submitted budget sheets with 4 of 4 elements from scoring parameters. Parameters for four elements should be scored at 100. Evaluators scored Service at 100/100/100 and DayOne PACT at 80/80/80. Evaluators had no notes to support their scores for this criteria.
E	Training and Education	Both Service and DayOne PACT submitted budget sheets with 2 of 7 elements from scoring parameters. The proposals stated seminars to be conducted and speaker's part of the estimated costs. Parameters for three or less elements should be scored at 60. Evaluators scored Service at 80/60/70 and DayOne PACT at 70/60/60. Evaluators had no notes to support their scores for this criteria.
E	Direct Administrative Costs	Service and DayOne PACT completed this budget category as "N/A" yet the Evaluators scored Service at 60/60/70 and DayOne PACT at 60/60/60. Evaluators had no notes to show why they scored a category for which N/A was proposed.

Appendix D EVALUATION VERIFICATION EXCEPTIONS		
Region	Criteria	Issues from Review
E	Other or Miscellaneous Costs	Both Service and DayOne PACT submitted budget sheets with 3 of 4 elements from scoring parameters. The proposals both included what parameters described as unallowable costs (association dues and recruiting costs). Parameters for three elements should be scored at 90. Evaluators scored Service at 80/100/100 and DayOne PACT at 70/70/70. Evaluators had no notes to support their scores for this criteria.
E	Grant Exclusive Line Item	Both Service and DayOne PACT provided budget figures for the ISSA expenses as a fee-for-service. Evaluators had no notes to show why Service received scores of 100/100/100 and DayOne PACT received scores of 80/80/80.
E	Indirect Costs	Both Service and DayOne PACT submitted budget sheets with 4 of 4 elements from scoring parameters. Both proposers selected De Minimus 10% and included the same information in their proposals. While overall budget dollar figures are not scored for each line item, DayOne PACT proposed less indirect costs. Parameters for four elements should be scored at 100, which is what Service received (100/100/100). However, Evaluators scored DayOne PACT at 80/80/80. Evaluators had no notes to support their scores for this criteria.
E	Centralized Operating Sites	Service and DayOne PACT did not address an evaluation of any geographic areas not covered (element 2). Additionally, Service did not discuss work from home model (element 3). Service proposed leasing in three cities, DayOne PACT currently has two facilities in operation. Scoring parameters dictate for a plan with three elements the score to be 90 and two elements 80 points. Evaluators, with no notes for this criteria, scored Service as 100/100/100. DayOne PACT was scored correctly at 90/90/90.
E	Staffing Strategy	Service submitted proposal narrative that includes elements 1, 2, 3, and 4 from the parameters. Service did not discuss innovative HR strategies (element 5). Service received scores of 80/80/90. Parameters for four elements should be scored at 90.
E	Training Programs	DayOne PACT submitted proposal narrative that includes elements 1, 2, 3, and 5 from the parameters. DayOne PACT did not discuss the "Train the Trainer" program (element 4). DayOne PACT received scores of 80/90/80. Parameters for four elements should be scored at 90.
E	Training Programs	Service submitted proposal narrative that includes elements 1, 2, and 3 from the parameters. Service did not discuss the "Train the Trainer" program (element 4) or discuss certification assistance (element 5). Service received scores of 80/90/80. Parameters for three elements should be scored at 80.
G	Key Personnel Education	PrairieLand proposal listed <u>only two individuals by name</u> , all other positions from organizational chart were listed as "vacant" in proposal. Executive Director with a bachelor's degree (80 points) and Associate Executive Director with master's degree (90 points) only named individuals. No CFO listed. DHS previously stated that Evaluators could substitute another position for the CFO. However, there was no other individual identified that could be substituted. Therefore scoring would have been $(80+90+0)/3 =$ approximately 57 as an average. That average, based on the parameters would score at 60 points. Evaluators scored PrairieLand 80/80/80 for this criteria. No notes by Evaluator 1B. Evaluators 2B and 3B inserted a non-named bookkeeper.
G	Key Personnel Education	WISC listed a CEO and program manager. One had a master's (90) degree, the other a bachelor's (80) degree. No CFO listed. DHS previously stated that Evaluators could substitute another position for the CFO. All the individuals listed by WISC had at least a bachelor's (80) degree. The scoring parameters would indicate a score of 80 yet WISC was scored 70/80/80. Evaluators 1B had no notes to explain the score.

**Appendix D
EVALUATION VERIFICATION EXCEPTIONS**

Region	Criteria	Issues from Review
G	Key Personnel Experience	PrairieLand proposal listed <u>only two individuals by name</u> , all other positions from organizational chart were listed as "vacant" in proposal. Executive Director with 18 years' experience (90 points) and Associate Executive Director with 15 years' experience (80 points) only named individuals. No CFO listed. DHS previously stated that Evaluators could substitute another position for the CFO. However, there was no other individual identified that could be substituted. Therefore scoring would have been $(90+80+0)/3 =$ approximately 57 as an average. That average, based on the parameters would score at 60 points. Evaluators scored PrairieLand 80/80/80 for this criteria. No notes by Evaluator 1B. Evaluators 2B and 3B inserted a non-named bookkeeper.
G	Key Personnel Experience	WISC listed a CEO and program manager. One had 34 years of experience (100), the other had 24 years of experience (100). No CFO listed. DHS previously stated that Evaluators could substitute another position for the CFO. All the individuals listed by WISC had at least 9 years of experience (70). The scoring parameters would indicate a score of 90 yet WISC was scored 100/90/90. Evaluator 1B had no notes to explain the score.
G	Agency Years of Experience with Specialty Populations	Both PrairieLand and WISC submitted the same response listing PUNS, Bogard, PAS, etc. No mention of PCP in either. Four elements from parameters which would be a score of 90. Evaluator scores ranged from 70-100. No notes to support Evaluators 1B or 2B on WISC scoring. No notes from Evaluator 1B on PrairieLand scoring.
G	Salaries and Wages	WISC submitted a budget sheet that contained 5 of the 6 elements from the parameters. The only element not addressed was whether compensation was in line with similar work. For five elements the scores should have been 90. Evaluator scores for WISC were 70/80/70. No notes from any evaluator on this criteria/response.
G	Salaries and Wages	PrairieLand submitted a proposal that contains ideal elements 1, 2, 5, and 6. The proposal does not show how the salaries are consistent (element 3) or describe responsibilities (element 4). Four elements from the parameters is 80 points. Evaluators scored PrairieLand 80/90/90. None of the evaluators had notes to support scores on this criteria.
G	Fringe Benefits	Both PrairieLand and WISC submitted a budget sheet that contained 4 of the 6 elements from the parameters. No justification of fringe benefits in either proposal. Fringe rate was used so element 4 does not apply to either proposal. For four elements the scores should have been 80. Evaluator scores for PrairieLand were 80/70/70. Evaluator scores for WISC were 70/70/60. No notes from any evaluator on this criteria/response.
G	Travel	Both PrairieLand and WISC submitted a budget sheet that contained 1 of the 4 elements from the parameters - the information in the table on the budget sheet. For one element the score should have been 60. All evaluators other than 1B (for WISC who gave a 70) gave scores of 60. No notes from any evaluator on this criteria/response.
G	Equipment	On summary spreadsheet for WISC, the Max Score for this criteria shows "0" when it should be "100" points. This will have an impact on the multipliers for the other major evaluation categories.
G	Equipment	PrairieLand submitted a proposal that contains elements 1, 2, 3, and 5. The proposal does not analyze renting equipment (element 4) or the procurement method to be used (element 6). Four elements from the parameters is 80 points. Evaluators scored PrairieLand 80/80/60. No notes by Evaluator 3B on this criteria.

**Appendix D
EVALUATION VERIFICATION EXCEPTIONS**

Region	Criteria	Issues from Review
G	Equipment	WISC submitted a budget sheet that contained 3 of the 6 elements from the parameters. Proposal did not analyze the cost of lease versus purchase (element 4), how the equipment was necessary (element 5), or the procurement method utilized (element 6). For three elements the scores should have been 70. Evaluator scores for WISC were 70/60/60. No notes from any evaluator on this criteria/response.
G	Supplies	WISC submitted a budget sheet that contained elements 1, 2, 4, and 5 from the parameters. The proposal did not discuss training supplies (element 3). For four elements the scores should have been 90. Evaluator scores for WISC were 60/60/60. No notes from any evaluator on this criteria/response.
G	Supplies	Prairieland submitted a proposal that contained elements 1, 2, and 4. The proposal does not include training materials (element 3), or discuss other expendable items (element 5). Three elements from the parameters is 80 points. Evaluators scored Prairieland 80/80/90. No notes by any evaluator on this criteria.
G	Contractual Services and Subawards	Prairieland only proposed this criteria and submitted a budget sheet that contained elements 1 and 4. No sole contracts in excess of \$150,000 (element 2) and no subawards (element 3). For two elements the scores should have been 80. Evaluator scores for Prairieland were 80/80/90. No notes from any evaluator on this criteria/response.
G	Consultant Services and Expenses	WISC proposal submitted elements 1, 2, and 4 from the parameters. Proposal did not detail the hourly or daily fee (element 3), detail the expenses (element 5) or the procurement policy of the proposer (element 6). For three elements the scores should have been 70. Evaluator scores for WISC were 60/60/60. No notes from any evaluator on this criteria/response.
G	Consultant Services and Expenses	Prairieland submitted a proposal that contained elements 1, 2, and 4 from the parameters. Proposal did not discuss an hourly or daily fee (element 3) expense to consultants (element 5) or the procurement policy (element 6). Three elements from the parameters is 70 points. Evaluators scored Prairieland 80/60/60. No notes by Evaluators to support scores on this criteria.
G	Occupancy-Rent and Utilities	Prairieland submitted a proposal that contained elements 1, 3, 4, and 5 from the parameters. Proposal did not explain how the expenses are allocated (element 2). Four elements from the parameters is 90 points. Evaluators scored Prairieland 80/90/90. No notes by evaluators to support scores on this criteria.
G	Occupancy-Rent and Utilities	WISC submitted a budget sheet that contained 5 of 5 elements from the parameters. Parameters dictate proposal with 5 elements to be scored at 100. WISC received scores of 60/70/60. No notes from any evaluator on this criteria/response.
G	Telecom	Both Prairieland and WISC submitted budget sheets that contained 3 of the 4 elements from the parameters. Neither proposal explained how the expense was allocated. For 3 elements the scores should have been 90. Evaluator scores for Prairieland were 80/90/90. Evaluator scores for WISC were 70/70/70. No notes from any evaluator on this criteria/response.
G	Training and Education	Prairieland submitted a proposal that contained elements 1, 2, 4, and 6 from the parameters. The proposal does not discuss training materials (element 3), substitute teachers (element 5), or itemized materials (element 7). Four elements from the parameters is 70 points. Evaluators scored Prairieland 70/60/60. No notes by evaluators to support scores on this criteria.
G	Training and Education	WISC submitted a proposal that contained ideal element 1. The proposal does not discuss rental space (element 2), training materials (element 3), speaker fees (element 4), substitute teachers (element 5), other training expenses (element 6), or itemized materials (element 7). One element from the parameters is 60 points. Evaluators scored WISC 70/60/60. Evaluator 1B had no notes to support scores on this criteria.

Appendix D
EVALUATION VERIFICATION EXCEPTIONS

Region	Criteria	Issues from Review
G	Other or Miscellaneous Costs	Prairieland submitted a proposal that contains element 1. The proposal did not break down the cost per unit (element 2), state the necessity of the expenses (element 3), and did contain unallowable expenses (element 4). For one element parameters dictate 70 points. Evaluator scores for Prairieland were 80/80/80. No notes from any evaluator on this criteria/response.
G	Grant Exclusive Line Item	Both Prairieland and WISC submitted budget sheets that contained budget figures for the ISSA expenses. Evaluators had no notes to show why Prairieland received 100/100/100 and WISC received 60/60/60.
G	Centralized Operating Sites	Both Prairieland and WISC submitted a narrative that contained 3 of the 4 elements from the parameters. Neither proposal contained an evaluation of geographic areas not served. For three elements the scores should have been 90. Evaluator scores for Prairieland were 100/70/80. Evaluator scores for WISC were 70/70/70. No notes from any evaluator on this criteria/response.
G	Staffing Strategy	WISC submitted a proposal that includes elements 1, 2, and 3 from the parameters. WISC did not discuss recognition programs (element 4) or other innovative HR strategies (element 5). For three elements the scores should have been 80 based on the parameters. Evaluator scores for WISC were 80/90/80.
G	Bilingual or Translator	Prairieland submitted a proposal that contained elements 1, 2, 3, 4, and 5 from the parameters. Five elements from the parameters is 100 points. Evaluators scored Prairieland 90/90/100.
H	Analysis of Client Needs	For Prairieland, Evaluator 2A has notes which indicate 80 points for this parameter and individual score sheet shows 70 and 80 over one another.
H	Makeup of the Board	WISC proposal only has a parent of an individual with a developmental disability as one of the ideal criteria from the parameters, which indicates a score of 60. Evaluator 1B gave a score of 70. No notes from the evaluator on this criteria/response.
H	Key Personnel Education	Prairieland proposal listed <u>only two individuals by name</u> , all other positions from organizational chart were listed as "vacant" in proposal. Executive Director with a bachelor's degree (80 points) and Associate Executive Director with master's degree (90 points) are the only named individuals. No CFO listed. DHS previously stated that Evaluators could substitute another position for the CFO. However, there was no other individual identified that could be substituted. Therefore scoring would have been $(80+90+0)/3 =$ approximately 57 as an average. That average, based on the parameters would score at 60 points. Evaluators scored Prairieland 80/80/80 for this criteria. No notes by any of the evaluators to explain their scores.
H	Key Personnel Education	CCRPC listed a CEO and program manager. One had a PhD (100) degree, the other a master's (90) degree. No CFO listed. DHS previously stated that Evaluators could substitute another position for the CFO. All the individuals listed by CCRPC had at least a bachelor's (80) degree. The scoring parameters would indicate a score of 90 yet CCRPC was scored 80/80/80. Evaluators 1B and 2B had no notes to explain their scores. Evaluator 3B failed to substitute as mentioned by DHS and utilized 60 for the 3rd non-CFO position.
H	Key Personnel Experience	Evaluator 2B scored WISC at 90 but summary spreadsheet indicates 80.

**Appendix D
EVALUATION VERIFICATION EXCEPTIONS**

Region	Criteria	Issues from Review
H	Key Personnel Experience	PrairieLand proposal listed <u>only two individuals by name</u> , all other positions from organizational chart were listed as "vacant" in proposal. Executive Director with 18 years' experience (90 points) and Associate Executive Director with 15 years' experience (80 points) only named individuals. No CFO listed. DHS previously stated that Evaluators could substitute another position for the CFO. However, there was no other individual identified that could be substituted. Therefore scoring would have been $(90+80+0)/3 =$ approximately 57 as an average. That average, based on the parameters would score at 60 points. Evaluators scored PrairieLand 90/80/90 for this criteria. No notes by any of the evaluators to explain their scores.
H	Key Personnel Experience	CCRPC listed a CEO and program manager. CEO had 1-year experience (60) with DD at CCRPC and lobbying experience prior to CCRPC. The program manager had about 10 years' experience in DD (70). No CFO listed. DHS previously stated that Evaluators could substitute another position for the CFO. For all the individuals listed by CCRPC, the least number of years' experience was five (60). The scoring parameters would indicate a score of 60 yet CCRPC was scored 80/80/80. Evaluators 1B and 2B had no notes to explain their scores. Evaluator 3B failed to substitute as mentioned by DHS and utilized 60 for the 3rd non-CFO position.
H	Key Personnel Experience	WISC listed a CEO and a program manager. CEO had 34 years of experience in DD (100) and the program manager had 24 years of experience (100). No CFO listed. DHS previously stated that Evaluators could substitute another position for the CFO. All the individuals listed by WISC had at least nine years of experience which would have been 70 points from the parameters. This would equate to a score of 90. Evaluator 1B scored WISC at 80 with no notes to justify the score.
H	Agency Years of Experience with Specialty Populations	WISC submitted a proposal listing PUNS, Bogard, PAS, etc. No mention of PCP. Four elements from parameters would be a score of 90. Evaluator scores for WISC were 80/90/70. No notes from Evaluators 1B or 3B on WISC scoring.
H	Agency Years of Experience with Specialty Populations	CCRPC submitted a proposal containing ideal elements 1, 2, 3, 4, and 5. Five elements from parameters which would be a score of 100. Evaluator scores for CCRPC were 80/100/100. No notes from Evaluators 1B on scoring.
H	Agency Years of Experience with Specialty Populations	PrairieLand submitted a proposal that contained elements 1, 2, 3, and 5. Proposal does not mention PCP (element 4). Four elements from the parameters is 90 points. Evaluators scored PrairieLand 100/80/100. Evaluators 1B and 3B had no notes to support the scores for this criteria.
H	Salaries and Wages	PrairieLand submitted a proposal that includes elements 1, 2, 5, and 6 from the parameters. The proposal does not discuss: consistent compensation (element 3) or description of responsibilities (element 4). For four elements the scores should have been 80. Evaluator scores for PrairieLand were 80/90/90. No notes from any evaluator on this criteria/response.
H	Salaries and Wages	CISA submitted a proposal that includes elements 1, 2, 3, 4, and 6 from the parameters. The proposal does not discuss justification of positions (element 5). For five elements the scores should have been 90. Evaluator scores for CISA were 90/80/80. No notes from any evaluator on this criteria/response.
H	Salaries and Wages	CCRPC submitted a proposal that includes elements 1, 2, 4, and 6 from the parameters. The proposal does not discuss consistent compensation (element 3), and justification of positions (element 5). For four elements the scores should have been 80. Evaluator scores for CCRPC were 70/80/80. No notes from any evaluator.
H	Salaries and Wages	WISC submitted a proposal that includes elements 1, 2, 4, 5, and 6 from the parameters. The proposal does not discuss consistent compensation (element 3). For five elements the scores should have been 90. Evaluator scores for WISC were 80/80/90. No notes from any evaluator on this criteria/response.

**Appendix D
EVALUATION VERIFICATION EXCEPTIONS**

Region	Criteria	Issues from Review
H	Fringe Benefits	CISA submitted a proposal that includes elements 1, 2, 3, 5, and 6 from the parameters. Element 4 does not apply because a fringe rate was utilized. For five elements the scores should have been 90. Evaluator scores for CISA were 90/80/80. No notes from any evaluator on this criteria/response.
H	Fringe Benefits	PrairieLand submitted a proposal that includes elements 1, 2, 3, and 5 from the parameters. Element 4 does not apply because a fringe rate was utilized and no justification for fringes discussed (element 6). For four elements the scores should have been 80. Evaluator scores for PrairieLand were 80/70/70. No notes from any evaluator on this criteria/response.
H	Fringe Benefits	WISC submitted a proposal that includes elements 1, 3, 5, and 6 from the parameters. Element 4 does not apply because a fringe rate was utilized. Element 2 does not apply because WISC did not use base salaries from Wages section and included an extra employee. For four elements the scores should have been 80. Evaluator scores for WISC were 70/70/70. No notes from any evaluator on this criteria/response.
H	Fringe Benefits	CCRPC submitted a proposal that includes elements 1, 2, 3, 5, and 6 from the parameters. Element 4 does not apply because a fringe rate was utilized. For five elements the scores should have been 90. Evaluator scores for CCRPC were 70/70/80. No notes from any evaluator on this criteria/response.
H	Travel	CCRPC submitted a proposal that includes elements 1 and 3 from the parameters. Elements 2 and 4 do not apply because no training costs are included. For two elements the scores should have been 60. Evaluator scores for CCRPC were 80/60/60. No notes from any evaluator on this criteria/response.
H	Travel	CISA submitted a proposal that includes element 1 from the parameters. Elements 2 and 4 do not apply because no training costs are included. CISA also did not indicate source of travel policy (element 3). For one element the scores should have been 60. Evaluator scores for CISA were 70/60/60. No notes from any evaluator on this criteria/response.
H	Travel	WISC submitted a proposal that includes element 1 from the parameters. Elements 2 and 4 do not apply because no training costs are included. WISC also did not indicate source of travel policy (element 3). For one element the scores should have been 60. Evaluator scores for WISC were 70/60/60. No notes from any evaluator on this criteria/response.
H	Equipment	CISA submitted a proposal that includes elements 1, 2, 3, 5, and 6 from the parameters. Element 4 on cost benefit of lease vs purchase not discussed. For five elements the scores should have been 90 based on the parameters. Evaluator scores for CISA were 70/60/60. No notes from any evaluator on this criteria/response.
H	Equipment	PrairieLand submitted a proposal that includes elements 1, 2, 3, and 5 from the parameters. Element 4 on cost benefit of lease vs purchase not discussed nor is the procurement method (element 6). For four elements the scores should have been 80 based on the parameters. Evaluator scores for PrairieLand were 90/80/60. No notes from any evaluator on this criteria/response.
H	Equipment	WISC submitted a proposal that includes elements 1, 2, and 3 from the parameters. WISC did not discuss cost benefit of lease vs purchase (element 4), how the equipment is necessary for project success (element 5), or the procurement method used (element 6). For three elements the scores should have been 70 based on the parameters. Evaluator scores for WISC were 70/60/60. No notes from any evaluator on this criteria/response.

**Appendix D
EVALUATION VERIFICATION EXCEPTIONS**

Region	Criteria	Issues from Review
H	Equipment	CCRPC in proposal under Supplies narrative lists "Equipment under \$5,000 represents the cost of 21 laptop computers @ \$1,000/each." Yet in budget sheets for Equipment it lists N/A and is not scored by Evaluators. This would benefit CCRPC in the final spreadsheet calculations based on multipliers. No notes from evaluators on this issue. Scoring the information submitted for laptop under equipment shows CCRPC provided information to address only elements 2 and 3 of the parameters which would indicate a score of 60.
H	Supplies	WISC submitted a proposal that includes elements 1, 2, 4, and 5 from the parameters. Training materials (element 3) not included. For four elements the scores should have been 90. Evaluator scores for WISC were 70/60/60. No notes from any evaluator on this criteria/response.
H	Supplies	Prairieland submitted a proposal that includes elements 1, 2, and 4 from the parameters. Element 3 on training materials not discussed, nor were expendable items discussed (element 5). For three elements the scores should have been 80 based on the parameters. Evaluator scores for Prairieland were 80/80/90. No notes from any evaluator on this criteria/response.
H	Supplies	CISA submitted a proposal that includes elements 1, 2, and 4 from the parameters. Training materials (element 3) and other expendable items (element 5) not included. For three elements the scores should have been 80 based on the parameters. Evaluator scores for CISA were 90/80/80. No notes from any evaluator on this criteria/response.
H	Supplies	CCRPC submitted a proposal that includes elements 1, 2, 4, and 5 from the parameters. Training materials (element 3) not included. For four elements the scores should have been 90. Evaluator scores for CCRPC were 70/90/90. No notes from any evaluator on this criteria/response.
H	Contractual Services and Subawards	CCRPC submitted a proposal that includes elements 1, 3, and 4 from the parameters. No contracts in excess of \$150,000 (element 2) included. For three elements the scores should have been 90. Evaluator scores for CCRPC were 90/80/90. No notes from any evaluator on this criteria/response.
H	Contractual Services and Subawards	Prairieland submitted a proposal that includes elements 1 and 4 from the parameters. No contracts in excess of \$150,000 (element 2) included or subawards (element 3). For two elements the scores should have been 80. Evaluator scores for Prairieland were 70/80/90. No notes from any evaluator on this criteria/response.
H	Consultant Services and Expenses	WISC submitted a proposal that includes elements 1, 2, and 4 from the parameters. WISC did not detail hourly or daily fee (element 3), list expenses (element 5) or indicate the procurement policy utilized (element 6). For three elements the scores should have been 70 based on the parameters. Evaluator scores for WISC were 70/60/60. No notes from any evaluator on this criteria/response.
H	Consultant Services and Expenses	Prairieland submitted a proposal that includes elements 1, 2, and 4 from the parameters. Prairieland did not give an hourly or daily fee (element 3), list expenses (element 5) or indicate the procurement policy utilized (element 6). For three elements the scores should have been 70 based on the parameters. Evaluator scores for Prairieland were 70/60/60. No notes from any evaluator on this criteria/response.
H	Consultant Services and Expenses	CISA submitted a proposal that includes elements 1, 2, 3, and 4 from the parameters. CISA did not list expenses (element 5) or indicate the procurement policy utilized (element 6). For four elements the scores should have been 80 based on the parameters. Evaluator scores for CISA were 60/60/60, as placed on summary spreadsheet in incorrect category. No notes from any evaluator on this criteria.
H	Consultant Services and Expenses	CCRPC submitted a proposal that includes elements 1, 2, 3, and 4 from the parameters. CCRPC did not list expenses (element 5) or indicate the procurement policy utilized (element 6). For four elements the scores should have been 80 based on the parameters. Evaluator scores for CCRPC were 90/60/60. No notes from any evaluator on this criteria.

Appendix D
EVALUATION VERIFICATION EXCEPTIONS

Region	Criteria	Issues from Review
H	Occupancy-Rent and Utilities	CCRPC submitted a proposal that includes elements 1, 3, and 5 from the parameters. CCRPC did not provide an allocation distribution (element 2) or provide a monthly rate for rent and utilities (element 4). For three elements the scores should have been 80 based on the parameters. Evaluator scores for CCRPC were 90/90/90. No notes from any evaluator on this criteria/response. The expenses were to be for 3 new office locations. On November 11, 2019, DHS indicated that CCRPC did not feel the new locations necessary.
H	Occupancy-Rent and Utilities	CISA submitted a proposal that includes elements 1, 2, 4, and 5 from the parameters. CCRPC did not provide the square footage requested (element 3). For four elements the scores should have been 90 based on the parameters. Evaluator scores for CISA were 90/80/80. No notes from any evaluator on this criteria/response.
H	Occupancy-Rent and Utilities	Prairieland submitted a proposal that includes elements 1, 3, 4, and 5 from the parameters. Prairieland did not explain how expenses were allocated (element 2). For four elements the scores should have been 90 based on the parameters. Evaluator scores for Prairieland were 80/90/90. No notes from any evaluator on this criteria/response.
H	Occupancy-Rent and Utilities	WISC submitted a proposal that includes all five elements from the parameters. For five elements the scores should have been 100 based on the parameters. Evaluator scores for WISC were 60/70/60. No notes from any evaluator on this criteria/response.
H	Telecom	WISC submitted a proposal that includes elements 1, 2, and 3 from the parameters. WISC did not provide how the expenses were allocated to the program (element 4). For three elements the scores should have been 90 based on the parameters. Evaluator scores for WISC were 70/70/70. No notes from any evaluator on this criteria.
H	Telecom	Prairieland submitted a proposal that includes elements 1, 2, and 3 from the parameters. Prairieland did not provide how the expenses were allocated to the program (element 4). For three elements the scores should have been 90 based on the parameters. Evaluator scores for Prairieland were 80/90/90. No notes from any evaluator on this criteria.
H	Telecom	CISA submitted a proposal that includes all four elements from the parameters. For four elements the scores should have been 100 based on the parameters. Evaluator scores for CISA were 90/80/80. No notes from any evaluator on this criteria.
H	Telecom	CCRPC submitted a proposal that includes elements 1, 2, and 3 from the parameters. CCRPC did not discuss how the expenses were to be allocated (element 4). For three elements the scores should have been 90 based on the parameters. Evaluator scores for CCRPC were 80/100/100. No notes from any evaluator on this criteria.
H	Training and Education	CCRPC submitted a proposal that includes elements 1 and 6 from the parameters. CCRPC did not discuss: required rental space (element 2); training materials (element 3); speaker fees (element 4); substitute teacher fees (element 5); or itemized training materials (element 7). For two elements the scores should have been 60 based on the parameters. Evaluator scores for CCRPC were 80/60/60. No notes from any evaluator on this criteria.
H	Training and Education	CISA submitted a proposal that includes elements 1, 3, and 6 from the parameters. CISA did not discuss: required rental space (element 2); speaker fees (element 4); substitute teacher fees (element 5); or itemized training materials (element 7). For three elements the scores should have been 60 based on the parameters. Evaluator scores for CISA were 80/60/70. No notes from any evaluator on this criteria.
H	Training and Education	Prairieland submitted a proposal that includes elements 1, 2, 4, and 6 from the parameters. Prairieland did not discuss: training materials (element 3); substitute teacher fees (element 5); or itemized training materials (element 7). For four elements the scores should have been 70 based on the parameters. Evaluator scores for Prairieland were 70/60/60. No notes from any evaluator on this criteria.

**Appendix D
EVALUATION VERIFICATION EXCEPTIONS**

Region	Criteria	Issues from Review
H	Direct Administrative Costs	WISC submitted a proposal for Direct Administrative expenses that meets the four criteria in the parameters. For four criteria the scores should have been 100 based on the parameters. Evaluator scores for WISC were 60/100/100. No notes from any evaluator on this criteria.
H	Direct Administrative Costs	Prairieland submitted a proposal for Direct Administrative expenses that meets the four criteria in the parameters. For four criteria the scores should have been 100 based on the parameters. Evaluator scores for Prairieland were 60/100/100. No notes from any evaluator on this criteria.
H	Direct Administrative Costs	CISA submitted a proposal that responds with N/A for this criteria. Evaluators nonetheless scored CISA as 60/60/60. No notes from any evaluator on this criteria/response as to why they scored CISA when they proposed N/A. Scoring this has an impact on the multipliers.
H	Direct Administrative Costs	CCRPC submitted a proposal that responds with N/A for this criteria. Evaluators nonetheless scored CCRPC as 60/60/60. No notes from any evaluator on this criteria/response as to why they scored CCRPC when they proposed N/A. Scoring this has an impact on the multipliers.
H	Other or Miscellaneous Costs	CCRPC submitted a proposal that includes elements 1 and 2 from the parameters. CCRPC did not discuss the necessity of the expenses to successful completion (element 3), and did include unallowable costs (element 4) for recruiting and printing. For two elements the scores should have been 80 based on the parameters. Evaluator scores for CCRPC were 80/70/70. No notes from any evaluator on this criteria.
H	Other or Miscellaneous Costs	CISA submitted a proposal that includes elements 1, 2, and 3 from the parameters. CISA did include unallowable costs (element 4) for printing and recruiting. For three elements the scores should have been 90 based on the parameters. Evaluator scores for CISA were 80/80/80. No notes from any evaluator on this criteria.
H	Other or Miscellaneous Costs	Prairieland submitted a proposal that includes element 1 from the parameters. The proposal did not break down the cost per unit (element 2), state the necessity of the expenses (element 3), and did contain unallowable expenses (element 4). For one element the scores should have been 70 based on the parameters. Evaluator scores for Prairieland were 80/80/80. No notes from any evaluator on this criteria.
H	Grant Exclusive Line Item	WISC, just like Prairieland, CISA, and CCRPC provided budget figures for the ISSA expenses as a fee-for-service. Evaluators scored Prairieland, CISA, and CCRPC at 100/100/100 but had no notes to show why WISC received 70/100/60.
H	Centralized Operating Sites	CCRPC submitted a proposal that includes elements 1 and 4 from the parameters. CCRPC did not discuss the unserved geographic locations (element 2) nor did the proposal discuss work from home program to minimize drive times (element 3). For two elements the scores should have been 80 based on the parameters. Evaluator scores for CCRPC were 100/90/90. No notes from any evaluator on this criteria.
H	Centralized Operating Sites	CISA submitted a proposal that includes elements 1, 3, and 4 from the parameters. CISA did not discuss the unserved geographic locations (element 2). For three elements the scores should have been 90 based on the parameters. Evaluator scores for CISA were 100/70/100. No notes from any evaluator on this criteria.
H	Centralized Operating Sites	Prairieland submitted a proposal that includes elements 1, 3, and 4 from the parameters. Prairieland did not discuss the unserved geographic locations (element 2). For three elements the scores should have been 90 based on the parameters. Evaluator scores for Prairieland were 100/70/80. No notes from any evaluator on this criteria.
H	Centralized Operating Sites	WISC submitted a proposal that includes elements 1, 3, and 4 from the parameters. WISC did not address the unserved geographic locations (element 2). For three elements the scores should have been 90 based on the parameters. Evaluator scores for WISC were 70/70/70. No notes from any evaluator on this criteria.

Appendix D
EVALUATION VERIFICATION EXCEPTIONS

Region	Criteria	Issues from Review
H	Staffing Strategy	CISA submitted a proposal that includes elements 2 and 5 from the parameters (marketing for recruitment/hiring from community). CISA did not discuss incentives (element 1), fringe benefits (element 3), or employee recognition programs (element 4). For two elements the scores should have been 70 based on the parameters. Evaluator scores for CISA were 70/70/60.
H	Staffing Strategy	WISC submitted a proposal that includes elements 1, 2, and 3 from the parameters. WISC did not discuss recognition programs (element 4) or other innovative HR strategies (element 5). For three elements the scores should have been 80 based on the parameters. Evaluator scores for WISC were 80/90/80.
H	Training Programs	CISA submitted a proposal that includes element 1 from the parameters (new employee orientation). CISA did not discuss professional development in-training (element 2), on-line (element 3), Train the Trainer (element 4), or assistance with license renewals (element 5). For one element the scores should have been 60 based on the parameters. Evaluator scores for CISA were 70/60/60.
H	Bilingual or Translator	CISA submitted a proposal that includes element 1, 2, 3, 4, and 5 from the parameters. For five elements the scores should have been 100 based on the parameters. Evaluator scores for CISA were 90/100/90.
H	Bilingual or Translator	Prairieland submitted a proposal that includes element 1, 2, 3, 4, and 5 from the parameters. For five elements the scores should have been 100 based on the parameters. Evaluator scores for Prairieland were 90/90/100.
I	Analysis of Client Needs	For Prairieland, Evaluator 2A has notes which indicate 80 points for this parameter and individual score sheet shows 70 and 80 over one another.
I	Key Personnel Education	Prairieland proposal listed <u>only two individuals by name</u> , all other positions from organizational chart were listed as "vacant" in proposal. Executive Director with a bachelor's degree (80 points) and Associate Executive Director with master's degree (90 points) only named individuals. No CFO listed. DHS previously stated that Evaluators could substitute another position for the CFO. However, there was no other individual identified that could be substituted. Therefore scoring would have been $(80+90+0)/3 =$ approximately 57 as an average. That average, based on the parameters would score at 60 points. Evaluators scored Prairieland 80/80/80 for this criteria. No notes by any of the evaluators.
I	Key Personnel Experience	Prairieland proposal listed <u>only two individuals by name</u> , all other positions from organizational chart were listed as "vacant" in proposal. Executive Director with 18 years' experience (90 points) and Associate Executive Director with 15 years' experience (80 points) only named individuals. No CFO listed. DHS previously stated that Evaluators could substitute another position for the CFO. However, there was no other individual identified that could be substituted. Therefore scoring would have been $(90+80+0)/3 =$ approximately 57 as an average. That average, based on the parameters would score at 60 points. Evaluators scored Prairieland 90/80/90 for this criteria. No notes by any of the evaluators to explain their scores.
I	Agency Years of Experience with Specialty Populations	Prairieland submitted a proposal that contained elements 1, 2, 3, and 5. Proposal does not mention Person Centered Plan (element 4). Four elements from the parameters is 90 points. Evaluators scored Prairieland 80/70/100. None of the evaluators had notes to support the scores for this criteria.
I	Salaries and Wages	Prairieland submitted a proposal that includes elements 1, 2, 5, and 6 from the parameters. The proposal does not discuss consistent compensation (element 3) or describe responsibilities (element 4). For four elements the scores should have been 80. Evaluator scores for Prairieland were 80/100/70. No notes from any evaluator on this criteria.

**Appendix D
EVALUATION VERIFICATION EXCEPTIONS**

Region	Criteria	Issues from Review
I	Salaries and Wages	CISA submitted a proposal that includes elements 1, 2, 3, 4, and 6 from the parameters. The proposal does not discuss justification of positions (element 5). For five elements the scores should have been 90. Evaluator scores for CISA were 90/80/80. No notes from Evaluators 1B and 3B on this criteria/response. Evaluator 2B had minimal notes for the Capacity section.
I	Fringe Benefits	CISA submitted a proposal that includes elements 1, 2, 3, 5, and 6 from the parameters. Element 4 does not apply because a fringe rate was utilized. For five elements the scores should have been 90. Evaluator scores for CISA were 90/80/80. No notes from Evaluators 1B and 3B on this criteria/response. Evaluator 2B had minimal notes for the Capacity section.
I	Fringe Benefits	PrairieLand submitted a proposal that includes elements 1, 2, 3, and 5 from the parameters. Element 4 does not apply because a fringe rate was utilized, and PrairieLand did not give a justification (element 6). For four elements the scores should have been 80. Evaluator scores for PrairieLand were 80/90/70. No notes from any evaluator on this criteria.
I	Travel	PrairieLand submitted a proposal that includes element 1 from the parameters. Elements 2 and 4 do not apply because no training costs are included. PrairieLand also did not indicate source of travel policy (element 3). For one element the scores should have been 60. Evaluator scores for PrairieLand were 60/70/60. No notes from any evaluator on this criteria.
I	Travel	CISA submitted a proposal that includes element 1 from the parameters. Elements 2 and 4 do not apply because no training costs are included. CISA also did not indicate source of travel policy (element 3). For one element the scores should have been 60. Evaluator scores for CISA were 70/60/60. No notes from Evaluators 1B and 3B on this criteria. Evaluator 2B had minimal notes for the Capacity section.
I	Equipment	CISA submitted a proposal that includes elements 1, 2, 3, 5, and 6 from the parameters. Element 4 on cost benefit of lease vs purchase not discussed. For five elements the scores should have been 90 based on the parameters. Evaluator scores for CISA were 70/60/60. No notes from Evaluators 1B and 3B on this criteria/response. Evaluator 2B had minimal notes for the Capacity section.
I	Equipment	PrairieLand submitted a proposal that includes elements 1, 2, 3, and 5 from the parameters. Element 4 on cost benefit of lease vs purchase not discussed nor was the procurement method (element 6). For 4 elements the scores should have been 80 based on the parameters. Evaluator scores for PrairieLand were 80/60/60. No notes from any evaluator on this criteria.
I	Supplies	CISA submitted a proposal that includes elements 1, 2, and 4 from the parameters. Training materials (element 3) and other expendable items (element 5) not included. For three elements the scores should have been 80 based on the parameters. Evaluator scores for CISA were 90/80/90. No notes from Evaluators 1B and 3B on this criteria/response. Evaluator 2B had minimal notes for the Capacity section.
I	Supplies	PrairieLand submitted a proposal that includes elements 1, 2, and 4 from the parameters. Element 3 on training materials not discussed nor was there any discussion of expendable items (element 5). For three elements the scores should have been 80 based on the parameters. Evaluator scores for PrairieLand were 80/80/90. No notes from any evaluator on this criteria.
I	Contractual Services and Subawards	PrairieLand submitted a proposal that includes elements 1 and 4 from the parameters. No contracts in excess of \$150,000 (element 2) included, nor were there subawards (element 3). For two elements the scores should have been 80. Evaluator scores for PrairieLand were 70/80/90. No notes from any evaluator on this criteria.

**Appendix D
EVALUATION VERIFICATION EXCEPTIONS**

Region	Criteria	Issues from Review
I	Consultant Services and Expenses	Prairieland submitted a proposal that includes elements 1, 2, and 4 from the parameters. Prairieland did not report a daily or hourly figure (element 3), list expenses (element 5) or indicate the procurement policy utilized (element 6). For three elements the scores should have been 70 based on the parameters. Evaluator scores for Prairieland were 80/60/60. No notes from any evaluator on this criteria.
I	Consultant Services and Expenses	CISA submitted a proposal that includes elements 1, 2, 3, and 4 from the parameters. CISA did not list expenses (element 5) or indicate the procurement policy utilized (element 6). For four elements the scores should have been 80 based on the parameters. Evaluator scores for CISA were 100/60/60. No notes from Evaluators 1B and 3B on this criteria/response. Evaluator 2B had minimal notes for the Capacity section.
I	Occupancy-Rent and Utilities	CISA submitted a proposal that includes elements 1, 2, 4, and 5 from the parameters. CISA did not provide the square footage requested (element 3). For four elements the scores should have been 90 based on the parameters. Evaluator scores for CISA were 90/80/80. No notes from Evaluators 1B and 3B on this criteria/response. Evaluator 2B had minimal notes for the Capacity section.
I	Occupancy-Rent and Utilities	Prairieland submitted a proposal that includes elements 1, 3, 4, and 5 from the parameters. Prairieland did not explain how expenses were allocated (element 2). For four elements the scores should have been 90 based on the parameters. Evaluator scores for Prairieland were 80/90/90. No notes from any evaluator on this criteria.
I	Telecom	Prairieland submitted a proposal that includes elements 1, 2, and 3 from the parameters. Prairieland did not provide how the expenses were allocated to the program (element 4). For three elements the scores should have been 90 based on the parameters. Evaluator scores for Prairieland were 80/90/90. No notes from any evaluator on this criteria.
I	Telecom	CISA submitted a proposal that includes all 4 elements from the parameters. For 4 elements the scores should have been 100 based on the parameters. Evaluator scores for CISA were 90/80/80. No notes from Evaluators 1B and 3B on this criteria. Evaluator 2B had minimal notes for the Capacity section.
I	Training and Education	CISA submitted a proposal that includes elements 1, 3, and 6 from the parameters. CISA did not discuss: required rental space (element 2); speaker fees (element 4); substitute teacher fees (element 5); or itemized training materials (element 7). For three elements the scores should have been 60 based on the parameters. Evaluator scores for CISA were 80/60/70. No notes from Evaluators 1B and 3B on this criteria. Evaluator 2B had minimal notes for the Capacity section.
I	Training and Education	Prairieland submitted a proposal that includes elements 1, 2, 4, and 6 from the parameters. Prairieland did not discuss: training materials (element 3); substitute teacher fees (element 5); or itemized training materials (element 7). For four elements the scores should have been 70 based on the parameters. Evaluator scores for Prairieland were 70/60/60. No notes from any evaluator on this criteria/response.
I	Direct Administrative Costs	Prairieland submitted a proposal for Direct Administrative expenses that meets the four criteria in the parameters. For four criteria the scores should have been 100 based on the parameters. Evaluator scores for Prairieland were 60/100/100. No notes from any evaluator on this criteria.
I	Direct Administrative Costs	CISA submitted a proposal that responds with N/A for this criteria. Evaluators nonetheless scored CISA as 60/60/60. No notes from any evaluator on this criteria/response as to why they scored CISA when they proposed N/A. Scoring this has an impact on the multipliers.
I	Other or Miscellaneous Costs	CISA submitted a proposal that includes elements 1, 2, and 3 from the parameters. CISA did include unallowable costs (element 4) for printing and recruiting. For three elements the scores should have been 90 based on the parameters. Evaluator scores for CISA were 80/80/80. No notes from any evaluator on this criteria.

Appendix D
EVALUATION VERIFICATION EXCEPTIONS

Region	Criteria	Issues from Review
I	Other or Miscellaneous Costs	PrairieLand submitted a proposal that includes element 1 from the parameters. PrairieLand did not break down cost to units (element 2), state the necessity of the expense (element 3) and did include unallowable costs (element 4) for printing, memberships and recruiting. For one element the scores should have been 70 based on the parameters. Evaluator scores for PrairieLand were 80/80/80. No notes from any evaluator on this criteria.
I	Centralized Operating Sites	CISA submitted a proposal that includes elements 1, 3, and 4 from the parameters. CISA did not discuss the unserved geographic locations (element 2). For three elements the scores should have been 90 based on the parameters. Evaluator scores for CISA were 100/70/100. No notes from any evaluator on this criteria.
I	Centralized Operating Sites	PrairieLand submitted a proposal that includes elements 1, 3, and 4 from the parameters. PrairieLand did not discuss the unserved geographic locations (element 2). For three elements the scores should have been 90 based on the parameters. Evaluator scores for PrairieLand were 100/70/80. No notes from any evaluator on this criteria.
I	Staffing Strategy	CISA submitted a proposal that includes elements 2 and 5 from the parameters (marketing for recruitment/hiring from community). CISA did not discuss incentives (element 1), fringe benefits (element 3), or employee recognition programs (element 4). For two elements the scores should have been 70 based on the parameters. Evaluator scores for CISA were 70/70/60.
I	Training Programs	CISA submitted a proposal that includes element 1 from the parameters (new employee orientation). CISA did not discuss professional development in-training (element 2), on-line (element 3), "Train the Trainer" (element 4), or assistance with license renewals (element 5). For 1 element the scores should have been 60 based on the parameters. Evaluator scores for CISA were 70/60/60.
I	Bilingual or Translator	CISA submitted a proposal that includes elements 1, 2, 3, 4, and 5 from the parameters. For five elements the scores should have been 100 based on the parameters. Evaluator scores for CISA were 90/100/90.
I	Bilingual or Translator	PrairieLand submitted a proposal that includes element 1, 2, 3, 4, and 5 from the parameters. For five elements the scores should have been 100 based on the parameters. Evaluator scores for PrairieLand were 90/90/100.
K	Capability to Provide Service by July 1, 2019	DDSME received 80/100 by Evaluator 1B for Capability to provide service by July 1, 2019, even though this agency has been providing ISC services for approximately 30 years and has infrastructure already in place. Eighty points <u>does not follow scoring parameters which indicated either 100 points or 60 points.</u>
K	Capability to Provide Service by July 1, 2019	PrairieLand <u>provided very limited specifics</u> on the hiring of staff and promises to get a main office located in Belleville – where DDSME already has an actual office, yet PrairieLand received 100/100/100 in evaluation scores. PrairieLand is located over 100 miles from the promised main office.
K	Capability to Provide Service by July 1, 2019	All three Evaluators gave PrairieLand scores of 100 without any specifics of ability to set infrastructure. <u>None of the Evaluator provided any notes</u> on this criteria.
K	Key Personnel Education	PrairieLand proposal listed <u>only two individuals by name</u> , all other positions from organizational chart were listed as "vacant" in proposal. Executive Director with a bachelor's degree (80 points) and Associate Executive Director with master's degree (90 points) only named individuals. No CFO listed. DHS previously stated that Evaluators could substitute another position for the CFO. However, there was no other individual identified that could be substituted. Therefore scoring would have been $(80+90+0)/3 =$ approximately 57 as an average. That average, based on the parameters would score at 60 points. Evaluators scored PrairieLand 80/80/80 for this criteria. No notes by any of the evaluators to explain their scores.

**Appendix D
EVALUATION VERIFICATION EXCEPTIONS**

Region	Criteria	Issues from Review
K	Key Personnel Education	DDSME listed an executive director and an associate director that appears to be in charge of programs. Both of those individuals had bachelor's degrees. No CFO listed. DHS previously stated that Evaluators could substitute another position for the CFO. All the individuals listed by DDSME had bachelor's degrees which would indicate from the scoring parameters scores of 80/80/80. Yet DDSME actually received 80/70/70.
K	Key Personnel Experience	Evaluator 1B scored the criteria for DDSME at 90 - but spreadsheet had 70.
K	Key Personnel Experience	Prairieland proposal listed <u>only two individuals by name</u> , all other positions from organizational chart were listed as "vacant" in proposal. Executive Director with 18 years' experience (90 points) and Associate Executive Director with 15 years' experience (80 points) only named individuals. No CFO listed. DHS previously stated that Evaluators could substitute another position for the CFO. However, there was no other individual identified that could be substituted. Therefore scoring would have been $(90+80+0)/3 =$ approximately 57 as an average. That average, based on the parameters would score at 60 points. Evaluators scored Prairieland 70/80/100 for this criteria. No notes by any of the evaluators to explain their scores.
K	Key Personnel Experience	DDSME listed an executive director and an associate director that appears to be in charge of programs. Those individuals had 35 and 31 years of experience which would equate to 100 points based on the scoring parameters. DHS previously stated that Evaluators could substitute another position for the CFO. Of all the individuals listed by DDSME, the least amount of experience was 13 years (or 80 points). Averaging the three position results in a score of 93.33. Yet DDSME actually received 70/80/80.
K	Agency Years of Experience with Specialty Populations	DDSME submitted a proposal that contained elements 1, 2, 3, and 4. This is agreed to by the note for Evaluator 3B. Four elements from the parameters is 90 points. Evaluators scored DDSME 80/90/90. Evaluator 1B had no notes to support the score.
K	Agency Years of Experience with Specialty Populations	Prairieland submitted a proposal that contained elements 1, 2, 3, and 5. Proposal does not mention PCP (element 4). Four elements from the parameters is 90 points. Evaluators scored Prairieland 70/80/80. None of the evaluators had notes to support the scores for this criteria.
K	Salaries and Wages	Prairieland submitted a proposal that contained elements 1, 2, 5, and 6. The proposal does not show how the salaries are consistent (element 3) or describe responsibilities (element 4). Four elements from the parameters is 80 points. Evaluators scored Prairieland 80/90/70. None of the evaluators had notes to support scores on this criteria.
K	Fringe Benefits	DDSME submitted a proposal that contained elements 1, 3, 5, and 6. The proposal does not show how the fringe benefits relate to the individuals named in salaries section (element 2) and a fringe rate was used so Element 4 is N/A. Four elements from the parameters is 80 points. Evaluators scored DDSME 70/70/70. None of the evaluators had notes to support scores on this criteria.
K	Fringe Benefits	Prairieland submitted a proposal that contained elements 1, 2, 3, and 5. A fringe rate was used so Element 4 is N/A, and there was no justification of fringes (element 6). Four elements from the parameters is 80 points. Evaluators scored Prairieland 80/70/70. None of the evaluators had notes to support scores on this criteria.
K	Travel	DDSME submitted a proposal that contained elements 1 and 3. The proposal does not discuss training projects (element 2) or travel for training (element 4). Two elements from the parameters is 60 points. Evaluators scored DDSME 70/60/60. No notes by Evaluator 1B to support scores on this criteria.

**Appendix D
EVALUATION VERIFICATION EXCEPTIONS**

Region	Criteria	Issues from Review
K	Equipment	PrairieLand proposed expenses on equipment. Evaluators scored the proposal. On the summary spreadsheet, DDD included a "0" in the Max Score column instead of the "100" points for the actual maximum score. Including that "100" has an impact on the PrairieLand calculated final score.
K	Equipment	PrairieLand submitted a proposal that contained elements 1, 2, 3, and 5. The proposal does not analyze renting equipment (element 4) or the procurement method to be used (element 6). Four elements from the parameters is 80 points. Evaluators scored PrairieLand 80/70/80. No notes by any evaluator on this criteria.
K	Equipment	DDSME submitted a proposal that contained elements 2 and 3. The proposal does not provide justification for the equipment (element 1), analyze benefit of lease (element 4), explain necessity for the equipment (element 5), or the procurement method used (element 6). Two elements from the parameters is 60 points. Evaluators scored DDSME 70/60/60. No notes by Evaluator 1B to support scores on this criteria.
K	Supplies	PrairieLand submitted a proposal that contained elements 1, 2, and 4. The proposal does not include training materials (element 3), or discuss other expendable items (element 5). Three elements from the parameters is 80 points. Evaluators scored PrairieLand 80/80/70. No notes by any evaluator on this criteria.
K	Contractual Services and Subawards	PrairieLand proposal contained elements 1 and 4. No contracts in excess of \$150,000 (element 2) or subawards (element 3). Two elements from parameters requires a score of 80. Evaluators scored PrairieLand 80/80/70. Evaluator 3B provided a score where only one element appeared but no notes from Evaluator 3B to indicate why the outlier score.
K	Contractual Services and Subawards	DDSME submitted a proposal that contained elements 1, 3, and 4. Element 2 regarding sole contracts over \$150,000 doesn't apply. Three elements from the parameters is 90 points. Evaluators scored DDSME 80/80/80. No notes by evaluators to support scores on this criteria.
K	Consultant Services and Expenses	DDSME submitted a proposal that contained elements 1, 2, 3, and 4. Proposal did not discuss expense to consultants (element 5) or the procurement policy (element 6). Four elements from the parameters is 80 points. Evaluators scored DDSME 90/60/60. No notes by evaluators to support scores on this criteria.
K	Consultant Services and Expenses	PrairieLand submitted a proposal that contained elements 1, 2, and 4. Proposal did not discuss an hourly or daily fee (element 3) expense to consultants (element 5) or the procurement policy (element 6). Three elements from the parameters is 70 points. Evaluators scored PrairieLand 80/60/60. No notes by evaluators to support scores on this criteria.
K	Occupancy-Rent and Utilities	DDSME submitted a proposal that contained elements 1, 2, 3, 4, and 5. Five elements from the parameters is 100 points. Evaluators scored DDSME 90/100/100. No notes by Evaluator 1B to support scores on this criteria.
K	Occupancy-Rent and Utilities	PrairieLand submitted a proposal that contained elements 1, 3, 4, and 5. Proposal did not explain how the expenses are allocated (element 2). Four elements from the parameters is 90 points. Evaluators scored PrairieLand 80/90/90. No notes by evaluators to support scores on this criteria.
K	Telecom	PrairieLand submitted a proposal that includes elements 1, 2, and 3 from the parameters. PrairieLand did not provide how the expenses were allocated to the program (element 4). For three elements the scores should have been 90 based on the parameters. Evaluator scores for PrairieLand were 80/90/90. No notes from any evaluator on this criteria.

Appendix D
EVALUATION VERIFICATION EXCEPTIONS

Region	Criteria	Issues from Review
K	Training and Education	DDSME submitted a proposal that contained element 1. The proposal does not discuss rental space (element 2), training materials (element 3), speaker fees (element 4), substitute teachers (element 5), other applicable expenses (element 6), or itemized materials (element 7). One element from the parameters is 60 points. Evaluators scored DDSME 80/60/60. No notes by Evaluator 1B to support scores on this criteria.
K	Training and Education	Prairieland submitted a proposal that contained elements 1, 2, 4, and 6. The proposal does not discuss training materials (element 3), substitute teachers (element 5), or itemized materials (element 7). Four elements from the parameters is 70 points. Evaluators scored Prairieland 70/60/60. No notes by evaluators to support scores on this criteria.
K	Direct Administrative Costs	Prairieland submitted a proposal for Direct Administrative expenses that met the 4 criteria in the parameters. For 4 criteria the scores should have been 100 based on the parameters. Evaluator scores for Prairieland were 100/100/70. No notes from any evaluator on this criteria.
K	Direct Administrative Costs	DDSME completed this budget category as "N/A" yet the Evaluators scored DDSME at 60/60/60 and the Max Score for the criteria was set at 100. No evaluator notes to show why they scored a category that DDSME did not bid.
K	Other or Miscellaneous Costs	Prairieland submitted a proposal that contained element 1. The proposal did not break down the cost per unit (element 2), state the necessity of the expenses (element 3), and did contain unallowable expenses (element 4). For one element parameters dictate 70 points. Evaluator scores for Prairieland were 80/80/80. No notes from any evaluator on this criteria.
K	Grant Exclusive Line Item	Both Prairieland and DDSME provided budget figures for the ISSA expenses as a fee-for-service. Evaluators had no notes to show why Prairieland received 100/100/100 and DDSME received 90/100/90.
K	Centralized Operating Sites	Prairieland indicated one location in Belleville, although not a specific address (ideal criteria 1). Plan does not mention any evaluation of geographic areas not covered (ideal criteria 2). Plan mentions staff having home offices (ideal criteria 3). Plan states laptops and tablets in the field (ideal criteria 4). Scoring parameters dictate for a plan with three elements the score to be 90. Evaluators, with no notes, scored Prairieland 100/70/100.
K	Centralized Operating Sites	DDSME, indicated one location in Belleville at a specific address (ideal criteria 1). Plan does not mention any evaluation of geographic areas not covered (ideal criteria 2). Plan mentions work from home to minimize drive times (ideal criteria 3). Plan states staff have access to cloud based secure data system while in the field (ideal criteria 4). Scoring parameters dictate for a plan with three elements the score to be 90. Evaluators, with no notes, scored DDSME 100/70/70.
K	ADA Accessible Sites	Prairieland does not indicate a specific address for a local office in Belleville. They offer speculation that such an office will be ADA accessible. No notes from Evaluators for the scores of 100/100/100.
K	Staffing Strategy	DDSME submitted a proposal that contained elements 1, 3, and 5. Proposal did not discuss marketing (element 2) or employee recognition (element 4). Three elements from the parameters is 80 points. Evaluators scored DDSME 70/70/60.
K	Training Programs	DDSME submitted a proposal that contained elements 1, 2, and 3. Proposal did not discuss Train the Trainer (element 4) or professional certification assistance (element 5). Three elements from the parameters is 80 points. Evaluators scored DDSME 80/70/70.
K	Bilingual or Translator	DDSME submitted a proposal that contained elements 1, 2, 3, 4, and 5. Five elements from the parameters is 100 points. Evaluators scored DDSME 90/90/100.
K	Bilingual or Translator	Prairieland submitted a proposal that contained elements 1, 2, 3, 4, and 5. Five elements from the parameters is 100 points. Evaluators scored DDSME 90/90/100.

Appendix D
EVALUATION VERIFICATION EXCEPTIONS

Region	Criteria	Issues from Review
L	Key Personnel Education	Prairieland proposal listed <u>only two individuals by name</u> , all other positions from organizational chart were listed as "vacant" in proposal. Executive Director with a bachelor's degree (80 points) and Associate Executive Director with master's degree (90 points) only named individuals. No CFO listed. DHS previously stated that Evaluators could substitute another position for the CFO. However, there was no other individual identified that could be substituted. Therefore scoring would have been $(80+90+0)/3 =$ approximately 57 as an average. That average, based on the parameters would score at 60 points. Evaluators scored Prairieland 80/80/80 for this criteria. No notes by any of the evaluators to explain their scores.
L	Key Personnel Education	SICCS listed an executive director and a regional leader that appears to be in charge of programs. One had master's (90) degree and the other had a bachelor's (80) degree. No CFO listed. DHS previously stated that Evaluators could substitute another position for the CFO. All the individuals listed by SICCS had bachelor's degrees which would indicate from the scoring parameters scores of 90/80/80. Yet SICCS actually received 100/80/80. Evaluator 1B had no notes to explain why 100 points were awarded.
L	Key Personnel Experience	Prairieland proposal listed <u>only two individuals by name</u> , all other positions from organizational chart were listed as "vacant" in proposal. Executive Director with 18 years' experience (90 points) and Associate Executive Director with 15 years' experience (80 points) only named individuals. No CFO listed. DHS previously stated that Evaluators could substitute another position for the CFO. However, there was no other individual identified that could be substituted. Therefore scoring would have been $(90+80+0)/3 =$ approximately 57 as an average. That average, based on the parameters would score at 60 points. Evaluators scored Prairieland 70/80/100 for this criteria. No notes by any of the evaluators to explain their scores.
L	Key Personnel Experience	SICCS listed an executive director and a regional leader that appears to be in charge of programs. Executive Director had 32 years of experience in DD (100). The regional leader with the fewest number of years' experience in DD was 29 (100 points). No CFO listed. DHS previously stated that Evaluators could substitute another position for the CFO. All the individuals listed by SICCS had over 21 years of experience which would have been 100 points from the parameters. This would equate to scores of 100/100/100. Yet SICCS actually received 100/90/90. Evaluator 3B had no notes to explain why 90 points were awarded. Evaluator 2B did not substitute another individual as indicated by DHS and gave 60 points in the calculations.
L	Agency Years of Experience with Specialty Populations	SICCS listed elements 1, 2, 4, and 5 from the parameters. Did not see discussion about prior interview experience (element 3). Four ideal elements should have been a score of 90. Evaluators scored SICCS as 100/90/90. Evaluator 1B had no notes to support the score for this parameter.
L	Agency Years of Experience with Specialty Populations	Prairieland submitted a proposal that contained elements 1, 2, 3, and 5. Proposal does not mention Person Centered Plan (element 4). Four elements from the parameters is 90 points. Evaluators scored Prairieland 70/80/80. Evaluators 1B and 3B had no notes to support the scores for this criteria.
L	Salaries and Wages	Prairieland submitted a proposal that contained elements 1, 2, 5, and 6. The proposal does not show how the salaries are consistent (element 3) or describe responsibilities (element 4). Four elements from the parameters is 80 points. Evaluators scored Prairieland 80/90/70. None of the evaluators had notes to support scores on this criteria.
L	Fringe Benefits	SICCS listed elements 1, 3, 5, and 6 from the parameters. Fringe rates were used so element 4 did not apply and SICCS did not use the percentage of time salaries from the salaries budget sheet (element 2). SICCS had 4 of 6 ideal elements which would have been a score of 80 points. Evaluators scored SICCS 60/70/70 with no notes to support scores for this parameter.

**Appendix D
EVALUATION VERIFICATION EXCEPTIONS**

Region	Criteria	Issues from Review
L	Fringe Benefits	Prairieland listed elements 1, 2, 3, and 5 from the parameters. Fringe rates were used so element 4 did not apply, and there was no justification for the fringes discussed (element 6). Prairieland had 4 of 6 ideal elements which should have been a score of 80. Evaluators scored Prairieland as 80/70/70 with no notes to support scores for this parameter.
L	Travel	Neither SICCS nor Prairieland addressed the specifics of the ideal submission with the exception that SICCS lists the IRS travel rate for mileage. Proposals with 2 elements or less receive 60 points pursuant to parameters. SICCS received 70/70/70 and Prairieland received 60/60/60 from evaluators with no notes to support their scores.
L	Supplies	Both SICCS and Prairieland proposals listed elements 1, 2, and 4 from the parameters. Other expendable items did not apply to either nor did either proposal mention training materials. Both proposers should have received 80/80/80. Evaluators scored Prairieland as 80/80/70 and SICCS 70/70/70 with no notes to support scores for this parameter.
L	Contractual Services and Subawards	Prairieland proposal listed elements 1 and 4. No contracts over \$150,000 (element 2) or subawards (element 3). Two elements indicate 80 points from the parameters. Evaluators scored Prairieland 80/80/70 with no notes to support the scores for this parameter.
L	Consultant Services and Expenses	Prairieland proposal listed elements 1, 2, and 4 from the parameters. Proposal did not provide hourly or daily fee (element 3), expenses (element 5), and procurement policy (element 6). Prairieland should have received a score of 70 based on the parameters. Evaluators scored Prairieland as 80/60/60. No notes to support scores for this parameter from the evaluators.
L	Occupancy-Rent and Utilities	SICCS listed element 1, 3, 4, and 5 from the parameters. Did not see discussion about allocation of rent and utility expenses (element 2). Four ideal elements should have been a score of 90. Evaluators scored SICCS as 90/90/80. Evaluator 3B had no notes to support the score for this parameter.
L	Occupancy-Rent and Utilities	Prairieland submitted a proposal that contained elements 1, 3, 4, and 5. Proposal did not explain how the expenses are allocated (element 2). Four elements from the parameters is 90 points. Evaluators scored Prairieland 80/90/90. No notes by evaluators to support scores on this criteria.
L	Telecom	Both SICCS and Prairieland proposals listed elements 1, 2, and 3 from the parameters. Neither explained how the services were to be distributed to the programs. Parameters dictate 90 points for proposals with three elements. Evaluators scored Prairieland as 80/90/90. SICCS received scores of 80/100/90. No notes to support scores for this parameter from the evaluators.
L	Training and Education	Prairieland proposal listed elements 1, 2, 4, and 6 which indicates 70 points from the parameters. Prairieland proposal did not discuss training materials, substitute teacher fees, or itemized training materials. Evaluators scored Prairieland 70/60/60 with no notes to support the scores for this parameter.
L	Training and Education	SICCS proposal listed elements 1 and 6 which indicates 60 points from the parameters. SICCS proposal did not discuss rental space, training materials, speaker fees, substitute teacher fees, or itemized training materials. Evaluators scored SICCS 80/70/70 with no notes to support the scores for this parameter.
L	Direct Administrative Costs	Both SICCS and Prairieland proposals listed all ideal elements 1, 2, 3, and 4 from the parameters. Parameters dictate 100 points for proposals with all four elements. Evaluators scored Prairieland as 100/100/70. SICCS received scores of 100/100/90. Parameters provided scoring as either 100 or 60. No notes to support scores for this parameter from the evaluators, including why Evaluator 3B used scores not conforming to parameters.

**Appendix D
EVALUATION VERIFICATION EXCEPTIONS**

Region	Criteria	Issues from Review
L	Other or Miscellaneous Costs	Prairieland submitted a proposal that contains ideal element 1. The proposal did not break down the cost per unit (element 2), state the necessity of the expenses (element 3), and did contain unallowable expenses (element 4). For one element parameters dictate 70 points. Evaluator scores for Prairieland were 80/80/80. No notes from any evaluator on this criteria.
L	Grant Exclusive Line Item	Both SICCS and Prairieland provided budget figures for the ISSA expenses as a fee-for-service. Evaluators had no notes to show why SICCS received 90/100/100 and Prairieland 100/100/100.
L	Indirect Costs	SICCS selected De Minimus 10% indirect cost rate. Ideal elements 1 and 2 relate to rate agreements with the federal government and the use of those rates in calculations. These two elements would not apply to SICCS. Elements 3 and 4 were present in proposal. Parameters dictate 80 points for proposals with two elements. SICCS received scores of 100/100/100. No notes to support scores for this parameter from the evaluators.
L	Centralized Operating Sites	Both SICCS and Prairieland proposals listed elements 1, 3, and 4 from the parameters. Neither discussed any sort of evaluation of a geographic area not covered. Parameters dictate 90 points for proposals with three elements. Evaluators scored Prairieland as 100/70/100. SICCS received scores of 90/90/90. No notes to support scores for this parameter from the evaluators.
L	Staffing Strategy	SICCS listed elements 1, 3, and 5 from the parameters. Did not see discussion about marketing techniques (element 2) or employee recognition programs (element 4). Three ideal elements should have been a score of 80. Evaluators scored SICCS as 70/70/60.
L	Training Programs	SICCS listed elements 1, 2, 3, and 5 from the parameters. Did not see discussion about Training the Trainer (element 4). Four ideal elements should have been a score of 90. Evaluators scored SICCS as 90/100/90.
L	Training Programs	Prairieland listed ideal element 1 from the parameters. Did not see discussion about professional development program (element 2), on-line training (element 3), Training the Trainer (element 4), or assistance with professional certifications (element 5). One ideal element should have been a score of 60. Evaluators scored Prairieland as 60/80/60.
L	Bilingual or Translator	Both SICCS and Prairieland proposals listed elements 1, 2, 3, and 4 from the parameters. Prairieland's proposal listed forms and educational materials in multiple languages as element 5. Parameters dictate 90 points for proposals with four elements and 100 points for proposals with all five elements. Evaluators scored Prairieland as 90/90/100. SICCS received scores of 90/90/90.

Source: OAG developed from review of ISC proposals, scoring parameters, and DHS scoring documentation.

APPENDIX E

AGENCY RESPONSES



March 16, 2020

Honorable Frank J. Mautino
Illinois Office of the Auditor General
Hes Park Plaza
740 East Ash St.
Springfield, IL 62703-3154

Dear Honorable Auditor General Mautino,

The Illinois Department of Human Services (Department) both appreciates the General Assembly's interest in and thanks the Office of the Auditor General (OAG) for their thorough review of the Department's implementation of the competitive selection and transition of Independent Service Coordination (ISC) Agencies for Fiscal Year 2020. While IDHS had differences from the OAG regarding some of the claims and statements underlying certain findings, we agreed, across the board, with the principles in the findings, themselves, and we value the OAG's perspective and insight, as detailed in the report. The Department is driven by serving the best interests of those we serve and made the best decisions it could, based on the information available. That being said, we always strive to improve upon our processes and appreciate the OAG's analysis and feedback.

Attached, please find the Department's official responses to the recommendations identified in the management audit of the Department of Human Services' (DHS) process for selecting Independent Service Coordination agencies for the Fiscal Year commencing July 1, 2019. Please review and let me know if you have any questions or concerns.

Sincerely,

SIGNED ORIGINAL ON FILE

Grace B. Hou
Secretary

cc: Jane Clark, Office of the Auditor General
John Schomberg, General Counsel
Allison Stark, Director, Division of Developmental Disabilities
Amy De Weese, Chief Internal Auditor
Internal Audit File

Illinois Department of Human Services

Management Audit of Selection of Independent Service Coordination Agencies for FY20

Recommendation 1: IDHS should provide complete and accurate information to the General Assembly so that the General Assembly can provide oversight for State spending.

Department Response:

The Illinois Department of Human Services (IDHS) agrees with the recommendation that it should provide complete and accurate information to the General Assembly. IDHS respectfully disagrees that it failed to provide accurate information to the General Assembly related to the ISC NOFO and respectfully disagrees that this should be an audit finding. Throughout all its communications with members of the General Assembly, IDHS was providing information it believed to be accurate at the time. In some cases, additional information was received, or a different interpretation was made at a later date. A response to each of the claims in Exhibit 1-7 is below.

As to the legislative background, following the notification of the NOFO results to the ISC agencies, a number of legislators began to reach out to the Division on behalf of their constituents. For the most part, these constituents were ISC agencies who were not successful in the NOFO process. Emails were exchanged and conference calls were arranged between the Division and various legislators. By the time the Appeal Review Officer completed his review of the appeals, legislators were engaged in communications with the Office of the Secretary of IDHS and arrangements for a face to face meeting were underway.

At the February 7, 2019 meeting, legislators raised a number of questions about the process. Two primary concerns were a perceived disparity in scoring on two proposals and the belief that Mental Health 708 Board money would be lost in St. Clair County. These new questions and concerns were researched by Division staff and reviewed with the Secretary's Office. On February 14, 2019, the Department wrote the legislators to advise them of its conclusion that the information provided did not provide a basis for a reconsideration of the process. The following day, the Division notified the appealing ISCs that their appeals were denied. It was only after the Department completed its review of the legislative concerns that there was certainty on the outcome of the appeals.

The OAG references emails from Interim Director responding to a "final hours" October 29, 2018 letter citing technical errors in the NOFO posting. The letter was signed by 13 ISC executive directors along with members of various trade associations. Among other conclusions, the letter incorrectly referenced the non-existence of a transition plan and described it as "unconscionable." Five of the 13 signatories were successful applicants and six did not submit a proposal. Only two of the ISC agencies signing this letter were unsuccessful in their NOFO bid.

The technical issues raised about the NOFO required consultation with the IDHS Office of General Counsel, the Chief Accountability Officer, and staff from GATU (the unit overseeing GATA statewide). These issues were discussed during a November 5, 2018 meeting and were determined not to be substantive. Some minor formatting changes were made to the posted NOFO and the matter was considered closed.

AUDITOR COMMENTS FROM THE OFFICE OF THE AUDITOR GENERAL

Auditor Comment:

DHS had previously submitted responses to the technical issues in Exhibit 1-7 and we included those responses in the report, along with our comments to those responses.

Auditor Comment:

DHS contends that the appeal was not finalized until February 14, 2019, because of scoring issues and mental health board funding discussions. Neither of these issues were, according to DHS, something that could be appealed. As stated in the finding, the ARO finalized his decisions on January 30, 2019, and the decisions were dated January 31, 2019. Also, as stated in the finding, DHS officials discussed “Don’t know if ... is aware that [ARO] has completed his review, but wondered how this plays into the scheduling (or agenda) for a meeting with the Metro East state reps and state senators. If we move forward with the next steps, it might look like we’re pulling the rug out from under the legislators’ concerns...”

Below is OAG Exhibit 1-7 with responses to each of the questions cited.

Exhibit 1-7 INFORMATION REQUESTS FROM THE GENERAL ASSEMBLY ISC Selection Notice of Funding Opportunity			
Question/Issue	DHS Response	Auditor Information	IDHS Response to OAG
Were there any concerns about combining the smaller territories into a larger territory, like the new Area H? For example, was it considered that this may add to families' travel times to reach an ISC office?	The applicants had to submit plans for centralized office locations and ways to minimize travel for families and these plans were graded during the merit based review process.	On 11/6/19, DHS told us the winner in Region H determined in its final budget the additional sites in its proposal, which were graded, were not needed.	Information relating to the final budget for Region H would not have been known to IIDHS at the time of information requests from the GA. In addition, while ISCs were required to have an office in Area, in many cases, ISCs travel to families.
Were there instances where ISCs did not propose based on the NOFO process or uncertainties of the NOFO?	No, none of the reasons provided related to the process and/or uncertainty in the NOFO.	On 10/29/18, a letter was sent to DHS-DDD by five ISCs that did not propose, among others, that detailed technical and clarity issues with the NOFO.	The 10/29/18 letter was signed by 13 of the then-17 ISC agencies, along with representatives from trade associations. Signers included seven ISC agencies that bid. Of the signers who did not bid, the Division was aware of two planned retirements. The "technical and clarity issues" were never noted as a reason for failure to bid – and were determined to be immaterial and quickly clarified.
If bidders in the same territory were within less than 5 percent was there any special consideration/review of scores since they were so close?	Areas E, G, H, I, K and L were all decided by less than 5 percent. The Division Director reviewed the scores and proposals in totality.	We interviewed the former Director on October 17, 2019. She told us that she looked at Areas A, E, and K proposals to see which was better but did not score the proposals herself.	These statements are consistent. To "review" and "look at" are synonyms. No one represented that the Division Director "score[d]" the proposals herself.
If bidders in the same territory were within less than 1 percent was there any special consideration/review of scores since they were so close?	Areas G, H, and L were decided by less than 1 percent. A thorough quality review was conducted by the Division Director.	The former Director did not review those areas. Also, she told us she did not use the scoring parameters or look at the scores.	Similar to the above, the former Director looked at and took the time to satisfy herself of the results. It is a question of semantics—not accuracy.
Was there any consideration/weight given to providers that served a specific region?	We concluded that this would be contrary to the spirit of the merit based review process and wanted to encourage as much competition as possible.	DHS changed this view when it sought to re-NOFO Region K in that points were dedicated to an ISC that previously served the region.	IDHS's statement to the GA was accurate as to why it did not provide points for experience in the region in the original NOFO. Based on stakeholder feedback, IDHS re-considered this position and gave limited weighting to experience in the region when it re-issued a NOFO for Region K.
If a bidder did not anticipate any costs under Agency Readiness and were scored a "0," would this be addressed in the appeal process?	If an area of the budget was not applicable to the applicant, then the total points available were adjusted to not count against the applicant. The score was then calculated as a percentage of the total points available to the applicant.	Our review of the scoring shows that scores were not always adjusted.	It was IDHS's intent to make all of these adjustments and it was IDHS's understanding that it had. It believed that the information provided to the GA was accurate. The Division adjusted the scores identified by OAG and referenced in this statement. The adjustments did not affect the overall outcome.

AUDITOR COMMENTS FROM THE OFFICE OF THE AUDITOR GENERAL

Auditor Comment:

DHS asserts "technical and clarity issues were never noted as a reason for failure to bid." This does not match what ISCs told us when we asked why the ISC did not propose. Exhibit 1-5 in this report lists the reasons why ISCs did not propose.

Auditor Comment:

DHS asserts it is "semantics" between how it responded to the General Assembly and the OAG information reported in this finding. The former DD Director told us she reviewed three regions. We do not know how it is semantics to have not reviewed four other regions it identified to the General Assembly.

Recommendation 2:

IDHS should verify and document the necessity for conducting competitive grant NOFOs prior to issuing the NOFO

Department Response:

The Illinois Department of Human Services (IDHS) agrees with the recommendation that adequate planning is necessary but disagrees with the conclusion that IDHS' planning was inadequate. The Division of Developmental Disabilities followed 2 CFR 200 Section 203 (Notice of Funding Opportunities), and Section 204 (Awarding Agency Review of Merit of Proposals), and Appendix I (Notice of Funding Opportunity), and GOMB-GATU Uniform Merit Based Review Policy. With the exception of not having a specialized and finalized GATA policy, IDHS was in compliance with State statute and both GATU and federal administrative rule and GATU policies. Applicants to the ISC NOFO were afforded fair and honest consideration. There is nothing presented in this PAF that demonstrates differently. Any administrative errors made during the merit based review process or scoring process were not material and the same selections would have been made.

While IDHS agrees with the recommendation that recommendation appears to ignore the fact that a competitive solicitation process (e.g. NOFO) can be followed even when not required to be by law.

We respectfully disagree with the characterization that IDHS "took no action on the development of policies and procedures until February 2019." Action began in September of 2017, when the CAO and members of all five IDHS program divisions worked as a Committee, starting the information gathering process necessary to create Department-wide GATA policies and procedures. During the numerous working meeting sessions over the course of more than one and a half years, the Committee discovered that each of the five program divisions had vastly different organizational structures, funding streams (e.g. Federal grant programs and General Revenue Fund (GRF)); levels of knowledge, skills and abilities, and systems and processes, such that the Committee had to create individual grant process value stream maps of each Division's workflow. Additionally, the Committee workgroups documented each of the Division's different grant management processes. This was necessary to understand the numerous variables that must be accounted for when developing Department-wide process, procedures, and the overarching policies. This work then morphed and became the basis of the work that started in late 2018 and the work of the Committee continues today.

The Department is approximately 75% complete with the processes and procedures.

IDHS respectfully disagrees that the September 1, 2016 date as to when "IDHS reported that it would seek a competitive procurement for ISC services" is a reasonable date to use in discussing policies and procedures. IDHS requested exemptions from GATU on having to competitively solicit the ISCs at that time, due to the Division implementing person-centered planning changes. The Division received those exemptions and did not issue the ISC NOFO until two years later.

IDHS notes that during a conference call between the CAO, members of the IDHS General Counsel's Office, and GATU the HFS Agency Head stated that Medicaid programs are not grants and not subject to GATA. During the conference call, the CAO ask for a written determination with statutory citations to support the determination; however, none was provided by HFS.

AUDITOR COMMENTS FROM THE OFFICE OF THE AUDITOR GENERAL

Auditor Comment:

The audit finds that DHS: lacked policies, procedures and administrative rules for grantmaking; developed scoring parameters that contained deficiencies; budgeted two days for evaluation; had potential bias among the evaluation team; asked proposers to propose based on manuals and rules that were not yet developed; and delayed transition activities. These DHS actions, or inactions, would not be how we would define “adequate planning.”

Auditor Comment:

The report clearly shows, in DHS’ own words, that DHS portrayed the ISC Selection NOFO as being required by GATA. It is difficult to determine whether DHS actually knew the NOFO process was not required or if it truly believed it was required but just incorrect in its thought process in that we reviewed conflicting documentation.

Auditor Comment:

DHS contends that it worked on policies and procedures much earlier than we stated in the report. However, in this report we used DHS’ own words when it reported to us on September 16, 2019, “We identified that the Department lacked policies/procedures for grantmaking and management. In February 2019, the Department established a Grants Monitoring Steering Committee and subordinate workgroups to develop standard grant business procedures, forms, and approval levels for the grant processes.”

Auditor Comment:

We would think that adequate planning would include having policies and procedures in place when DHS announced on September 1, 2016 that the ISC services would be competitively procured. Additionally, the DHS response that it received exemptions due to person-centered planning was misleading. In FY17 and FY18, as noted in this finding, DHS requested and was granted exemptions not because of person-centered planning but due to Medicaid waiver issues.

Recommendation 3:

IDHS should conduct adequate planning in developing scoring parameters for evaluators to follow when conducting competitive grant procurements.

Department Response:

The Illinois Department of Human Services (IDHS) agrees with the recommendation that it should conduct adequate planning in developing scoring parameters for evaluators to follow when conducting competitive grant procurements. As this was the first time the merit based selection was being done, there was some uncertainty about the parameters, as would be the case for any first-time process. IDHS respectfully disagrees with OAG's conclusion that evaluators somehow were not qualified because they did not participate in previous NOFO scoring. However, we do agree that standardizing the process across all State grant making agencies and creating training and resources for evaluators would help create a more effective evaluation process.

In Fiscal Year 2017, the implementation of the Grant Accountability and Transparency Act was still in its infancy and most people had never participated in NOFO scoring, since NOFOs were new to the State. Some procedures and guidelines have evolved based on feedback provided from stakeholders and the ultimate publishing of 44 Ill. Adm. Code 7000. To respond to this evolution, it was necessary for IDHS to change the methods of conducting a merit based review to comply with updated requirements. As stated by OAG, four DDD officials worked to develop the merit based Review process, scoring tool, and parameters for scoring each question. This team included the Acting Director and the Division Chief of Staff. The team presented the results of its efforts to a larger NOFO team and the process was accepted. Ultimately, the merit based review process utilized by the Division of Developmental Disabilities in FY2020 was much more detailed than the one used in FY2017. The Division followed 44 Ill. Adm. Code 7000.350 (5) - "Evaluation by Committee. Evaluation committee members shall be determined by the State grantmaking agency, tailored to the particular grant application, as appropriate, persons with the appropriate technical expertise to ensure a comprehensive evaluation of applicants." The scorers were determined to be subject matter experts and the best qualified people available to assess the proposals. All scorers were briefed and provided with the Merit Based Scoring Parameters document used in the scoring process. They were told that the information was not to be used as a grade sheet with definitive answers. The scorers had the discretion to score based on their judgment and extensive experience. Additionally, a total of nine people scored the NOFO in groups of three that were responsible for scoring each section. Each group's score was averaged together to mitigate the effects of disparity in the scoring process. Finally, each group was given instructions to discuss any large disparity in scoring amongst the group and to reconcile differences. The people selected by the Acting Director to be evaluators, were senior staff members within the Division. Each evaluation team contained personnel with significant experience in the area they were assigned to evaluate. Many of the evaluators have served the developmentally disabled community at a local and state level in multiple capacities; others had experience conducting reviews to award state and federal contracts, extensive budgeting experience, etc. While it is true that this was the first NOFO merit based review process for the three (3) scorers of the Capacity section, it is also true that the same three have participated as evaluators in other competitive procurement processes such as RFPs, RFAs, etc. prior to the ISC NOFO. As stated previously, the NOFO process was just beginning at the State and lack of NOFO experience was not unusual—it was the reality and norm for the implementation of the new NOFO process. The agency acknowledges that policies and training for evaluators and administrators of the merit based review process would have aided in the Divisions planning and execution of this process.

IDHS partially agrees with OAG's conclusion that because each question on the scoring parameters was assigned a total possible value of 100 points, that meant IDHS did not consider any scoring element to be

AUDITOR COMMENTS FROM THE OFFICE OF THE AUDITOR GENERAL

Auditor Comment:

DHS is inaccurate, we do not question the qualifications of the evaluators, we question the development of some of the parameters that DHS asked the evaluators to follow when scoring the ISC proposals. Being the first time the evaluators were asked to conduct a merit based evaluation, we would think that DHS would want to provide completely structured criteria to the evaluators. Unfortunately, DHS did not.

any more important than another. The values of certain parameters have been changed and the Division is no longer weighting all parameters within a category equally. For the ISC NOFO IDHS did weight the three categories of scoring by their overall importance. The “Need” section was worth 20%; The “Capacity” section was worth 40%; and the “Quality of Programs” section was worth 40% of the total score. Each section contained a different number of points to be evaluated. (See chart below) The sections were assigned a multiplier and taken times the weighted percentage. The net effect being that the “Need” section was worth 540 points or 270 points per question; The “Capacity” section was worth 1080 points or 40 points per question; and the “Quality of Programs” section was worth 1080 points or 108 points per question.

										TOTAL POINTS POSSIBLE	2700		
										FINAL SCORE	0.00		
ISC NOFO Evaluation										Final Grade	0.00%		
Agency Name													
Geographic Area													
1A	2A	3A	Average Score	Need	Max Score	Score	Multiplier	RAW Score	Weight %	Max Final Score	Final Score		
0	0	0	0.00	Analysis of client needs	100	0	X 13.5 =	0.00	20.00%	270	0.00		
0	0	0	0.00	Plan for meeting those needs	100	0	X 13.5 =	0.00	20.00%	270	0.00		
					200	0	27	0.00		540	0.00		
1B	2B	3B		Capacity - Agency Qualification/Organizational Capacity	Max Score	Points	Multiplier	RAW Score	Weight %	Max Final Score	Final Score		
0	0	0	0.00	Capability to provide service by July 1, 2019	100	0	X 1 =	0.00	40.00%	40	0.00		
0	0	0	0.00	Makeup of the Board	100	0	X 1 =	0.00	40.00%	40	0.00		
0	0	0	0.00	Key personnel education	100	0	X 1 =	0.00	40.00%	40	0.00		
0	0	0	0.00	Key personnel experience	100	0	X 1 =	0.00	40.00%	40	0.00		
0	0	0	0.00	Agency years of experience specialty populations	100	0	X 1 =	0.00	40.00%	40	0.00		
0	0	0	0.00	Potential Conflicts	100	0	X 1 =	0.00	40.00%	40	0.00		
0	0	0	0.00	Budget within cost range	100	0	X 1 =	0.00	40.00%	40	0.00		
0	0	0	0.00	Salaries and Wages	100	0	X 1 =	0.00	40.00%	40	0.00		
0	0	0	0.00	Fringe Benefits	100	0	X 1 =	0.00	40.00%	40	0.00		
0	0	0	0.00	Travel	100	0	X 1 =	0.00	40.00%	40	0.00		
0	0	0	0.00	Equipment	100	0	X 1 =	0.00	40.00%	40	0.00		
0	0	0	0.00	Supplies	100	0	X 1 =	0.00	40.00%	40	0.00		
0	0	0	0.00	Contractual Services and Subawards	100	0	X 1 =	0.00	40.00%	40	0.00		
0	0	0	0.00	Consultant Services and Expenses	100	0	X 1 =	0.00	40.00%	40	0.00		
0	0	0	0.00	Construction	100	0	X 1 =	0.00	40.00%	40	0.00		
0	0	0	0.00	Occupancy - Rent and Utilities	100	0	X 1 =	0.00	40.00%	40	0.00		
0	0	0	0.00	Research and Development	100	0	X 1 =	0.00	40.00%	40	0.00		
0	0	0	0.00	Telecommunications	100	0	X 1 =	0.00	40.00%	40	0.00		
0	0	0	0.00	Training and Education	100	0	X 1 =	0.00	40.00%	40	0.00		
0	0	0	0.00	Direct Administrative Costs	100	0	X 1 =	0.00	40.00%	40	0.00		
0	0	0	0.00	Other or Miscellaneous Costs	100	0	X 1 =	0.00	40.00%	40	0.00		
0	0	0	0.00	Grant Exclusive Line Items (ISSA Budget)	100	0	X 1 =	0.00	40.00%	40	0.00		
0	0	0	0.00	Indirect Cost	100	0	X 1 =	0.00	40.00%	40	0.00		
0	0	0	0.00	Centralized Operating Sites	100	0	X 1 =	0.00	40.00%	40	0.00		
0	0	0	0.00	ADA accessible sites	100	0	X 1 =	0.00	40.00%	40	0.00		
0	0	0	0.00	IT System Capabilities	100	0	X 1 =	0.00	40.00%	40	0.00		
0	0	0	0.00	Agency Qualifications#6	100	0	X 1 =	0.00	40.00%	40	0.00		
					2700	0		0.00		1080	0.00		
1C	2C	3C		Quality of Program/Services	Max Score	Points	Multiplier	RAW Score	Weight %	Max Final Score	Final Score		
0	0	0	0.00	Conducting annual PUNs updates	100	0	X 2.7 =	0.00	40.00%	108	0.00		
0	0	0	0.00	Updating Discovery Tools and Personal Plans	100	0	X 2.7 =	0.00	40.00%	108	0.00		
0	0	0	0.00	Ensuring continued eligibility of Medicaid Benefits	100	0	X 2.7 =	0.00	40.00%	108	0.00		
0	0	0	0.00	Conducting waiver programmatic eligibility redeterminations	100	0	X 2.7 =	0.00	40.00%	108	0.00		
0	0	0	0.00	Conducting monitoring visits	100	0	X 2.7 =	0.00	40.00%	108	0.00		
0	0	0	0.00	Initial clinical eligibility determinations	100	0	X 2.7 =	0.00	40.00%	108	0.00		
0	0	0	0.00	Staffing Strategy	100	0	X 2.7 =	0.00	40.00%	108	0.00		
0	0	0	0.00	Staff to client ratio	100	0	X 2.7 =	0.00	40.00%	108	0.00		
0	0	0	0.00	Training programs	100	0	X 2.7 =	0.00	40.00%	108	0.00		
0	0	0	0.00	Bilingual or Translator	100	0	X 2.7 =	0.00	40.00%	108	0.00		
					1000	0		0.00		1080	0.00		

AUDITOR COMMENTS FROM THE OFFICE OF THE AUDITOR GENERAL

Auditor Comment:

DHS partially disagreed with our conclusion that because all scoring elements were valued at 100 points, DHS did not consider any scoring element to be any more important than another. Our conclusion is based on the scoring document developed by DHS, which listed each scoring element at a value of 100 points.

Inaccurate assignment of scores

IDHS respectfully disagrees that the characterization of not allowing scoring parameters below 60 points is a “deficiency”. IDHS does agree that this is a best practice and has already implemented a 0 to 100 scale on subsequent NOFO’s. However, the agency emphasizes that this did not affect the ultimate outcome it did create an appearance of scoring outcomes being closer than they really were.

Please see the response to Exhibit 2-X - **SCORING PARAMETER DEFICIENCIES – CAPACITY SECTION** below:

Grant Exclusive Line Item - Gave no guidance for evaluators on how to assign scores.

Department Response: IDHS partially agrees with OAG’s finding in this area. Listed below is the information included in the scoring parameters.

Grant Exclusive Line Item

Costs directly related to the service or activity of the program that is an integral line item for budgetary purposes. To use this budgetary line item, an applicant must have Program approval. (Please cite reference per statute for unique costs directly related to the service or activity of the program).

INCLUDE ISSA BUDGET IN THIS AREA.

Additionally, IDHS provided guidance and answered several questions on this topic on their website prior to the proposals being submitted as part of the “Question and Answer” forum.

<http://www.dhs.state.il.us/page.aspx?item=114764>

See examples below:

14. Detailed reporting such as travel expense per employee is a labor-intensive process-if this is done under ISSA that is FFS, so why does it matter?

- *ISSA services will be submitted in the Grant Exclusive Line of the budget submission. This will be calculated to include the total cost of providing this service including travel and an average hourly rate will be calculated. Expenditure reporting for ISSA services will be based on this hourly rate and will not require a breakdown below this level unless required by audit.*

25. In Question 14 the answer states that ISSA services will be submitted in the Grant Exclusive Line of the budget. Does this mean ALL ISSA costs will be encapsulated in this one section, i.e. Salaries, fringes, telephone, supplies, travel etc.? If so, are we required to list out the line item costs in this section?

- *Everything should be included in an hourly rate. Detailed line item costs are not required.*

27. What is the formula used to determine ISSA payments by service area?

- *We are asking the applicants to submit bid(s)/proposal(s) on what price they are willing to provide the required ISSA services for based on the total number of people that are eligible to receive services in each area. The NOFO process is a competitive bidding process and bid(s)/proposal(s) should reflect a business decision by the applicant of what price they are willing to provide the required services for within the funding constraints provided.*

57. Based on the answer to FAQ#25 are we to assume that deliverable #25 applies only to PUNS, PAS, Bogard, ISC and not ISSA?

- *No, ISSA costs will be reported with deliverable #25 as well. However, they will be reported as an hourly cost that is all inclusive. For instance, Name/SSN/RIN of the Individual receiving the ISSA services, date the services were provided, staff providing the service, and number of service hours provided.*

AUDITOR COMMENTS FROM THE OFFICE OF THE AUDITOR GENERAL

NO AUDITOR COMMENTS ON THIS PAGE

Research and Development - Gave no guidance for evaluators on how to assign scores.

Department Response: IDHS partially agrees with OAG's finding in this area. Listed below is the information included in the scoring parameters.

18. Research & Development

All research activities, both basic and applied, and all development activities that are performed by non-Federal entities directed toward the production of useful materials, devices, systems, or methods, including design and development of prototypes and processes. Provide a description of the research and development project and an estimate of the costs. Consult with the program office before budgeting funds in this category.

NOTE: None of the proposals submitted included data on this element. All of the applicants listed this section as Not Applicable.

Travel - Parameters listed four ideal characteristics but the point distribution listed points for up to six characteristics.

Department Response: IDHS recognizes that the scoring parameters did not match the point distribution. However, all providers were evaluated using the same criteria. The subsequent scoring shows all providers were equally impacted and scored lower based on this, with the average score for this criterion being 67.

Contractual Services and Subawards - One of the ideal characteristics would not be applicable if the proposer did not have a sole source contractor in excess of \$150,000. Yet the point distribution negatively impacts the proposer for not having the sole source.

Department Response: Reviewing the scores and the notes indicates that no scores were lowered for the criterion. If an agency was scored lower, it was based on not meeting the other criterion.

Key Personnel - Scoring parameters list three specific positions for evaluators to score. However, the NOFO does not indicate to proposers which positions to include for these points.

Department Response:

The NOFO states "Provide your agency's organizational chart and highlight key personnel and their educational background and qualifications including years of experience serving specialized populations."

The scoring parameters are listed below and targeted three positions. Since all agencies do not use the same job titles, it was necessary for evaluators to use their experience to evaluate if other job titles should be evaluated within one of these classifications.

NOTE: OAG incorrectly scored this section in their evaluation. Proposals that did not list a specific position were given a score of zero (0) points. However, the lowest potential score possible was 60 points.

The ideal experience of key personnel includes a combination of experience and education of the Executive Director, Director of Programs, and Chief Fiscal Officer.

Evaluate each individual's education and qualifications separately and average the three scores together.

EDUCATION:

- A or 100 points = PHD or MD
- B or 90 points = Master's degree
- C or 80 points = BS or BA
- D or 70 points = AS or AA

AUDITOR COMMENTS FROM THE OFFICE OF THE AUDITOR GENERAL

Auditor Comment:

One proposer, Prairieland, was the only proposer to not list actual individuals for the Key Personnel criteria. Other proposers, even those new to a Region, still complied with the NOFO and listed actual individuals for DHS evaluators to consider in scoring. Based on the DHS response, it rewarded Prairieland for not complying with the NOFO. Auditors scored the proposals correctly and consistently and did not award a proposer for not complying with the NOFO.

F or 60 points = No degree

EXPERIENCE:

A or 100 points = 21 or more years

B or 90 points = 16-20 years

C or 80 points = 11-15 years

D or 70 points = 6-10 years

F or 60 points = 5 years or less

6. **Supplies** - Two of the ideal characteristics related to training materials and another to “other” expendable items. If the ISC did not propose either of these the point distribution negatively impacted the ISC for not having these types of costs

Department Response: All providers were scored using the same criterion and points system. Review of the scoring for all ISC agencies shows that all agencies scored comparably in the category.

Recommendation 4:

IDHS should complete the rulemaking process for the grant making process.

Department Response:

The Illinois Department of Human Services (IDHS) agrees with the recommendation that the Department should complete the rulemaking process for the grant making process. The Department respectfully disagrees with Illinois Auditor General’s (OAG) conclusion that failure to adopt administrative rules prior to the issuance of the Independent Service Coordination (ISC) Notice of Funding Opportunity (NOFO) had a material effect on the NOFO, the merit based review process, or “resulted in some ISCs closing its doors.”

While the OAG is correct that the requirement is to “adopt GATA rules by incorporation and add program-specific requirements and exemptions/exceptions as necessary based on the statutory requirements,” failure to adopt such rules had no effect on the NOFO process or merit based review. When no program-specific requirements, exemptions or exceptions apply to a program then the federal rules and GATA apply, which is exactly what was believed at the time of the ISC NOFO, regardless of whether IDHS had its own separate rulemaking. In other words, whether IDHS had adopted rules at the time of the NOFO had no effect on the NOFO because such IDHS rules would have been exactly the same as what IDHS did. IDHS followed the existing GATA policies and federal rules. The ISC NOFO provided that “[t]he Department will follow the merit based review process established by the Governor’s Office of Management and Budget (GOMB) Award Administration Information.” This policy references the administrative procedures established at 44 Ill. Admin. Code 7000.350. Thus, although a specific IDHS rule was not in place, the existing federal and state rules were followed.

We also disagree that the process “resulted in some ISCs closing its doors.” The fact that some ISCs closed was a direct result of the Department’s decision to consolidate the number of regions (some of which were a single, smaller-population county) from 17 to 12. It was inevitable that some of the ISCs would close with this reduction.

The GATU rules adopted in 2015, particularly as they went to State Agency Responsibilities and State Agency Implementation, merely and almost exclusively repeated what was in the GATA statute. It was the subsequent and amended GATU rules, adopted in October 2018, that made significant substantive

AUDITOR COMMENTS FROM THE OFFICE OF THE AUDITOR GENERAL

Auditor Comment:

DHS is inaccurate stating we concluded that ISCs closed due to not having administrative rules. We simply point out that while it took DHS 839 days to adopt rules, DHS conducted a multi-million dollar grant procurement and once the process was completed, some ISCs did close its doors.

Auditor Comment:

DHS states it believed at the time of the NOFO that GATA applied. In FY17 and FY18, as noted in this report, DHS requested and was granted exemptions to competitively procuring ISC services due to Medicaid waiver issues.

additions. IDHS agrees and understands that it missed the initial deadline to issue rules, incorporating GATU's rules by reference. However, it was well-reasoned for IDHS to wait until those more-substantive October 2018 rules—going beyond the statutory language—were in place before adopting its own rules. In the interim, IDHS followed the federal rules, GATA, and GATU policies when it issued a NOFO—just as it did for the ISC NOFO. As stated above, in the absence of program-specific requirements or an exception, even if IDHS rules had been in place, they simply would have been to follow the GATU and federal rules, which is what happened.

As a matter of update, the Department's Chief Accountability Officer and General Counsel's Office, Bureau of Policy and Administrative Rules personnel are actively working to finalize rulemaking—currently on First Notice with JCAR. There are no substantive changes in the IDHS rule from that of GATU. The Department's GATA Rules were scheduled for JCAR meeting on 2/18/2020 (Springfield); however, JCAR deferred the rules until the Meeting scheduled for 3/18/2020. JCAR announced that there are no objections on record for the Department's GATA Rules. All of that being said, as cited by the OAG in its audit report: *“At the time the NOFO was issued, IDHS believed that it was subject to GATA's NOFO requirements. Under the new Administration, in April 2019, IDHS ultimately determined, in consultation with HFS and GATU, that the NOFO was covered by the Medicaid exemption (e.g. 30 ILCS 798/45 (e) (1) (E)) and had not been subject to (i.e. was not required to comply with) GATA's NOFO requirements beyond...public notice requirements.”* Thus, in hindsight, the NOFO provisions of GATA (including any GATU or ultimate IDHS rulemaking) did not need to be—but certainly were permitted to be—applied to the ISC NOFO.

Recommendation 5:

IDHS should complete its process of developing policies and procedures for grantmaking and management to ensure that the competitive selections are fair and transparent.

Department Response:

The Illinois Department of Human Services (IDHS) agrees with the Illinois Auditor General (OAG) recommendation to complete development of our grant policies and procedures; however, we disagree that it was not compliant in following all policy in conducting the Independent Service Coordination (ISC) Selection Notice of Funding Opportunity (NOFO). While the Department's GATA policies were still under development, the Division of Developmental Disabilities (DDD) followed 2 CFR 200 Section 203 (Notice of Funding Opportunities), and Section 204 Awarding Agency Review of Merit of Proposals, and Appendix I (Notice of Funding Opportunity), and GOMB-GATU Uniform Merit Based Review Policy. With the exception of not having a specialized and finalized GATA policy, IDHS was in compliance with statutes, GATU rules and policies, and the federal administrative rules. Applicants to the ISC NOFO were afforded fair and honest consideration. While administrative errors were made during the merit based review process, they were not material. Furthermore, had the administrative mistakes not been made, the scoring and selections would have been the same.

IDHS was aware of the requirement cited by the OAG regarding rule adoption, in the 44 Ill. Admin. Code 7000.210(a). According to that requirement, IDHS was to adopt rules “on or before July 1, 2017.” However, the initial rules promulgated by GATU lacked the specificity required to implement GATA, which is understandable given the complexity of GATA and all of its requirements. A complete set of rules were promulgated in October 5, 2018 (after issuance of the ISC NOFO). After the State rules were promulgated, IDHS developed rules to adopt and submitted its rules to JCAR on June 27, 2019.

AUDITOR COMMENTS FROM THE OFFICE OF THE AUDITOR GENERAL

Auditor Comment:

DHS may have not made the administrative mistakes during this grant process if it had taken time to develop policies and procedures prior to putting out the NOFO for ISC services.

We disagree with the characterization that IDHS “took no action on the development of policies and procedures until February 2019.” The CAO and members of all five IDHS program divisions took action beginning in September 2017 by forming a Committee to start the information gathering process necessary to create Department-wide GATA policies and procedures. During the numerous working meeting sessions over the course of more than one and a half years, the Committee discovered that each of the five program divisions had vastly different organizational structures, funding streams (e.g. Federal grant programs and General Revenue Fund (GRF)); levels of knowledge, skills and abilities, and systems and processes, such that the Committee had to create individual grant process value stream maps of each division’s workflow. Additionally, the Committee workgroups documented each of the Division’s different grant management processes. This was necessary to understand the numerous variables that must be accounted for when developing Department-wide processes, procedures, and the overarching policies. This work morphed and became the basis of the work that started in late 2018. The work of the Committee continues today.

The Department is approximately 75% complete with the processes and procedures. The policies associated with the process and procedures are as follows:

Grantee Compliance Enforcement Policy:	Completed and Executed
Grants Payment Policies:	Completed and with General Counsel for review prior to issuance
General Grants Management Policies:	Work in progress. Main outline is completed. Completion is pending completion of the Committee workgroup development of processes and procedures.

IDHS respectfully disagrees that the September 1, 2016, date as to when “DHS reported that it would seek a competitive procurement for ISC services” is a reasonable date to use in discussing policies and procedures. IDHS requested exemptions from GATU to NOFO the ISCs at that time, due to the DDD’s implementing person-centered planning changes. The Division received those exemptions and did not issue the ISC NOFO until two years later.

Recommendation 6:

DHS should take steps during the process for selecting evaluation team members to ensure that the members have sufficient time to conduct the evaluations. Additionally, DHS should ensure that individuals with a real or perceived bias do not serve as evaluators on competitive grant procurements.

Department Response:

The Illinois Department of Human Services (IDHS) agrees with the recommendation that in selecting evaluation team members, it should take steps to ensure that members have sufficient time to conduct the evaluations and that policies, resources, and training be developed to facilitate a better evaluation process.

IDHS respectfully disagrees with the OAG’s assertion that IDHS “conducted zero evaluation team meetings prior to handing out the proposals for scoring.” IDHS conducted eleven weekly ISC NOFO planning meetings between September 21, 2018 and November 29, 2018 that included members of the evaluation team. These meetings included briefings and discussions about how the proposals would be prepared, the evaluation tool that was to be used, and the parameters for evaluation, etc. However, more in depth examples and skill testing could have further aided evaluators in the conduct of their evaluation duties.

AUDITOR COMMENTS FROM THE OFFICE OF THE AUDITOR GENERAL

Auditor Comment:

DHS contends that it worked on policies and procedures much earlier than we stated in the report. However, in this report we used DHS' own words when it reported to us on September 16, 2019, "We identified that the Department lacked policies/procedures for grant making and management. In February 2019, the Department established a Grants Monitoring Steering Committee and subordinate workgroups to develop standard grant business procedures, forms, and approval levels for the grant processes."

Auditor Comment:

We would think that adequate planning would include having policies and procedures in place when DHS announced on September 1, 2016 that the ISC services would be competitively procured. Additionally, the DHS response that it received exemptions due to person-centered planning was misleading. In FY17 and FY18, as noted in this finding, DHS requested and was granted exemptions not because of person-centered planning but due to Medicaid waiver issues.

Auditor Comment:

It is not our assertion that DHS conducted zero evaluation team meetings prior to handing out proposals to be evaluated, it is a matter of fact. Conducting planning meetings that include some but not all evaluators seems problematic since this was the first evaluation of a NOFO for all the evaluators.

IDHS partially agrees with OAG's conclusion that more time should have been allotted to complete the evaluation. However, the Division of Developmental Disabilities (DDD) did understand that the evaluation process would require a significant amount of time. The Division addressed this issue by dividing the evaluation process into sections to allow three evaluation teams to work simultaneously. Additionally, the Division set aside two full days for senior staff to dedicate exclusively to the review of proposals and to the completion of evaluation packets.

After receiving the submitted proposals and prior to substantive evaluation, other personnel were assigned the following:

1. Pre-screen the packets for completeness by ensuring the entity registered and pre-qualified through the Grant Accountability and Transparency Act (GATA) website, www.grants.illinois.gov;
2. Verify entity was not federally debarred and/or suspended
3. Verify entity was not listed on the Illinois Stop Payment List
4. Verify as part of the pre-qualification process, that a financial and administrative risk assessment was completed, utilizing the Internal Controls Questionnaire. Was a programmatic risk assessment completed?
5. Copies of each proposal were made and included in scoring packets for each group
 6. Scoresheets and parameters were pre-printed with the entity name and scorers coded identification code for each evaluator's packet.

This pre-screening and preparation process enabled evaluators to focus on just the evaluation process and decreased the amount of time required to complete their review.

At the end of the full, two-day period allotted for evaluation, only one group (the "Need" evaluation team) completed their review and evaluation of the proposals. The "Need" section did not have as much information to review and was worth half of the points of the other two sections. The Capacity and Quality of Programs evaluation teams needed additional time to complete their reviews and both were provided with the additional time to complete a thorough evaluation. After the Quality of Programs evaluation team completed their formal review, they asked for and were granted extra time to ensure that their notes were more detailed.

IDHS respectfully disagrees with the OAG's assertion that evaluators were or could have been perceived as biased. The question under the GATU Administrative Rules is whether an evaluator has a conflict of interest, not is biased. Under both the GATU Administrative Rules and conflict of interest guidance, knowledge of a subject matter area and of an entity's past performance are not conflicts of interest. In fact, in a separate finding, the OAG argues that past performance should be a factor in evaluation. Under the GATU Administrative Rules, a conflict of interest involves having submitted an application on behalf of or having represented an entity: Except when required by statute, evaluation committee members must neither have submitted an application nor represent an entity that has submitted an application for the grant program during the grant cycle under review.

44 Ill. Adm. Code 7000.350(e)(5)(a)(i). Similarly, GATU's Confidentiality Agreement and Conflict of Interest Disclosure Form (<https://www2.illinois.gov/sites/GATA/Documents/Resource%20Library/Confidentiality%20Agreement%20and%20Conflict%20of%20Interest%20Disclosure%20Grant%20Evaluation.pdf>) provides potential examples of conflicts, all of which go toward the evaluators or a household member having a financial or fiduciary interest in an applicant or having a close, personal relationship with an applicant. None of that goes towards having knowledge of an applicant as an incumbent provider. In fact, under the GATU Administrative Rules, evaluation teams are to include "persons with the appropriate technical expertise to ensure a comprehensive evaluation of applicants." 44 Ill. Adm. Code 7000.350(e)(5). Likewise, GATU's

AUDITOR COMMENTS FROM THE OFFICE OF THE AUDITOR GENERAL

Auditor Comment:

The proposers submitted 22 total proposals comprised of 2,198 total pages and were evaluated using a total of 39 scoring elements. We believe two days was not adequate time for the evaluation process.

Auditor Comment:

The idea of bias was not developed by auditors, it was stated by an upper management official from the Division of Developmental of Disabilities, an official that served on the evaluation team. Additionally, DHS' response says we confuse conflict of interest with bias. As stated in administrative rules, and this finding, the integrity of the process needs to be ensured by the agency head. Surely bias towards potential proposers would be instrumental to the "integrity" of the evaluation process.

Confidentiality Agreement and Conflict of Interest Disclosure Form refers to this being a “subject matter expertise grant evaluation” (i.e. not surprisingly, evaluators are to know the subject matter). The contention—agreed to by the OAG—that “evaluation team members should not be embedded in the program or division and should not have specific input or knowledge of the providers” (1) is contrary to GATU’s Administrative Rules, encouraging “persons with the appropriate technical expertise” and to GATU calling this a “subject matter expertise grant evaluation[,]” (2) is not consistent with GATU’s Administrative Rules or guidance on conflicts of interest which goes to having a financial or fiduciary interest in an applicant or having a close, personal relationship with an applicant, and (3) goes against the OAG’s contention that knowledge of past performance should have been part of the evaluation. Two evaluation team members speculated in emails dated October 30, 2017 that their knowledge of the ISCs and the ISC process might create bias—but their speculation was prior to GATU issuing updated Administrative Rules and guidance on the issue. In fact, such technical expertise is explicitly encouraged under the GATU Administrative Rules and is not listed amongst potential conflicts by GATU.

The members of the evaluation teams were picked because of their expertise and were all senior staff members within the Department. While bias is not a specific concern, thoughtfulness in the selection process was demonstrated in that one staff member that did not feel comfortable being an evaluator and requested removal from the evaluation team which was granted. At any point, if other evaluators felt they could not be unbiased or had a conflict of interest (as the OAG notes, all completed the conflict of interest disclosure form), they could have asked to be recused. None of the other evaluators expressed any such concerns at the time of evaluation.

Recommendation 7:

IDHS should ensure that all applicable procedural manuals and rules are complete and up to date before conducting competitive grant procurements.

Department Response:

The Illinois Department of Human Services (IDHS) agrees with the recommendation that it should ensure all applicable procedural manuals and rules are complete and up to date before conducting competitive grant procurements but disagrees that it failed to provide complete and up to date guidance to the ISCs during the ISC NOFO process.

The ISC Manual is a compilation of all ISC activities and responsibilities, most of which the ISCs were already performing (i.e. Person-Centered Planning, PAS, and PUNS) prior to September 2018. Previously, information on ISC activities and responsibilities was contained in several documents. A primary reason for developing the ISC Manual was to have all guidance for the ISCs in one place. Its existence as a single document was neither necessary for nor did it affect the NOFO process.

Similarly, the ISCs were provided with guidance on the person-centered planning process. Multiple trainings were conducted statewide throughout FY2017 to ensure ISCs were aware of the conflict-free case management requirements and their responsibility to conduct the personal plan process. Although IDHS agrees the CILA Rule had not been updated to reflect that residential providers could no longer be responsible for the personal plans, it disagrees that the ISCs were unaware of or unfamiliar with these changes.

ISC Executive Directors met quarterly with Division management prior to and throughout the NOFO process. These meetings were used to provide updates to the ISCs and address concerns. As sections of the

AUDITOR COMMENTS FROM THE OFFICE OF THE AUDITOR GENERAL

Auditor Comment:

DHS disagrees that it failed to provide complete and up to date guidance to the ISCs during the ISC NOFO process. As shown in the finding that position is blatantly incorrect. The ISC Manual and CILA Rule were not updated during the NOFO process, a violation of the Illinois Administrative Code.

ISC Manual were drafted, copies were provided to the ISCs. The ISC Manual in its final form reflects input from the ISCs.

As a final note, the Program Manual is available on the IDHS website and is updated each fiscal year. The ISC Manual, overall, is new to the DD system as of July 2019.

Recommendation 8:

IDHS should better follow its own transition plan, both in time and activities, for changes or transitions in any system it maintains. IDHS should ensure that it maintains all applicable data needed for any transition. Additionally, when IDHS seeks outside resources to assist with change, it should allow enough time to receive and consider any feedback it receives.

Department Response:

The Illinois Department of Human Services (IDHS) agrees with the recommendations that it should follow its own transition plan, both in time and activities, for changes or transitions in any system it maintains. IDHS agrees it should ensure that it maintains all applicable data needed for any transition. IDHS agrees that when IDHS seeks outside resources to assist with change, it should allow enough time to receive and consider any feedback it receives.

The Department respectfully disagrees with the Office of Auditor General’s findings regarding the “soundness” of the ISC transition plan. A “transition timeline” was prepared in advance and circulated internally in early January 2019. That timeline called for occurrences such as:

January 22-March 30, 2019 – Bi-weekly transition meetings for successor ISCs (for those where budget negotiations are not necessary)

January 22, 2019 – Notice to Families

Letter to Families whose ISC has changed

Letter to Families whose ISC has not changed

February 2-March 30, 2019 – Bi-Weekly Transition Meetings for Successor ISCs (for those where budget negotiations are necessary)

At the time this transition timeline was prepared, the Department did not know that GATA appeals, legislative inquiries, or litigation in two separate court systems would ensue. These events necessitated adjustments to the timeline before it was published on the website.

The Department maintains that its initial transition timeline was more than adequate, as demonstrated by the successful ISC implementation on July 1, 2019, with little to no disruption to families. ISC agencies continued to operate and/or successfully transitioned, regardless of the timeline adjustments necessary to address the uncertainty arising from the appeals, inquiries, and litigation noted above. During the two-week period after the ARO made his initial appeal determination, the Department conducted a thorough review of concerns brought to its attention by members of the General Assembly before finalizing that appeal determination. The results of this review were communicated to those same members, the ARO finalized his determination, and the Department proceeded with notifying the affected ISC agencies of the decision on their appeals.

AUDITOR COMMENTS FROM THE OFFICE OF THE AUDITOR GENERAL

Auditor Comment:

We would point out that DHS, not the auditors, described the transition as “sound.” DHS states that GATA appeals, legislative inquiries, and litigation necessitated adjustments to the timeline. We would suggest that the time lags at DHS, such as the two weeks between proposal submission and evaluation or the month between evaluation and award announcement, had an effect on the transition timeline.

As to letters to be sent by the incumbent ISCs, (1) the ISCs were contractually required to facilitate and participate in the transition to succeeding providers—although some declined to cooperate in transitioning their clients and had to be legally reminded of their contractual obligations--and (2) as the OAG notes, IDHS offered to cover postage or, if provided the contact information, to send the notices, itself.

Transition meetings between Department staff and ISC agencies were part of the initial transition plan. Negative statements about the Transition Meetings were in large part from disappointed ISC applicants who continue to sue IDHS in federal court. An additional layer of transition meetings was implemented in late spring of 2019.

As pointed out in the Auditor's Report, this group (ITAC) was only able to convene twice and made preliminary recommendations to the Department a few days before the July 1 implementation date. These recommendations were helpful and inform the Corrective Action Plan for this finding.

Recommendation 9:

IDHS should follow all requirements in the administrative rules when conducting a competitive grant procurement process.

Department Response:

The Illinois Department of Human Services (IDHS) agrees with the recommendation that it should follow all requirements in the administrative rules when conducting a Notice of Funding Opportunity (NOFO) or other competitive grant solicitation. With the possible exception of an award needing to be made pursuant to a written determination, this finding is duplicative of and responded to in other findings (e.g. findings 4, 6, 10, 11, 12, and 13).

As to the requirement for a written determination, that written determination was the evaluation scoring. The previous DD Director ultimately deferred to the evaluation scoring and that was the written determination of the successful applicants. There was no role of the previous Secretary (i.e., he did not have to approve the award)—either in the NOFO, itself, or statute and rule—in the process.

Recommendation 10:

IDHS should determine what constitutes a significant difference in scoring and maintain documentation of discussion of scoring differences among evaluators to provide evidence that the scoring process detailed in the Notice of Funding Opportunity was followed.

Department Response:

The Illinois Department of Human Services (IDHS) agrees with the recommendation that it should determine what constitutes a significant difference in scoring and maintain documentation of discussion of scoring differences among evaluators to provide evidence that the scoring process detailed in the Notice of Funding Opportunity (NOFO) was followed. However, IDHS contends that difference between one evaluator giving a 70 and another evaluator giving a 90 on an application, or one evaluator giving an 80 and another evaluator giving a 100 on an application is not outlier scoring.

It appears that OAG is focusing on two main issues:

1. Lack of meeting minutes and documentation of discussions about scoring variances.

AUDITOR COMMENTS FROM THE OFFICE OF THE AUDITOR GENERAL

Auditor Comment:

As stated in the finding, while it is true that auditors determined the 20 point difference, we did so because DHS had not made such a determination. That 20 point difference was a significant variance to us since the range of scores could only be 40 total points based on the parameters developed by DHS. Without some measure of significant difference it would be impossible to determine whether DHS was in compliance with the administrative rules.

2. Scoring discrepancies

These and several other issues raised are addressed below:

1. Lack of meeting minutes and documentation of discussions about scoring variances:

44 Ill. Adm. Code 7000.350 does not require that meeting minutes be kept. However, it does require that “any significant or substantial variance among evaluator scores shall be reviewed and documented along with any resulting revision of individual scores.” IDHS agrees with OAG’s conclusion in that the notes kept by evaluators should be more detailed and that policies and training for evaluators would help to standardize the merit based review process and aid in identifying specific expectations of evaluators. However, IDHS did document the final score recorded by each scorer. The final scores were averaged to minimize the effects of differences in scoring. The NOFO stated, “Each application will first be scored individually. Then, review team members will collectively review the application, their scores, and comments to ensure review team members have not missed items within the application that other review team members identified. Application highlights and concerns will be discussed.” As OAG stated previously, seven of the eight evaluators that were interviewed reported discussions about the scoring and variances. While the OAG noted that only one of the evaluators did not “remember” discussions, seven other evaluators did remember having discussions. In fact, see documentation supporting the Department’s position that it did follow 44 Ill. Adm. Code 7000.350(e)(6)(D), which requires that any significant or substantial variance among evaluator scores shall be reviewed and documented, along with any resulting revision of individual scores.

—NOTE SHEET—

X iflog for discussion comparing

Region G: Prairieland Service Coordination, Inc.

Provided statistics on demographics
talks about needs that doesn't
really address how they'll be met

TALK OVER WITH GROUP.

THINK PRAIRIELAND DID BETTER
AT ANALYSIS OF CLIENT NEEDS

AUDITOR COMMENTS FROM THE OFFICE OF THE AUDITOR GENERAL

NO AUDITOR COMMENTS ON THIS PAGE

Also, in the “needs analysis” group, evaluators stated that none of their discussions were substantive nor were there any significant differences of opinion that needed to be resolved. The fact that some of these discussions were not fully documented is not indicative of a flaw in the process.

As stated, above, IDHS respectfully disagrees that what the OAG has recorded amounts to outlier scoring. Additionally, as stated previously, if this was an entirely objective, scientific process--without nuance, individual analysis, and reasonable, potential differences of opinion--then you would not need an evaluation team, but only check boxes. However, as reflected in the many reasonable differences in scoring amongst the panel members (i.e. you cannot reasonably expect panel members to give the exact same scores to submissions across the board) and in the OAG’s own open-ended language (“appears to contain”), throughout its analysis, the review of NOFO applications is not scientific or simply a check box exercise. IDHS would respectfully contend that it is not for the OAG, the Appeal Review Officer, the DDD Director, a Court, or anyone else, to try to substitute their judgment for that of evaluation team members. In fact, for the ARO and the Court (and, arguably, for the OAG in assessing the appeal), under the GATU Administrative Rules on appeals, they are explicitly prohibited from challenging the scoring.

IDHS respectfully disagrees with the OAG’s characterization that the “Capacity section” was weighted more than the other sections. IDHS weighted the three categories of scoring by their overall importance. The “Need” section was worth 20%; The “Capacity” section was worth 40%; and the “Quality of Programs” section was worth 40% of the total score.

Each section contained a different number of points to be evaluated. (See chart below)

The sections were assigned a multiplier and a weighted percentage. The net effect being that the “Need” section was worth 540 points or 270 points per question; The “Capacity” section was worth 1080 points or 40 points per question; and the “Quality of Programs” section was worth 1080 points or 108 points per question.

					TOTAL POINTS POSSIBLE		2700					
					FINAL SCORE		0.00					
					Final Grade		0.00%					
ISC NOFO Evaluation												
Agency Name												
Geographic Area												
1A	2A	3A	Average Score	Need	Max Score	Score	Multiplier	RAW Score	Weight%	Max Final Score	Final Score	
0	0	0	0.00	Analysis of client needs	100	0	X 13.5	-	0.00	20.00%	270	0.00
0	0	0	0.00	Plan for meeting those needs	100	0	X 13.5	-	0.00	20.00%	270	0.00
					200	0	27		0.00		540	0.00
1B	2B	3B	Average Score	Capacity - Agency Qualification/Organizational Capacity	Max Score	Points	Multiplier	RAW Score	Weight%	Max Final Score	Final Score	
0	0	0	0.00	Capability to provide service by July 1, 2019	100	0	X 1	-	0.00	40.00%	40	0.00
0	0	0	0.00	Makeup of the Board	100	0	X 1	-	0.00	40.00%	40	0.00
0	0	0	0.00	Key personnel education	100	0	X 1	-	0.00	40.00%	40	0.00
0	0	0	0.00	Key personnel experience	100	0	X 1	-	0.00	40.00%	40	0.00
0	0	0	0.00	Agency years of experience specialty populations	100	0	X 1	-	0.00	40.00%	40	0.00
0	0	0	0.00	Potential Conflicts	100	0	X 1	-	0.00	40.00%	40	0.00
0	0	0	0.00	Budget within cost range	100	0	X 1	-	0.00	40.00%	40	0.00
0	0	0	0.00	Salaries and Wages	100	0	X 1	-	0.00	40.00%	40	0.00
0	0	0	0.00	Fringe Benefits	100	0	X 1	-	0.00	40.00%	40	0.00
0	0	0	0.00	Travel	100	0	X 1	-	0.00	40.00%	40	0.00
0	0	0	0.00	Equipment	100	0	X 1	-	0.00	40.00%	40	0.00
0	0	0	0.00	Supplies	100	0	X 1	-	0.00	40.00%	40	0.00
0	0	0	0.00	Contractual Services and Subawards	100	0	X 1	-	0.00	40.00%	40	0.00
0	0	0	0.00	Consultant Services and Expense	100	0	X 1	-	0.00	40.00%	40	0.00
0	0	0	0.00	Construction	100	0	X 1	-	0.00	40.00%	40	0.00
0	0	0	0.00	Occupancy - Rent and Utilities	100	0	X 1	-	0.00	40.00%	40	0.00
0	0	0	0.00	Research and Development	100	0	X 1	-	0.00	40.00%	40	0.00
0	0	0	0.00	Telecommunications	100	0	X 1	-	0.00	40.00%	40	0.00
0	0	0	0.00	Training and Education	100	0	X 1	-	0.00	40.00%	40	0.00
0	0	0	0.00	Direct Administrative Costs	100	0	X 1	-	0.00	40.00%	40	0.00
0	0	0	0.00	Other or Miscellaneous Costs	100	0	X 1	-	0.00	40.00%	40	0.00
0	0	0	0.00	Grant Exclusive Line Items (ISSA Budget)	100	0	X 1	-	0.00	40.00%	40	0.00
0	0	0	0.00	Indirect Cost	100	0	X 1	-	0.00	40.00%	40	0.00
0	0	0	0.00	Centralized Operating Sites	100	0	X 1	-	0.00	40.00%	40	0.00
0	0	0	0.00	ADA accessible sites	100	0	X 1	-	0.00	40.00%	40	0.00
0	0	0	0.00	IT System Capabilities	100	0	X 1	-	0.00	40.00%	40	0.00
0	0	0	0.00	Agency Qualifications #6	100	0	X 1	-	0.00	40.00%	40	0.00
					2700	0			0.00		1080	0.00
1C	2C	3C	Average Score	Quality of Program/Services	Max Score	Points	Multiplier	RAW Score	Weight%	Max Final Score	Final Score	
0	0	0	0.00	Conducting annual PUNs updates	100	0	X 2.7	-	0.00	40.00%	108	0.00
0	0	0	0.00	Updating Discovery Tools and Personal Plans	100	0	X 2.7	-	0.00	40.00%	108	0.00
0	0	0	0.00	Ensuring continued eligibility of Medicaid Benefits	100	0	X 2.7	-	0.00	40.00%	108	0.00
0	0	0	0.00	Conducting waiver programmatic eligibility re-determinations	100	0	X 2.7	-	0.00	40.00%	108	0.00
0	0	0	0.00	Conducting monitoring visits	100	0	X 2.7	-	0.00	40.00%	108	0.00
0	0	0	0.00	Initial clinical eligibility determinations	100	0	X 2.7	-	0.00	40.00%	108	0.00
0	0	0	0.00	Staffing Strategy	100	0	X 2.7	-	0.00	40.00%	108	0.00
0	0	0	0.00	Staff to client ratio	100	0	X 2.7	-	0.00	40.00%	108	0.00
0	0	0	0.00	Training programs	100	0	X 2.7	-	0.00	40.00%	108	0.00
0	0	0	0.00	Bilingual or Translator	100	0	X 2.7	-	0.00	40.00%	108	0.00
					1000	0			0.00		1080	0.00

AUDITOR COMMENTS FROM THE OFFICE OF THE AUDITOR GENERAL

NO AUDITOR COMMENTS ON THIS PAGE

44 Ill. Adm. Code 7000.350 (6) only requires the following for Evaluations Based on Numerical Ratings:

6) Evaluation Based on Numerical Rating. Applications shall be assigned a numerical rating, unless another scoring methodology is more appropriate due to the unique circumstances of a particular grant program. In any case, the rating system must meet the following requirements:

A) Any scoring tool must reflect the evaluation criteria and ranking of priorities set forth in the grant application.

B) Committee members must have an individual score sheet that is completed independently.

C) A summary score sheet must be completed that shows the comparative scores and identifies the resulting finalists for the grant award.

D) Any significant or substantial variance among evaluator scores shall be reviewed and documented, along with any resulting revision of individual scores.

44 Ill. Adm. Code 7000.350 states that “Evaluation scores may not be protested.”

g) Appeals Process

1) Appeals of competitive grants are limited to the evaluation process. Evaluation scores may not be protested. Only the evaluation process is subject to appeal.

Recommendation 11:

IDHS should comply with administrative rules and only award competitive grants based on the criteria presented in Notices of Funding Opportunity. IDHS should also consider implementing consistent selection processes across all Department units that are utilizing competitive grant requirements.

Department Response:

The Illinois Department of Human Services (IDHS) agrees with the recommendation that it should comply with administrative rules and only award competitive grants based on the criteria presented in Notices of Funding Opportunity. IDHS agrees that it should consider implementing consistent selection processes across all Department units that are utilizing competitive grant requirements.

IDHS respectfully disagrees with OAG’s conclusion that the Division “failed to follow the selection criteria for awarding ISC services for FY20.”

OAG suggests that IDHS did not identify all criteria that would be used when selecting providers. They indicate that this is because “The NOFO indicated that there would be something other than scoring of proposals involved in the awarding of grants for ISC services.” It is true that the NOFO did indicate something other than scoring of proposals would be involved in the awarding of grants for the ISC services. However, it is inaccurate that IDHS failed to provide the criteria that would be used in the NOFO. In fact, the very next paragraph in the NOFO states “Final award decisions will be made by the Director of Developmental Disabilities. The Division reserves the right to negotiate with successful applicants to adjust award amounts, service areas, etc.” This statement clearly defines the additional criteria that may have been considered. The Acting Director went on to explain: “*She recommended that the Secretary accept the outcomes based solely on the results the scoring committee presented.*” The recommendation was made in a December 6, 2018 email from the DDD Director to the Secretary. In that correspondence, the Director concluded with, “*So, take a look and let me know when you’re comfortable with us moving forward and if you have a preference on how we deliver the news.*” IDHS agrees that it

AUDITOR COMMENTS FROM THE OFFICE OF THE AUDITOR GENERAL

Auditor Comment:

As stated in the finding, DHS told us, “The decision was made based on the Grant application and proposal. No other criteria were used even though it did state in the NOFO we would use other criteria.” We believe that is the point – that proposers would want to know exactly how awards were to be determined.

was not best practice to leave the final award decision to the DD Director, with her determination as the final criteria—even if she ultimately deferred to and relied upon the evaluation team’s scoring—and it will not do so for future NOFOs.

OAG further assumes that [former Acting Director] implied that other factors were being considered based on the following sentence included in an email to [DDD official]. “Assume we’re going with the results as they were scored by the teams for the time being.” However, [former] Acting Director clarified that she needed final approval from the then-Secretary, and she believed the then-Secretary wanted to inform the Governor’s Office of the decision before making any announcement.

OAG seems to conflate two different issues in their findings above. The first issue is past performance and the second issue is whether to provide points for previously providing services in or near a specific geographical area.

1. Past performance would have been considered in this NOFO, if a consistent record of reporting existed. Unfortunately, prior to the implementation of the GATA rules, IDHS did not receive detailed performance reports from the ISC agencies. Thus, IDHS did not have a way to objectively evaluate one ISC provider’s performance against another’s. With the implementation of the GATA administrative rules and the Fiscal Year 2020 NOFO, the ISCs are now required to meet performance standards, and to submit quarterly periodic performance and financial reports to document compliance. These measures will be incorporated into future NOFOs as a criterion for selection going forward. Past performance was indirectly addressed through assessing the experience of the ISC and of its key personnel.
2. As to whether to provide points for previous experience in or near the region, the Division originally determined that would not be a factor in scoring. However, based on stakeholder feedback and concerns, it gave previous experience in or near the region limited weighting in the re-NOFO for Region K.

Recommendation 12:

IDHS should develop controls for the competitive procurement of grants that include a verification that evaluators followed guidance provided in scoring parameters.

Department Response:

The Illinois Department of Human Services (IDHS) agrees with the recommendation that it can improve upon the controls for the competitive solicitation of grants to verify that evaluators followed guidance provided in scoring parameters.

However, IDHS respectfully disagrees with the OAG’s conclusion that alleged errors in the scoring process could have resulted in different winners receiving awards in three regions. IDHS generally disagrees with anyone, whether it is the OAG, the Appeal Review Officer, the DDD Director, a Court, or anyone else, trying to universally substitute their judgment for that of evaluation team members and their technical expertise. If this was an entirely objective, scientific process--without nuance, individual analysis, and reasonable, potential differences of opinion--then you would not need an evaluation team, but only check boxes. However, as reflected in the many reasonable differences in scoring amongst the panel members (i.e. you cannot reasonably expect panel members to give the exact same scores to submissions across the board) and in the OAG’s own open-ended language (“appears to contain”),

AUDITOR COMMENTS FROM THE OFFICE OF THE AUDITOR GENERAL

Auditor Comment:

As stated in the finding, on February 28, 2020, DHS reported, “Past performance would have been considered in this NOFO, if a consistent record of reporting existed. Unfortunately, prior to the implementation of the GATA rules, IDHS did not receive detailed performance reports from the ISC agencies. Thus, IDHS did not have a way to objectively evaluate one ISC provider’s performance from another.” We would note that, as detailed in this report, ISC services have been provided for nearly 30 years. In the last five fiscal years, DHS expended \$179 million. Not being able to determine performance calls into question the DHS monitoring of ISC services.

Auditor Comment:

DHS mentions open-ended language in our exceptions. These were draft exceptions we provided to DHS, for review, on December 12, 2019. On February 25, 2020, 75 days after we provided the draft exceptions, DHS responded to our exceptions. DHS specifically objected to 16 of the 274 exceptions, and provided its position on our conclusions in Regions G, H, and K. On March 5, 2020, DHS clarified that the 16 exceptions were on items where DHS asserted that the OAG’s changes appeared to clearly be in error. We considered those positions, made changes in 2 of 16 specific objections by DHS, but stand by our conclusions.

throughout the exception analysis that it provided to IDHS, the review of NOFO applications is not scientific or simply a check box exercise.

In providing a response to the OAG’s proposed audit findings, IDHS focused on just the three regions OAG flagged and on the 16 exceptions where the OAG’s changes appear to clearly be in error. IDHS did not respond on an exception-by exception basis regarding reasonable differences in scoring (e.g. items in the Region H analysis that changed an 80/80/90 to an 80/80/80, a 70/60/60 to a 60/60/60, or an 80/90/90 to a 90/90/90), but both stated in its response and continues to assert that those could and should have remained as scored—deferring to the reasonable judgment and analysis of the evaluation team members. Nor did IDHS conduct a separate analysis of the scoring for regions in which, even under the OAG’s analysis, the outcome could not and would not have changed—this accounts for 145 of the 274 alleged scoring irregularities. (Which is not to say, as touched upon above, that IDHS agrees with all of the OAG’s other changes or that it believes they were warranted. In other words, just because IDHS specifically objected to 16 of the 274 exceptions, does not at all mean that it agrees with the rest. It is just that, looking at these 16 clear errors, alone, in the three noted regions, none of the ultimate awardees would have changed, without even reaching the other 113 alleged scoring irregularities in those regions.) In addition, we continue to assert that irregularities, in and of themselves, do not equate to errors.

IDHS has provided detailed responses/explanations of the process on the 16 exceptions in the 3 allegedly impacted regions in the table below. Once these few corrections are factored into the final scoring—again not changing back the many other items that could have and arguably should have been--the outcome for these areas did not change. The end percentages, even, for the sake of argument, accepting all of the OAG’s other changes are listed after the table, below. Attached is a spreadsheet, providing the detail on how these percentages were calculated.

In addition, IDHS notes that lawsuits were brought related to each of these regions (G, H, and K) by the unsuccessful ISC applicants and both of those courts (the state Circuit Court in St. Clair County and the U.S. District Court for the Central District of Illinois) as well as the state and federal appellate courts have not provided any relief to the unsuccessful applicants, to date, including having denied a preliminary injunction and any stay on the new (now completing their eighth month) ISC grant agreements.

Original Outcome - Area G			Area G Updated Scoring			
Agency Name	Area	Final Score		Agency Name	Area	Final Score
PrairieLand	G	74.67%	0.77%	PrairieLand	G	75.43%
WISC	G	74.02%	0.63%	WISC	G	74.65%
Original Outcome - Area H			Area H Updated Scoring			
Agency Name	Area	Final Score		Agency Name	Area	Final Score
Central Illinois Service Access	H	75.60%	1.04%	Central Illinois Service Access	H	76.64%
PrairieLand Service Coordination Inc.	H	74.22%	1.54%	PrairieLand Service Coordination Inc.	H	75.77%
Western Illinois Service Coordination	H	72.87%	2.42%	Western Illinois Service Coordination	H	75.28%
Champaign County Regional Planning Commission	H	76.13%	0.56%	Champaign County Regional Planning Commission	H	76.69%
Original Outcome - Area K			Area K Updated Scoring			
Agency Name	Area	Final Score		Agency Name	Area	Final Score
Developmental Disability Services of Metro East	K	71.86%	2.50%	Developmental Disability Services of Metro East	K	74.36%
PrairieLand Service Coordination, Inc	K	73.79%	0.81%	PrairieLand Service Coordination, Inc	K	74.60%

AUDITOR COMMENTS FROM THE OFFICE OF THE AUDITOR GENERAL

NO AUDITOR COMMENTS ON THIS PAGE

Region	Criteria		Issues from Review	DHS Response
G	Key Personnel Education	2	PrairieLand proposal listed <u>only two individuals by name, all other positions from organizational chart were listed as "vacant" in proposal.</u> Executive Director with a bachelors degree (80 points) and Associate Executive Director with masters degree (90 points) only named individuals. No CFO listed. DHS previously stated that evaluators could substitute another position for the CFO. However, there was no other individual identified that could be substituted. Therefore scoring would have been $(80+90+0)/3 =$ approximately 57 as an average. That average, based on the parameters would score at 60 points. Evaluators scored PrairieLand 80/80/80 for this criteria. No notes by Evaluator 1B. Evaluators 2B and 3B inserted a non-named bookkeeper.	DHS-DDD disagrees with scoring calculation used by OAG. The minimum score that could be awarded was 60 points. Each individual was scored using the parameters identified. 100 points = PHD or MD; 90 points = Master's degree; 80 points = BS or BA; 70 points = AS or AA; 60 points = No degree Executive Director with a bachelors degree (80 points) and Associate Executive Director with masters degree (90 points) No CFO listed (60 points) $80 + 90 + 60 = 230 \text{ points} / 3 = 76.66$ round up to 80 as an average. Adjust scoring for PrairieLand to 80/80/80.
G	Key Personnel Experience	2	PrairieLand proposal listed <u>only two individuals by name, all other positions from organizational chart were listed as "vacant" in proposal.</u> Executive Director with 18 years experience (90 points) and Associate Executive Director with 15 years experience (80 points) only named individuals. No CFO listed. DHS previously stated that evaluators could substitute another position for the CFO. However, there was no other individual identified that could be substituted. Therefore scoring would have been $(90+80+0)/3 =$ approximately 57 as an average. That average, based on the parameters would score at 60 points. Evaluators scored PrairieLand 90/90/90 for this criteria. No notes by Evaluator 1B. Evaluators 2B and 3B inserted a non-named bookkeeper.	DHS-DDD disagrees with scoring calculation used by OAG. The minimum score that could be awarded was 60 points. Each individual was scored using the parameters identified. 100 points = 21 or more years; 90 points = 16-20 years; 80 points = 11-15 years; 70 points = 6-10 years; 60 points = 5 years or less Executive Director 18 years experience (90 points) Associate Executive Director with 15 years experience (80 points) No CFO listed (60 points) $90 + 80 + 60 = 230 \text{ points} / 3 = 76.66$ round up to 80 as an average. Adjust scoring for PrairieLand to 80/80/80.
G	Salaries and Wages	1	Both PrairieLand and WISC appear to have submitted a budget sheet that contained 5 of the 6 elements from the parameters. The only element not addressed was whether compensation was in line with similar work. For 5 elements the scores should have been 90. Evaluators scores for PrairieLand were 80/90/90. Evaluator scores for WISC were 70/80/70. No notes from any evaluator on this criteria/response.	(See comment in block below)
G	Salaries and Wages		PrairieLand submitted a proposal that appears to contain ideal elements 1/2/5/6. The proposal does not show how the salaries are consistent (element 3) or describe responsibilities (element 4). Four elements from the parameters is 80 points. Evaluators scored PrairieLand 80/90/90. None of the evaluators had notes to support scores on this criteria.	The issue raised is contradicted in the line above that indicates both PrairieLand and WISC appear to have submitted a budget sheet that contained 5 of the 6 elements from the parameters. The only element not addressed was whether compensation was in line with similar work. Adjust scoring for PrairieLand to 90/90/90
G	Salaries and Wages		PrairieLand submitted a proposal that appears to contain ideal elements 1/2/5/6. The proposal does not show how the salaries are consistent (element 3) or describe responsibilities (element 4). Four elements from the parameters is 80 points. Evaluators scored PrairieLand 80/90/90. None of the evaluators had notes to support scores on this criteria.	The issue raised is contracticted in the line above that indicates both PrairieLand and WISC appear to have submitted a budget sheet that contained 5 of the 6 elements from the parameters. The only element not addressed was whether compensation was in line with similar work. Adjust scoring for PrairieLand to 90/90/90
G	Supplies	1	WISC appears to have submitted a budget sheet that contained ideal elements 1/2/4/5 from the parameters. The proposal did not discuss training supplies (element 3). For 4 elements the scores should have been 90. Evaluators scores for WISC were 60/60/60. No notes from any evaluator on this criteria/response.	WISC's budget lists only one line for all supplies. The narrative lists: ink, paper, postage, but does not list how much is being budgeted for each item. The parameters state that the applicant must show the basis for computation for each element. This was not done for any of the elements and therefore the scoring should be as originally scored. Adjust scoring for WISC to 60/60/60.
G	Consultant Services and Expenses	1	WISC proposal appears to have submitted ideal elements 1/2/3/4. Proposal did not detail the expenses (element 5) or the procurement policy of the proposer (element 6). For 4 elements the scores should have been 80. Evaluator scores for WISC were 60/60/60. No notes from any evaluator on this criteria/response.	WISC's budget did not detail expenses for element 3. Adjust scoring for WISC to 70/70/70.
G	Grant Exclusive Line Item	2	Both PrairieLand and WISC appear to have submitted a budget sheet that contained budget figures for the ISSA expenses. Evaluators had no notes to show why PrairieLand received 100/100/100 and WISC received 60/60/60.	WISC does not indicate how the amount is calculated. The applicants were to include their ISSA budget in this area. 44 Ill. Adm. Code 7000.350 6 (D) states that "Any significant or substantial variance among evaluator scores shall be reviewed and documented, along with any resulting revision of individual scores." In this instance all of the evaluator's scored this issue exactly the same. Since the evaluator's were subject matter experts in this area, they understood that the ISSA budget is a fixed rate budget that requires the applicant to indicate how many hours of service will be provided to each individual and the rate they are requesting for reimbursement. WISC did not indicate this information and instead lumped all of the hours together and provided no justification or information as to how they were going to utilize the funds to serve the clients. Adjust scoring to reflect the original scores of 60/60/60. NOTE: This was addressed in the NOFO Q&A http://www.dhs.state.il.us/page.aspx?item=114764 - #14, #25, #27, #57.

AUDITOR COMMENTS FROM THE OFFICE OF THE AUDITOR GENERAL

Auditor Comments:

Key Personnel Education and Experience. *Prairieland was the only proposer to not list actual individuals for the Key Personnel criteria. Other proposers, even those new to a Region, still complied with the NOFO and listed actual individuals for DHS evaluators to consider in scoring. Based on the DHS response, it rewarded Prairieland for not complying with the NOFO. No change needed.*

Salaries and Wages: *The draft exception included a typo that included Prairieland when this exception only included WISC, as evidenced by the scoring effect column. Prairieland is described in subsequent exception. No change needed.*

Salaries and Wages: *The Prairieland proposal narrative relates to time allocations and does not describe responsibilities of the positions like the WISC proposal. No change needed.*

Salaries and Wages: *DHS had listed the same element twice.*

Supplies: *The NOFO directed proposers to the budget template to address, among others, supplies. The budget template says to list supplies by type and a basis for computation. WISC, like Prairieland, listed a yearly amount for supplies and a cost per year basis. No change needed.*

Consultant Services and Expenses: *Auditors agreed with the DHS response and changed the scoring for WISC to 70/70/70.*

Grant Exclusive Line Item: *The parameters to do provide guidance to evaluators on how to assign points, including looking for the calculation for the total. The NOFO only states, "Include ISSA Costs Here." No change needed.*

					TOTAL POINTS POSSIBLE	2400						
					FINAL SCORE	1810.40						
					ISC NOFO Evaluation		Final Grade	75.43%				
					Agency Name	PrairieLand Service Coordination						
					Geographic Area	G						
1A	2A	3A	Average Score		Need	Max Score	Score	Multiplier	RA/W Score	Weight %	Max Final Score	Final Score
70	70	70	70.00		Analysis of client needs	100	70	X 12 =	840.00	20.00%	240	168.00
70	60	60	63.33		Plan for meeting those needs	100	63.33	X 12 =	760.00	20.00%	240	152.00
						200	133	24	1600.00		480	320.00
1B	2B	3B			Capacity - Agency Qualification/Organizational Capacity	Max Score	Points	Multiplier	RA/W Score	Weight %	Max Final Score	Final Score
100	100	100	100.00		Capability to provide service by July 1, 20	100	100	X 1 =	100.00	40.00%	40	40.00
70	70	70	70.00		Makeup of the Board	100	70	X 1 =	70.00	40.00%	40	28.00
80	80	80	80.00		Key personnel education	100	80	X 1 =	80.00	40.00%	40	32.00
80	80	80	80.00		Key personnel experience	100	80	X 1 =	80.00	40.00%	40	32.00
90	90	90	90.00		Agency years of experience specialty populations	100	90	X 1 =	90.00	40.00%	40	36.00
100	100	100	100.00		Potential Conflicts	100	100	X 1 =	100.00	40.00%	40	40.00
100	100	100	100.00		Budget within cost range	100	100	X 1 =	100.00	40.00%	40	40.00
30	30	30	30.00		Salaries and Wages	100	30	X 1 =	30.00	40.00%	40	36.00
80	80	80	80.00		Fringe Benefits	100	80	X 1 =	80.00	40.00%	40	32.00
60	60	60	60.00		Travel	100	60	X 1 =	60.00	40.00%	40	24.00
80	80	80	80.00		Equipment	100	80	X 1 =	80.00	40.00%	40	32.00
80	80	80	80.00		Supplies	100	80	X 1 =	80.00	40.00%	40	32.00
80	80	80	80.00		Contractual Services and Subawards	100	80	X 1 =	80.00	40.00%	40	32.00
70	70	70	70.00		Consultant Services and Expenses	100	70	X 1 =	70.00	40.00%	40	28.00
			0.00		Construction	0	0	X 1 =	0.00	40.00%	0	0.00
30	30	30	30.00		Occupancy - Rent and Utilities	100	30	X 1 =	30.00	40.00%	40	36.00
			0.00		Research and Development	0	0	X 1 =	0.00	40.00%	0	0.00
30	30	30	30.00		Telecommunications	100	30	X 1 =	30.00	40.00%	40	36.00
70	70	70	70.00		Training and Education	100	70	X 1 =	70.00	40.00%	40	28.00
100	100	100	100.00		Direct Administrative Costs	100	100	X 1 =	100.00	40.00%	40	40.00
70	70	70	70.00		Other or Miscellaneous Costs	100	70	X 1 =	70.00	40.00%	40	28.00
100	100	100	100.00		Grant Exclusive Line Items (ISSA Budget)	100	100	X 1 =	100.00	40.00%	40	40.00
			0.00		Indirect Cost	0	0	X 1 =	0.00	40.00%	0	0.00
30	30	30	30.00		Centralized Operating Sites	100	30	X 1 =	30.00	40.00%	40	36.00
100	100	100	100.00		ADA accessible sites	100	100	X 1 =	100.00	40.00%	40	40.00
100	100	100	100.00		IT System Capabilities	100	100	X 1 =	100.00	40.00%	40	40.00
100	100	100	100.00		Agency Qualifications #6	100	100	X 1 =	100.00	40.00%	40	40.00
						2400	2070		2070.00		360	828.00
1C	2C	3C			Quality of Program/Services	Max Score	Points	Multiplier	RA/W Score	Weight %	Max Final Score	Final Score
80	90	80	83.33		Conducting annual PUNs updates	100	83.33	X 2.4 =	200.00	40.00%	96	80.00
60	70	60	63.33		Updating Discovery Tools and Personal Plans	100	63.33	X 2.4 =	152.00	40.00%	96	60.80
60	60	60	60.00		Ensuring continued eligibility of Medicaid Benefits	100	60	X 2.4 =	144.00	40.00%	96	57.60
70	70	80	73.33		Conducting waiver programmatic eligibility redeterminations	100	73.33	X 2.4 =	176.00	40.00%	96	70.40
70	70	70	70.00		Conducting monitoring visits	100	70	X 2.4 =	168.00	40.00%	96	67.20
60	60	60	60.00		Initial clinical eligibility determinations	100	60	X 2.4 =	144.00	40.00%	96	57.60
60	60	60	60.00		Staffing Strategy	100	60	X 2.4 =	144.00	40.00%	96	57.60
60	60	60	60.00		Staff to client ratio	100	60	X 2.4 =	144.00	40.00%	96	57.60
60	60	60	60.00		Training programs	100	60	X 2.4 =	144.00	40.00%	96	57.60
100	100	100	100.00		Bilingual or Translator	100	100	X 2.4 =	240.00	40.00%	96	96.00
						1000	690		1656.00		360	662.40

AUDITOR COMMENTS FROM THE OFFICE OF THE AUDITOR GENERAL

NO AUDITOR COMMENTS ON THIS PAGE

					TOTAL POINTS POSSIBLE		2300					
					FINAL SCORE		1716.87					
ISC NOFO Evaluation					Final Grade		74.65%					
Agency Name					Western Illinois Service Coordination, Inc							
Geographic Area					G							
1A	2A	3A	Average Score		Need	Max Score	Score	Multiplier	RAW Score	Weight %	Max Final Score	Final Score
70	60	60	63.33		Analysis of client needs	100	63.33	X 11.5 =	728.33	20.00%	230	145.67
60	60	60	60.00		Plan for meeting those needs	100	60	X 11.5 =	630.00	20.00%	230	138.00
						200	123	23	1418.33		460	283.67
1B	2B	3B			Capacity - Agency Qualification/Organizational Capacity	Max Score	Points	Multiplier	RAW Score	Weight %	Max Final Score	Final Score
100	100	100	100.00		Capability to provide service by July 1, 20	100	100	X 1 =	100.00	40.00%	40	40.00
60	60	60	60.00		Makeup of the Board	100	60	X 1 =	60.00	40.00%	40	24.00
80	80	80	80.00		Key personnel education	100	80	X 1 =	80.00	40.00%	40	32.00
90	90	90	90.00		Key personnel experience	100	90	X 1 =	90.00	40.00%	40	36.00
90	90	90	90.00		Agency years of experience specialty populations	100	90	X 1 =	90.00	40.00%	40	36.00
100	100	100	100.00		Potential Conflicts	100	100	X 1 =	100.00	40.00%	40	40.00
100	100	100	100.00		Budget within cost range	100	100	X 1 =	100.00	40.00%	40	40.00
90	90	90	90.00		Salaries and Wages	100	90	X 1 =	90.00	40.00%	40	36.00
80	80	80	80.00		Fringe Benefits	100	80	X 1 =	80.00	40.00%	40	32.00
60	60	60	60.00		Travel	100	60	X 1 =	60.00	40.00%	40	24.00
70	70	70	70.00		Equipment	100	70	X 1 =	70.00	40.00%	40	28.00
60	60	60	60.00		Supplies	100	60	X 1 =	60.00	40.00%	40	24.00
		0	0.00		Contractual Services and Subawards	0	0	X 1 =	0.00	40.00%	0	0.00
70	70	70	70.00		Consultant Services and Expenses	100	70	X 1 =	70.00	40.00%	40	28.00
			0.00		Construction	0	0	X 1 =	0.00	40.00%	0	0.00
100	100	100	100.00		Occupancy - Rent and Utilities	100	100	X 1 =	100.00	40.00%	40	40.00
			0.00		Research and Development	0	0	X 1 =	0.00	40.00%	0	0.00
90	90	90	90.00		Telecommunications	100	90	X 1 =	90.00	40.00%	40	36.00
60	60	60	60.00		Training and Education	100	60	X 1 =	60.00	40.00%	40	24.00
100	100	100	100.00		Direct Administrative Costs	100	100	X 1 =	100.00	40.00%	40	40.00
100	100	100	100.00		Other or Miscellaneous Costs	100	100	X 1 =	100.00	40.00%	40	40.00
60	60	60	60.00		Grant Exclusive Line Items (ISSA Budget)	100	60	X 1 =	60.00	40.00%	40	24.00
		0	0.00		Indirect Cost	0	0	X 1 =	0.00	40.00%	0	0.00
90	90	90	90.00		Centralized Operating Sites	100	90	X 1 =	90.00	40.00%	40	36.00
100	100	100	100.00		ADA accessible sites	100	100	X 1 =	100.00	40.00%	40	40.00
100	100	100	100.00		IT System Capabilities	100	100	X 1 =	100.00	40.00%	40	40.00
100	100	100	100.00		Agency Qualifications #6	100	100	X 1 =	100.00	40.00%	40	40.00
						2300	1950		1950.00		920	780.00
1C	2C	3C			Quality of Program/Services	Max Score	Points	Multiplier	RAW Score	Weight %	Max Final Score	Final Score
80	80	80	80.00		Conducting annual PUNs updates	100	80	X 2.3 =	184.00	40.00%	32	73.60
70	70	70	70.00		Updating Discovery Tools and Personal Plans	100	70	X 2.3 =	161.00	40.00%	32	64.40
60	60	60	60.00		Ensuring continued eligibility of Medicaid Benefits	100	60	X 2.3 =	138.00	40.00%	32	55.20
60	60	60	60.00		Conducting waiver programmatic eligibility redeterminations	100	60	X 2.3 =	138.00	40.00%	32	55.20
70	70	70	70.00		Conducting monitoring visits	100	70	X 2.3 =	161.00	40.00%	32	64.40
60	60	60	60.00		Initial clinical eligibility determinations	100	60	X 2.3 =	138.00	40.00%	32	55.20
80	80	80	80.00		Staffing Strategy	100	80	X 2.3 =	184.00	40.00%	32	73.60
70	70	70	70.00		Staff to client ratio	100	70	X 2.3 =	161.00	40.00%	32	64.40
70	70	70	70.00		Training programs	100	70	X 2.3 =	161.00	40.00%	32	64.40
90	90	90	90.00		Bilingual or Translator	100	90	X 2.3 =	207.00	40.00%	32	82.80
						1000	710		1633.00		920	653.20

AUDITOR COMMENTS FROM THE OFFICE OF THE AUDITOR GENERAL

NO AUDITOR COMMENTS ON THIS PAGE

Region	Criteria		Issues from Review	DHS Response
H	Key Personnel Education	2	Prairieland proposal listed <u>only two individuals by name</u> , all other positions from organizational chart were listed as "vacant" in proposal. Executive Director with a bachelors degree (80 points) and Associate Executive Director with masters degree (90 points) only named individuals. No CFO listed. DHS previously stated that evaluators could substitute another position for the CFO. However, there was no other individual identified that could be substituted. Therefore scoring would have been $(80+90+0)/3 =$ approximately 57 as an average. That average, based on the parameters would score at 60 points. Evaluators scored Prairieland 80/80/80 for this criteria. No notes by any of the evaluators to explain	DHS-DDD disagrees with scoring calculation used by OAG. The minimum score was 60. Each individual was scored using the parameters identified. 100 points = PHD or MD; 90 points = Master's degree; 80 points = BS or BA; 70 points = AS or AA; 60 points = No degree Executive Director with a bachelors degree (80 points) and Associate Executive Director with masters degree (90 points) No CFO listed (60 points) $80 + 90 + 60 = 230$ points / 3 = 76.66 round up to 80 as an average. Adjust scoring for Prairieland to 80/80/80.
H	Key Personnel Experience	3	Prairieland proposal listed <u>only two individuals by name</u> , all other positions from organizational chart were listed as "vacant" in proposal. Executive Director with 18 years experience (90 points) and Associate Executive Director with 15 years experience (80 points) only named individuals. No CFO listed. DHS previously stated that evaluators could substitute another position for the CFO. However, there was no other individual identified that could be substituted. Therefore scoring would have been $(90+80+0)/3 =$ approximately 57 as an average. That average, based on the parameters would score at 60 points. Evaluators scored Prairieland 90/80/90 for this criteria. No notes by any of the	DHS-DDD disagrees with scoring calculation used by OAG. The minimum score was 60. Each individual was scored using the parameters identified. 100 points = 21 or more years; 90 points = 16-20 years; 80 points = 11-15 years; 70 points = 6-10 years; 60 points = 5 years or less Executive Director 18 years experience (90 points) Associate Executive Director with 15 years experience (80 points) No CFO listed (60 points) $90 + 80 + 60 = 230$ points / 3 = 76.66 round up to 80 as an average. Adjust scoring for Prairieland to 80/80/80.
H	Key Personnel Experience	4	CCRPC listed a CEO and program manager. CEO had 1-year experience (60) with DD at CCRPC and lobbying experience prior to CCRPC. The program manager had about 10 years experience in DD (70). No CFO listed. DHS previously stated that evaluators could substitute another position for the CFO. For all the individuals listed by CCRPC, the least number of years experience was 5 (60). The scoring parameters would indicate a score of 60 yet CCRPC was scored 80/80/80. Evaluators 1B and 2B had no notes to explain their scores. Evaluator 3B failed to substitute as mentioned by DHS and utilized 60 for the 3rd non-CFO position.	DHS disagrees with OAG scoring. The parameters for this section do not indicate that experience must be with the developmentally disabled. The CEO has over 15 years of experience = 80; The Director of Community Services has 20 years of experience = 90; Program Manager has over 10 years of experience = 70 $240 / 3 = 80$ points Adjust scores for CCRPC to 80/80/80

AUDITOR COMMENTS FROM THE OFFICE OF THE AUDITOR GENERAL

Auditor Comments:

Key Personnel Education and Experience. Prairieland was the only proposer to not list actual individuals for the Key Personnel criteria. Other proposers, even those new to a Region, still complied with the NOFO and listed actual individuals for DHS evaluators to consider in scoring. Based on the DHS response, it rewarded Prairieland for not complying with the NOFO. No change needed.

Key Personnel Experience. CCRPC did not list a CFO position but did list other individuals. DHS, in its argument, substituted a Director of Community Services position because of a larger number of years of experience. There were no notes to show evaluators used this same position in scoring. Auditors used a consistent conservative value for substitution to not overstate the scoring. Auditors did this across all regions and across all proposals. Additionally, DHS equated lobbying experience for a CEO with a CEO that had served the DD population for 30 years. We did not. No change needed.

H	Equipment	1	CISA submitted a proposal that includes elements 1/2/3/5/6 from the parameters. Element 4 on cost benefit of lease vs purchase not discussed. For 5 elements the scores should have been 90 based on the parameters. Evaluators scores for CISA were 70/60/60. No notes from any evaluator on this criteria/response.	DHS disagrees with OAG scoring. The applicant listed the purchase of 13 Laptops at \$140 each for a total of \$1,820.00 - The narrative states: "The organization will purchase laptops through the help of our Information Technology Consulting company. This laptops will be used to provide staff the ability to work from home completing the duties of an ISC or for staff working directly at our office to help support the grant program. Prorated at 30.76%." The parameters for scoring were: 1. Provide justification for the use of each item and relate them to specific program objectives -- MET 2. Does the equipment listed meet the criteria? -- MET 3. Provide both the annual (for multiyear awards) and total for equipment. -- NOT MET 4. Applicants should analyze the cost benefits of purchasing versus leasing equipment. -- NOT MET 5. Rented or leased equipment costs should be listed in the "Contractual" category. Explain how the equipment is necessary for the success of the project. -- NOT MET 6. Attach a narrative describing the procurement method to be used. -- NOT MET 2 elements or less = 60 points Adjust scores to for CISA to 60/60/60
H	Supplies	1	WISC submitted a proposal that includes elements 1/2/4/5 from the parameters. Training materials (element 3) not included. For 4 elements the scores should have been 90. Evaluators scores for WISC were 70/60/60. No notes from any evaluator on this criteria/response.	WISC did not list the basis for computation for any supplies listed. Adjust scores for WISC to 70/70/70.
H	Consultant Services and Expenses	1	WISC submitted a proposal that includes elements 1/2/3/4 from the parameters. WISC did not list expenses (element 5) or indicate the procurement policy utilized (element 6). For 4 elements the scores should have been 80 based on the parameters. Evaluators scores for WISC were 70/60/60. No notes from any evaluator on this criteria/response.	WISC submitted a proposal that includes elements 2 & 3 from the parameters. Adjust scoring for WISC to 60/60/60.
H	Other or Miscellaneous Costs	1	CCRPC submitted a proposal that includes elements 1/2 from the parameters. CCRPC did not discuss the necessity of the expenses to successful completion (element 3), and did include unallowable costs (element 4) for recruiting and printing. For 2 elements the scores should have been 80 based on the parameters. Evaluators scores for CCRPC were 80/70/70. No notes from any evaluator on this criteria/response.	DHS disagrees with OAG scoring determination that local advertising in the Champaign News Gazette is an unallowable cost. 2 CFR 200.421 states that advertsing costs for recruitment of personnel, and program outreach are allowable. Adjust scoring for CCRPC to 90/90/90 elements 1/2/4

AUDITOR COMMENTS FROM THE OFFICE OF THE AUDITOR GENERAL

Auditor Comments:

Equipment. *CISA, for element 3, complied with the NOFO guidance that it was a 1-year grant with options. For element 5, CISA described what the laptops were to be used for in the program. For element 6, CISA indicated that purchases were through its IT consulting company. No change needed.*

Supplies: *The NOFO directed proposers to the budget template to address, among others, supplies. The budget template says to list supplies by type and a basis for computation. WISC, like Prairieland, listed a yearly amount for supplies and a cost per year basis. No change needed.*

Consultant Services and Expenses: *While the DHS argument for element 1 differs from the DHS argument in Region G for the same proposal and proposer, auditors agreed with the DHS response and changed the scoring for WISC to 70/70/70.*

Other or Miscellaneous Costs: *The 4th element, in the parameters developed by DHS, gives examples of unallowable costs. The examples include “recruiting costs.” No change needed.*

					TOTAL POINTS POSSIBLE		2400						
					FINAL SCORE		1840.53						
ISC NOFO Evaluation					Final Grade		76.69%						
Agency Name					Champaign County Regional Planning Commission								
Geographic Area					H								
1A	2A	Average Score			Need	Max Score	Score	Multiplier	RAW Score	Weight %	Max Final Score	Final Score	
70	70	60	60	66.67	Analysis of client needs	100	66.67	X 12 =	800.00	20.00%	240	160.00	
60	60	60	60	60.00	Plan for meeting those needs	100	60	X 12 =	720.00	20.00%	240	144.00	
						200	127	24	1520.00		480	304.00	
1B	2B	3B				Capacity - Agency Qualification/Organizational Capacity	Max Score	Points	Multiplier	RAW Score	Weight %	Max Final Score	Final Score
100	100	100	100	100.00	Capability to provide service by July 1, 20	100	100	X 1 =	100.00	40.00%	40	40.00	
60	60	60	60	60.00	Makeup of the Board	100	60	X 1 =	60.00	40.00%	40	24.00	
30	30	30	30	30.00	Key personnel education	100	30	X 1 =	30.00	40.00%	40	36.00	
80	80	80	80	80.00	Key personnel experience	100	80	X 1 =	80.00	40.00%	40	32.00	
100	100	100	100	100.00	Agency years of experience specialty populations	100	100	X 1 =	100.00	40.00%	40	40.00	
100	30	30	30	33.33	Potential Conflicts	100	33.33	X 1 =	33.33	40.00%	40	37.33	
100	100	100	100	100.00	Budget within cost range	100	100	X 1 =	100.00	40.00%	40	40.00	
80	80	80	80	80.00	Salaries and Wages	100	80	X 1 =	80.00	40.00%	40	32.00	
30	30	30	30	30.00	Fringe Benefits	100	30	X 1 =	30.00	40.00%	40	36.00	
60	60	60	60	60.00	Travel	100	60	X 1 =	60.00	40.00%	40	24.00	
60	60	60	60	60.00	Equipment	100	60	X 1 =	60.00	40.00%	40	24.00	
30	30	30	30	30.00	Supplies	100	30	X 1 =	30.00	40.00%	40	36.00	
30	30	30	30	30.00	Contractual Services and Subwards	100	30	X 1 =	30.00	40.00%	40	36.00	
80	80	80	80	80.00	Consultant Services and Expenses	100	80	X 1 =	80.00	40.00%	40	32.00	
				0.00	Construction	0	0	X 1 =	0.00	40.00%	0	0.00	
80	80	80	80	80.00	Occupancy - Rent and Utilities	100	80	X 1 =	80.00	40.00%	40	32.00	
				0.00	Research and Development	0	0	X 1 =	0.00	40.00%	0	0.00	
30	30	30	30	30.00	Telecommunications	100	30	X 1 =	30.00	40.00%	40	36.00	
60	60	60	60	60.00	Training and Education	100	60	X 1 =	60.00	40.00%	40	24.00	
				0.00	Direct Administrative Costs	0	0	X 1 =	0.00	40.00%	0	0.00	
30	30	30	30	30.00	Other or Miscellaneous Costs	100	30	X 1 =	30.00	40.00%	40	36.00	
100	100	100	100	100.00	Grant Exclusive Line Items (ISSA Budget)	100	100	X 1 =	100.00	40.00%	40	40.00	
100	100	100	100	100.00	Indirect Cost	100	100	X 1 =	100.00	40.00%	40	40.00	
80	80	80	80	80.00	Centralized Operating Sites	100	80	X 1 =	80.00	40.00%	40	32.00	
100	100	100	100	100.00	ADA accessible sites	100	100	X 1 =	100.00	40.00%	40	40.00	
100	100	100	100	100.00	IT System Capabilities	100	100	X 1 =	100.00	40.00%	40	40.00	
100	100	100	100	100.00	Agency Qualifications #6	100	100	X 1 =	100.00	40.00%	40	40.00	
						2400	2073		2073.33		360	829.33	
1C	2C	3C				Quality of Program/Services	Max Score	Points	Multiplier	RAW Score	Weight %	Max Final Score	Final Score
70	70	80	70	73.33	Conducting annual PUNs updates	100	73.33	X 2.4 =	176.00	40.00%	36	70.40	
70	80	70	70	73.33	Updating Discovery Tools and Personal Plans	100	73.33	X 2.4 =	176.00	40.00%	36	70.40	
70	70	60	66.67	66.67	Ensuring continued eligibility of Medicaid Benefits	100	66.67	X 2.4 =	160.00	40.00%	36	64.00	
30	80	70	80	80.00	Conducting waiver programmatic eligibility redeterminations	100	80	X 2.4 =	192.00	40.00%	36	76.80	
70	60	70	66.67	66.67	Conducting monitoring visits	100	66.67	X 2.4 =	160.00	40.00%	36	64.00	
80	70	80	76.67	76.67	Initial clinical eligibility determinations	100	76.67	X 2.4 =	184.00	40.00%	36	73.60	
80	80	80	80.00	80.00	Staffing Strategy	100	80	X 2.4 =	192.00	40.00%	36	76.80	
60	60	60	60.00	60.00	Staff to client ratio	100	60	X 2.4 =	144.00	40.00%	36	57.60	
70	70	70	70.00	70.00	Training programs	100	70	X 2.4 =	168.00	40.00%	36	67.20	
30	30	30	30.00	30.00	Bilingual or Translator	100	30	X 2.4 =	216.00	40.00%	36	86.40	
						1000	737		1768.00		360	707.20	

AUDITOR COMMENTS FROM THE OFFICE OF THE AUDITOR GENERAL

NO AUDITOR COMMENTS ON THIS PAGE

										TOTAL POINTS POSSIBLE		2400	
										FINAL SCORE		1833.47	
ISC NOFO Evaluation										Final Grade		76.64%	
Agency Name										Central Illinois Service Access			
Geographic Area										H			
1A	2A	Average Score			Need	Max Score	Score	Multiplier	RAW Score	Weight %	Max Final Score	Final Score	
70	70	60	66.67			Analysis of client needs	100	66.67	X 12 =	800.00	20.00%	240	160.00
70	60	60	63.33			Plan for meeting those needs	100	63.33	X 12 =	760.00	20.00%	240	152.00
						200	130	24		1560.00		480	312.00
1B	2B	3B				Capacity - Agency Qualification/Organizational Capacity	Max Score	Points	Multiplier	RAW Score	Weight %	Max Final Score	Final Score
100	100	100	100.00			Capability to provide service by July 1, 20	100	100	X 1 =	100.00	40.00%	40	40.00
70	70	70	70.00			Makeup of the Board	100	70	X 1 =	70.00	40.00%	40	28.00
80	80	80	80.00			Key personnel education	100	80	X 1 =	80.00	40.00%	40	32.00
90	90	90	90.00			Key personnel experience	100	90	X 1 =	90.00	40.00%	40	36.00
80	70	80	76.67			Agency years of experience specialty populations	100	76.67	X 1 =	76.67	40.00%	40	30.67
100	100	100	100.00			Potential Conflicts	100	100	X 1 =	100.00	40.00%	40	40.00
100	100	100	100.00			Budget within cost range	100	100	X 1 =	100.00	40.00%	40	40.00
30	30	30	30.00			Salaries and Wages	100	30	X 1 =	30.00	40.00%	40	36.00
30	30	30	30.00			Fringe Benefits	100	30	X 1 =	30.00	40.00%	40	36.00
60	60	60	60.00			Travel	100	60	X 1 =	60.00	40.00%	40	24.00
60	60	60	60.00			Equipment	100	60	X 1 =	60.00	40.00%	40	24.00
80	80	80	80.00			Supplies	100	80	X 1 =	80.00	40.00%	40	32.00
60	60	60	60.00			Contractual Services and Subwards	100	60	X 1 =	60.00	40.00%	40	24.00
80	80	80	80.00			Consultant Services and Expenses	100	80	X 1 =	80.00	40.00%	40	32.00
			0.00			Construction	0	0	X 1 =	0.00	40.00%	0	0.00
30	30	30	30.00			Occupancy - Rent and Utilities	100	30	X 1 =	30.00	40.00%	40	36.00
			0.00			Research and Development	0	0	X 1 =	0.00	40.00%	0	0.00
100	100	100	100.00			Telecommunications	100	100	X 1 =	100.00	40.00%	40	40.00
60	60	60	60.00			Training and Education	100	60	X 1 =	60.00	40.00%	40	24.00
			0.00			Direct Administrative Costs	0	0	X 1 =	0.00	40.00%	0	0.00
30	30	30	30.00			Other or Miscellaneous Costs	100	30	X 1 =	30.00	40.00%	40	36.00
100	100	100	100.00			Grant Exclusive Line Items (ISSA Budget)	100	100	X 1 =	100.00	40.00%	40	40.00
100	100	100	100.00			Indirect Cost	100	100	X 1 =	100.00	40.00%	40	40.00
30	30	30	30.00			Centralized Operating Sites	100	30	X 1 =	30.00	40.00%	40	36.00
100	100	100	100.00			ADA accessible sites	100	100	X 1 =	100.00	40.00%	40	40.00
100	100	100	100.00			IT System Capabilities	100	100	X 1 =	100.00	40.00%	40	40.00
100	100	100	100.00			Agency Qualifications #6	100	100	X 1 =	100.00	40.00%	40	40.00
						2400	2067			2066.67		960	826.67
1C	2C	3C				Quality of Program/Services	Max Score	Points	Multiplier	RAW Score	Weight %	Max Final Score	Final Score
80	80	70	76.67			Conducting annual PUNs updates	100	76.67	X 2.4 =	184.00	40.00%	36	73.60
80	80	70	76.67			Updating Discovery Tools and Personal Plans	100	76.67	X 2.4 =	184.00	40.00%	36	73.60
60	60	70	63.33			Ensuring continued eligibility of Medicaid Benefits	100	63.33	X 2.4 =	152.00	40.00%	36	60.80
70	70	70	70.00			Conducting waiver programmatic eligibility redeterminations	100	70	X 2.4 =	168.00	40.00%	36	67.20
60	60	60	60.00			Conducting monitoring visits	100	60	X 2.4 =	144.00	40.00%	36	57.60
100	100	80	93.33			Initial clinical eligibility determinations	100	93.33	X 2.4 =	224.00	40.00%	36	89.60
70	70	70	70.00			Staffing Strategy	100	70	X 2.4 =	168.00	40.00%	36	67.20
60	60	60	60.00			Staff to client ratio	100	60	X 2.4 =	144.00	40.00%	36	57.60
60	60	60	60.00			Training programs	100	60	X 2.4 =	144.00	40.00%	36	57.60
100	100	100	100.00			Bilingual or Translator	100	100	X 2.4 =	240.00	40.00%	36	96.00
						1000	730			1752.00		360	700.80

AUDITOR COMMENTS FROM THE OFFICE OF THE AUDITOR GENERAL

NO AUDITOR COMMENTS ON THIS PAGE

					TOTAL POINTS POSSIBLE	2400						
					FINAL SCORE	1818.40						
ISC NOFO Evaluation					Final Grade	75.77%						
Agency Name					PrairieLand Service Coordination Inc.							
Geographic Area					H							
1A	2A	Average Score			Need	Max Score	Score	Multiplier	RAW Score	Weight %	Max Final Score	Final Score
70	80	70	73.33		Analysis of client needs	100	73.33	X 12 =	880.00	20.00%	240	176.00
70	60	60	63.33		Plan for meeting those needs	100	63.33	X 12 =	760.00	20.00%	240	152.00
					200	137	24		1640.00		480	328.00
1B	2B	3B			Capacity - Agency Qualification/Organizational Capacity	Max Score	Points	Multiplier	RAW Score	Weight %	Max Final Score	Final Score
100	100	100	100	100.00	Capability to provide service by July 1, 20	100	100	X 1 =	100.00	40.00%	40	40.00
70	70	70	70	70.00	Makeup of the Board	100	70	X 1 =	70.00	40.00%	40	28.00
80	80	80	80	80.00	Key personnel education	100	80	X 1 =	80.00	40.00%	40	32.00
80	80	80	80	80.00	Key personnel experience	100	80	X 1 =	80.00	40.00%	40	32.00
90	90	90	90	90.00	Agency years of experience specialty populations	100	90	X 1 =	90.00	40.00%	40	36.00
100	100	100	100	100.00	Potential Conflicts	100	100	X 1 =	100.00	40.00%	40	40.00
100	100	100	100	100.00	Budget within cost range	100	100	X 1 =	100.00	40.00%	40	40.00
90	90	90	90	90.00	Salaries and Wages	100	90	X 1 =	90.00	40.00%	40	36.00
80	80	80	80	80.00	Fringe Benefits	100	80	X 1 =	80.00	40.00%	40	32.00
60	60	60	60	60.00	Travel	100	60	X 1 =	60.00	40.00%	40	24.00
80	80	80	80	80.00	Equipment	100	80	X 1 =	80.00	40.00%	40	32.00
80	80	80	80	80.00	Supplies	100	80	X 1 =	80.00	40.00%	40	32.00
80	80	80	80	80.00	Contractual Services and Subawards	100	80	X 1 =	80.00	40.00%	40	32.00
70	70	70	70	70.00	Consultant Services and Expenses	100	70	X 1 =	70.00	40.00%	40	28.00
				0.00	Construction	0	0	X 1 =	0.00	40.00%	0	0.00
90	90	90	90	90.00	Occupancy - Rent and Utilities	100	90	X 1 =	90.00	40.00%	40	36.00
				0.00	Research and Development	0	0	X 1 =	0.00	40.00%	0	0.00
90	90	90	90	90.00	Telecommunications	100	90	X 1 =	90.00	40.00%	40	36.00
70	70	70	70	70.00	Training and Education	100	70	X 1 =	70.00	40.00%	40	28.00
100	100	100	100	100.00	Direct Administrative Costs	100	100	X 1 =	100.00	40.00%	40	40.00
70	70	70	70	70.00	Other or Miscellaneous Costs	100	70	X 1 =	70.00	40.00%	40	28.00
100	100	100	100	100.00	Grant Exclusive Line Items (ISSA Budget)	100	100	X 1 =	100.00	40.00%	40	40.00
				0.00	Indirect Cost	0	0	X 1 =	0.00	40.00%	0	0.00
90	90	90	90	90.00	Centralized Operating Sites	100	90	X 1 =	90.00	40.00%	40	36.00
100	100	100	100	100.00	ADA accessible sites	100	100	X 1 =	100.00	40.00%	40	40.00
100	100	100	100	100.00	IT System Capabilities	100	100	X 1 =	100.00	40.00%	40	40.00
100	100	100	100	100.00	Agency Qualifications #6	100	100	X 1 =	100.00	40.00%	40	40.00
					2400	2070			2070.00		360	828.00
1C	2C	3C			Quality of Program/Services	Max Score	Points	Multiplier	RAW Score	Weight %	Max Final Score	Final Score
80	90	80	83.33		Conducting annual PUNs updates	100	83.33	X 2.4 =	200.00	40.00%	36	80.00
60	70	60	63.33		Updating Discovery Tools and Personal Plans	100	63.33	X 2.4 =	152.00	40.00%	36	60.80
60	60	60	60.00		Ensuring continued eligibility of Medicaid Benefits	100	60	X 2.4 =	144.00	40.00%	36	57.60
70	70	80	73.33		Conducting waiver programmatic eligibility redeterminations	100	73.33	X 2.4 =	176.00	40.00%	36	70.40
70	70	70	70.00		Conducting monitoring visits	100	70	X 2.4 =	168.00	40.00%	36	67.20
60	60	60	60.00		Initial clinical eligibility determinations	100	60	X 2.4 =	144.00	40.00%	36	57.60
60	60	60	60.00		Staffing Strategy	100	60	X 2.4 =	144.00	40.00%	36	57.60
60	60	60	60.00		Staff to client ratio	100	60	X 2.4 =	144.00	40.00%	36	57.60
60	60	60	60.00		Training programs	100	60	X 2.4 =	144.00	40.00%	36	57.60
100	100	100	100.00		Bilingual or Translator	100	100	X 2.4 =	240.00	40.00%	36	96.00
					1000	630			1656.00		360	662.40

AUDITOR COMMENTS FROM THE OFFICE OF THE AUDITOR GENERAL

NO AUDITOR COMMENTS ON THIS PAGE

				TOTAL POINTS POSSIBLE		2300					
				FINAL SCORE		1731.53					
ISC NOFO Evaluation				Final Grade		75.28%					
Agency Name				Western Illinois Service Coordination, Inc							
Geographic Area				H							
1A	2A	3A	Average Score	Need	Max Score	Score	Multiplier	RAW Score	Weight %	Max Final Score	Final Score
70	60	60	63.33	Analysis of client needs	100	63.33	X 11.5 =	728.33	20.00%	230	145.67
60	60	60	60.00	Plan for meeting those needs	100	60	X 11.5 =	630.00	20.00%	230	138.00
					200	123	23	1418.33		460	283.67
1B	2B	3B	Average Score	Capacity - Agency Qualification/Organizational Capacity	Max Score	Points	Multiplier	RAW Score	Weight %	Max Final Score	Final Score
100	100	100	100.00	Capability to provide service by July 1, 20	100	100	X 1 =	100.00	40.00%	40	40.00
60	60	60	60.00	Makeup of the Board	100	60	X 1 =	60.00	40.00%	40	24.00
80	80	80	80.00	Key personnel education	100	80	X 1 =	80.00	40.00%	40	32.00
80	30	30	86.67	Key personnel experience	100	86.67	X 1 =	86.67	40.00%	40	34.67
30	30	30	30.00	Agency years of experience specialty populations	100	30	X 1 =	30.00	40.00%	40	36.00
100	100	100	100.00	Potential Conflicts	100	100	X 1 =	100.00	40.00%	40	40.00
100	100	100	100.00	Budget within cost range	100	100	X 1 =	100.00	40.00%	40	40.00
30	30	30	30.00	Salaries and Wages	100	30	X 1 =	30.00	40.00%	40	36.00
80	80	80	80.00	Fringe Benefits	100	80	X 1 =	80.00	40.00%	40	32.00
60	60	60	60.00	Travel	100	60	X 1 =	60.00	40.00%	40	24.00
70	70	70	70.00	Equipment	100	70	X 1 =	70.00	40.00%	40	28.00
70	70	70	70.00	Supplies	100	70	X 1 =	70.00	40.00%	40	28.00
		0	0.00	Contractual Services and Subawards	0	0	X 1 =	0.00	40.00%	0	0.00
60	60	60	60.00	Consultant Services and Expenses	100	60	X 1 =	60.00	40.00%	40	24.00
		0	0.00	Construction	0	0	X 1 =	0.00	40.00%	0	0.00
100	100	100	100.00	Occupancy - Rent and Utilities	100	100	X 1 =	100.00	40.00%	40	40.00
		0	0.00	Research and Development	0	0	X 1 =	0.00	40.00%	0	0.00
30	30	30	30.00	Telecommunications	100	30	X 1 =	30.00	40.00%	40	36.00
60	60	60	60.00	Training and Education	100	60	X 1 =	60.00	40.00%	40	24.00
100	100	100	100.00	Direct Administrative Costs	100	100	X 1 =	100.00	40.00%	40	40.00
100	100	100	100.00	Other or Miscellaneous Costs	100	100	X 1 =	100.00	40.00%	40	40.00
100	100	100	100.00	Grant Exclusive Line Items (ISSA Budget)	100	100	X 1 =	100.00	40.00%	40	40.00
		0	0.00	Indirect Cost	0	0	X 1 =	0.00	40.00%	0	0.00
30	30	30	30.00	Centralized Operating Sites	100	30	X 1 =	30.00	40.00%	40	36.00
100	100	100	100.00	ADA accessible sites	100	100	X 1 =	100.00	40.00%	40	40.00
100	100	100	100.00	IT System Capabilities	100	100	X 1 =	100.00	40.00%	40	40.00
100	100	100	100.00	Agency Qualifications #6	100	100	X 1 =	100.00	40.00%	40	40.00
					2300	1987		1986.67		920	794.67
1C	2C	3C	Average Score	Quality of Program/Services	Max Score	Points	Multiplier	RAW Score	Weight %	Max Final Score	Final Score
80	80	80	80.00	Conducting annual PUNs updates	100	80	X 2.3 =	184.00	40.00%	92	73.60
70	70	70	70.00	Updating Discovery Tools and Personal Plans	100	70	X 2.3 =	161.00	40.00%	92	64.40
60	60	60	60.00	Ensuring continued eligibility of Medicaid Benefits	100	60	X 2.3 =	138.00	40.00%	92	55.20
60	60	60	60.00	Conducting waiver programmatic eligibility redeterminations	100	60	X 2.3 =	138.00	40.00%	92	55.20
70	70	70	70.00	Conducting monitoring visits	100	70	X 2.3 =	161.00	40.00%	92	64.40
60	60	60	60.00	Initial clinical eligibility determinations	100	60	X 2.3 =	138.00	40.00%	92	55.20
80	80	80	80.00	Staffing Strategy	100	80	X 2.3 =	184.00	40.00%	92	73.60
70	70	70	70.00	Staff to client ratio	100	70	X 2.3 =	161.00	40.00%	92	64.40
70	70	70	70.00	Training programs	100	70	X 2.3 =	161.00	40.00%	92	64.40
30	30	30	30.00	Bilingual or Translator	100	30	X 2.3 =	207.00	40.00%	92	82.80
					1000	710		1633.00		920	653.20

AUDITOR COMMENTS FROM THE OFFICE OF THE AUDITOR GENERAL

NO AUDITOR COMMENTS ON THIS PAGE

Region	Criteria	Issues from Review	DHS Response
K	Key Personnel Education	2 Prairieland proposal listed <u>only two individuals by name, all other positions from organizational chart were listed as "vacant" in proposal.</u> Executive Director with a bachelors degree (80 points) and Associate Executive Director with masters degree (90 points) only named individuals. No CFO listed. DHS previously stated that evaluators could substitute another position for the CFO. However, there was no other individual identified that could be substituted. Therefore scoring would have been $(80+90+0)/3 =$ approximately 57 as an average. That average, based on the parameters would score at 60 points. Evaluators scored Prairieland 80/80/80 for this criteria. No notes by any of the evaluators to explain	DHS-DDD disagrees with scoring calculation used by OAG. Each individual was scored using the parameters identified. 100 points = 21 or more years; 90 points = 16-20 years; 80 points = 11-15 years; 70 points = 6-10 years; 60 points = 5 years or less No CFO listed (60 points) $80 + 90 + 60 = 230 \text{ points} / 3 = 76.66$ round up to 80 as an average. Adjust scoring for Prairieland to 80/80/80.
K	Key Personnel Experience	2 Prairieland proposal listed <u>only two individuals by name, all other positions from organizational chart were listed as "vacant" in proposal.</u> Executive Director with 18 years experience (90 points) and Associate Executive Director with 15 years experience (80 points) only named individuals. No CFO listed. DHS previously stated that evaluators could substitute another position for the CFO. However, there was no other individual identified that could be substituted. Therefore scoring would have been $(90+80+0)/3 =$ approximately 57 as an average. That average, based on the parameters would score at 60 points. Evaluators scored Prairieland 90/90/90 for this criteria. No notes by any of the	DHS-DDD disagrees with scoring calculation used by OAG. Each individual was scored using the parameters identified. 100 points = 21 or more years; 90 points = 16-20 years; 80 points = 11-15 years; 70 points = 6-10 years; 60 points = 5 years or less No CFO listed (60 points) $80 + 90 + 60 = 230 \text{ points} / 3 = 76.66$ round up to 80 as an average. Adjust scoring for Prairieland to 80/80/80.

						TOTAL POINTS POSSIBLE	2400				
						FINAL SCORE	1790.40				
						Final Grade	74.60%				
ISC NOFO Evaluation											
Agency Name						Prairieland Service Coordination, Inc.					
Geographic Area						K					
1A	2A	3A	Average Score	Need	Max Score	Score	Multiplier	RAW Score	Weight %	Max Final Score	Final Score
70	70	60	66.67	Analysis of client needs	100	66.67	X 12 =	800.00	20.00%	240	160.00
60	60	60	60.00	Plan for meeting those needs	100	60	X 12 =	720.00	20.00%	240	144.00
					200	127	24	1520.00		480	304.00
1B	2B	3B		Capacity - Agency Qualification/Organizational Capacity	Max Score	Points	Multiplier	RAW Score	Weight %	Max Final Score	Final Score
100	100	100	100.00	Capability to provide service by July 1, 20	100	100	X 1 =	100.00	40.00%	40	40.00
70	70	70	70.00	Makeup of the Board	100	70	X 1 =	70.00	40.00%	40	28.00
80	80	80	80.00	Key personnel education	100	80	X 1 =	80.00	40.00%	40	32.00
80	80	80	80.00	Key personnel experience	100	80	X 1 =	80.00	40.00%	40	32.00
30	30	30	30.00	Agency years of experience specialty populations	100	90	X 1 =	90.00	40.00%	40	36.00
100	100	100	100.00	Potential Conflicts	100	100	X 1 =	100.00	40.00%	40	40.00
100	100	100	100.00	Budget within cost range	100	100	X 1 =	100.00	40.00%	40	40.00
80	80	80	80.00	Salaries and Wages	100	80	X 1 =	80.00	40.00%	40	32.00
80	80	80	80.00	Fringe Benefits	100	80	X 1 =	80.00	40.00%	40	32.00
60	60	60	60.00	Travel	100	60	X 1 =	60.00	40.00%	40	24.00
80	80	80	80.00	Equipment	100	80	X 1 =	80.00	40.00%	40	32.00
80	80	80	80.00	Supplies	100	80	X 1 =	80.00	40.00%	40	32.00
80	80	80	80.00	Contractual Services and Subwards	100	80	X 1 =	80.00	40.00%	40	32.00
70	70	70	70.00	Consultant Services and Expenses	100	70	X 1 =	70.00	40.00%	40	28.00
			0.00	Construction	0	0	X 1 =	0.00	40.00%	0	0.00
30	30	30	30.00	Occupancy - Rent and Utilities	100	90	X 1 =	90.00	40.00%	40	36.00
			0.00	Research and Development	0	0	X 1 =	0.00	40.00%	0	0.00
30	30	30	30.00	Telecommunications	100	90	X 1 =	90.00	40.00%	40	36.00
70	70	70	70.00	Training and Education	100	70	X 1 =	70.00	40.00%	40	28.00
100	100	100	100.00	Direct Administrative Costs	100	100	X 1 =	100.00	40.00%	40	40.00
70	70	70	70.00	Other or Miscellaneous Costs	100	70	X 1 =	70.00	40.00%	40	28.00
100	100	100	100.00	Grant Exclusive Line Items (ISSA Budget)	100	100	X 1 =	100.00	40.00%	40	40.00
			0.00	Indirect Cost	0	0	X 1 =	0.00	40.00%	0	0.00
30	30	30	30.00	Centralized Operating Sites	100	90	X 1 =	90.00	40.00%	40	36.00
100	100	100	100.00	ADA accessible sites	100	100	X 1 =	100.00	40.00%	40	40.00
100	100	100	100.00	IT System Capabilities	100	100	X 1 =	100.00	40.00%	40	40.00
100	100	100	100.00	Agency Qualifications #6	100	100	X 1 =	100.00	40.00%	40	40.00
					2400	2060		2060.00		360	824.00
1C	2C	3C		Quality of Program/Services	Max Score	Points	Multiplier	RAW Score	Weight %	Max Final Score	Final Score
80	90	80	83.33	Conducting annual PUNs updates	100	83.33	X 2.4 =	200.00	40.00%	36	80.00
60	70	60	63.33	Updating Discovery Tools and Personal Plans	100	63.33	X 2.4 =	152.00	40.00%	36	60.80
60	60	60	60.00	Ensuring continued eligibility of Medicaid Benefits	100	60	X 2.4 =	144.00	40.00%	36	57.60
70	70	80	73.33	Conducting waiver programmatic eligibility redeterminations	100	73.33	X 2.4 =	176.00	40.00%	36	70.40
70	70	70	70.00	Conducting monitoring visits	100	70	X 2.4 =	168.00	40.00%	36	67.20
60	60	60	60.00	Initial clinical eligibility determinations	100	60	X 2.4 =	144.00	40.00%	36	57.60
60	60	60	60.00	Staffing Strategy	100	60	X 2.4 =	144.00	40.00%	36	57.60
60	60	60	60.00	Staff to client ratio	100	60	X 2.4 =	144.00	40.00%	36	57.60
60	60	60	60.00	Training programs	100	60	X 2.4 =	144.00	40.00%	36	57.60
100	100	100	100.00	Bilingual or Translator	100	100	X 2.4 =	240.00	40.00%	36	36.00
					1000	690		1656.00		360	662.40

AUDITOR COMMENTS FROM THE OFFICE OF THE AUDITOR GENERAL

Auditor Comments:

Key Personnel Education and Experience. *Prairieland was the only proposer to not list actual individuals for the Key Personnel criteria. Other proposers, even those new to a Region, still complied with the NOFO and listed actual individuals for DHS evaluators to consider in scoring. Based on the DHS response, it rewarded Prairieland for not complying with the NOFO. No change needed.*

				TOTAL POINTS POSSIBLE		2200					
				FINAL SCORE		1636.00					
				Final Grade		74.36%					
ISC NOFO Evaluation											
Agency Name				Developmental Disability Services of Metro East							
Geographic Area				K							
1A	2A	3A	Average Score	Need	Max Score	Score	Multiplier	RAW Score	Weight %	Max Final Score	Final Score
60	60	60	60.00	Analysis of client needs	100	60	X 11	= 660.00	20.00%	220	132.00
60	60	60	60.00	Plan for meeting those needs	100	60	X 11	= 660.00	20.00%	220	132.00
					200	120	22	1320.00		440	264.00
1B	2B	3B	Average Score	Capacity - Agency Qualification/Organizational Capacity	Max Score	Points	Multiplier	RAW Score	Weight %	Max Final Score	Final Score
100	100	100	100.00	Capability to provide service by July 1, 2017	100	100	X 1	= 100.00	40.00%	40	40.00
70	70	70	70.00	Makeup of the Board	100	70	X 1	= 70.00	40.00%	40	28.00
80	80	80	80.00	Key personnel education	100	80	X 1	= 80.00	40.00%	40	32.00
90	90	90	90.00	Key personnel experience	100	90	X 1	= 90.00	40.00%	40	36.00
30	30	30	30.00	Agency years of experience specialty populations	100	30	X 1	= 30.00	40.00%	40	36.00
100	100	100	100.00	Potential Conflicts	100	100	X 1	= 100.00	40.00%	40	40.00
100	100	100	100.00	Budget within cost range	100	100	X 1	= 100.00	40.00%	40	40.00
80	80	80	80.00	Salaries and Wages	100	80	X 1	= 80.00	40.00%	40	32.00
80	80	80	80.00	Fringe Benefits	100	80	X 1	= 80.00	40.00%	40	32.00
60	60	60	60.00	Travel	100	60	X 1	= 60.00	40.00%	40	24.00
60	60	60	60.00	Equipment	100	60	X 1	= 60.00	40.00%	40	24.00
80	80	80	80.00	Supplies	100	80	X 1	= 80.00	40.00%	40	32.00
90	90	90	90.00	Contractual Services and Subwards	100	90	X 1	= 90.00	40.00%	40	36.00
80	80	80	80.00	Consultant Services and Expenses	100	80	X 1	= 80.00	40.00%	40	32.00
			0.00	Construction	0	0	X 1	= 0.00	40.00%	0	0.00
100	100	100	100.00	Occupancy - Rent and Utilities	100	100	X 1	= 100.00	40.00%	40	40.00
			0.00	Research and Development	0	0	X 1	= 0.00	40.00%	0	0.00
80	80	80	80.00	Telecommunications	100	80	X 1	= 80.00	40.00%	40	32.00
60	60	60	60.00	Training and Education	100	60	X 1	= 60.00	40.00%	40	24.00
			0.00	Direct Administrative Costs	0	0	X 1	= 0.00	40.00%	0	0.00
			0.00	Other or Miscellaneous Costs	0	0	X 1	= 0.00	40.00%	0	0.00
100	100	100	100.00	Grant Exclusive Line Items (ISSA Budget)	100	100	X 1	= 100.00	40.00%	40	40.00
			0.00	Indirect Cost	0	0	X 1	= 0.00	40.00%	0	0.00
30	30	30	30.00	Centralized Operating Sites	100	30	X 1	= 30.00	40.00%	40	36.00
100	100	100	100.00	ADA accessible sites	100	100	X 1	= 100.00	40.00%	40	40.00
100	100	100	100.00	IT System Capabilities	100	100	X 1	= 100.00	40.00%	40	40.00
100	100	100	100.00	Agency Qualifications #6	100	100	X 1	= 100.00	40.00%	40	40.00
					2200	1830		1830.00		880	756.00
1C	2C	3C	Average Score	Quality of Program/Services	Max Score	Points	Multiplier	RAW Score	Weight %	Max Final Score	Final Score
60	60	60	60.00	Conducting annual PUNs updates	100	60	X 2.2	= 132.00	40.00%	88	52.80
70	70	60	66.67	Updating Discovery Tools and Personal Plans	100	66.67	X 2.2	= 146.67	40.00%	88	58.67
60	60	60	60.00	Ensuring continued eligibility of Medicaid Benefits	100	60	X 2.2	= 132.00	40.00%	88	52.80
70	70	60	66.67	Conducting waiver programmatic eligibility redeterminations	100	66.67	X 2.2	= 146.67	40.00%	88	58.67
70	70	60	66.67	Conducting monitoring visits	100	66.67	X 2.2	= 146.67	40.00%	88	58.67
60	60	60	60.00	Initial clinical eligibility determinations	100	60	X 2.2	= 132.00	40.00%	88	52.80
80	80	80	80.00	Staffing Strategy	100	80	X 2.2	= 176.00	40.00%	88	70.40
60	60	60	60.00	Staff to client ratio	100	60	X 2.2	= 132.00	40.00%	88	52.80
80	80	80	80.00	Training programs	100	80	X 2.2	= 176.00	40.00%	88	70.40
100	100	100	100.00	Bilingual or Translator	100	100	X 2.2	= 220.00	40.00%	88	88.00
					1000	700		1540.00		880	616.00

Recommendation 13:

There is no no formal policy for a review officer to follow at IDHS. IDHS should develop policies and procedures for conducting the competitive grant appeal process. These procedures should include maintaining documentation to support how appeal decisions were determined. Additionally, IDHS should consider whether a review of evaluation scores should be part of determining the integrity of the process.

Department Response:

The Illinois Department of Human Services (IDHS) agrees with the recommendation that there is no formal policy for a review officer to follow at IDHS. IDHS should develop policies and procedures for conducting the competitive grant appeal process. These procedures should include maintaining documentation to support how appeal decisions were determined. Additionally, IDHS should consider whether a review of evaluation scores should be part of determining the integrity of the process.

AUDITOR COMMENTS FROM THE OFFICE OF THE AUDITOR GENERAL

NO AUDITOR COMMENTS ON THIS PAGE

You can obtain reports by contacting:

Office of the Auditor General
Iles Park Plaza
740 E. Ash
Springfield, IL 62703

217-782-6046 or TTY: 1-888-261-2887

OR

This Audit Report and a Report Digest are also available on the worldwide web at
<http://www.auditor.illinois.gov>

