

ECONOMIC OPPORTUNITY ACT AMENDMENTS OF 1967 2659

section or otherwise to insure that programs assisted under this Act are not carried on in a manner involving the use of program funds, the provision of services, or the employment or assignment of personnel in a manner supporting, or resulting in the identification of such program with, any partisan political activity or any activity designed to further the election or defeat of any candidate for public office."

In implementing this amendment, the agency issued Community Action Memo No. 50-A, dated December 1, 1966, which superseded Community Action Memo No. 50 and which states in part: "* * * an employee of a public agency or a CAA *may not*:—solicit votes, or help to get out votes on election day. * * *"

These restrictions are applicable to grantees funded under titles II-A and III-B of the act.

In addition, an Assistant General Council, OEO, has informed us that any community action program grantee, including grantees funded under title III-B, which now transports individuals to the polls to vote will be in violation of Community Action Memo No. 50-A.

OEO ADMINISTRATION AND EVALUATION OF THE FLORIDA CAF MIGRANT PROGRAM

As a result of our March 3, 1967, meeting with Mr. Rogers, we agreed to examine into the extent of surveillance exercised by the Office of Economic Opportunity over the grants awarded to the Community Action Fund and the Community Service Foundation (CSF). Our review of available records and discussions with OEO officials elicited the following information:

The Director, Office of Special Field Programs, Community Action Program, OEO, is responsible for administering migrant grants which are funded under title III-B of the Economic Opportunity Act as well as for monitoring and evaluating the programs conducted by grant recipients.

We were informed that the proposal for the first grant, awarded in April 1965, was actually prepared with the personal assistance of the Director, Office of Special Field Programs.

In March 1966 a program analyst from the Office of Special Field Programs visited Florida to evaluate the operations of the Community Action Fund. This evaluation, in general, identified several weaknesses in the administration of the grant; and, as a result, the OEO Audit Division was requested to make an audit of the program. The Audit Division subsequently issued audit reports in January, July, and August 1966 and in January 1967 pertaining to CAF's programs.

The first three OEO audit reports were critical of the adequacy of the accounting system and listed many transactions as being indicative of inadequate control of and accounting for funds, questionable billings, and unauthorized deviations from the approved budgets. A summary of these audit reports was prepared by us at the request of Congressman William C. Cramer and was submitted to him on October 10, 1966.

The fourth report, issued in January 1967, contained in part the results of a review of actions taken by CAF and CSF to comply with recommendations made in the August 1966 audit report. The report reflected those deficiencies and related questionable expenditures that had not been resolved.

While the four audit reports were critical of certain transactions and questioned areas indicating inadequate control over funds, the reports made no mention of the effectiveness of the programs being carried out under the OEO grants and contracts.

We reviewed a report, dated April 15, 1966, prepared by International Research Associates, New York City, a research firm under contract to OEO to evaluate about 50 of the programs for migrants funded in fiscal year 1965. The report stated that the reviewer was impressed with the advantages of private sponsorship of the program for migrants, independent of the local power structure and county or State community action programs. The report indicated that the program being conducted by CAF was accomplishing a great deal by assisting migrants in the areas of housing, education, sanitation, and day care and that the high caliber staff in its employ was a major factor in the success of the program.

An analyst of the Office of Special Field Programs conducted an evaluation of program activities of CAF in November 1966. The resulting report, dated November 10, 1966, pointed out that, at the centers visited and reviewed, (1) complete records were not being maintained on program participants but records on numbers of participants served were being maintained, (2) program attendance was as outlined in the approved grant, (3) employees appeared to be performing