



**AUDIT OF THE OFFICE ON VIOLENCE
AGAINST WOMEN GRANTS AWARDED TO THE
WYOMING COALITION AGAINST DOMESTIC
VIOLENCE AND SEXUAL ASSAULT
LARAMIE, WYOMING**

U.S. Department of Justice
Office of the Inspector General
Audit Division

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AUDIT OF THE OFFICE ON VIOLENCE AGAINST WOMEN GRANTS AWARDED TO THE WYOMING COALITION AGAINST DOMESTIC VIOLENCE AND SEXUAL ASSAULT LARAMIE, WYOMING

EXECUTIVE SUMMARY

The U.S. Department of Justice, Office of the Inspector General (OIG), Audit Division, has completed an audit of seven grants totaling \$7,119,055 awarded by the Office on Violence Against Women (OVW) to the Wyoming Coalition Against Domestic Violence and Sexual Assault (WCADVSA), as shown in Exhibit 1.

EXHIBIT 1: GRANTS AWARDED TO THE WYOMING COALITION AGAINST DOMESTIC VIOLENCE AND SEXUAL ASSAULT

AWARD NUMBER	AWARD DATE	PROJECT START DATE	PROJECT END DATE	AMOUNT
2004-WL-AX-0068	09/13/04	07/01/04	03/31/10	\$ 1,939,122
2005-WH-AX-0062	09/12/05	09/01/05	12/31/11	700,000
2005-WR-AX-0029	07/29/05	08/01/05	11/30/11	2,300,000
2007-MU-AX-0006	09/17/07	09/01/07	09/30/10	536,055
2009-EU-S6-0032	07/23/09	05/01/09	09/30/11	156,250
2009-WL-AX-0032	09/25/09	10/01/09	09/30/13	1,060,000
2010-MU-AX-0006	09/22/10	09/01/10	09/30/12	427,628
Total:				\$7,119,055

Source: The Office of Justice Programs' (OJP) Grant Management System (GMS)

Background

Created in 1995, the OVW administers financial and technical assistance to communities across the country that are developing programs, policies, and practices aimed at ending domestic violence, dating violence, sexual assault, and stalking. The OVW's stated mission is to provide federal leadership in developing the nation's capacity to reduce violence against women, and administer justice for and strengthen services to victims. Currently, the OVW administers three formula-based and 18 discretionary grant programs, established under the Violence Against Women Act (VAWA) and subsequent legislation.

The OVW's discretionary grant programs work to support victims and hold perpetrators accountable through promoting a coordinated community response. Funding is provided to local, state, and tribal governments; courts; non-profit-organizations; community-based organizations; secondary

schools; institutions of higher education; and state and tribal coalitions. Our audit includes seven discretionary grants made to the WCADVSA, a non-profit state coalition.

The WCADVSA was incorporated as a non-profit in 1987, and works to provide a state-level voice for local programs, and to strengthen and energize those programs by providing resources, training, and technical assistance to ensure that quality public education and services are available to all victims of domestic violence and sexual assault in Wyoming. The WCADVSA works in association with 24 member programs, each of which provides services to victims in their county. The WCADVSA provides services which include, but are not limited to, the provision of reduced-fee and pro-bono legal services to victims, the establishment of new graduate level course material at the University of Wyoming, transitional housing and emergency assistance for victims, technology upgrades, and training and technical assistance.

Our Audit Approach

The purpose of the audit was to determine whether costs claimed under the grant were allowable, reasonable, and in accordance with applicable laws, regulations, guidelines, and terms and conditions of the grants. The objective of the audit was to review performance in the following areas: (1) internal control environment, (2) drawdowns, (3) grant expenditures, including personnel costs, (4) budget management and control, (5) property management, (6) program income, (7) financial and progress reports, (8) grant requirements, (9) program performance and accomplishments, and (10) monitoring of subgrantees and contractors. We determined that matching and indirect costs were not applicable to this audit. We tested compliance with what we consider to be the most important conditions of the grants. Unless otherwise stated in this report, the criteria we audit against are contained in the *OJP Financial Guide*¹ and the award documents.

¹ In April 2012, the Office on Violence Against Women issued the *2012 OVV Financial Grants Management Guide*. Though the grants in this audit were bound to the criteria held in the *OJP Financial Guide*, we note that any recommendations implemented should correspond to the newly issued OVV financial guide as applicable.

We examined the WCADVSA's accounting records, financial and progress reports, and operating policies and procedures and found:

- all accounting system users shared one password to access the system. This deficiency was corrected during the course of this audit;
- the WCADVSA does not have a policy in place to monitor subrecipients receiving grant funds;
- drawdowns were properly deposited, and were generally either equal to or cumulatively less than the actual expenditures per WCADVSA's accounting records;
- \$817,901 in unsupported personnel costs for Grant Numbers 2004-WL-AX-0068, 2005-WH-AX-0062, 2005-WR-AX-0029 and 2007-WR-AX-0006;
- \$250,052 in unsupported fringe benefit costs for Grant Numbers 2004-WL-AX-0068, 2005-WH-AX-0062, 2005-WR-AX-0029 and 2007-WR-AX-0006;
- \$570 in unallowable direct costs for Grant Numbers 2004-WL-AX-0068 and 2005-WR-AX-0029, which included floral arrangements and lawn care;
- \$14,108 in unsupported direct costs for Grant Number 2005-WH-AX-0062, which consisted of transitional housing assistance payments made to a member program;
- budget management was properly tracked and recorded, and budget modifications had been approved by the OVW;
- the Federal Financial Reports (FFR) reviewed were generally submitted in a timely manner. However, we found that FFRs were not consistently accurate;
- the Progress Reports reviewed were generally submitted in a timely manner. However, there is no system in place to ensure that goals funded by more than one award are identified separately on each award's progress report;
- no indication that the goals and objectives of the grants awarded to WCADVSA will not be achieved; and

- grants that had reached their end date had been appropriately closed, or were in the process of being closed.

This report contains eight findings and seven recommendations, which are detailed in the Findings and Recommendations section of the report. Our audit objectives, scope, and methodology are discussed in Appendix I.

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AUDIT OF THE OFFICE ON VIOLENCE AGAINST WOMEN GRANTS AWARDED TO THE WYOMING COALITION AGAINST DOMESTIC VIOLENCE AND SEXUAL ASSAULT LARAMIE, WYOMING

INTRODUCTION

The U.S. Department of Justice, Office of the Inspector General (OIG), Audit Division, has completed an audit of seven grants totaling \$7,119,055 awarded by the Office on Violence Against Women (OVW) to the Wyoming Coalition Against Domestic Violence and Sexual Assault (WCADVSA), as shown in Exhibit 1.

EXHIBIT 1: GRANTS AWARDED TO THE WYOMING COALITION AGAINST DOMESTIC VIOLENCE AND SEXUAL ASSAULT

AWARD NUMBER	PROGRAM	AWARD DATE	PROJECT START DATE	PROJECT END DATE	AMOUNT
2004-WL-AX-0068	Legal Assistance to Victims	09/13/2004	07/01/2004	03/31/2010	\$1,939,122
2005-WH-AX-0062	Transitional Housing	09/12/2005	09/01/2005	12/31/2011	700,000
2005-WR-AX-0029	Rural Grants	07/29/2005	08/01/2005	11/30/2011	2,300,000
2007-MU-AX-0006	State Coalitions	09/17/2007	09/01/2007	09/30/2010	536,055
2009-EU-S6-0032	Recovery Act Grants to State Coalitions	07/23/2009	05/01/2009	09/30/2011	156,250
2009-WL-AX-0032	Legal Assistance for Victims	09/25/2009	10/01/2009	09/30/2013	1,060,000
2010-MU-AX-0006	State Coalitions	09/22/2010	09/01/2010	09/30/2012	427,628
Total:					\$7,119,055

Source: The Office of Justice Programs' (OJP) Grant Management System (GMS)

Background

Created in 1995, the OVW administers financial and technical assistance to communities across the country that are developing programs, policies, and practices aimed at ending domestic violence, dating violence, sexual assault, and stalking. The OVW's stated mission is to provide federal leadership in developing the nation's capacity to reduce violence against women and administer justice for, and strengthen services to, victims. Currently, the OVW administers three formula-based and 18 discretionary grant programs, established under the Violence Against Women Act (VAWA) and subsequent legislation.

The OVW's discretionary grant programs work to support victims and hold perpetrators accountable through promoting a coordinated community response. Funding is provided to local, state, and tribal governments; courts; non-profit-organizations; community-based organizations; secondary

schools; institutions of higher education; and state and tribal coalitions. Our audit includes seven discretionary grants made to the WCADVSA, a non-profit state coalition.

The WCADVSA was incorporated as a non-profit in 1987, and works to provide a state-level voice for local programs, and to strengthen and energize those programs by providing resources, training, and technical assistance to ensure that quality public education and services are available to all victims of domestic violence and sexual assault in Wyoming. The WCADVSA works in association with 24 member programs, each of which provides services to victims in their county. The WCADVSA provides services which include, but are not limited to, the provision of reduced-fee and pro-bono legal services to victims, the establishment of new graduate level course material at the University of Wyoming, transitional housing and emergency assistance for victims, technology upgrades, and training and technical assistance.

As shown in Exhibit 1, this audit reviewed seven discretionary grants made to the WCADVSA. Two of those awards, Grant Numbers 2004-WL-AX-0068 and 2009-WL-AX-0032, were made under the OVW's Legal Assistance for Victims (LAV) Grant Program. The LAV program strengthens the provision of comprehensive legal assistance to victims of domestic violence, sexual assault, and stalking through direct representation and victim advocacy which enhances victims' safety and strengthens their economic autonomy.

Grant Number 2005-WH-AX-0062 was made under the OVW's Transitional Housing Grant Program (Housing). The program allows funding to States, units of local government, Indian tribes, and other organizations to carry out programs to provide assistance to minors, adults, and their dependents who are homeless, or in need of transitional housing or other housing assistance, as a result of fleeing a situation of domestic violence; and for whom emergency shelter services or other crisis intervention services are unavailable or insufficient.

Funding for Grant Number 2005-WR-AX-0029 was awarded under OVW's Rural Grant Program (Rural). The program aims to enhance the safety of victims of domestic violence, dating violence, sexual assault, and stalking by supporting projects uniquely designed to address and prevent these crimes in rural jurisdictions, and to support the provision of victim services.

Grant Numbers 2007-MU-AX-0006 and 2010-MU-AX-0006 were made under the OVW's Grants to State Sexual Assault and Domestic Violence

Coalitions Program (Coalitions). Grant Number 2009-EU-S6-0032 was also funded under the Coalitions program, but was awarded under the American Reinvestment and Recovery Act (ARRA). The Coalitions grants generally support state coalition efforts to coordinate victim services within their state as well as collaborate with other federal, state, and local entities to respond to violence against women issues affecting their jurisdictions, and to provide support to member rape crisis centers through funding, training, and technical assistance, and public awareness. The stated goal of the ARRA award was to support the state coalition's efforts in promoting economic recovery, and preserving and creating jobs that coordinate victim services and resources within their state.

Our Audit Approach

We tested compliance with what we consider to be the most important conditions of the grant. Unless otherwise stated in our report, the criteria we audit against are contained in the *OJP Financial Guide* and grant award documents. We tested the WCADVSA's:

- **internal control environment** to determine whether the internal controls in place for the processing and payment of funds were adequate to safeguard grant funds and ensure compliance with the terms and conditions of the grant;
- **grant drawdowns** to determine whether grant drawdowns were adequately supported and if WCADVSA was managing grant receipts in accordance with federal requirements;
- **grant expenditures** to determine the accuracy and allowability of costs charged to the grant;
- **budget management and control** to determine WCADVSA's compliance with the costs approved in the grant budget;
- **Federal Financial Reports (FFR), Progress Reports, and Recovery Act Reports** to determine if the required FFR, Progress Reports, and Recovery Act Reports were submitted in a timely manner and accurately reflect grant activity;
- **grant objectives and accomplishments** to determine whether the WCADVSA is capable of meeting the grant objectives; and
- **closeout activity** to determine that appropriate action had been taken to administratively close grants that had reached their end date.

The findings and recommendations are detailed in the Findings and Recommendations section of this report. Our audit objectives, scope, and methodology appear in Appendix I.

FINDINGS AND RECOMMENDATIONS

We found that the WCADVSA was generally in compliance with the following areas: grant drawdowns; budget management and control; grant objectives and accomplishments; and closeout activity. However, at the time of our audit, we identified internal control weaknesses in that multiple individuals accessed the WCADVSA accounting system using a shared password, and that the WCADVSA does not have a system in place to effectively monitor subrecipients. Additionally, we found \$817,901 in unsupported personnel costs and \$250,052 in unsupported fringe costs charged to Grant Numbers 2004-WL-AX-0068, 2005-WH-AX-0062, 2005-WR-AX-0029 and 2007-WR-AX-0006. We also identified \$570 in unallowable costs related to floral arrangements and lawn care charged to Grant Numbers 2004-WL-AX-0068 and 2005-WR-AX-0029, and an additional \$14,108 in unsupported direct costs charged to Grant Number 2005-WH-AX-0062 for transitional housing services. Finally, we determined that the Federal Financial Reports (FFR), Recovery Act Reports, and Progress Reports reviewed were generally submitted in a timely manner; however, FFRs were not consistently accurate, and the WCADVSA does not have a system in place to ensure that achievements towards goals funded by more than one award are identified and reported separately on Progress Reports.

Prior Audits

The *Office of Management and Budget (OMB) Circular A-133* requires that non-Federal entities that expend \$500,000 or more per year in Federal awards have a single audit performed annually. We determined that the three most recent Single Audits of the WCADVSA were for Fiscal Years (FY) 2008, 2009, and 2010. We reviewed these audit reports and identified the following issues:

- Wyoming Coalition Against Domestic Violence and Sexual Assault does not have adequate internal accounting control due to lack of segregation of duties, because of a limited number of employees involved in the accounting function.
- Wyoming Coalition Against Domestic Violence and Sexual Assault relies on an accounting firm to generate the annual financial statements, including footnotes.

As noted in the most recent Single Audit report we reviewed, it may not be practical for an organization the size of the WCADVSA to maintain an adequate segregation of duties. However, the auditor noted that the weakness should be pointed out to the Board of Directors, and that the Board should continue its close review of financial activity to compensate for this weakness. We confirmed that the WCADVSA Board of Directors is aware of the weakness and remain involved in ongoing oversight. We note the importance of continued board oversight and make no recommendation to remedy this issue.

Additionally, the most recent Single Audit report also notes that it may be cost-prohibitive for an organization the size of the WCADVSA to hire personnel with the credentials and experience necessary to prepare Generally Accepted Accounting Principles financial statements.

We also reviewed a Site Visit report issued in 2007 by the Office of the Chief Financial Officer, a component of the Office of Justice Programs, Grants Financial Management Division. The Site Visit covered Grant Numbers 2004-WL-AX-0068, 2005-WH-AX-0062, and 2005-WR-AX-0029. The report identified the following four issues relevant to all three grants:

1. The Coalition did not maintain policies and procedures to administer Federal Grant Funds.
2. The Coalition did not utilize time/activity sheets to record time worked on Federal grants.
3. The Coalition did not maintain fixed asset policies and procedures, and did not maintain complete inventory records.
4. The Coalition did not maintain subrecipient monitoring policies and procedures to ensure adequate internal controls and management of subrecipients receiving federal funds.

We determined that adequate actions had been taken to close recommendation numbers one, two, and three. However, at the time of our audit, we found that the WCADVSA had not established or implemented subrecipient monitoring policies and procedures. The *OJP Financial Guide* requires that recipients develop systems, policies, and procedures to ensure that subrecipient activities are conducted in accordance with Federal program and grant requirements, laws, and regulations. We recommend that the WCADVSA establish and implement policy which will ensure adequate internal controls and management of sub-recipients receiving federal funds.

Internal Control Environment

We reviewed the WCADVSA's internal control environment, including procurement, receiving, and payment procedures and we reviewed the payroll system to determine compliance with the terms and conditions of the grants and to assess risk.

While on site, we identified an internal control deficiency in that all accounting system users shared one password. We recommended to WCADVSA officials that separate passwords be implemented for every person with access to the accounting system, and confirmed that this recommendation was implemented during the course of this audit. We make no further recommendations in this area.

The fiscal policy currently in place requires that any expenses submitted to WCADVSA officials for payment are supported by appropriate documentation and be approved by an authorized signatory of the account. Additionally, WCADVSA officials stated that packing lists are maintained and recorded, and that invoices are verified by the individual who received the materials ordered, and by a WCADVSA approving official prior to the rendering of payment. Generally, we consider the controls in place to be minimally adequate for an organization of this size, but stress the need for continued involvement and oversight by the WCADVSA Board of Directors.

Drawdowns

To determine the procedures for drawing down grant funds, we reviewed the award documentation and conducted interviews with WCADVSA officials. We determined that the grants awarded to the WCADSVSA are reimbursement based, and are therefore subject to the *OJP Financial Guide* requirement that draw down requests be timed to ensure that Federal cash on hand is the minimum needed for disbursements or reimbursements to be made immediately or within the next 10 days.

We analyzed each grant in our audit to determine if the total actual costs recorded in the accounting records were equal to, or in excess of, the cumulative drawdowns as reported by the OVW. We have included the results of our analysis below.

EXHIBIT 2: ANALYSIS OF DRAWDOWNS

GRANT NUMBER	TOTAL AMOUNT DRAWN	TOTAL AMOUNT EXPENDED	DIFFERENCE ¹
2004-WL-AX-0068	\$ 1,939,122	\$ 1,939,122	\$ -
2005-WH-AX-0062	692,175	692,175	-
2005-WR-AX-0029	2,290,294	2,298,523	8,229
2007-MU-AX-0006	536,055	536,689	634
2009-EU-S6-0032	156,250	156,250	-
2009-WL-AX-0032	522,767	526,492	3,725
2010-MU-AX-0006	236,447	238,508 ²	2,062

Source: OJP's Grant Management System; WCADVSA accounting records

As shown in Exhibit 2, we identified no instance in which the WCADVSA was cumulatively over drawn.

Grant Expenditures

To determine if expenditures under the awards were allowable, reasonable, and in compliance with the terms and conditions of the award, we reviewed direct cost transactions under the categories of Personnel, Fringe, Travel, Equipment, Supplies, Contractual, and Other.

We reviewed grant transactions from the personnel and fringe categories, and determined that the costs under the grants after January, 2008 were supported and allowable. However, prior to January 2008 the WCADVSA did not have a method in place to track the time of employees who were paid under more than one award.

The *OJP Financial Guide* requires that staff members paid from more than one award must complete time and attendance records which clearly show the time spent on each award by name or code. Staff records prior to January 1, 2008, did not distinguish between the time spent between grant programs. Therefore, we were unable to make a determination that payment made to employees compensated under more than one award was accurate, and we question those costs as unsupported. Additionally, prior to January 2007, the WCADVSA utilized a payroll service, and payments recorded in the general ledger were lump-sum amounts based on a distribution sheet recorded and maintained by the payroll service. While the WCADVSA was able to provide the itemized deduction sheets for a portion of the time period in question, they could not provide breakdowns for the entire period, nor could they provide supporting documentation for adjusting

¹ Throughout this report, differences in the total amounts are due to rounding.

² This amount includes expenditures which took place in the ten days immediately following the drawdown.

journal entries which occurred during the same period. As the adjusting entries appear to transfer funds from the personnel category to the fringe category, we cannot reduce questioned costs for the time period, as we cannot determine if the costs had already been reduced through the unsupported journal entries.

Because we cannot determine the accuracy of these personnel costs, we question \$817,901 in personnel costs for employees paid under more than one award as unsupported, and we recommend that the OVW coordinate with the WCADVSA to remedy the unsupported payroll costs. The amounts specific to each grant are detailed in Exhibit 3.

EXHIBIT 3: UNSUPPORTED PERSONNEL COSTS

GRANT NUMBER	TOTAL AMOUNT QUESTIONED
2004-WL-AX-0068	\$ 506,247
2005-WH-AX-0062	27,908
2005-WR-AX-0029	271,121
2007-MU-AX-0006	12,626
Total:	\$817,901

Source: WCADVSA accounting records

Additionally, we question the \$250,052 in corresponding fringe charges, as shown in Exhibit 4.

EXHIBIT 4: UNSUPPORTED FRINGE COSTS

GRANT NUMBER	TOTAL AMOUNT QUESTIONED
2004-WL-AX-0068	\$ 149,818
2005-WH-AX-0062	10,980
2005-WR-AX-0029	84,963
2007-MU-AX-0006	4,291
Total:	\$250,052

Source: WCADVSA accounting records

We recommend that the OVW coordinate with the WCADVSA in order to remedy the \$250,052 in unsupported fringe costs detailed above.

We identified additional unallowable questioned costs during our review of direct cost expenditures. Specifically, \$462 from Grant Number 2004-WL-AX-0068 and \$108 from Grant Number 2005-WR-AX-0029 had been spent on flower arrangements and lawn care. WCADVSA officials reported that they were notified by the Office of the Chief Financial Officer in 2006 that this type of expenditure was unallowable, and had not made any similar purchases after that time. We identified no such expenditures after 2006. The unallowable questioned costs described here are detailed below.

EXHIBIT 5: UNALLOWABLE DIRECT COSTS

EXPENSE	TOTAL AMOUNT QUESTIONED
Grant Number 2004-WL-AX-0068	
Floral arrangements and lawn care	\$ 462
Grant Number 2005-WR-AX-0029	
Floral arrangements and lawn care	108
Total Unallowable Costs:	\$ 570

Source: WCADVSA accounting records

We recommend that the OVW coordinate with the WCADVSA to remedy the \$570 in unallowable direct costs.

Finally, we identified two direct cost transactions from Grant Number 2005-WH-AX-0062 for which complete supporting documentation could not be provided. These transactions were payments made to a member program. These costs are detailed in Exhibit 6 below.

EXHIBIT 6: ADDITIONAL UNSUPPORTED DIRECT COSTS

EXPENSE	TOTAL AMOUNT QUESTIONED
Grant Number 2005-WH-AX-0062	
Transitional Housing Services	\$ 5,480
Transitional Housing Services	8,628
Total:	\$ 14,108

Source: WCADVSA accounting records

We recommend that the OVW coordinate with the WCADVSA to remedy the \$14,108 in unsupported transitional housing services costs.

Budget Management and Control

For each grant, the WCADVSA received an approved budget broken down by categories including Personnel, Fringe Benefits, Travel, Equipment, Supplies, Construction, Contractual costs, and Other costs. If changes are subsequently made, the *OJP Financial Guide* requires that prior approval from the granting agency be obtained if the changes will result in a change that exceeds 10 percent of the total award amount. We used the approved budget or, if the budget had been modified, the most recent Grant Adjustment Notice containing an approved budget modification to determine the approved budgeted amounts by category.

To conduct our analysis, we used the amounts approved by the OVW in either the financial clearance memorandum or, if the budgeted amounts had been modified, the most recent Grant Adjustment Notice. We identified the potential to go over budget in both the Personnel and Other categories

for Grant Number 2009-WL-AX-0032, and notified WCADVSA officials. However, we did not identify any instances in which the WCADVSA had exceeded the approved budget category in excess of the allowable 10 percent.

Grant Reporting

We reviewed the Financial Reports, Categorical Assistance Progress Reports (Progress Reports), and Quarterly Recovery Act Reports to determine if the required reports had been submitted accurately, and within the timeframes required by the *OJP Financial Guide*.

Financial Reporting

For financial reporting prior to October 1, 2009, the *OJP Financial Guide* states that Financial Status Reports (FSRs) should be submitted online no later than 45 days after the last day of each quarter. The *OJP Financial Guide* also states that effective for the quarter beginning October 1, 2009, instead of using FSRs, grant recipients must report expenditures online using the Federal Financial Report (FFR) no later than 30 days after the end of each calendar quarter. We reviewed the four most recent FSRs or FFRs for each grant, and determined that financial reporting had been submitted in a timely manner.

We also reviewed financial reporting for accuracy. According to the *OJP Financial Guide*, recipients shall report the actual expenditures and unliquidated obligations incurred for the reporting period on each financial report. Also, the award recipients should report program outlays and revenue on a cash or accrual basis in accordance with their accounting system. We determined that financial reporting was not consistently accurate, and have included our detailed analysis below.

EXHIBIT 7: FEDERAL FINANCIAL REPORT EXPENDITURE ACCURACY

REPORT No.	REPORT PERIOD FROM - TO DATES	CUMULATIVE GRANT EXPENDITURES PER REPORT	CUMULATIVE GRANT EXPENDITURES PER ACCOUNTING RECORDS	CUMULATIVE DIFFERENCE BETWEEN REPORTS & ACCOUNTING RECORDS
Grant No. 2004-WL-AX-0068				
20	04/01/09 - 06/30/09	\$1,686,726	\$1,684,587	\$ (2,139)
21	07/01/09 - 09/30/09	1,778,781	1,776,637	(2,144)
22	10/01/09 - 12/31/09	1,862,226	1,859,573	(2,653)
23	01/01/10 - 03/31/10	1,939,122	1,939,122	-
Grant No. 2005-WH-AX-0062				
22	10/01/10 - 12/31/10	\$ 553,398	\$ 553,429	\$ 31
23	01/01/11 - 03/31/11	565,833	565,833	-
24	04/01/11 - 06/30/11	597,916	597,916	-
25	07/01/11 - 09/30/11	690,763	690,763	-
Grant No. 2005-WR-AX-0029				
22	10/01/10 - 12/31/10	\$1,964,300	\$1,961,510	\$ (2,791)
23	01/01/11 - 03/31/11	2,031,237	2,032,052	814
24	04/01/11 - 06/30/11	2,123,878	2,122,725	(1,153)
25	07/01/11 - 09/30/11	2,231,314	2,230,116	(1,198)
Grant No. 2007-MU-AX-0006				
10	10/01/09 - 12/31/09	\$ 367,312	\$ 364,613	\$ (2,699)
11	01/01/10 - 03/31/10	411,112	411,504	392
12	04/01/10 - 06/30/10	468,431	471,633	3,202
13	07/01/10 - 09/30/10	536,055	536,077	22
Grant No. 2009-EU-S6-0032				
6	07/01/10 - 09/30/10	\$ 63,751	\$ 63,751	\$ -
7	10/01/10 - 12/31/10	90,246	90,194	(52)
8	01/01/11 - 03/31/11	105,753	105,753	-
9	04/01/11 - 06/30/11	124,691	124,909	218
Grant No. 2009-WL-AX-0032				
5	10/01/10 - 12/31/10	\$ 248,656	\$ 248,604	\$ (52)
6	01/01/11 - 03/31/11	321,005	321,005	-
7	04/01/11 - 06/30/11	402,844	403,211	367
8	07/01/11 - 09/30/11	470,948	470,948	-
Grant No. 2010-MU-AX-0006				
2	10/01/10 - 12/31/10	\$ 55,503	\$ 55,451	\$ (52)
3	01/01/11 - 03/31/11	105,044	105,044	-
4	04/01/11 - 06/30/11	155,021	156,633	1,611
5	07/01/11 - 09/30/11	199,774	199,595	(179)

Source: OJP Grants Management System (GMS) and WCADVSA

As shown above, we determined that financial reports were not accurate for 19 of the 28 reporting periods in our review; however, we note that some of these amounts are negligible. We recommend that the OVW coordinate with the WCADVSA to ensure that future federal financial reports are submitted accurately.

The *OJP Financial Guide* also requires recipients to report summary information on funds generated by the organization, including program income. The WCADVSA had program income associated with Grant Number 2007-MU-AX-0006.³ As shown in Exhibit 8, the program income was reported inaccurately during one period in our review. However, future reports and the cumulative total were accurate, and we make no recommendations in this area.

EXHIBIT 8: FEDERAL FINANCIAL REPORT REVENUE ACCURACY

REPORT No.	REPORT PERIOD FROM - TO DATES	CUMULATIVE GRANT REVENUES PER REPORT	CUMULATIVE GRANT REVENUES PER ACCOUNTING RECORDS	CUMULATIVE DIFFERENCE BETWEEN REPORTS & ACCOUNTING RECORDS
Grant No. 2007-MU-AX-0006				
10	10/01/09 - 12/31/09	\$ 11,291	\$ 14,382	\$ 3,091
11	01/01/10 - 03/31/10	14,382	14,382	-
12	04/01/10 - 06/30/10	14,382	14,382	-
13	07/01/10 - 09/30/10	14,382	14,382	-

Source: OJP Grants Management System (GMS) and WCADVSA

Categorical Assistance Progress Reports

According to the *OJP Financial Guide*, Categorical Assistance Progress Reports are due semiannually on January 30 and July 30 for the life of the award. To verify the timely submission of Progress Reports, we reviewed the last four Progress Reports submitted for each grant to determine if the report had been submitted as required by the *OJP Financial Guide*. As shown in Exhibit 9, we determined that one progress report for Grant Number 2004-WL-AX-0068 had been submitted late; however, since this report was submitted in 2009 and all reports since have been submitted in a timely manner, we make no recommendations in this area.

³ The WCADVSA also included \$210 in program income related to Grant Number 2004-WL-AX-0068. However, WCADVSA officials reported that it was determined by the OVW that these were administrative fees which do not qualify as program income, and the \$210 was removed on subsequent financial reports.

EXHIBIT 9: CATEGORICAL ASSISTANCE PROGRESS REPORT HISTORY

REPORT No.	REPORT PERIOD FROM - To DATES	DUE DATE	DATE SUBMITTED	DAYS LATE
Grant No. 2004-WL-AX-0068				
9	07/01/08 - 12/31/08	01/30/09	03/05/09	34
10	01/01/09 - 06/30/09	07/30/09	07/24/09	0
11	07/01/09 - 12/31/09	01/30/10	01/22/10	0
12	01/01/10 - 06/30/10	09/28/10	06/29/10	0
Grant No. 2005-WH-AX-0062				
9	07/01/09 - 12/31/09	01/30/10	01/25/10	0
10	01/01/10 - 06/30/10	07/30/10	07/28/10	0
11	07/01/10 - 12/31/10	01/30/11	01/11/11	0
12	01/01/11 - 06/30/11	07/30/11	07/26/11	0
Grant No. 2005-WR-AX-0029				
9	07/01/09 - 12/31/09	01/30/10	01/27/10	0
10	01/01/10 - 06/30/10	07/30/10	07/28/10	0
11	07/01/10 - 12/31/10	01/30/11	01/26/11	0
12	01/01/11 - 06/30/11	07/30/11	07/28/11	0
Grant No. 2007-MU-AX-0006				
4	01/01/09 - 06/30/09	07/30/09	07/29/09	0
5	07/01/09 - 12/31/09	01/30/10	01/27/10	0
6	01/01/10 - 06/30/10	07/30/10	07/29/10	0
7	07/01/10 - 12/31/10	03/31/11	12/22/10	0
Grant No. 2009-EU-S6-0032				
2	07/01/09 - 12/31/09	01/30/10	01/25/10	0
3	01/01/10 - 06/30/10	07/30/10	07/29/10	0
4	07/01/10 - 12/31/10	01/30/11	01/24/11	0
5	01/01/11 - 06/30/11	07/30/11	07/27/11	0
Grant No. 2009-WL-AX-0068				
1	07/01/09 - 12/31/09	01/30/10	01/29/10	0
2	01/01/10 - 06/30/10	07/30/10	07/28/10	0
3	07/01/10 - 12/31/10	01/30/11	01/24/11	0
4	01/01/11 - 06/30/11	07/30/11	07/28/11	0
Grant No. 2010-MU-AX-0006				
1	07/01/10 - 12/31/10	01/30/11	01/24/11	0
2	01/01/11 - 06/30/11	07/30/11	07/27/11	0

Source: OJP Grants Management System (GMS)

We also reviewed progress reports for accuracy. According to the *OJP Financial Guide*, the funding recipient agrees to collect data appropriate for facilitating reporting requirements established by Public Law 103-62 for the Government Performance and Results Act. The funding recipient will ensure that valid and auditable source documentation is available to support all data collected for each performance measure specified in the program solicitation. In order to verify the information in Progress Reports, we selected a sample of data from the last two Progress Reports submitted for each grant and traced

it to supporting documentation maintained by WCADVSA officials. We determined that the WCADVSA was generally able to provide documentation to support the claims of achievement on all progress reports in our review. However, WCADVSA officials stated that they do not have a method of tracking identical goals which are funded under more than one award. Specifically, the WCADVSA could not differentiate between the goals and objectives met through funding from Grant Numbers 2007-MU-AX-0006 and 2009-EU-S6-0032. We recommend that the OVW coordinate with the WCADVSA to ensure that a system is in place to accurately differentiate and track goals and objectives for separately funded awards.

Quarterly Recovery Act Reports

In addition to standard reporting requirements, grantees receiving Recovery Act funding must also submit quarterly reports, which require both financial and programmatic data specific to Recovery Act activities. According to the *OJP Financial Guide*, Recovery Act Reports are due 10 days after the close of each quarter. We reviewed the last two Recovery Act Reports for timeliness and found that the WCADVSA submitted each report in a timely manner.

We also reviewed the last two Recovery Act Reports for accuracy. According to OMB guidance, the reports aim to provide transparency into the use of these funds. The Recovery Act Reports are required to include the following information.

- Total amount of funds received and the amount of funds spent on projects and activities.
- A list of those projects and activities funded by name, including a description, completion status, and estimates on jobs created or retained.
- Details on subawards and other payments.

In the Recovery Act Reports, the data pertaining to jobs created and retained is reported as Full Time Equivalents (FTE). According to OMB Memorandum 10-08, dated December 18, 2009, the formula for calculating FTEs is represented as follows:

TOTAL NUMBER OF HOURS WORKED AND FUNDED BY RECOVERY ACT WITHIN REPORTING QUARTER	÷	QUARTERLY HOURS IN A FULL-TIME SCHEDULE⁴	=	FTEs
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In order to determine the accuracy of Quarterly Recovery Act Reports submitted by WCADVSA, we reviewed timesheets for the position approved in the grant. We totaled the hours that were funded by Grant Number 2009-EU-S6-0032 for the second and third quarter of Calendar Year (CY) 2011 and used the FTE calculation noted previously noted. As shown in Exhibit 7, we determined that the FTEs supported by WCADVSA timesheets did not match the FTEs that were reported in the Quarterly Recovery Act Reports. However, we determined that the differences between the FTEs supported by timesheets and the FTEs reported to be immaterial.

EXHIBIT 10: ACCURACY OF FTEs REPORTED IN QUARTERLY RECOVERY ACT REPORTS FOR GRANT 2009-EU-S6-0032

REPORT PERIOD FROM - TO DATES	NUMBER OF POSITIONS FUNDED	TOTAL FTEs REPORTED	TOTAL SUPPORTED FTEs	DIFFERENCE
4/1/2011 – 6/30/2011	1	.65	.67	(.02)
7/1/2011 – 9/30/2011	1	.65	.87	(.22)

Source: Recovery.gov and WCADVSA

Program Performance and Accomplishments

The mission of the grants awarded to the WCADVSA is dependent upon the grant program. The intent of the Legal Assistance to Victims grant program (Grant Numbers 2004-WL-AX-0068 and 2009-WL-AX-0032) is to strengthen the provision of comprehensive legal assistance to victims of domestic violence, sexual assault and stalking through direct representation and victim advocacy. The Transitional Housing grant program (Grant Number 2005-WH-AX-0062) supports programs that provide assistance to minors, adults, and their dependents who are homeless, or in need of transitional housing or other housing assistance as the result of fleeing a situation of domestic violence, and for whom emergency shelter services or other crisis intervention services or unavailable or insufficient. The rural grant program (Grant Number 2005-WR-AX-0029) is intended to

⁴ OMB Memorandum 10-08 describes the calculation for Quarterly Hours in a Full-time Schedule as 520 hours (2,080 hours annually divided by 4 quarters).

strengthen the safety of victims of domestic violence, dating violence and child abuse by creating and enhancing collaborative partnerships between criminal justice agencies, victim services providers, and community organizations to respond to crimes of domestic violence, dating violence and child abuse, and to provide services to the victims of such violence. Finally, the state coalitions program (Grant Numbers 2007-MU-AX-0006, 2009-EU-S6-0032 and 2010-MU-AX-0006) is intended to support state coalition efforts to coordinate victim services within the state, and to collaborate with other federal, state, and local entities to respond to violence against women issues affecting each individual jurisdiction. As an award funded under the American Reinvestment and Recovery Act (ARRA), Grant Number 2009-EU-S6-0032 also specifically aims to support the state coalition's efforts in promoting economic recovery, and preserving and creating jobs that coordinate victim services and resources within their state.

In order to assess program performance and accomplishments, we reviewed the agency solicitations and grant documentation, and interviewed WCADVSA officials to determine the goals and objectives of the program, and whether those goals and objectives have been or are being implemented. Each award and subsequent supplement contained multiple goals and objectives. We selected at least one goal from each original award, and from each supplement to that award, if applicable, and requested that the WCADVSA provide evidence demonstrating that the goals and objectives of the award had been met.

The WCADVSA was able to provide adequate support for each of our requests, and demonstrated progress in areas including, but not limited to:

- the expansion of course offerings at the University of Wyoming to include classes on domestic violence and the law;
- continued collaboration with attorneys across Wyoming in order to provide reduced-fee or pro-bono legal assistance to victims of domestic violence and sexual assault;
- the provision of direct assistance in the form of funds used for housing and associated services for victims of domestic violence;
- the provision of statewide, regional, and local program training on issues of domestic violence and sexual assault;
- expand rural service delivery strategies;
- the provision of education, support, and training to sexual assault response teams, and;

- the creation of jobs related to victim services under ARRA.

As detailed above, the WCADVSA was able to support its claims of achievement. We found no indication that the WCADVSA would be unable to meet current or future objectives of grant related programs, and we make no recommendations in this area.

Closeout Activity

According to the *OJP Financial Guide*, award recipients have 90 days after the end date of the award to close out the award. Also, award recipients are to provide a cash reconciliation, make a final drawdown (before 90 days after the award, the final financial report, and the final Progress Report to the granting agency. As noted in Exhibit 8 we determined that five of the seven grants reviewed had reached their end date.

EXHIBIT 11: CLOSEOUT STATUS OF GRANTS AWARDED TO THE WYOMING COALITION AGAINST DOMESTIC VIOLENCE AND SEXUAL ASSAULT

AWARD NUMBER	PROJECT START DATE	PROJECT END DATE	REQUIRED PROJECT CLOSEOUT DATE	CLOSEOUT STATUS PER OJP GRANTS MANAGEMENT SYSTEM
2004-WL-AX-0068	07/01/2004	03/31/2010	06/29/2010	Final Archived – Approved
2005-WH-AX-0062	09/01/2005	12/31/2011	03/30/2012	Closeout In Process
2005-WR-AX-0029	08/01/2005	11/30/2011	02/28/2012	Closeout In Process
2007-MU-AX-0006	09/01/2007	09/30/2010	12/29/2010	Final Archived – Approved
2009-EU-S6-0032	05/01/2009	09/30/2011	12/29/2011	Closeout in Process ⁵
2009-WL-AX-0032	10/01/2009	09/30/2013	N/A	Has not reached end date
2010-MU-AX-0006	09/01/2010	09/30/2012	N/A	Has not reached end date

Source: OJP Grants Management System (GMS)

Five of the seven grants reviewed had reached their end date at the time of this audit, and we determined that those grants had been

⁵ According to the grant closeout information obtained from GMS, we noted that WCAVDSA officials had submitted the final FFR and Progress Report, and did not make any drawdowns beyond the time period allowed by the *OJP Financial Guide*. We also noted that (as of our fieldwork) that the closeout of grant 2009-EU-S6-0032 was pending approval from OVW.

appropriately closed, or were in the process of being closed. We verified that the final FFR was submitted, the final Progress Report was submitted, and that final drawdowns were in compliance with the terms and conditions required by the *OJP Financial Guide*.

Conclusion

The purpose of this audit was to determine whether reimbursements claimed for costs under the grants were allowable, supported, and in accordance with applicable laws, regulations, guidelines, terms and conditions of the grant, and to determine program performance and accomplishments. We performed detailed transaction testing and examined the WCADVSA's accounting records, budget documents, financial and progress reports, and operating policies and procedures. Our audit results are listed below.

- All accounting system users shared one password to access the system. This deficiency was corrected during the course of this audit.
- The WCADVSA does not have a policy in place to monitor subrecipients receiving grant funds.
- Drawdowns were properly deposited, and were generally either equal to or cumulatively less than the actual expenditures per WCADVSA's accounting records.
- \$817,901 in unsupported personnel costs for Grant Numbers 2004-WL-AX-0068, 2005-WH-AX-0062, 2005-WR-AX-0029 and 2007-WR-AX-0006.
- \$250,052 in unsupported fringe benefit costs for Grant Numbers 2004-WL-AX-0068, 2005-WH-AX-0062, 2005-WR-AX-0029 and 2007-WR-AX-0006.
- \$570 in unallowable direct costs for Grant Numbers 2004-WL-AX-0068 and 2005-WR-AX-0029, which included floral arrangements and lawn care.
- \$14,108 in unsupported direct costs for Grant Number 2005-WH-AX-0062, which consisted of transitional housing assistance payments made to a member program.
- Budget management was properly tracked and recorded, and budget modifications had been appropriately approved by the OVW.

- The Federal Financial Reports (FFR) reviewed were generally submitted in a timely manner. However, we found that FFRs were not consistently accurate.
- The Progress Reports reviewed were generally submitted in a timely manner. However, there is no system in place to ensure that goals funded by more than one award are identified separately on each award's progress report.
- No indication that the goals and objectives of the grants awarded to WCADVSA will not be achieved.
- Grants that had reached their end date had been appropriately closed, or were in the process of being closed.

Recommendations

We recommend that the OVW coordinate with the WCADVSA to:

1. Ensure that a policy is in place to effectively monitor subrecipients.
2. Remedy the \$817,901 in unsupported payroll costs.
3. Remedy the \$250,052 in unsupported fringe costs.
4. Remedy the \$570 in unallowable direct costs.
5. Remedy the \$14,108 in unsupported direct costs.
6. Ensure that financial reports are submitted accurately.
7. Ensure that a policy is in place to effectively separate identical accomplishments funded under more than one award on semi-annual progress reports.

OBJECTIVES, SCOPE, AND METHODOLOGY

The purpose of the audit was to determine whether reimbursements claimed for costs under the grants were allowable, reasonable, and in accordance with applicable laws, regulations, guidelines, and terms and conditions of the grants, and to determine program performance and accomplishments. The objective of the audit was to review performance in the following areas: (1) internal control environment; (2) drawdowns; (3) grant expenditures, including personnel and indirect costs; (4) budget management and control; (5) matching; (6) property management, (7) program income, (8) financial and progress reports, (9) grant requirements, (10) program performance and accomplishments, and (11) monitoring of subrecipients. We determined that matching and indirect costs were not applicable to this audit.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. Our audit concentrated on, but was not limited to, the award date of grant 2004-WL-AX-0068 on September 13, 2004 through January 26, 2012, the day our field work concluded. This was an audit of the OVW grant numbers 2004-WL-AX-0068, 2005-WH-AX-0062, 2005-WR-AX-0029, 2007-MU-AX-0006, 2009-EU-S6-0032, 2009-LW-AX-0032, and 2010-MU-AX-0006 awarded to the Wyoming Coalition Against Domestic Violence and Sexual Assault (WCADVSA). The WCADVSA has drawn down a total of \$6,373,110 in grant funds through December 14, 2011.

We tested compliance with what we consider to be the most important conditions of the grants. Unless otherwise stated in our report, the criteria we audit against are contained in the *OJP Financial Guide* and the award documents.

In conducting our audit, we performed sample testing in three areas, which were grant expenditures (including personnel expenditures), Financial Reports, and Progress Reports. In this effort, we employed a judgmental sampling design to obtain broad exposure to numerous facets of the awards reviewed, such as dollar amounts, expenditure category, or risk. However, this non-statistical sample design does not allow a projection of the test results for all grant expenditures or internal controls and procedures.

In addition, we evaluated internal control procedures, performance to grant objectives, grant drawdowns, program income, and evaluated the recipient's monitoring of subrecipients. However, we did not test the reliability of the financial management system as a whole and reliance on computer based data was not significant to our objective.

APPENDIX II

SCHEDULE OF DOLLAR-RELATED FINDINGS

<u>QUESTIONED COSTS</u> ⁶	<u>AMOUNT</u>	<u>PAGE</u>
Unsupported Payroll	\$817,901	9
Unsupported Fringe	\$250,052	9
Unallowable Direct Costs	\$570	9
Unsupported Direct Costs	\$14,108	10
TOTAL QUESTIONED COSTS	\$1,082,632	
TOTAL DOLLAR-RELATED FINDINGS	\$1,082,632	

⁶ **Questioned Costs** are expenditures that do not comply with legal, regulatory, or contractual requirements, or are not supported by adequate documentation at the time of the audit, or are unnecessary or unreasonable. Questioned costs may be remedied by offset, waiver, recovery of funds, or the provision of supporting documentation

WYOMING COALITION AGAINST DOMESTIC VIOLENCE AND SEXUAL ASSAULT RESPONSE TO DRAFT AUDIT REPORT

Member Programs

Albany County
S.A.F.E. Project

Big Horn
C.A.R.E.S. Inc. (Crisis & Referral
Emergency Services)

Campbell County
G.A.R.F. (Gillette Abuse Refuge
Foundation)

Carbon County
C.O.V.E. (Carbon County Citizens
Organized to See Violence Ended)

Converse County
Converse County Coalition
Against Violence

Crook County
Crook County Family Violence
& Sexual Assault Services

Fremont County
Fremont Alliance

Goshute County
Goshute County
Task Force FV/SA

Hot Springs County
H.O.P.E. Agency

Johnson County
Family Crisis Center

Laramie County
Safehouse Sexual Assault
Services Inc.

Lincoln County
The Turning Point

Natrona County
Self Help Center

Niobrara County
Helpmate Crisis Center

Park County
Crisis Intervention Services

Platte County
Project SAFE

Sheridan County
Advocacy & Resource Center

Sublette County
S.A.F.V. Task Force

Sweetwater County
Y.W.C.A.S.A.S.H.
(Support & Safe House)

Teton County
Community Safety Network

Uinta County
S.A.F.V. (Sexual Assault
& Family Violence) Task Force Inc.

Washakie County
Victims of Violence Center

Weston County
FOCUS (Foundation of Caring,
Understanding & Services)

WRIR Sacred Shield
Joint Tribes
Against DV/SA



Wyoming Coalition Against Domestic Violence and Sexual Assault

June 8, 2012

U.S. Department of Justice
Office of the Inspector General
David M. Sheeren, Regional Audit Manager
Denver Regional Audit Office
1120 Lincoln, Suite 1500
Denver, CO, 80203

Dear Mr. Sheeren,

Please find below and attached the Wyoming Coalition Against Domestic Violence and Sexual Assault's response to the Office of the Inspector General Draft Audit Report recommendations.

1. **Ensure that a policy is in place to effectively monitor sub-recipients.**
The WCADVSA Fiscal Policies and Procedures have been revised in bold as follows to more effectively monitor sub-recipients.

GRANTS AND CONTRACTS

Accounting procedures, charts of accounts, etc., will provide for identifying receipts and expenditures of WCADVSA funds separately for each award or grant. The accounting system will provide for accumulating and recording expenditures by award or grant as shown in the approved budget. Reports will be filed on a timely basis with the grant agencies. The Executive Director and/or Associate Director will review expenditures charged to direct and indirect costs in accordance with the applicable grant agreements. Appropriate personnel will be responsible to review and ensure the provision of services in accordance with the applicable grant agreements. The WCADVSA will follow the financial guidelines and procedures as may be set forth by grantors.

Indirect costs will be allocated based on a reasonable allocation plan. The WCADVSA will provide reasonable assurance that consistent treatment is applied in distribution of charges of direct and indirect costs to applicable award or grants.

The Executive Director has the authority to obligate the WCADVSA to new grants and contracts under \$100,000 or continuation grants at a similar funding level to the prior year.

P.O. Box 236 • 710 E. Garfield St. Suite 218 • Laramie, WY 82073
Phone 307-755-5481 • Fax 307-755-5482 • Legal Project 307-755-0992
E-mail: Info@wyomingdvsa.org • www.wyomingdvsa.org

As appropriate and as set forth by grantors, the WCADVSA will establish and implement sub-award/grantee monitoring procedures to ensure adequate control of funds. As required, the procedures will include:

- Submission of sub-award/grantee and review of financial and programmatic reports.
- Periodic on-site monitoring of sub-award/grantee programmatic and financial operations as needed.
- Cash management and disbursements practices.
 - **Funds will be disbursed to eligible sub-grantees per the applicable financial guidelines and regulations of the grantor and purpose of the funds.**
 - **Funds will be provided to sub-grantees on a reimbursement basis.**
 - **Documentation required for reimbursement includes:**
 - **Copy of receipts**
 - **Signature of payee**
 - **Signature of Executive Director**
 - **Purpose of expense**
- Monitoring of sub-award/grantees audit reports.

2. **Remedy the \$817,901 in unsupported payroll costs.**

The WCADVSA Fiscal Policies and Procedures have been revised in bold as follows to more accurately support payroll and fringe benefit costs. In addition, please find a copy of the Personnel Time and Activity Report attached as Appendix A currently in use by WCADVSA employees.

PAYROLL

The WCADVSA will operate on a bi-weekly pay calendar.

All new employees must be approved by the Executive Director, who is the only employee authorized to set rates of pay. The Board of Directors will hire the Executive Director and set the Director's rate of pay. Appropriate employment forms must be completed upon hire and submitted to the Executive Director for inclusion in personnel file.

All salary increases must be approved by the Executive Director and noted in the personnel file. The Executive Director's salary is to be approved by the Board of Directors.

All employees must be provided an employee handbook and must acknowledge reading and understanding that handbook.

Personnel Time and Activity Reports will be used for attendance, allocation of employee's time **per activity to appropriate programs** and for tracking paid time off benefits. Time sheets will be signed by employees and submitted to the respective supervisor for approval. The Executive Director's time sheets will be approved by the Associate Director or Board of Directors.

Personnel Time and Activity Reports are due by 10:00 a.m. on the Monday following the end of a pay period. The Executive Director and/or the immediate supervisor will check the time sheets for accurate compilations of payroll period hours, overtime approval from supervisor, vacation and sick time requests and approval, unapproved erasures and alterations, and will verify pay rates against the approved pay rate schedule. The payroll will be subject to the final approval of the Executive Director or her designee.

The Fiscal Officer will process payroll and return timesheets to the Executive Director.

Employee **Personnel Time and Activity Reports** will be maintained in sufficient detail to allow for allocations of payroll costs to specific grants and other non-grant funded activities including lobbying.

The payroll checks or direct bank deposit will be processed in house by the Fiscal Officer. The Fiscal Officer will also process payroll tax calculations and other designations as needed and mandated. Any errors or omissions should be brought to the attention of the Executive Director and Fiscal Officer immediately for reconciliation. The Fiscal Officer will review and reconcile gross and net pay amounts as shown on tax returns to total payroll on the payroll register and general ledger.

The Fiscal Officer will place payroll checks and direct deposit receipts in envelopes and distribute them to the employees on the appropriate day. Checks not distributed will be placed in the personnel file of the employee. Unclaimed or undeliverable payroll checks will be voided after six (6) months.

The total W-2 wages for the year will be reconciled to the general ledger and payroll register wages paid and other payroll reports by the Fiscal Officer.

Payments for deductions from employees' checks such as health insurance, life insurance, 403(B), etc. are prepared by the Fiscal Officer and signed by the Executive Director.

3. Remedy the \$250,052 in unsupported fringe costs.

Refer to number two.

4. Remedy the \$570 in unallowable direct costs.

The WCADVSA concurs that \$570 noted as unallowable direct costs is correct.

5. Remedy the \$14,108 in unsupported direct costs.

Two checks comprise the \$14,108 in unsupported direct costs; one for \$5,480 (check 9130) and the other for \$8,628 (check 13662). The WCADVSA has valid documentation for \$5,365 of the \$5,480 check. In addition, the WCADVSA has valid documentation for \$8,471 of the \$8,628 check. Please refer to the attached documentation in Appendix B and Appendix C. The WCADVSA concurs that the balance of \$1,057 are unallowable direct costs.

6. Ensure that financial reports are submitted accurately.

The WCADVSA Fiscal Policies and Procedures have been revised in bold as follows to more accurately support payroll and fringe benefit costs.

RESPONSIBILITIES AND REPORTS

The Board of Directors is responsible for the administration of funds for the WCADVSA.

The Treasurer of the Board provides oversight of quarterly fiscal administration through the review of financial statements, balance sheets, and bank statement reconciliations. Quarterly statements of all receipts and expenditures are reviewed and approved by the Board members at regular board meetings. The Executive Director is the primary fiscal administrator of yearly budgets approved by the Board of Directors and provides necessary reports to include:

- Financial statements
- Budget proposals submitted to funding agencies
- Year-end audit reports
- Other reports of a fiscal nature necessary to inform the Board of fund balances as they are reported or upon request.

The Fiscal Officer, Executive Director, Associate Director or contracted professionals will prepare on a monthly basis the following reports:

- Invoices to funding source
- Bank reconciliation of all accounts
- Financial report of expenses/revenues
- Grant financial status reports as applicable

The Fiscal Officer, Executive Director, Associate Director or contracted professionals will prepare on a quarterly basis the following reports:

- 941
- State Unemployment
- Workers Compensation
- Grant financial status reports as applicable

The Fiscal Officer, Executive Director, Associate Director or contracted professionals will prepare on an annual basis the following reports:

- IRS Form 990
- W-3 Transmittal Form
- Annual audit by outside CPA firm
- Grant closeout reports as applicable

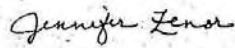
All reports are to be submitted accurately and on-time. If a report is found to be inaccurate, the necessary steps should be taken per grantor requirements to reconcile the inaccuracies.

7. Ensure that a policy is in place to effectively separate identical accomplishments funded under more than one award on semi-annual progress reports.

Attached as Appendix D is a new policy implemented in January 2012, and a corresponding e-mail, provide clarification to WCADVSA staff around properly reporting accomplishments on semi-annual progress reports.

Please let me know if additional clarification is necessary. Thank you again for your work with the WCADVSA throughout the OIG audit process.

Sincerely,



Jennifer Zenor
WCADVSA Executive Director

**OFFICE ON VIOLENCE AGAINST WOMEN
RESPONSE TO DRAFT AUDIT REPORT**



U.S. Department of Justice


Office on Violence Against Women


Washington, D.C. 20530

July 12, 2012

MEMORANDUM

TO: David M. Sheeren
Regional Audit Manager
Denver Regional Audit Office

FROM: Bea Hanson 
Acting Director
Office on Violence Against Women

Rodney Samuels 
Audit Liaison
Office on Violence Against Women

SUBJECT: Response to the Draft Audit Report, Wyoming Coalition Against
Domestic Violence and Sexual Assault (WCADVSA) – Draft
Audit Report

This memorandum is in response to your correspondence dated May 16, 2012 transmitting the above draft Follow-Up and Review Investigation report for the WCADVSA. We consider the subject report resolved and request written acceptance of this action from your office.

The report contains **seven** recommendations, **\$1,082,061** in unsupported costs and **\$570** in unallowable cost. The following is our analysis of the audit recommendations.

1) Ensure that a policy is in place to effectively monitor sub-recipients.

We agree with this recommendation. We will coordinate with the WCADVSA to obtain a copy of procedures to ensure an effective policy is implemented to monitor sub-recipients.

2) Remedy the \$817, 901 in unsupported payroll costs.

We agree with the recommendation. We will coordinate with WCADVSA to remedy \$817, 901 in unsupported payroll costs identified in your report.

3) Remedy the \$250,052 in unsupported fringe costs.

We agree with the recommendation. We will coordinate with the WCADVSA to remedy \$250,052 in unsupported fringe costs identified in your report.

4) Remedy the \$570 in unallowable direct cost.

We agree with the recommendation. We will coordinate with the WCADVSA to remedy \$570 in unallowable direct costs identified in your report.

5) Remedy the \$14,108 in unsupported direct costs.

We agree with the recommendation. We will coordinate with the WCADVSA to remedy \$14,108 in unsupported direct costs identified in your report.

6) Ensure that financial reports are submitted accurately.

We agree with the recommendation. We will coordinate with WCADVSA to obtain a copy of procedures to ensure that financial reports are submitted accurately.

7) Ensure that a policy is in place to effectively separate identical accomplishments funded under more than one award on semi-annual progress reports.

We agree with the recommendation. We will coordinate with WCADVSA to obtain a copy of procedures implemented to ensure effective separation of identical accomplishments funded under more than one award.

We appreciate the opportunity to review and comment on the draft report. If you have any questions or require additional information, please contact Rodney Samuels of my staff at (202) 514-9820.

cc Angela Wood
Accounting Officer
Office on Violence Against Women (OVW)

Louise M. Duhamel, Ph.D.
Acting Assistant Director
Audit Liaison Group
Justice Management Division

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**OFFICE OF THE INSPECTOR GENERAL
ANALYSIS AND SUMMARY OF ACTIONS
NECESSARY TO CLOSE THE REPORT**

The OIG provided a draft of this audit report to the WCADVSA and the OVW. The responses are incorporated into Appendixes III and IV of this final report. In their response, WCADVSA officials provided additional documentation for transactions relating to recommendation 5 of this report. After reviewing these documents, we adjusted the questioned cost amount in our recommendation. The following provides the OIG analysis of the response and summary of actions necessary to close the report.

1. **Resolved.** The OVW concurred with our recommendation to ensure that a policy is in place to effectively monitor subrecipients. The OVW stated in its response that it will coordinate with the WCADVSA to ensure that an effective policy is implemented.

This recommendation can be closed when we receive evidence that the OVW had coordinated with the WCADVSA to ensure that an effective policy to monitor subrecipients has been implemented.

2. **Resolved.** The OVW concurred with our recommendation to remedy the \$817,901 in unsupported payroll costs. The OVW stated in its response that it will coordinate with the WCADVSA to remedy the unsupported payroll costs.

This recommendation can be closed when we receive evidence that the OVW had coordinated with the WCADVSA to remedy the \$817,901 in unsupported payroll costs.

3. **Resolved.** The OVW concurred with our recommendation to remedy the \$250,052 in unsupported fringe costs. The OVW stated in its response that it will coordinate with the WCADVSA to remedy the unsupported fringe costs.

This recommendation can be closed when we receive evidence that the OVW has coordinated with the WCADVSA to remedy the \$250,052 in unsupported fringe costs.

4. **Resolved.** In its response to the draft report, the WCADVSA conceded that the \$570 in direct costs identified as unallowable were indeed unallowable expenditures. The OVW also concurred with our recommendation.

This recommendation can be closed when we receive evidence that the OVW has coordinated with the WCADVSA to remedy the \$570 in unallowable direct costs.

5. **Resolved.** In their response to the draft report, WCADVSA officials concurred that a portion of the costs identified in our report as unsupported were unallowable. Additionally, the WCADVSA response included documentation to support the remainder of costs questioned. After a thorough review of the documentation provided, we determined that \$13,051 of the \$14,108 had been adequately supported, and that the remaining \$1,057 were unallowable.

The OVW agreed with our recommendation to remedy the unsupported costs, and we have reduced the total amount questioned as detailed above. This recommendation can be closed when we receive evidence that the OVW has coordinated with the WCADVSA to remedy the remaining \$1,057 in unallowable questioned costs.

6. **Resolved.** The OVW agreed with our recommendation, and stated that it would coordinate with the WCADVSA to ensure that future financial reports are submitted accurately.

This recommendation can be closed when we receive evidence that the OVW has coordinated with the WCADVSA to implement policies and procedures to ensure that future financial reports are submitted accurately.

7. **Resolved.** The OVW agreed with our recommendation, and stated that it would coordinate with the WCADVSA to ensure that a policy is

in place to effectively separate identical accomplishments under more than one award on semi-annual progress reports.

This recommendation can be closed when we receive evidence that the OVW has coordinated with the WCADVSA to ensure that future semi-annual progress reports are submitted accurately and without duplication.