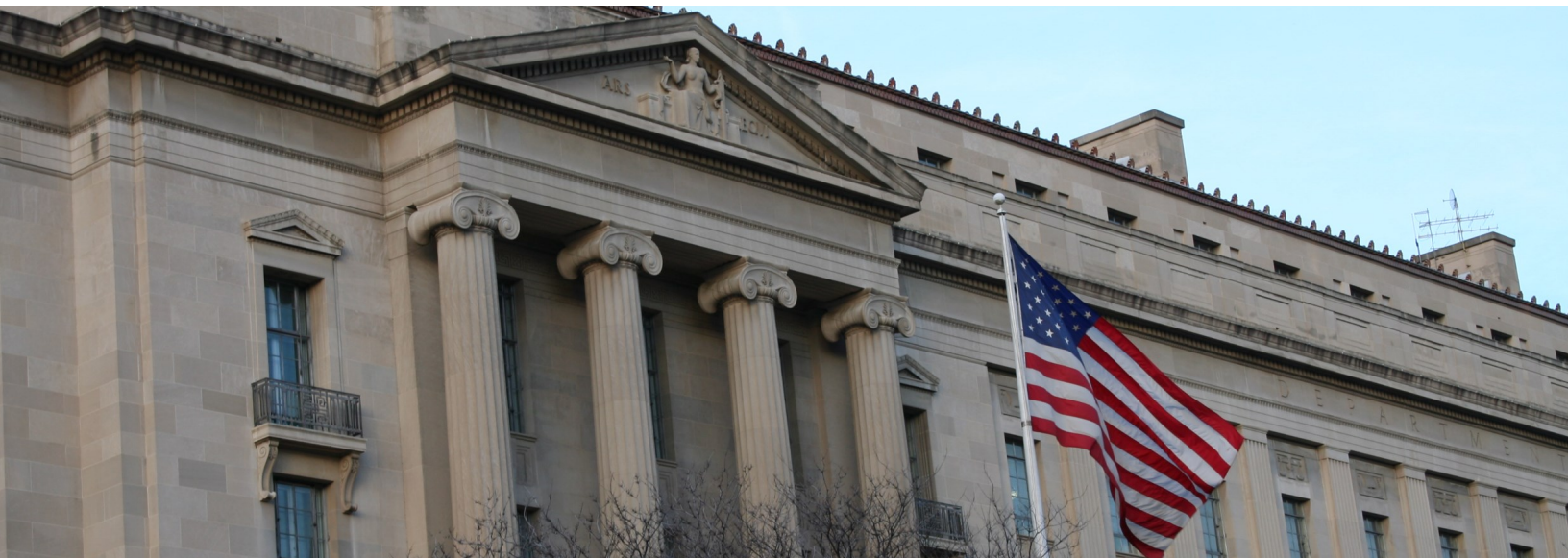




**Office of the Inspector General**  
U.S. Department of Justice

**OVERSIGHT ★ INTEGRITY ★ GUIDANCE**



**Audit of the Office of Justice Programs  
Office for Victims of Crime Victim  
Assistance Grants Subawarded by the  
Pennsylvania Commission on Crime  
and Delinquency to the Anti-Violence  
Partnership of Philadelphia,  
Pennsylvania**



# Executive Summary

*Audit of the Office of Justice Programs Office for Victims of Crime Victim Assistance Grants Subawarded by the Pennsylvania Commission on Crime and Delinquency to the Anti Violence Partnership of Philadelphia, Pennsylvania*

## Objectives

The Pennsylvania Commission on Crime and Delinquency (PCCD) subawarded the Anti-Violence Partnership of Philadelphia (AVP) three grants, totaling \$3,708,604, from 2014, 2015, and 2016 Crime Victims Fund victim assistance formula grants awarded to Pennsylvania. The objectives of this audit were to determine whether costs claimed under the grants were allowable, supported, and in accordance with applicable laws, regulations, guidelines, and terms and conditions of the awards; and to determine whether AVP demonstrated adequate progress towards achieving program goals.

## Results in Brief

As a result of our audit, we concluded that AVP provided intervention and support programs to victims of crime. We did not identify significant concerns regarding AVP's budget management and process for developing drawdown requests. However, we found that AVP could improve in other areas of grant management. Specifically, we determined that AVP: (1) reported all victims in the Efforts to Outcome system although some were non-grant funded, (2) did not record grant expenditures adequately in its accounting system, and (3) charged unsupported and unallowable expenditures to the grants. As a result, we identified \$3,563 in questioned costs.

## Recommendations

Our report contains nine recommendations to PCCD and OJP to assist AVP in improving its award management and administration. We requested a response to our draft audit report from AVP, PCCD, and OJP, which can be found in Appendices 3, 4, and 5, respectively. Our analysis of those responses is included in Appendix 6.

## Audit Results

The purpose of AVP's three grants, provided by PCCD, was to provide services to victims and co-victims to assist in processing the victim experience and move on toward healthy productive lives, and assist in dealing with the logistical and economic consequences of their victimization. As of October 2017, AVP had drawn down a cumulative amount of \$1,753,502 for all of the grants we reviewed.

***Program Performance and Accomplishments*** – The audit concluded AVP provided services to victims and co-victims. The audit also found that the reporting of the number of victims could be improved, as AVP did not distinguish grant funded versus non-grant funded victims; therefore, PCCD may be reporting inaccurate numbers of victims and services funded through CVF.

***Grant Financial Management*** – The audit concluded AVP did not adequately record grant expenditures into its accounting system. As a result, we found AVP's fiscal reports submitted to PCCD generally did not match AVP's accounting records.

***Expenditures*** – The audit identified \$2,390 in unallowable consultant costs. We also identified an additional \$1,173 in unsupported costs related to travel and supply costs.

**AUDIT OF THE OFFICE OF JUSTICE PROGRAMS  
OFFICE FOR VICTIMS OF CRIME VICTIM ASSISTANCE GRANTS  
SUBAWARDED BY THE PENNSYLVANIA COMMISSION ON CRIME  
AND DELINQUENCY TO THE ANTI-VIOLENCE PARTNERSHIP OF  
PHILADELPHIA, PENNSYLVANIA**

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**AUDIT OF THE OFFICE OF JUSTICE PROGRAMS  
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**INTRODUCTION**

The Department of Justice (DOJ) Office of the Inspector General (OIG) completed an audit of three subawards to the Anti-Violence Partnership of Philadelphia (AVP). These funds originated from the Crime Victims Fund (CVF), and derived from primary grants awarded by the Office of Justice Programs (OJP) Office for Victims of Crime (OVC) to the Pennsylvania Commission on Crime and Delinquency (PCCD) for the purpose of enhancing crime victim services. The PCCD in turn subawarded the CVF funds to numerous direct service providers around the state, including AVP which is located in Philadelphia, Pennsylvania. From the PCCD's 2014 – 2016 grants, AVP received three subgrants totaling \$3,708,604, as shown in Table 1.

**Table 1  
CVF Grants Awarded to PCCD from OJP and  
Subawards to AVP from PCCD 2014-2016**

Award	Award Date	Project Period State Date	Project Period End Date	Award Amount
<b>PCCD Grants from OJP</b>				
2014-VA-GX-0061	09/05/2014	10/01/2013	09/30/2017	\$17,604,722
2015-VA-GX-0037	07/31/2015	10/01/2014	09/30/2018	\$77,028,140
2016-VA-GX-0048	09/19/2016	10/01/2015	09/30/2019	\$86,776,184
<b>Total</b>				<b>\$181,409,046</b>
<b>AVP Subawards from PCCD</b>				
2013/2014/2015-VF-05-24401	06/12/2013	07/01/2013	06/30/2016	\$1,334,728
2015/2016-VF-05-26645	06/08/2016	07/01/2016	06/30/2019	\$2,132,544
2016-VF-05-27043	09/14/2016	10/01/2016	09/30/2019	\$660,192
<b>Total</b>				<b>\$4,127,464*</b>

\* The total \$4,127,464 does not match our scope of \$3,708,604 because we audited the 2014-2016 PCCD CVF grant funds and the first AVP subaward had 2013 PCCD CVF grant funds included. Throughout the report, we will refer to the amounts funded by the PCCD CVF grants.

Source: OJP's Grant Management System and PCCD

Established by the Victims of Crime Act (VOCA) of 1984, the CVF is used to support crime victims through DOJ programs and state and local victim services.<sup>1</sup> The CVF is supported entirely by federal criminal fees, penalties, forfeited bail bonds, gifts, donations, and special assessments. The OVC annually distributes to states and territories proceeds from the CVF. The total amount of funds that the

<sup>1</sup> The VOCA Victim Assistance Formula Grant Program is funded under 42 U.S.C. 10603 (a).

OVC may distribute each year depends upon the amount of CVF deposits made during the preceding years and limits set by Congress (the cap).

VOCA victim assistance grant funds support the provision of direct services – such as crisis intervention, assistance filing restraining orders, counseling in crises arising from the occurrence of crime, and emergency shelter – to victims of crime. The OVC distributes these assistance grants to states and territories, which in turn fund subawards to public and private nonprofit organizations that directly provide the services to victims. Eligible services are efforts that: (1) respond to the emotional and physical needs of crime victims, (2) assist primary and secondary victims of crime to stabilize their lives after a victimization, (3) assist victims to understand and participate in the criminal justice system, and (4) provide victims of crime with a measure of safety and security.

In fiscal year (FY) 2015, Congress significantly raised the previous year's cap on CVF disbursements, more than quadrupling the available funding for victim assistance grants from \$456 million to \$1.96 billion. In FY 2016, Congress raised the cap again, increasing the available funding for victim assistance to \$2.22 billion. The OVC allocates the annual victim assistance program awards based on the amount available for victim assistance each year and the state's population. As such, the annual VOCA victim assistance grant funds available to PCCD increased from \$17.6 million in FY 2014 to \$77 million and \$86.8 million in FY 2015 and FY 2016, respectively.

In September 2017, the OIG completed an audit of four VOCA victim assistance grants awarded to PCCD, totaling \$125.8 million for the FYs 2012 to 2015.<sup>2</sup> For that audit, we visited and performed limited testing of six of PCCD's 132 subrecipients that received subawards from PCCD – the Anti-Violence Partnership of Philadelphia was not included in that sample. To further gain an understanding of OJP and PCCD grant oversight, as well as to evaluate subrecipient performance and administration of VOCA-funded grant programs, we initiated this audit of the Anti-Violence Partnership of Philadelphia (AVP).

## **The Anti-Violence Partnership of Philadelphia**

The Anti-Violence Partnership of Philadelphia (AVP) is a 501(c)(3) non-profit organization whose mission is to end the cycle of violence in Philadelphia through comprehensive and collaborative programs in local communities.

According to AVP, AVP was founded in 1980 as a support group for families who had lost a loved one to murder. AVP's original program, Families of Murder Victims, provided support for co-victims (family members, friends, and other loved ones of the victim) of homicide by offering court accompaniment, advocacy, and support.

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<sup>2</sup> U.S. Department of Justice (DOJ) Office of the Inspector General, *Audit of Office of Justice Programs Office for Victims of Crime Victim Assistance Formula Grants Awarded to the Pennsylvania Commission on Crime and Delinquency Harrisburg, Pennsylvania*, Audit Report GR-70-17-008 (September 2017), [www.oig.justice.gov/grants/2011/g7011004.pdf](http://www.oig.justice.gov/grants/2011/g7011004.pdf).

According to AVP's grant applications and website, utilizing VOCA funding, AVP provides a wide range of service to victims of serious crime and co-victims of homicide in the Philadelphia area. Services are provided through direct service programs, including Families of Murder Victims, AVP's West/Southwest Victim Services, Violence and Intervention Project, and AVP's Counseling Center. The goal of AVP is to help victims and co-victims process the victim experience and move on to healthy productive lives, as well as to help individuals deal with the logistical and economic consequences of their victimization.

## **OIG Audit Approach**

The objectives of this audit were to determine whether costs claimed under the grants were allowable, supported, and in accordance with applicable laws, regulations, guidelines, and terms and conditions of the grant; and to determine whether the grantee demonstrated adequate progress towards achieving the program goals and objectives. To accomplish these objectives, we assessed performance in the following areas of grant management: program performance, financial management, expenditures, budget management and control, drawdowns, and fiscal reports.

We tested compliance with what we consider to be the most important conditions of the grants. The OJP Financial Guide and DOJ Grants Financial Guide, VOCA Guidelines, PCCD guidance, and the award documents contain the primary criteria we applied during this audit.<sup>3</sup>

The results of our analysis are discussed in detail later in this report. Appendix 1 contains additional information on this audit's objective, scope, and methodology. The Schedule of Dollar-Related Findings appears in Appendix 2.

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<sup>3</sup> The OJP Financial Guide governs the FY 2014 grant in our scope, while the revised DOJ Grants Financial Guide applies to the FY 2015 and FY 2016 awards. The revised DOJ guide reflects updates to comply with the Uniform Guidance, 2 C.F.R. part 200.

# AUDIT RESULTS

## Program Performance and Accomplishments

We reviewed required performance reports to determine whether AVP demonstrated adequate progress towards achieving program goals. We also reviewed performance reports to determine if the required reports were accurate. Finally, we reviewed AVP's compliance with the special conditions identified in award documentation.

### *Program Goals*

According to AVP's approved application for the 2013/2014/2015 and 2015/2016 subawards, the goal of AVP's services to victims and co-victims was to assist them to process the victim experience and move on to healthy productive lives, as well as to help them deal with the logistical and economic consequences of their victimization. Some of the services in AVP's award applications included providing criminal justice support and advocacy, such as supportive counseling and information about proceedings, as well as offering information about crime victim compensation and other AVP services.

AVP's approved application for the 2016 subaward stated the grant would be used for the Youth Victim Outreach Project, with the goal of increasing identification of Philadelphia's "hidden victims" - young people not reached by traditional victim service programs. AVP intended, through collaboration with schools, community groups, and juvenile justice services, to: identify young males of color who have been victimized; engage these victims in the process of self-identification and healing from their experiences; provide culturally competent services to victims of crime, especially those who are young males of color; and refer these victims to other victim service and youth organizations for additional services. AVP's goals approved by PCCD did not identify specific target numbers for victims reached; however, based on our review of grant documentation and interviews with AVP staff, we determined AVP did provide the services described in its application. Additionally, while AVP did not create target figures, according to AVP's program reports, AVP provided services to 3,605 victims in FY 2017, 4,460 victims in FY 2016, and 4,603 victims in FY 2015.<sup>4</sup>

### *Required Program Reports*

According to the DOJ Grants Financial Guide, funding recipients should ensure that valid and auditable source documentation is available to support all data collected for each performance measure specified in program solicitations.

According to both AVP and PCCD, AVP was required to record all victims served, as well as services provided, into PCCD's Efforts to Outcomes (ETO)

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<sup>4</sup> AVP's fiscal year is July 1 through June 30.

system, which is its electronic case management system. PCCD uses the information from ETO to provide performance data to OJP.

We found that AVP reported all victims it provided services to into ETO and was not required by PCCD to differentiate between grant-funded and non-grant funded services provided to victims. According to AVP, all of the services it provided are considered grant eligible services, but not all were paid for with grant funding. Contributions to AVP also funded victim services. Regardless, all services were entered into ETO. Consequently, PCCD included AVP's number of victims reported in ETO within its reports to OJP; therefore, PCCD may be reporting inaccurate numbers of victims and services funded through CVF. In a discussion with OJP, officials said they would expect the states to track VOCA-specific victims. We recommend PCCD ensure AVP develop and implement a process that will help ensure the accuracy of program reports being provided to OJP.

Between October 2016 and September 2017, AVP submitted four quarterly reports. These reports included information related to all victims served during the time period, such as information about the criminal justice process, individual advocacy, therapy, and victim impact statement. In order to verify the information in the reports, we selected a sample of 5 categories of services from the 4 most recent reports, for a total sample size of 20 categories. We then traced the information submitted for each category to supporting documentation maintained in ETO. We determined the reports did not always match the information in ETO. We discussed the issue with both PCCD and AVP and were told that because the ETO system tracks in real time, the information in the system is continually updated. Therefore, the program reports, which were snapshots of the information at the time, would not match the current information in ETO. However, based on our discussions with AVP officials, as well as our review of AVP program reports and the information in ETO, we believe AVP had valid and auditable source documentation to support all data collected for the program reports, and we were satisfied that the information in the reports and ETO was reliable.

### *Compliance with Special Conditions*

Special conditions are the terms and conditions that are included with awards. PCCD required all subaward recipients to follow Standard Subgrant Conditions when accepting grant funds. We evaluated the Standard Subgrant Conditions and selected a judgmental sample of the requirements that are significant to performance under the grants we audited and are not addressed in other sections of this report. We evaluated 5 of 49 special conditions and, based on our review, we did not identify any instances where AVP violated these additional special conditions.

### **Grant Financial Management**

According to the DOJ Grants Financial Guide, all grant recipients and subrecipients are required to establish and maintain adequate accounting systems and financial records to accurately account for awarded funds. Additionally, an adequate accounting system can be used to generate reports, required by award



and Federal regulations, and must support financial reporting that is accurate, current, complete, and compliant with all financial reporting requirements of the award or subaward. To assess AVP's financial management of the grants covered by this audit, we conducted interviews with AVP officials, examined policies and procedures, and reviewed award documents to determine whether AVP adequately safeguarded the grant funds we audited. Finally, we performed testing in the areas that were relevant for the management of this grant, as discussed throughout this report. Overall, we concluded that grant financial management related to the use of award funds and the accounting for and documenting of award expenditures could be improved.

VOCA Guidelines require VOCA victim assistance grants to be spent within the year of award plus three. During our PCCD audit, we determined PCCD followed the VOCA Guidelines on grant spending timeframes. In addition, we found AVP's VOCA grant spending was within the PCCD subaward periods, and within the PCCD grant periods.

AVP uses a commercially available financial management system to account for federal funds and established accounts to track each of its subaward expenditures. According to PCCD's Applicant Manual, payments for the subgrant contract will be made on a reimbursement basis. The schedule and amount of payments will be determined based on information received on the required quarterly (or interim, if applicable) fiscal reports and the required periodic program reports. Additionally, subgrantees must submit a Project Modification Request (PMR) and receive prior written notice of approval from PCCD before making any major program or budgetary changes and before extending the project. During our review of AVP's accounting system, we determined that the accounting records did not match the amounts that AVP was reimbursed by PCCD, as shown in Table 2.

**Table 2**

**Accounting Records Compared to Reimbursements to AVP**

<b>Award Number</b>	<b>Grant Expenses per Accounting Records</b>	<b>Grant Expenses Reimbursed</b>	<b>Difference</b>
2014-VA-GX-0061	\$432,652	\$358,413	\$74,239
2015-VA-GX-0037	\$1,296,788	\$1,257,893	\$38,895
2016-VA-GX-0048	\$138,894	\$137,195	\$1,699
	<b>\$1,868,334</b>	<b>\$1,753,501</b>	<b>\$114,833</b>

Source: OJP's Grant Management System, PCCD, and AVP

According to its accounting records, AVP charged \$1,868,334 to the grant but, based on PCCD's payment history reports, AVP only received reimbursement for \$1,753,501. As a result, the total amounts allocated to the subawards, per the accounting records, exceeded actual reimbursements by \$114,833. According to the AVP official responsible for requesting reimbursement from PCCD, AVP used the accounting records to request reimbursement. However, in order to stay within the PCCD approved budget, it did not seek reimbursement for all expenditures allocated to the grant account and did not reconcile the accounting records to reflect the actual reimbursement request. Consequently, we were not able to rely on AVP's

accounting records to differentiate actual grant expenditures from expenditures paid from other funding sources. This deficiency is discussed further in the *Fiscal Reports* section of the report. It is important for award recipients to maintain accounting records that accurately reflect grant activity to ensure federal funds are tracked separately from other funding sources. As a result, we recommend PCCD and OJP ensure AVP implements policies and procedures that ensure the accounting system accurately accounts for award funds.

In addition to the deficiency identified within AVP's accounting system, we found that AVP's former Executive Director was the only employee signing off on her own timesheets. AVP also paid consultants over the maximum allowable rate without receiving prior approval and did not maintain adequate documentation to support the rates of compensation. Finally, AVP charged unallowable and unsupported direct costs to the award. These deficiencies are discussed in more detail in the *Personnel Costs, Consultant and Contractor Costs, and Travel and Supplies* sections of this report.

### *Single Audit*

Non-federal entities that receive federal financial assistance are required to comply with the *Single Audit Act of 1984*, as amended. The Single Audit Act provides for recipients of federal funding above a certain threshold to receive an annual audit of its financial statements and federal expenditures. Under 2 C.F.R. 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, such entities that expend \$750,000 or more in federal funds within the entity's fiscal year must have a "single audit" performed annually, covering all federal funds expended that year.<sup>5</sup>

AVP was not required to have a single audit performed because it did not expend \$750,000 or more in federal funds within the fiscal years we audited.

### **Grant Expenditures**

For the grants we audited, AVP's approved budgets included personnel, employee benefits, travel, supplies, and consultants. We reviewed grant expenditures to determine whether costs charged to the awards were allowable, supported, and properly allocated in compliance with award requirements. For our testing of grant expenditures, we selected a sample from AVP's grant accounting records. As discussed in the *Grant Financial Management* section, AVP did not seek reimbursement for all of the expenditures it allocated to the grants in its accounting records and we could not distinguish grant from non-grant funded expenditures. Based on our review, we recommend that AVP remedy \$3,563 in questioned costs. The following sections describe the results of that testing.

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<sup>5</sup> On December 26, 2014, the Uniform Guidance superseded OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organization. Under OMB Circular A-133, which affected all audits of fiscal years beginning before December 26, 2014, the audit threshold was \$500,000.

## *Personnel Costs*

We determined personnel, including fringe, accounted for \$1,470,742 of the \$1,753,501 (84 percent) drawn down by AVP for the 2014, 2015, and 2016 grants awarded to AVP. We judgmentally sampled two non-consecutive pay periods from each grant, which included 47 individual bi-weekly employee payments, totaling \$60,030.

During our review, we identified one employee payment that was charged to the 2015 award based on budgeted, rather than actual hours worked. More specifically, we found a pay period for one individual where 24 hours was charged rather than the actual 12 hours reported on the time sheet, for a total of \$300 in excess to the amount that could be charged for actual hours worked. We discussed the issue with AVP's Grants Director, who stated the payment was based on the employee's approved budgeted hours rather than the actual hours reported on the employee's timesheet. According to PCCD's Applicant's Manual, which documents how PCCD subrecipients can charge grant funds, using a budget estimate instead of the actual time the employee spent working on the project does not qualify as support for charges to awards.

AVP's Grants Director explained that in January 2017, AVP hired a third party bookkeeping service and then changed its process for charging personnel expenditures to the subawards. According to the DOJ Grants Financial Guide, where grant recipients work on multiple grant programs or cost activities, documentation must support a reasonable allocation or distribution of costs among specific activities or cost objectives. To support the updated process, AVP officials provided a detailed allocation schedule demonstrating how employee time was distributed among multiple grant programs or cost activities. In addition, employees are required to maintain time and effort reports that demonstrate an after-the-fact determination of the employee's actual effort, as required by PCCD's Applicant's Manual. Based on our overall review of the personnel expenditures, AVP's new process for charging personnel expenditures to the subawards appears to be reasonable and we believe this overcharge to be an isolated instance that is now addressed by the new process. As a result, we did not make any recommendations related to personnel costs.

According to PCCD's Applicant's Manual, timesheets must be signed by the employee, as well as a supervisor with first-hand knowledge of the activities performed by the employee. During our review of employee timesheets, we determined that AVP's former Executive Director was the only person signing off on her own timesheets. While we did not identify any discrepancies with the former Executive Director's personnel expenditures that we reviewed, by not ensuring the timesheets are being reviewed by a board member, the Executive Director's personnel expenditures may be at an increased risk of waste, abuse, or misuse. As a result, we recommend that OJP and PCCD ensure AVP implements and adheres to policies and procedures to ensure the Executive Director's time and effort reports adhere to PCCD's Applicant's Manual.

### *Other Direct Costs*

To test other direct costs charged to the grants, we selected a sample of 65 other direct cost transactions from the grant accounting records. We judgmentally selected 25 transactions from the 2014 grant, 25 transactions from the 2015 grant, and 15 transactions from the 2016 grant, for a total of 13 percent of all direct costs. We reviewed documentation, accounting records, and performed verification testing related to grant expenditures.

#### Contractor and Consultant Costs

Our sample included five consultant and contractor expenditures, totaling \$8,105. According to the PCCD Applicant's Manual and the DOJ Grants Financial Guide, the maximum rate for consultants is \$650 per day, or \$81.25 an hour. Prior approval from the granting agency and written justification from the subrecipient is required for consultant compensation that exceeds those rates. We identified two consultants from the 2015 award that were paid in excess of the maximum allowable rate.

We determined that AVP paid one consultant \$85 an hour and entered into a contract with another consultant at a rate of \$125 an hour, both exceeding the maximum allowable rate. AVP did not receive prior approval for the rates it paid to either consultant. According to the Grants Director, AVP officials thought that \$85 an hour was within the maximum allowable rate for consultants.

For the consultant that was paid \$125 an hour, we were told that AVP did not fully pay the consultant's rate using award funds, but instead charged \$85 an hour to the subaward and the remaining \$40 an hour to AVP's other unrestricted funds. To determine the total amount charged, we expanded our sample to include all of the consultant's expenditures charged to the subawards between September 1, 2014, and September 30, 2017. According to its accounting records, AVP charged the consultant's full \$125 hourly rate to the subaward until October 27, 2016. Thereafter, AVP began splitting the consultant's costs between the two cost categories.

As previously discussed in the *Grant Financial Management* section, we were not able to rely on the accounting records to determine actual grant expenditures because the accounting records included expenditures paid from other funding sources. However, we were able to compare the invoices for the consultants to the accounting records and fiscal reports in order to determine the total amount of grant funds paid to the consultants over the maximum allowable rate, as shown in Table 3. We identified \$2,390 in unallowable consultant expenditures.

**Table 3**  
**Unallowable Consultant Costs**

Award Number	Consultant Expenses (per Invoices)	Consultant Expenses Reimbursed by Grant (per Fiscal Reports)	Reimbursements within the maximum rate of \$81.25 per hour	Reimbursements in excess of the maximum rate of \$81.25 per hour
2014-VA-GX-0061	\$6,300	\$5,000	\$3,512	\$1,487
2015-VA-GX-0037	\$9,880	\$5,290	\$4,388	\$903
	<b>\$16,180</b>	<b>\$10,290</b>	<b>\$7,900</b>	<b>\$2,390</b>

Source: OJP's Grant Management System, PCCD, and AVP

Additionally, AVP was not able to demonstrate that it maintained adequate documentation to support the rates of compensation for the second consultant. According to the DOJ Grants Financial Guide, compensation for individual consultant services is to be reasonable and consistent with that paid for similar services in the marketplace. According to PCCD's Applicant's Manual, rates of compensation for consultants must be supported by adequate documentation. Based on a discussion with the Grants Director, the \$125 an hour paid to the second consultant was the consultant's requested rate and the rate was reasonable because the consultant had a doctorate degree and provided specialized services.

AVP later provided after the fact documentation that it said would support the reasonableness of the consultant rates. However, because these documents were not considered at the time of procurement, we determined that AVP did not maintain adequate documentation to support the rates of compensation. It is important for AVP to maintain adequate documentation to support the rates of compensation when procuring its consultants to ensure rates are reasonable and consistent with that paid for similar services in the marketplace.

As a result, we recommend OJP and PCCD remedy \$2,390 in unallowable consultant costs over the maximum allowable rate and ensure AVP implements and adheres to policies and procedures to ensure consultant rates do not exceed the maximum allowable rate without prior approval from the granting agency. We also recommend that OJP and PCCD ensure AVP implements and adheres to policies and procedures to document that consultant rates are reasonable and consistent with that paid for similar services in the marketplace.

#### Travel and Supplies

During our review, we identified unallowable and unsupported expenditures charged to the grant. The unallowable charges included credit card fees, refreshments, and training for fundraising. Based on requirements within the DOJ Grants Financial Guide, these charges required prior approval from OJP. We determined that the amounts charged were immaterial, and therefore we do not question the unallowable costs. However, we recommend OJP and PCCD ensure AVP implement and adhere to policies and procedures to ensure all grant expenditures are allowable.

We also found AVP could not provide support for four expenditures, totaling \$1,173.<sup>6</sup> According to the *Retention of Records* section of the DOJ Grants Financial Guide, the grantee must retain all financial records, supporting documents, statistical records, and all other records pertinent to the award, for a period of 3 years from the date of submission of the final expenditure report. Therefore, we recommend OJP and PCCD remedy the \$1,173 in unsupported costs and ensure AVP implement and adhere to policies and procedures to ensure records are maintained for grant expenditures.

### **Budget Management and Control**

According to the DOJ Grants Financial Guide, the recipient is responsible for establishing and maintaining an adequate accounting system, which includes the ability to compare actual expenditures or outlays with budgeted amounts for each award. Additionally, according to PCCD’s Applicant Manual, the grant recipient must initiate a project modification request and receive prior written notice of approval from PCCD before making any major program or budgetary changes and before extending the project. A request should be submitted to PCCD when a change exceeds 10 percent of total project cost.

We compared grant expenditures to the approved budgets to determine whether AVP transferred funds among budget categories in excess of 10 percent. We determined that the cumulative difference between category expenditures and approved budget category totals was not greater than 10 percent.

### **Drawdowns**

The DOJ Grants Financial Guide requires an adequate accounting system be established to maintain documentation to support all receipts of federal funds. If, at the end of the grant award, recipients have drawn down funds in excess of federal expenditures, unused funds must be returned to the awarding agency. According to PCCD’s Applicant’s Manual, PCCD will only make payments to reimburse actual expenditures reported on the fiscal reports.

According to AVP officials, AVP generally submits fiscal reports for reimbursement on a monthly basis. We reviewed AVP’s award documents and payment history and determined that, as of October 2017, AVP had drawn down a total of \$1,753,501 in federal funds from the three grants, as shown in the following table.

**Table 4**  
**Funds Drawn Down by AVP as of October 2017**

<b>Award Number</b>	<b>Total Funds Awarded</b>	<b>Funds Drawn Down</b>	<b>Funds Remaining</b>
2014-VA-GX-0061	\$358,413	\$358,413	\$0
2015-VA-GX-0037	\$1,965,029	\$1,257,893	\$707,136
2016-VA-GX-0048	\$1,385,162	\$137,195	\$1,247,967
<b>Total:</b>	<b>\$3,708,604</b>	<b>\$1,753,501</b>	<b>\$1,955,103</b>

Source: OJP’s Grant Management System and PCCD

<sup>6</sup> \$1,024 unsupported costs are included in the 2014-VA-GX-0061 grant and \$149 unsupported costs are included in the 2016-VA-GX-0048 grant.

To assess whether AVP managed grant receipts in accordance with federal requirements, we compared the total amount reimbursed to the total expenditures in the accounting records.

During this audit, we did not identify significant deficiencies related to the recipient's process for developing drawdown requests. However, we identified deficiencies and questioned costs related to compliance of individual expenditures with grant guidelines. We address those deficiencies in the *Grant Expenditures* section in this report.

## **Fiscal Reports**

According to the DOJ Grants Financial Guide, recipients shall report the actual expenditures and unliquidated obligations incurred for the reporting period on each financial report, as well as cumulative expenditures. According to the PCCD Applicant's Manual, subgrantees are required to report the fiscal status of each PCCD-funded project, on a quarterly basis, throughout the life of the project. If an agency is experiencing cash flow problems, it may submit monthly fiscal reports and PCCD will reimburse reported expenditures.

For all three grants, AVP submitted a total of 41 fiscal reports, typically on a monthly basis. To determine whether AVP's reports were accurate, we selected a total of four reports submitted for each of the grants, with reporting periods between September 1, 2014, and September 30, 2017, for further testing. We compared these reports to AVP's accounting records.

As discussed previously in the *Grant Financial Management* section, AVP was reimbursed based on actual expenditures reported on its fiscal reports and AVP did not seek reimbursement for all of the grant related expenditures that it recorded in its accounting records. Consequently, its fiscal reports did not match the accounting records. Of the 12 fiscal reports we reviewed, we identified 9 understated reports and 2 overstated reports, one of which was significantly overstated by \$26,448.

According to the Grants Director, the report that was overstated by \$26,448 included personnel expenditures that were not yet reimbursed due to a pending PMR in PCCD's award management system. We reviewed AVP's accounting records and confirmed that adequate support was recorded in prior periods and a PMR was approved to include the \$26,448 in personnel expenditures. For the second overstated report, AVP was not able to provide an adequate explanation for the difference. However, we determined the overstated amount was not material.

The Grants Director also explained that the understated fiscal reports did not match the accounting records because recorded expenditures are often omitted in order for AVP to stay within the approved budget categories. However, the accounting records were not reconciled to match the reported amounts. It is important that both the accounting records and fiscal reports accurately reflect grant-related activities to ensure financial reporting is accurate, current, complete, and compliant with all financial reporting requirements of the subaward and ensure

award funds are accounted for separately, as required by the DOJ Grants Financial Guide. We provide a recommendation in the *Grant Financial Management* section to remedy the deficiency between AVP's fiscal reports and accounting records. As a result, we do not make any further recommendations on this issue.



## CONCLUSION AND RECOMMENDATIONS

As a result of our audit testing, we conclude that AVP did not adhere to all of the grant requirements we tested. AVP did not differentiate between grant-funded and non-grant funded services provided to victims, but we determined AVP provided the services described in its applications. We did not identify significant issues regarding AVP's management of grant budget and process for developing drawdown requests. However, we found that AVP did not comply with essential award conditions related to grant financial management, performance reports, and grant expenditures. We provide nine recommendations to OJP and PCCD to address these deficiencies.

We recommend that OJP and PCCD:

1. Ensure AVP develop and implement a process that will help ensure the accuracy of program reports being provided to OJP.
2. Ensure AVP implements and adheres to policies and procedures to ensure its accounting system accurately accounts for award funds.
3. Ensure AVP implements and adheres to policies and procedures to ensure the Executive Director's time and effort reports adhere to PCCD's Applicant's Manual.
4. Remedy \$2,390 in unallowable consultant costs.
5. Ensure AVP implements and adheres to policies and procedures to ensure consultant rates do not exceed the maximum allowable rate without prior approval from the granting agency.
6. Ensure AVP implements and adheres to policies and procedures to document that consultant rates are reasonable and consistent with that paid for similar services in the marketplace.
7. Ensure AVP implements and adheres to policies and procedures to ensure all grant expenditures are allowable.
8. Ensure AVP implements and adheres to policies and procedures to ensure records related to grant expenditures are maintained for the required timeframe.
9. Remedy \$1,173 in unsupported costs.

## **OBJECTIVES, SCOPE, AND METHODOLOGY**

### **Objectives**

The objectives of this audit were to determine whether costs claimed under the grants were allowable, supported, and in accordance with applicable laws, regulations, guidelines, and terms and conditions of the grant; and to determine whether the grantee demonstrated adequate progress towards achieving the program goals and objectives. To accomplish these objectives, we assessed performance in the following areas of grant management: program performance, financial management, expenditures, budget management and control, drawdowns, and fiscal reports.

### **Scope and Methodology**

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.

This was an audit of OJP OVC VOCA grants subawarded by PCCD to AVP. AVP was awarded three grants totaling \$3,708,604, from the 2014-VA-GX-0061, 2015-VA-GX-0037, and 2016-VA-GX-0048 PCCD CVF grants. The grants were 2013/2014/2015-VF-05-24401 for \$1,334,728, 2015/2016-VF-05-26645 for \$2,132,544, and 2016-VF-05-27043 for \$660,192. As of October 2017 AVP has received \$1,753,501 of the total grant funds awarded from the 3 OJP grants. Our audit concentrated on, but was not limited to September 2013, the award date for Grant Number 2014-VA-GX-0061, through February 2018, the last day of our audit work. Grant number 2013/2014/2015-VF-05-24401 was fully expended.

To accomplish our objectives, we tested compliance with what we consider to be the most important conditions of AVP's activities related to the audited grants. We performed sample-based audit testing for grant expenditures including payroll and fringe benefit charges, fiscal reports, and program reports. In this effort, we employed a judgmental sampling design to obtain broad exposure to numerous facets of the grants reviewed. This non-statistical sample design did not allow projection of the test results to the universe from which the samples were selected. The OJP Financial Guide, DOJ Grants Financial Guide, the VOCA Guidelines, PCCD's Applicant Manual, and the award documents contain the primary criteria we applied during the audit.

During our audit, we obtained information from OJP's grants management system, PCCD as well as AVP's accounting system specific to the management of DOJ funds during the audit period. We did not test the reliability of those systems as a whole, therefore any findings identified involving information from those systems were verified with documentation from other sources.

APPENDIX 2

SCHEDULE OF DOLLAR-RELATED FINDINGS

<u>Description</u>	<u>Amount</u>	<u>Page</u>
<b>Questioned Costs:<sup>7</sup></b>		
Unallowable Consultant Expenditures	<u>\$2,390</u>	9
Unallowable Costs	\$2,390	
Unsupported Expenditures	<u>\$1,173</u>	11
Unsupported Costs	\$1,173	
<b>TOTAL DOLLAR-RELATED FINDINGS</b>	<b><u>\$3,563</u></b>	

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<sup>7</sup> **Questioned Costs** are expenditures that do not comply with legal, regulatory, or contractual requirements; 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.

THE ANTI-VIOLENCE PARTNERSHIP OF PHILADELPHIA  
RESPONSE TO THE DRAFT AUDIT REPORT



**ANTI-VIOLENCE PARTNERSHIP  
of Philadelphia**

*Together we can end the cycle of violence*

June 23, 2018

Thomas O. Puerzer  
Regional Audit Manager  
Philadelphia Regional Audit Office  
Officer of the Inspector General  
U.S. Department of Justice  
701 Market Street, Suite 2300  
Philadelphia, PA 19106

Dear Mr. Puerzer:

This letter is to serve as the response of the Anti-Violence Partnership of Philadelphia (AVP) to the draft audit report on the Office of Justice Programs (OJP), Office for Victims of Crime Victim Assistance Grants awarded to AVP by the Pennsylvania Commission on Crime and Delinquency (PCCD). A copy of this response will also be sent to PCCD.

AVP complied fully and honestly to all requests and questions presented by the auditors. This included a vast amount of information spread out over several years and three separate grants. A large proportion of the recommendations from the audit apply primarily to actions and reports during a previous AVP administration; many of these had already been addressed and corrected internally by subsequent AVP management. Following are AVP's responses to the specific recommendations:

**Recommendation 1:** Ensure AVP develop and implement a process that will help ensure the accuracy of program reports being provided to OJP.

**Response to Recommendation 1:** The audit concluded that AVP had valid source documentation for all data collected and reported on. Minor differences between what was retrieved from the ETO data base and totals on submitted reports were caused by later revisions to the data base which is not frozen after reports and by changes in PCCD's reports. If requested by PCCD, AVP will work to devise a mechanism by which AVP can more clearly differentiate VOCA services supported directly by OJP grants from similar services funded by other funding sources.

**Recommendation 2:** Ensure AVP implements and adheres to policies and procedures to ensure its accounting system accurately accounts for award funds.

**Response to Recommendation 2:** Issues relating to this recommendation were resolved 18 months ago when AVP replaced in-house bookkeeping services with an outside accounting company. Previous to this change, VOCA-eligible expenditures were included in the in-house accounting system but only a portion of these eligible expenses, were reported for reimbursement. Since the change, the accounting system reflects expenses submitted in the reimbursement reports on a one to one basis.

**Recommendation 3:** Ensure implements and adheres to policies and procedures to ensure the Executive Director's time and effort reports adhere to PCCD's Applicant's Manual.

**Response to Recommendation 3:** AVP has instituted the policy of submitting Executive Director's timesheet to Board Chair for Approval. This will be included in future revisions of Employee Handbook and Fiscal Policies.

**Recommendation 4:** Remedy \$2,390 in unallowable consultant costs.

**Response to Recommendation 4:** AVP disagrees with this finding. Initially and for several years after AVP began charging the services of a clinical consultant for supervision of therapists to the VOCA grant, PCCD accepted the rate in several applications, although it was above the standard federal guidelines. When it was later rejected by PCCD, AVP was not offered the option of seeking prior approval of the overage amount. Instead AVP reduced the amount paid to the consultant with VOCA funds to the federal minimum and paid for the rest of the cost using other funding sources.

**Recommendation 5:** Ensure AVP implements and adheres to policies and procedures to ensure consultant rates do not exceed the maximum allowable rate without prior approval from the granting agency.

**Recommendation 6:** Ensure AVP implements and adheres to policies and procedures to document that consultant rates are reasonable and consistent with that paid for similar services in the market place.

**Response to Recommendation 5 and 6:** AVP has instituted an internal policy in alignment with this policy and in the future will provide written documentation supporting any rates above the federal minimum.

**Recommendation 7:** Ensure AVP implements and adheres to policies and procedures to ensure all grant expenditures are allowable.

**Response to Recommendation 7:** AVP has put into writing, the internal procedures which are currently being implemented, that ensure all grant expenditures are allowable.

**Recommendation 8:** Ensure AVP implements and adheres to policies and procedures to ensure records related to grant expenditures are maintained for the required timeframe.

**Response to Recommendation 8:** AVP has drafted procedures that ensure that records related to grant expenditures are maintained for the required timeframe.

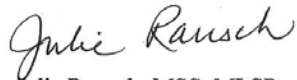
**Recommendation 9:** Remedy \$1,173 in unsupported costs.

**Response to Recommendation 9:** AVP maintains that these were all legitimate costs and all but one (for \$148.74) were over 3 years ago; since then enhancements have been made to organization, processes, and storage of supporting documents. However, if requested by PCCD, AVP will submit revised fiscal reports and submit a refund check for the amount.

AVP appreciates the opportunity to respond to these findings and recommendations. Although obviously there were a few minor mistakes made over the past three years, we are proud of our ability to provide effective and professional services to victims of crime while ensuring proper spending and accounting for VOCA funding.

Please let me know if you have any questions or would like additional information.

Sincerely,



Julie Rausch, MSS, MLSP  
AVP Acting Executive Director

Cc: Andre Kucer  
AVP Board Chair  
[Andrew.kucer@gmail.com](mailto:Andrew.kucer@gmail.com)

Juliet Curci  
AVP Board Treasurer  
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**THE PENNSYLVANIA COMMISSION ON CRIME AND  
DELINQUENCY RESPONSE TO THE DRAFT AUDIT REPORT**



June 20, 2018

Thomas O. Puerzer  
Regional Audit Manager  
Philadelphia Regional Audit Office  
Office of the Inspector General  
U.S. Department of Justice  
701 Market Street, Suite 2300  
Philadelphia, PA 19106

VIA EMAIL

RE: Draft Audit Report – Audit of the Office of Justice Programs Office For Victims of Crime Victim Assistance Grants Subawarded by the Pennsylvania Commission on Crime and Delinquency to the Anti-Violence Partnership of Philadelphia

Dear Mr. Puerzer:

The Pennsylvania Commission on Crime and Delinquency (PCCD) has reviewed the draft audit report provided by your office. Thank you for the opportunity to provide a response, which is below each of your office’s restated recommendations.

**Recommendation 1:** Ensure AVP develop and implement a process that will help ensure the accuracy of program reports being provided to OJP.

**Response:** PCCD concurs with this recommendation. PCCD will work with AVP and OJP to develop and implement a process to support the accuracy of program reports. After finalizing any adjustments that may be necessary, PCCD will work with AVP to implement any necessary changes to their current reporting process and obtain from AVP finalized reporting procedures.

**Recommendation 2:** Ensure AVP implements and adheres to policies and procedures to ensure its accounting system accurately accounts for award funds.

**Response:** PCCD concurs with this recommendation. PCCD has requested that AVP submit to PCCD written procedures and a proposed implementation timeline which ensures that its accounting system accurately accounts for award funds by July 15. This procedure must describe how award funds are tracked separately from other funding sources.

**Recommendation 3:** Ensure AVP implements and adheres to policies and procedures to ensure the Executive Director’s time and effort reports adhere to PCCD’s Applicant’s Manual.

**Response:** PCCD concurs with this recommendation. PCCD has requested that AVP submit to PCCD by July 15 a written procedure and proposed implementation timeline to PCCD which ensures that

all employee time and effort reports, including the AVP Executive Director, adhere to PCCD's time and effort reporting policy as stated in PCCD's Applicant's Manual.

**Recommendation 4: Remedy \$2,390 in unallowable consultant costs.**

**Response:** PCCD concurs with this recommendation. PCCD has requested that AVP complete the following by July 15:

- a. Submit a revised final fiscal report for PCCD grant #24401 which reduces consultant expenditures by \$2,111.25.
- b. Submit an interim fiscal report for PCCD grant #26645 which reduces consultant expenditures by \$278.75.
- c. Submit a refund check made payable to PCCD in the amount of \$2,111.25, which may be combined with the amount owed per recommendation #9 of \$1,024.19 for a total refund of \$3,135.44.

**Recommendation 5: Ensure AVP implements and adheres to policies and procedures to ensure consultant rates do not exceed the maximum allowable rate without prior approval from the granting agency.**

**Response:** PCCD concurs with this recommendation. PCCD has requested that AVP submit to PCCD by July 15 written procedures and a proposed implementation timeline which ensures that consultant rates do not exceed the maximum allowable rate without prior approval from the granting agency.

**Recommendation 6: Ensure AVP implements and adheres to policies and procedures to document that consultant rates are reasonable and consistent with that paid for similar services in the marketplace.**

**Response:** PCCD concurs with this recommendation. PCCD has requested that AVP submit to PCCD by July 15 written procedures and a proposed implementation timeline which describes how AVP will document that consultant rates are reasonable and consistent with that paid for similar services in the marketplace.

**Recommendation 7: Ensure AVP implements and adheres to policies and procedures to ensure all grant expenditures are allowable.**

**Response:** PCCD concurs with this recommendation. PCCD has requested that AVP submit to PCCD by July 15 written procedures and a proposed implementation timeline documents how AVP will ensure all grant expenditures are allowable.

**Recommendation 8: Ensure AVP implements and adheres to policies and procedures to ensure records related to grant expenditures are maintained for the required timeframe.**

**Response:** PCCD concurs with this recommendation. PCCD has requested that AVP submit to PCCD by July 15 written procedures and a proposed implementation timeline ensures that records related to grant expenditures are maintained for the required timeframe.



Recommendation 9: Remedy \$1,173 in unsupported costs.

Response: PCCD concurs with this recommendation. PCCD has requested that AVP complete the following by July 15:

- a. Submit a revised final fiscal report for PCCD grant #24401 which reduces supplies and operating expenditures by \$1,024.19.
- b. Submit an interim fiscal report for PCCD grant #27043 which reduces supplies and operating expenditures by \$148.74.
- c. Submit a refund check made payable to PCCD in the amount of \$1,024.19, which may be combined with the amount owed per recommendation #4 of \$2,111.25 for a total refund of \$3,135.44.

As requested in your May 30, 2018 letter, we are submitting our response directly to you within 21 days. We look forward to working with AVP and OJP to resolve the recommendations. Please contact me with any questions at 717-265-8466 or by email at [dermyers@pa.gov](mailto:dermyers@pa.gov).

Sincerely,



Derin Myers  
Acting Executive Director

cc: Linda Taylor, OJP OAAM

THE OFFICE OF JUSTICE PROGRAMS RESPONSE TO THE DRAFT  
AUDIT REPORT



U.S. Department of Justice

Office of Justice Programs


Office of Audit, Assessment, and Management

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Washington, D.C. 20531

JUN 25 2018

MEMORANDUM TO: Thomas O. Puerzer  
Regional Audit Manager  
Philadelphia Regional Audit Office  
Office of the Inspector General

FROM: Ralph E. Martin   
Director

SUBJECT: Response to the Draft Audit Report, *Audit of the Office of Justice Programs, Office for Victims of Crime Victim Assistance Grants, Subawarded by Pennsylvania Commission on Crime and Delinquency to the Anti-Violence Partnership of Philadelphia, Pennsylvania*

This memorandum is in reference to your correspondence, dated May 30, 2018, transmitting the above-referenced draft audit report for the Anti-Violence Partnership of Philadelphia (AVP). The AVP received sub-award funds from the Pennsylvania Commission on Crime and Delinquency (PCCD), under the Office of Justice Programs' (OJP) Grant Numbers 2014-VA-GX-0061, 2015-VA-GX-0037, and 2016-VA-GX-0048. We consider the subject report resolved and request written acceptance of this action from your office.

The draft report contains **nine** recommendations and **\$3,563** in questioned costs. The following is OJP's analysis of the draft audit report recommendations. For ease of review, the recommendations are restated in bold and are followed by OJP's response.

1. **We recommend that OJP and PCCD ensure AVP develop and implement a process that will help ensure the accuracy of program reports being provided to OJP.**

OJP agrees with the recommendation. We will coordinate with PCCD to obtain a copy of AVP's written policies and procedures, developed and implemented, to ensure the accuracy of data submitted in program reports being provided to PCCD.

- 2. We recommend that OJP and PCCD ensure AVP implements and adheres to policies and procedures to ensure its accounting system accurately accounts for award funds.**

OJP agrees with the recommendation. We will coordinate with PCCD to obtain a copy of AVP's written policies and procedures, developed and implemented, to ensure that its accounting system accurately accounts for award funds, as required by the U.S. Department of Justice (DOJ) Grants Financial Guide.

- 3. We recommend that OJP and PCCD ensure AVP implements and adheres to policies and procedures to ensure the Executive Director's time and effort reports adhere to PCCD's Applicant's Manual.**

OJP agrees with the recommendation. We will coordinate with PCCD to obtain a copy of AVP's written policies and procedures, developed and implemented, to ensure that the Executive Director's time and effort reports adhere to PCCD's Applicant's Manual, and the DOJ Grants Financial Guide.

- 4. We recommend that OJP and PCCD remedy \$2,390 in unallowable consultant costs.**

OJP agrees with the recommendation. We will coordinate with PCCD to remedy the \$2,390 in questioned costs, related to unallowable consultant costs that were sub-awarded to AVP, under OJP Grant Numbers 2014-VA-GX-0061 (\$1,487) and 2015-VA-GX-0037 (\$903).

- 5. We recommend that OJP and PCCD ensure AVP implements and adheres to policies and procedures to ensure consultant rates do not exceed the maximum allowable rate without prior approval from the granting agency.**

OJP agrees with the recommendation. We will coordinate with PCCD to obtain a copy of AVP's written policies and procedures, developed and implemented, to ensure that consultant rates do not exceed the maximum allowable rate, without prior approval from the granting agency.

- 6. We recommend that OJP and PCCD ensure AVP implements and adheres to policies and procedures to document that consultant rates are reasonable and consistent with that paid for similar services in the marketplace.**

OJP agrees with the recommendation. We will coordinate with PCCD to obtain a copy of AVP's written policies and procedures, developed and implemented, to ensure that consultant rates are reasonable and consistent with that paid for similar services in the marketplace.

7. **We recommend that OJP and PCCD ensure AVP implements and adheres to policies and procedures to ensure all grant expenditures are allowable.**

OJP agrees with the recommendation. We will coordinate with PCCD to obtain a copy of AVP's written policies and procedures, developed and implemented, to ensure that only allowable grant expenditures are charged to Federal awards.

8. **We recommend that OJP and PCCD ensure AVP implements and adheres to policies and procedures to ensure records related to grant expenditures are maintained for the required timeframe.**

OJP agrees with the recommendation. We will coordinate with PCCD to obtain a copy of AVP's written policies and procedures, developed and implemented, to ensure that all accounting records, source documents, and other supporting documentation, related to grant expenditures, are maintained for the requisite period of time, in accordance with the DOJ Grant Financial Guide.

9. **We recommend that OJP and PCCD remedy \$1,173 in unsupported costs.**

OJP agrees with the recommendation. We will coordinate with PCCD to remedy the \$1,173 in questioned costs, related to travel and supplies costs that were sub-awarded to AVP, under OJP Grant Numbers 2014-VA-GX-0061 (\$1,024) and 2015-VA-GX-0037 (\$149).

We appreciate the opportunity to review and comment on the draft audit report. If you have any questions or require additional information, please contact Jeffery A. Haley, Deputy Director, Audit and Review Division, on (202) 616-2936.

cc: Maureen A. Henneberg  
Deputy Assistant Attorney General  
for Operations and Management

LeToya A. Johnson  
Senior Advisor  
Office of the Assistant Attorney General

Jeffery A. Haley  
Deputy Director, Audit and Review Division  
Office of Audit, Assessment and Management

Darlene L. Hutchinson  
Director  
Office for Victims of Crime

cc: Marilyn Roberts  
Deputy Director  
Office for Victims of Crime

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Deputy Director  
Office for Victims of Crime

Susan Williams  
Acting Deputy Director  
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Richard P. Theis  
Assistant Director, Audit Liaison Group  
Internal Review and Evaluation Office  
Justice Management Division

OJP Executive Secretariat  
Control Number IT20180531142609

**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 Anti-Violence Partnership of Philadelphia (AVP), the Pennsylvania Commission on Crime and Delinquency (PCCD), and the Office of Justice Programs (OJP) for review and official comment. AVP's response is included as Appendix 3, PCCD's response is included as Appendix 4, and OJP's response is included as Appendix 5 of this final report. Because OJP agreed with all of our recommendations and discussed the actions it plans to complete in order to address our recommendations, we consider the report resolved. PCCD agreed with all of our recommendations, while AVP disagreed with one recommendation. We address AVP's position in our analysis of each recommendation. The following provides the OIG analysis of the responses and summary of actions necessary to close the report.

**Recommendations for OJP and PCCD:**

- 1. Ensure AVP develop and implement a process that will help ensure the accuracy of program reports being provided to OJP.**

Resolved. OJP concurred with our recommendation. In its response, OJP said that it would work with PCCD to obtain a copy of AVP's written policies and procedures, developed and implemented, to ensure the accuracy of the data submitted in program reports being provided to PCCD.

PCCD also concurred with our recommendation and stated that it will work with AVP to implement any necessary changes to its current reporting process and obtain finalized reporting procedures from AVP.

AVP did not specifically state whether it agreed or disagreed with our recommendation related to program reports. AVP stated if requested by PCCD, AVP will work to devise a mechanism by which AVP can more clearly differentiate VOCA services supported directly by OJP grants from similar services funded by other funding sources.

This recommendation can be closed when we receive documentation demonstrating AVP has developed and implemented a process that will help ensure accurate program reports, including grant verses non-grant funded services.

- 2. Ensure AVP implements and adheres to policies and procedures to ensure its accounting system accurately accounts for award funds.**

Resolved. OJP concurred with our recommendation. In its response, OJP said that it would work with PCCD to obtain a copy of AVP's written policies and procedures, developed and implemented, to ensure that its accounting

system accurately accounts for award funds as required by the DOJ Grants Financial Guide.

PCCD also concurred with our recommendation and stated that it has requested that, by July 15, AVP submit to PCCD written procedures and a proposed implementation timeline which ensures that its accounting system accurately accounts for award funds.

AVP did not specifically state whether it agreed or disagreed with our recommendation related to the accounting system. AVP stated this recommendation was resolved 18 months ago when AVP replaced in-house bookkeeping services with an outside accounting company.

During our audit we found that accounting records did not match fiscal reports throughout 2017; therefore, we do not believe the recommendation has been adequately addressed.

This recommendation can be closed when we receive documentation demonstrating AVP has developed and implemented a process to ensure its accounting system accurately accounts for award funds.

**3. Ensure AVP implements and adheres to policies and procedures to ensure the Executive Director's time and effort reports adhere to PCCD's Applicant's Manual.**

Resolved. OJP concurred with our recommendation. In its response, OJP said that it would work with PCCD to obtain a copy of AVP's written policies and procedures, developed and implemented, to ensure that the Executive Director's time and effort report adhere to PCCD's Applicant's Manual and the DOJ Grants Financial Guide.

PCCD concurred with our recommendation and stated that it has requested that by July 15, AVP submit to PCCD a written procedure and proposed implementation timeline which ensures that all employee time and effort reports, including the AVP Executive Director, adhere to PCCD's time and effort reporting policy as stated in PCCD's Applicant's Manual.

AVP did not specifically state whether it agreed or disagreed with our recommendation related to time and effort reports. AVP stated it has instituted a policy for submitting the Executive Director's timesheet to AVP's Board Chair for approval. AVP further stated that this policy will be included in future revisions of its Employee Handbook and Fiscal Policies.

This recommendation can be closed when we receive documentation demonstrating AVP has developed and implemented a process to ensure the Executive Director's time and effort reports adhere to PCCD's Applicant's Manual.



**4. Remedy \$2,390 in unallowable consultant costs.**

Resolved. OJP concurred with our recommendation. In its response, OJP said that it would work with PCCD to remedy the \$2,390 in questioned costs, related to unallowable consultant costs.

PCCD concurred with our recommendation and stated that it has requested AVP to submit revised final fiscal reports for subgrants #24401 and #26645, reducing the consultant expenditures by \$2,390, and to submit a refund check for the \$2,390.

AVP disagreed with this recommendation. AVP stated PCCD accepted the rate in several applications, despite being above the allowable rate. AVP further stated that when PCCD later rejected the rate, AVP was not offered the option of seeking prior approval. Instead, AVP reduced the amount paid to the consultant with VOCA funds while covering the remaining amount with other funding sources.

Based on our review of AVP applications, none included a written justification for consultant rates over the maximum allowable rate.

This recommendation can be closed when OJP remedies the \$2,390 in unallowable consultant costs.

**5. Ensure AVP implements and adheres to policies and procedures to ensure consultant rates do not exceed the maximum allowable rate without prior approval from the granting agency.**

Resolved. OJP concurred with our recommendation. In its response, OJP said that it would work with PCCD to obtain a copy of AVP's written policies and procedures, developed and implemented, to ensure that consultant rates do not exceed the maximum allowable rate without prior approval from the granting agency.

PCCD concurred with our recommendation and stated that it has requested that by July 15, AVP submit to PCCD written procedures and a proposed implementation timeline which ensures that consultant rates do not exceed the maximum allowable rate without prior approval from the granting agency.

AVP did not specifically state whether it agreed or disagreed with our recommendation related to consultant rates. AVP stated it has instituted an internal policy in alignment with this policy and in the future will provide written documentation supporting any rates above the federal minimum.

This recommendation can be closed when we receive documentation demonstrating AVP has developed and implemented policies and procedures to ensure consultant rates do not exceed the maximum allowable rate without prior approval from the granting agency.

**6. Ensure AVP implements and adheres to policies and procedures to document that consultant rates are reasonable and consistent with that paid for similar services in the marketplace.**

Resolved. OJP concurred with our recommendation. In its response, OJP said that it would work with PCCD to obtain a copy of AVP's written policies and procedures, developed and implemented, to ensure that consultant rates are reasonable and consistent with that paid for similar services in the marketplace.

PCCD concurred with our recommendation and stated that it has requested that by July 15, AVP submit to PCCD written procedures and a proposed implementation timeline which describes how AVP will document that consultant rates are reasonable and consistent with that paid for similar services in the marketplace.

AVP did not specifically state whether it agreed or disagreed with our recommendation related to consultant rates. AVP stated AVP has instituted an internal policy in alignment with this policy and in the future will provide written documentation supporting any rates above the federal minimum.

This recommendation can be closed when we receive documentation demonstrating AVP has implemented and adheres to policies and procedures to document that consultant rates are reasonable and consistent with that paid for similar services in the marketplace.

**7. Ensure AVP implements and adheres to policies and procedures to ensure all grant expenditures are allowable.**

Resolved. OJP concurred with our recommendation. In its response, OJP said that it would work with PCCD to obtain a copy of AVP's written policies and procedures, developed and implemented, to ensure that only allowable grant expenditures are charged to Federal awards.

PCCD concurred with our recommendation and stated that it has requested that by July 15, AVP submit to PCCD written procedures and a proposed implementation timeline which documents how AVP will ensure all grant expenditures are allowable.

AVP did not specifically state whether it agreed or disagreed with our recommendation related to grant expenditures. AVP stated it has put into writing the internal procedures which are currently being implemented, that ensure all grant expenditures are allowable.

This recommendation can be closed when we receive documentation demonstrating AVP has implemented and adheres to policies and procedures to ensure all grant expenditures are allowable.

**8. Ensure AVP implements and adheres to policies and procedures to ensure records related to grant expenditures are maintained for the required timeframe.**

Resolved. OJP concurred with our recommendation. In its response, OJP said that it would work with PCCD to obtain a copy of AVP's written policies and procedures, developed and implemented, to ensure that all accounting records, source documents, and other supporting documentation related to grant expenditures are maintained for the requisite period of time, in accordance with the DOJ Grant Financial Guide.

PCCD concurred with our recommendation and stated that it has requested that AVP submit to PCCD by July 15 written procedures and a proposed implementation timeline which ensures that records related to grant expenditures are maintained for the required timeframe.

AVP did not specifically state whether it agreed or disagreed with our recommendation related to grant expenditures. AVP stated it drafted procedures that ensures records related to grant expenditures are maintained for the required timeframe.

This recommendation can be closed when we receive documentation demonstrating AVP has implemented and adheres to policies and procedures to ensure records related to grant expenditures are maintained for the required timeframe.

**9. Remedy \$1,173 in unsupported costs.**

Resolved. OJP concurred with our recommendation. In its response, OJP said that it would work with PCCD to remedy the \$1,173 in questioned costs related to travel and supply costs.

PCCD concurred with our recommendation and stated that it has requested AVP to submit revised fiscal reports for subgrants #24401 and #27043, reducing the supply and operating expenditures by \$1,173, and submit a refund check for \$1,173.

AVP did not specifically state whether it agreed or disagreed with our recommendation related to grant expenditures. AVP stated that all of the questioned unsupported costs were legitimate, and all but one occurred over 3 years ago; and since then enhancements have been made to organization, processes, and storage of supporting documents. AVP further stated that if requested by PCCD, it will submit revised fiscal reports and submit a refund check for the unsupported costs.

This recommendation can be closed when OJP remedies the \$1,173 in unsupported costs.



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