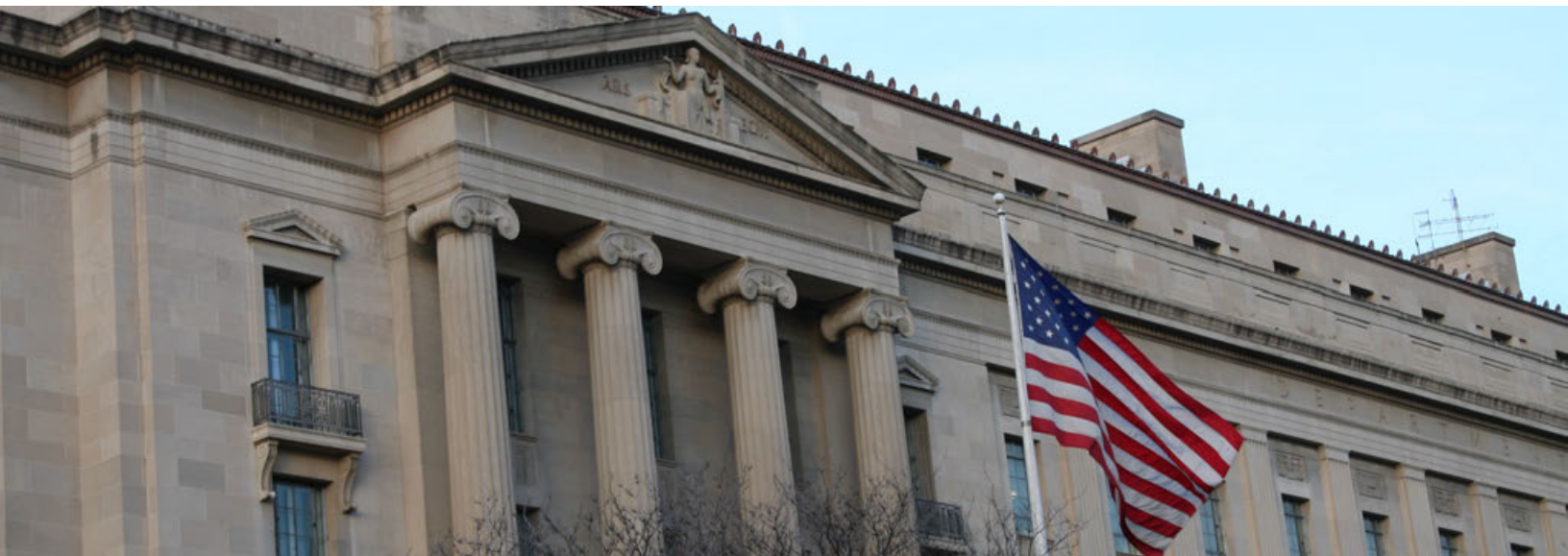




**Office of the Inspector General**  
U.S. Department of Justice

**OVERSIGHT ★ INTEGRITY ★ GUIDANCE**



**Audit of the Office of Justice Programs  
Victim Assistance Subgrants and the  
Office on Violence Against Women  
Grants Awarded to the  
Georgia Legal Services Program,  
Atlanta, Georgia**



# Executive Summary

*Audit of the Office of Justice Programs Victim Assistance Subgrants and the Office on Violence Against Women Grants Awarded to the Georgia Legal Services Program, Atlanta, Georgia*

## Objective

The U.S. Department of Justice (DOJ) Office of the Inspector General (OIG) completed an audit of four State of Georgia Criminal Justice Coordinating Council (CJCC), Crime Victims Fund (CVF) subgrants and two Office on Violence Against Women (OVW) grants to the Georgia Legal Services Program (GLS). The CJCC subgrants, totaling \$594,399, derived from fiscal years (FY) 2015 and 2016 crime victim assistance formula grants awarded by the Office of Justice Programs (OJP) Office for Victims of Crime to CJCC. The OVW grants, totaling \$996,842, were awarded directly by OVW to GLS in FYs 2014 and 2015. The objectives of the audit were to: (1) determine whether costs claimed under the subgrants and grants were allowable, supported, and in accordance with applicable laws, regulations, guidelines, and terms and conditions of the grants; and, (2) determine whether GLS demonstrated adequate progress towards achieving program goals and objectives.

## Results in Brief

GLS generally complied with subgrant and grant program requirements. However, GLS could not support all of the grant achievements it reported for one of the two OVW grant programs. Additionally, we found that GLS did not adequately track project expenditures to properly identify the funding source to ensure that DOJ grants were charged only project-related costs. GLS also inaccurately reported earning program income on its quarterly Federal Financial reports for the OVW awards.

## Recommendations

Our report contains three recommendations to assist GLS in improving its grant management and administration. We requested a response to our draft report from GLS, CJCC, OJP, and OVW officials, and their responses are appended to this final report in Appendices 2, 3, 4, and 5, respectively. Our analysis of those responses is included in Appendix 6.

## Audit Results

The purpose of the CVF subgrants was to offer legal assistance, advocacy, outreach, and community education to Georgia crime victims. The purposes of the OVW grants were to increase the availability of legal services to victims of crime; enhance the safety of rural victims of sexual assault, domestic violence, dating violence, and stalking; and support crime prevention projects. As of November 2018, GLS had been reimbursed \$522,631 by CJCC for the subgrants, and as of January 2019, drew down \$964,253 from the OVW awards.

### ***GLS's Compliance with Grant Program***

***Requirements*** - We identified weaknesses related to GLS's program performance and accomplishments reporting, grant financial management, and grant financial reporting.

***Program Performance and Accomplishments*** - GLS could not provide adequate documentation to support that it trained 222 law enforcement officers as it reported to OVW.

***Grant Financial Management*** - GLS did not adequately segregate or track its DOJ grant-funded expenditures from non-DOJ grant-funded expenditures.

***Federal Financial Reports*** - GLS inaccurately reported earning program income on required Federal Financial Reports to OVW.

**AUDIT OF THE OFFICE OF JUSTICE PROGRAMS  
VICTIM ASSISTANCE SUBGRANTS  
AND THE OFFICE ON VIOLENCE AGAINST WOMEN GRANTS  
AWARDED TO THE GEORGIA LEGAL SERVICES PROGRAM,  
ATLANTA, GEORGIA**

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**AUDIT OF THE OFFICE OF JUSTICE PROGRAMS  
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ATLANTA, GEORGIA**

**INTRODUCTION**

The U.S. Department of Justice (DOJ) Office of the Inspector General (OIG) completed an audit of four victim assistance subgrants to the Georgia Legal Services Program (GLS) in Atlanta, Georgia. 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 State of Georgia Criminal Justice Coordinating Council (CJCC). GLS was also awarded an Office on Violence Against Women (OVW) Rural Domestic and Dating Violence, Sexual Assault, Stalking, and Child Abuse Enforcement grant (rural grant) and an OVW Legal Assistance for Victims grant (legal assistance grant).<sup>1</sup> As shown in Table 1, from fiscal year (FY) 2015 to FY 2018, GLS received DOJ awards totaling \$1,591,241.

**Table 1  
Audited CJCC Subgrants and OVW Grants  
Started by GLS from FY 2015 to FY 2018**

<b>Awarding Entity</b>	<b>Subgrant/Grant Number</b>	<b>Project Period Start Date</b>	<b>Project Period End Date</b>	<b>Award Amount</b>
CJCC/ OJP	C15-8-146/2015-VA-GX-0057 (Previously Underserved)	10/1/2015	9/30/2016	\$159,620
	C15-8-333/2015-VA-GX-0057 (Previously Underserved)	10/1/2016	9/30/2017	\$159,620
	C16-8-163/2016-VA-GX-0023 (Legal Services)	10/1/2017	9/30/2018	\$159,620
	C16-8-164/2016-VA-GX-0023 (Legal Services)	10/1/2017	9/30/2018	\$115,539
OVW	2015-WR-AX-0023 (Rural Grant)	10/1/2015	9/30/2018	\$731,205
	2014-WL-AX-0057 (Legal Assistance Grant)	10/1/2014	9/30/2016	\$265,637
<b>Total:</b>				<b>\$1,591,241</b>

Sources: OJP Grants Management System (GMS) and CJCC

The purpose of the CVF victim assistance subgrants was to offer legal assistance, advocacy, outreach, and community education to crime victims in Georgia. The purpose of the OVW rural grant was to enhance the safety of rural victims of sexual assault, domestic violence, dating violence, and stalking and support projects designed to address and prevent these crimes in rural areas. The

<sup>1</sup> On September 20, 2018, GLS received a \$748,209 supplemental award for the rural grant for which we did not audit.

purpose of the OVW legal assistance grant was to increase the availability of civil and criminal legal assistance for survivors of sexual assault, domestic violence, and stalking at minimum or no cost to victims.

Established by the *Victims of Crime Act (VOCA)* of 1984, the CVF is used to support eligible crime victim assistance programs through DOJ programs and state and local victim services.<sup>2</sup> The CVF is supported entirely by federal criminal fees, penalties, forfeited bail bonds, gifts, donations, and special assessments. The total amount of funds that OVC may distribute each year depends upon the amount of CVF deposits made during the preceding years and limits set by Congress (the cap).

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. OVC distributes these assistance grants to states and territories, which in turn fund subgrants to public and private nonprofit organizations, such as GLS, 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 FY 2015, Congress significantly raised the previous year's cap on CVF disbursements, which more than quadrupled the available funding for victim assistance grants from \$455.8 million to \$1.96 billion. OVC allocates the annual victim assistance program awards based on the amount available for victim assistance each year and the states' population. The annual VOCA victim assistance grant funds available to CJCC increased from \$13.9 million in FY 2014 to \$60.9 million and \$69.3 million in FYs 2015 and 2016, respectively.

### **State of Georgia Criminal Justice Coordinating Council**

As the Georgia state administering agency responsible for administering VOCA program grants, CJCC applies for the grants on behalf of the state and selects subrecipients. CJCC also disburses funds and monitors subrecipients' performance and financial management of VOCA victim assistance funds.

### **Georgia Legal Services Program**

GLS is a nonprofit organization headquartered in Atlanta, Georgia, and has 10 offices located throughout the state. According to its website, GLS offers free civil legal services to clients in cases related to domestic and sexual violence, family law, public benefits, healthcare access, and other areas. GLS is led by an executive director and overseen by a board of directors.

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<sup>2</sup> The VOCA victim assistance formula program is funded under 34 U.S.C. § 20101.

## **Prior Audits and Reviews**

### *DOJ OIG Audit*

In April 2018, the OIG completed an audit of multiple VOCA victim assistance grants awarded to CJCC, totaling \$226.4 million for FYs 2012 to 2017.<sup>3</sup> For that audit, we performed limited testing of 19 of 178 CJCC subrecipients that received subawards.<sup>4</sup> While we identified concerns with certain aspects of CJCC's CVF grant management, overall, we concluded that it used its CVF funds to enhance services.

### *Legal Services Corporation Audit*

The Legal Services Corporation (LSC) is a non-profit independent agency created by Congress and provides civil legal aid for low-income Americans. LSC provided GLS \$8.39 million in Calendar Year 2018. In July 2013, the LSC Office of the Inspector General (LSC OIG) completed an audit of select internal controls within GLS. LSC OIG found that GLS had adequate operating practices, but written policies were not documented. It also found that GLS's policies and procedures that were documented needed strengthening. LSC OIG recommended that GLS update its accounting manual to include written policies and procedures to address contracting, cost allocation, internal management reporting and budgeting, and derivative income. LSC OIG stated that without formal documented policies and procedures there was no assurance that GLS staff would understand their responsibilities and consistently implement the entity's processes. In response, GLS stated that it updated its internal management and budgeting policies and added a supplemental operating procedure to its accounting manual. LSC OIG reviewed GLS's corrective actions and closed the audit. However, CJCC's monitoring review discussed below and our audit found similar concerns.

### *CJCC Monitoring*

In May 2018, CJCC performed onsite monitoring of GLS as one of its subrecipients. The monitoring consisted of a review of GLS' organizational structure, grant accounting system, grant expenditures, policies and procedures, compliance with Federal civil rights law and the *Single Audit Act of 1984*, and programmatic reporting. CJCC found that GLS: (1) did not have procedures for soliciting contracted services, contractor code of conduct, and contractor monitoring, (2) needed to complete civil rights training, and (3) did not have a texting-while-driving policy. We questioned GLS about the organization's response to these findings. GLS responded that the organization would formally respond to CJCC by November 2018.

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<sup>3</sup> Department of Justice Office of the Inspector General, *Audit of OJP, OVC, CVF Grants Awarded to CJCC, Atlanta, Georgia, GR-40-18-003* (April 2018).

<sup>4</sup> Our limited testing did not include any of GLS's subawards.

## **OIG Audit Approach**

The objectives of the audit were to: (1) determine whether costs claimed under the subgrants and grants were allowable, supported, and in accordance with applicable laws, regulations, guidelines, and terms and conditions of the grants, and (2) determine whether GLS demonstrated adequate progress towards achieving program goals and objectives.

We tested compliance with what we considered the most important conditions of the grants. Unless otherwise stated in our report, we applied the authorizing VOCA legislation, the VOCA victim assistance program guidelines (VOCA Guidelines), 2 C.F.R. § 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), OVW Financial Grants Management Guide, and the DOJ Grants Financial Guide as our primary criteria.<sup>5</sup> We also reviewed GLS policies, procedures, and grant records and interviewed GLS officials to determine how they administered grant funds.<sup>6</sup>

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<sup>5</sup> The DOJ Grants Financial Guide reflects updates to comply with the Uniform Guidance, 2 C.F.R. part 200. Unless otherwise noted, we refer to the OVW Financial Grants Management Guide (2014) or the DOJ Grants Financial Guide collectively as the Financial Guide.

<sup>6</sup> Appendix 1 contains additional information on the audit's objective, scope, and methodology, as well as further detail on the criteria we applied for our audit.



## **AUDIT RESULTS**

### **Program Performance and Accomplishments**

To determine whether GLS demonstrated adequate progress towards achieving its grant objectives, we sought to verify the program achievements GLS reported to CJCC and OVW. We were unable to verify the program achievements GLS reported for one of the two OVW grant programs we tested because GLS did not maintain supporting documentation for those achievements. We verified the program achievements tested for the remaining two grant programs.

#### *CJCC Victim Assistance Subgrants*

Each state administering agency must quarterly and annually report to OVC on activity funded by all VOCA subawards through the web-based Performance Measurement Tool (PMT). These reports collect information on the number of subrecipient entities, subaward projects, victims served, and services funded by these grants. CJCC required its subrecipients to submit an annual electronic progress report on program activities and program effectiveness measures, and submit a quarterly Victim Services Statistical Report (VSSR) describing total services delivered and total clients served.

GLS's victim assistance subgrants were intended to 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. Through these grants, GLS anticipated that crime victims would increase their knowledge of their individual rights and learn about the legal services offered by GLS. GLS intended to ensure that victims would be safe, protected, and self-sufficient, and would become aware of other benefits they can receive in the community.

GLS reported in its FY 2017 program report to CJCC that it used questionnaires to evaluate legal representation services received by 13 victims. To verify the reported services provided, we reviewed redacted versions of these questionnaires. We determined that GLS supported its self-evaluation of legal representation services.

#### *OVW Grants*

The Financial Guide requires grant recipients to submit to OVW program reports that describe the status of the grant project, compare actual accomplishments to objectives, and contain other pertinent information.

#### Rural Grant

The purpose of the rural grant was to enhance the safety of rural victims of sexual assault, domestic violence, dating violence, and stalking and support projects designed to address and prevent these crimes in rural areas. To accomplish this purpose, GLS stated in its grant application that it would:

- meet with its community partners, including law enforcement officers, to assess needs and services in rural communities to assure collaboration in fulfilling victims' needs, and
- provide civil legal representation to victims of sexual assault, domestic violence, dating violence, stalking cases, and housing and benefits cases, with a focus on communities located in rural Georgia.

In its program reports to OVW for FY 2017, GLS reported that it trained 222 law enforcement officers to encourage collaboration in fulfilling victims' needs. We judgmentally selected this achievement for testing and requested attendance lists, training agendas, or other documentation to support this achievement. A GLS official told us GLS did not keep all of the attendance lists or sign-in sheets and was not aware the organization was required to do so. Under the terms and conditions of the grant, GLS was required to retain all records and supporting documentation pertinent to the award for a period of at least 3 years.<sup>7</sup> Inaccurate performance reporting prevents OVW from accurately measuring GLS's accomplishment of the grant objectives. We recommend that OVW ensure that GLS maintains adequate supporting documentation of all grant program achievements.

#### Legal Assistance Grant

The objective of the legal assistance grant was to provide holistic legal services to protect low-income victims of domestic violence, sexual assault, dating violence, and stalking. To accomplish this objective, GLS stated in its application that it would:

- hire and train two attorneys to provide legal representation services for the project;
- train staff attorneys on project goals and objectives;
- assign the project a funding code to account for and monitor expenditures;
- identify key staff within partner agencies to serve as the primary contact;
- establish referral systems for partners;
- develop training events with partners for attorneys, law enforcement, judges, sexual assault and domestic violence advocates, the faith-based community, and other professionals that serve survivors; and
- develop or distribute educational materials with project partners on topics that have been identified as critical to the communities.

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<sup>7</sup> Special condition number 1 of the rural grant requires compliance with the financial and administrative requirements of 2 C.F.R. Part 200 and the current edition of the DOJ Grants Financial Guide. According to the DOJ Grants Financial Guide, the funding recipient should ensure that valid and auditable source documentation is available to support all data collected for each performance measure specified in the program solicitation.

In a program report to OVW for the period of January 1, 2015, through June 30, 2015, among the legal services provided, GLS reported that it assisted five victims by processing protection orders. We judgmentally selected this activity for testing by interviewing GLS staff and reviewing redacted documents from GLS's legal database.<sup>8</sup> We confirmed that GLS provided legal representation services to five victims.

## **Compliance with Special Conditions**

Special conditions are the terms and conditions that are included with awards. One such requirement for the rural grant was for GLS to place the following statement on all materials and publications resulting from award activities.

This project was supported by Grant Number [2015-WR-AX-0023] awarded by the Office on Violence Against Women, U.S. Department of Justice. The opinions, findings, conclusions, and recommendations expressed in this publication [or] program [or] exhibition are those of the author(s) and do not necessarily reflect the views of the Department of Justice, Office on Violence Against Women.

We noted that two of the eight training agendas we reviewed did not contain the required statement. A GLS official told us these omissions were an oversight and would be corrected in the future. Therefore, we make no recommendation.

## **Grant Financial Management**

According to the Financial Guide, award recipients and subrecipients must establish and maintain an adequate accounting system and financial records and accurately account for awarded funds. Recipients must separately account for each award and ensure that their accounting systems do not commingle DOJ funds with funds from other federal or private agencies.<sup>9</sup> To assess the adequacy of GLS's grant financial management, we interviewed GLS officials, reviewed GLS accounting policies and procedures, and reviewed GLS's Single Audit Reports for FYs 2016 and 2017. We found that GLS's accounting system was insufficient to account accurately for awarded funds.

### *Tracking of DOJ Grant Funds*

Among its DOJ-funded projects, we found evidence that GLS did not adequately segregate or track project expenditures paid with DOJ grant funds from

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<sup>8</sup> GLS uses a database to store and report the legal assistance services it provides to its clients. Attorneys record the budget accounting code associated with the grant, case notes, and other information. To ensure victim privacy, we reviewed redacted versions of this information.

<sup>9</sup> Additionally, the DOJ Grants Financial Guide calls for grant recipients to properly account for their awards by establishing and maintaining program accounts, which will enable separate identification and accounting for non-federal matching contributions.

expenditures supported with other funding sources available to GLS. GLS uses unique codes to account for expenditures related to each of its projects, and each project supported by the CVF subgrants, rural, and legal assistance grants had separate codes. We requested GLS’s general ledger for all expenditures paid from the grants we audited. However, GLS was unable to provide us with a clear and complete accounting of the transactions related to these projects that were paid with DOJ funds compared to those paid from other funding sources.

As shown in Table 2, the cumulative project expenditures did not match the original DOJ award. Except for the rural grant, the expenditures associated with the DOJ project codes as of August 31, 2018, exceeded the DOJ award amounts. We could not determine if the exceeding costs were DOJ project costs, matching costs, or non-DOJ project-related costs.<sup>10</sup>

**Table 2**  
**Comparison of GLS Project Expenditures to DOJ Award Amounts**

Subgrant/Grant Number	GLS General Ledger Project Costs	Award Amount	Difference
C15-8-146/2015-VA-GX-0057 (Previously Undeserved)	\$186,417	\$159,620	\$26,797
C15-8-333/2015-VA-GX-0057 (Previously Underserved)	\$270,484	\$159,620	\$110,864
C16-8-163/2016-VA-GX-0023 (Legal Services)	\$192,342	\$159,620	\$32,722
C16-8-164/2016-VA-GX-0023 (Legal Services)	\$130,571	\$115,539	\$15,032
2014-WL-AX-0057 (Legal Assistance Grant)	\$406,524	\$265,637	\$140,887
2015-WR-AX-0023 (Rural Grant)	\$704,486	\$731,205	\$(26,719)

Note: Amounts were rounded.

<sup>a</sup> On September 20, 2018, GLS received a \$748,209 supplemental award for the rural grant, which extended the award period for an additional 3 years to spend award funds and increased the total award to \$1,479,414.

Source: GLS, OVW and CJCC grant records

When we requested the transactions for the reimbursed amounts, GLS could not provide the details to differentiate which transactions would have been charged to each DOJ award versus costs paid with other funding sources in support of the same projects.

A GLS official told us that GLS’s accounting system could not track project costs by the funding source. The Financial Guide provides that if a grant recipient’s automated accounting system cannot adequately account for awarded funds, a system should be established to adequately track the funds. A GLS official told us

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<sup>10</sup> As an example, for the legal assistance grant, we found that although the grant had no match requirement, GLS’s recorded grant expenditures exceeded the award amount by \$140,887 (or 53 percent) in excess of the project budget.

that GLS uses a system of handwritten check marks to identify expenditures for which GLS was reimbursed from DOJ grants, and she gave us the hardcopy check-marked records. We made repeated unsuccessful attempts to reconcile GLS's grant expenditures using its checkmark system and requested assistance from GLS officials in this effort. We requested an explanation for the discrepancies between GLS's accounting record expenditures and its check mark records. A GLS official reviewed the records and told us there was an error in recording the expenses using GLS's manual check mark system in that check marks had not been applied to all expenditures reimbursed to GLS with DOJ funds. Another GLS official told us the check mark system was not a requirement.

A GLS official told us the organization adheres to the LSC financial guidelines, which he described as stringent. However, LSC's accounting guide requires recipients to establish an accounting system that provides an adequate audit trail for all transactions and recognizes the importance of establishing controls over funds.<sup>11</sup> More importantly, as a DOJ award recipient, GLS must comply with all DOJ Grants Financial Guide accounting requirements and the Uniform Guidance.<sup>12</sup> Without an accounting system capable of segregating and tracking DOJ grant-funded expenditures separately from non-DOJ grant-funded expenditures, we believe GLS cannot effectively manage its DOJ grant awards and matching costs, and funds are at a greater risk of misuse or abuse. Further, this creates the risk that GLS could inadvertently request reimbursements for the same expenditures under different funding sources related to other projects. Therefore, to account properly for all DOJ grants, we recommend that OVW and OJP through CJCC ensure that GLS implements an accounting procedure or process to ensure it adequately segregates and tracks DOJ grant-funded expenditures separately from non-DOJ grant-funded expenditures.

### *Single Audit*

Non-federal entities that receive 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 their financial statements and federal expenditures. Under the 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>13</sup>

We tested GLS compliance with the Single Audit requirement for FYs 2016 and 2017. GLS expended \$10.7 million in federal awards during FY 2016 and

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<sup>11</sup> Legal Services Corporation, *Accounting Guide for LSC Recipients*, 2010 Edition.

<sup>12</sup> The DOJ Grants Financial Guide serves as the primary reference manual to assist OJP and OVW award recipients in fulfilling their fiduciary responsibility to safeguard grant funds and ensure funds are used for the purposes for which they were awarded. Additionally, recipients are required to adhere to all applicable uniform administrative requirements, cost principles, and audit requirements set forth under the Uniform Guidance and other applicable law.

<sup>13</sup> On December 26, 2013, the Uniform Guidance superseded OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations.

\$10.1 million in federal awards during FY 2017, requiring GLS to complete a Single Audit for both years. The FY 2017 report did not identify internal control deficiencies or questioned costs pertaining to Federal awards. For the FY 2016 report, auditors found a full-time GLS attorney engaged in compensated outside employment, which is prohibited by the LSC. In response, GLS officials agreed to train its employees on prohibited employment and amended the GLS employee manual to include discussion of prohibited outside employment.

## **Grant Expenditures**

According to the Financial Guide, a grant recipient's federal award costs must be supported, reasonable, allocable, necessary to the project, and comply with statutory and agency requirements. To determine whether GLS complied with these requirements, we judgmentally selected for testing 40 transactions totaling \$33,746 of the \$1,890,824 in costs charged to the projects in our scope. As we previously discussed in the grant financial management section, GLS could track project-related expenditures by unique project code, although it could not always clearly distinguish which expenses were reimbursed with DOJ funds and which were paid from other sources. We sampled costs associated with the projects that included salary and fringe benefits, conference, client transportation, rent, and travel expenses by reviewing GLS's accounting records, invoices, receipts, and other supporting documentation. We found that the costs were allowable and supported.

## **Matching Costs**

The OVC victim assistance subawards required a match of 20 percent of each subgrant in accordance with the VOCA Guidelines.<sup>14</sup> The state administering agency has primary responsibility for ensuring subrecipient compliance with the match requirements. Match contributions must derive from non-federal sources and can be cash or in-kind contributions or a combination of both.<sup>15</sup> Additionally, CJCC subgrantees must use volunteers who provide direct services and maintain specific documentation of the services.<sup>16</sup> We judgmentally selected for testing 12 matching costs contributions totaling \$61,420. The matching contributions consisted of cash and volunteer hours. We determined that the matching costs were supported. However, as previously discussed in the Grant Financial Management section, GLS did not adequately account for project expenditures paid

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<sup>14</sup> The purpose of this requirement is to increase the amount of resources available to VOCA projects, prompting subrecipients to obtain independent funding sources to help ensure future sustainability. OVW did not require a match for the other two rural and legal assistance grants in our scope.

<sup>15</sup> In-kind matches may include donations of expendable equipment, office supplies, workshop or classroom materials, workspace, or the value of time contributed by those providing integral services to the funded project.

<sup>16</sup> Subgrantees must provide: (1) a written job description indicating what types of direct services the volunteer will provide, (2) a copy of the contract between each volunteer and the subgrantee identifying responsibilities of both parties, and (3) a listing of all project volunteers that provide direct services using a monthly volunteer time record.

with DOJ grant funds from expenditures supported with other funding sources. Therefore, GLS needs to improve its accounting procedures.

### **Budget Management and Control**

The Financial Guide requires prior approval from the awarding agency if the movement of dollars between budget categories exceeds 10 percent of the total award amount for awards over \$100,000. To determine whether GLS complied with this requirement, we compared GLS's rural and legal assistance grant budgets to its project expenditures. We concluded that GLS did not make cumulative changes exceeding 10 percent for its OVW awards.<sup>17</sup>

The CJCC requires victim assistance subgrantees to provide a cost breakdown for each budget category and provide supporting documentation upon request. We did not test GLS's management of its CVF budget.

### **Drawdowns**

The Financial Guide requires award recipients to request funds based upon their immediate disbursement or reimbursement needs. Grant recipients should time drawdown requests to ensure that federal cash-on-hand is the minimum needed for immediate disbursement or reimbursement or, alternatively, within 10 days. To assess whether GLS managed its grant receipts in accordance with federal requirements, we compared the total drawdowns for the OVW grants and reimbursements for the CJCC subgrants to the total expenditures associated with each project in GLS's accounting system. We determined that GLS was reimbursed \$964,253 for its OVW grants and \$522,631 for its victim assistance subgrants. However, as previously discussed in the Grant Financial Management section, GLS did not adequately account for project expenditures paid with DOJ grant funds from expenditures supported with other funding sources. Therefore, GLS needs to improve its accounting procedures.

### **Federal Financial Reports**

The Financial Guide requires award recipients to report their grant expenditures, obligations, and other financial information to awarding agencies on Federal Financial Reports (FFR). These reports provide awarding agencies with the status of a recipient's grant funds and must be submitted quarterly. To determine whether GLS submitted accurate FFRs, we compared GLS's four most recent reports for both the rural and legal assistance grants to GLS's accounting records.<sup>18</sup> We

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<sup>17</sup> As discussed in the above grant financial management section, although GLS could track project-related expenditures by unique project code, it could not always clearly distinguish which expenses were reimbursed with DOJ funds and which were paid from other sources.

<sup>18</sup> For the rural grant, we tested GLS's FFRs for quarters ended September 30, 2017; December 31, 2017; March 31, 2018; and June 30, 2018. For the legal assistance grant, we tested GLS's FFRs for quarters ended December 31, 2015; March 31, 2016; June 30, 2016; and September 30, 2016. As a primary recipient of federal grants, the CJCC is required to submit quarterly FFRs for its subrecipients. GLS is not required to complete this report directly.

could not reconcile the FFRs. Additionally, as previously discussed in the Grant Financial Management section, GLS did not adequately account for project expenditures paid with DOJ grant funds from expenditures supported with other funding sources. We recommend that OVW ensure that GLS accurately reports its grant expenditures based on the process it implements to ensure it adequately segregates and tracks DOJ grant-funded expenditures separately from non-DOJ grant-funded expenditures.

Additionally, we determined that GLS inaccurately reported earning program income during the grant period. The DOJ Grants Financial Guide defines program income as gross income earned by a non-Federal entity and is directly generated or earned from a supported activity or Federal award. GLS reported program income on its FFRs for the rural and legal assistance grants that equaled the amount the organization drew down for those grants. A GLS official told us that GLS had always completed its FFRs that way. Based on our interpretation of the Financial Guide, GLS's DOJ awards do not qualify as program income. Left uncorrected, the error may have prevented OVW from understanding the true status of GLS's grant funds. However, after we informed GLS of its misreporting, a GLS official told us GLS would no longer report drawdowns as program income.<sup>19</sup> We reviewed GLS's FFRs for quarters ended March 31, 2018, and June 30, 2018, and determined that GLS stopped the practice. Therefore, we make no recommendation.

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<sup>19</sup> Additionally, a GLS official verified criteria for the submission of program income and decided GLS would no longer report program income on its FFRs.



## **CONCLUSION AND RECOMMENDATIONS**

We found that GLS generally complied with subgrant and grant program requirements. However, GLS could not support all of the grant achievements it reported for one of the two OVW grant programs. Additionally, we found evidence that GLS did not adequately segregate or track project expenditures paid with DOJ grant funds from expenditures supported with other funding sources available to GLS. GLS also inaccurately reported earning program income on its quarterly Federal Financial reports for the OVW awards. We provide three recommendations to OVW and one to OJP through CJCC to address these concerns.

We recommend that OVW and OJP through CJCC:

1. Ensure that GLS implements an accounting procedure or process to ensure it adequately segregates and tracks DOJ grant-funded expenditures separately from non-DOJ grant-funded expenditures.

We recommend that OVW:

2. Ensure that GLS maintains adequate supporting documentation of all grant program achievements.
3. Ensure that GLS accurately reports its grant expenditures based on the process it implements to ensure it adequately segregates and tracks DOJ grant-funded expenditures separately from non-DOJ grant-funded expenditures.

### OBJECTIVE, SCOPE, AND METHODOLOGY

#### Objective

The objectives of the audit were to: (1) determine whether costs claimed under the subgrants and grants were allowable, supported, and in accordance with applicable laws, regulations, guidelines, and terms and conditions of the grants, and (2) determine whether the Georgia Legal Services Program (GLS) demonstrated adequate progress towards achieving program goals and objectives.

#### 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 objective. 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 four Crime Victims Fund (CVF) victim assistance subgrants (C15-8-146, C15-8-333, C16-8-163, and C16-8-164) awarded to GLS. The subgrants originated from primary grants 2015-VA-GX-0057 and 2016-VA-GX-0023 awarded by the Office of Justice Programs (OJP), Office for Victims of Crime (OVC) to the State of Georgia Criminal Justice Coordinating Council (CJCC). Additionally, we audited an Office on Violence Against Women (OVW) Legal Assistance for Victims grant (Grant Number 2014-WL-AX-0057) and an OVW Rural Domestic and Dating Violence, Sexual Assault, Stalking, and Child Abuse Enforcement grant (Grant Number 2015-WR-AX-0023) awarded to GLS. The Department of Justice (DOJ) awards that we audited totaled \$1,591,241. In September 2018, GLS was awarded a supplemental grant for the Rural Domestic and Dating Violence, Sexual Assault, Stalking, And Child Abuse Enforcement grant (Grant Number 2015-WR-AX-0023) in the amount of \$748,209 that we did not audit. Our audit concentrated on, but was not limited to, the period of October 1, 2014, through June 30, 2018. As of November 2018, GLS was reimbursed \$522,631 by CJCC for the subgrants, and as of January 2019, drew down \$964,253 from the OVW awards.

To accomplish our audit objectives, we tested GLS's compliance with what we consider the most important grant conditions. We assessed GLS's program performance and accomplishments, compliance with certain special conditions, financial management, expenditures, budget management, drawdowns, and financial reporting. We performed sample-based audit testing for grant expenditures including payroll and fringe benefit charges, conference expenses, travel expenses, and financial and performance reporting. 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 for a projection of the test results to the universe from which the samples were selected.

We applied criteria primarily obtained from authorizing Victims of Crime Act (VOCA) legislation, the VOCA victim assistance final program guidelines, 2 C.F.R. § 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), the DOJ Grants Financial Guide, the 2014 OVW Financial Grants Management Guide, Accounting Guide for Legal Services Corporation Recipients, and the award documents.

During our audit, we obtained information from OJP's Grants Management System and Performance Measurement Tool, as well as GLS 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 documents from other sources.

While our audit did not assess GLS's overall system of internal controls, we did review the internal controls of GLS's financial management system specific to the management of funds for each VOCA grant and OVW grant within our review. To determine whether GLS adequately managed the VOCA funds we audited, we interviewed GLS officials, examined GLS's policies and procedures, and reviewed its grant documentation and financial records. We also sought to understand GLS's financial management system and policies and procedures to assess its risk of non-compliance with laws, regulations, guidelines, and terms and conditions of the grants.

**GEORGIA LEGAL SERVICES PROGRAM  
RESPONSE TO THE DRAFT AUDIT REPORT**

**RICHARD M. BUPOLO**  
EXECUTIVE DIRECTOR  
(NOT ADMITTED IN GEORGIA)

**HA L. POSTER**  
GENERAL COUNSEL/DEPUTY DIRECTOR

**LISA J. KRISHNER**  
DIRECTOR OF LITIGATION

**MICHAEL MONAHAN**  
DIRECTOR OF PRO BONO RESOURCE CENTER

**VICKY O. KIMBELL**  
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SPECIALIST

**HOMERO LEÓN**  
COMMUNITY ECONOMIC DEVELOPMENT  
SPECIALIST

**SUSAN REEF**  
DIRECTOR OF EVICTION PREVENTION PROJECT/  
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**CYNTHIA GIBSON**  
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**GEORGIA LEGAL SERVICES PROGRAM®  
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March 5, 2019

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Mr. Ferris B. Polk, Regional Audit Manager  
Atlanta Regional Audit Office  
Office of the Inspector General  
U.S. Department of Justice  
75 Ted Turner Drive, SW, Suite 1130  
Atlanta, Georgia 30303

Dear Mr. Polk:

This letter is in response to the draft audit report, received February 21, 2019, issued by the Department of Justice (DOJ), Office of the Inspector General (OIG), Atlanta Regional Audit Office, for the following Grants:

Criminal justice Coordinating Council/Office of Justice Program  
2015-VA-GX-0057, Subgrant: C15-8-146  
2015-VA-GX-0057, Subgrant: C15-8-333  
2016-VA-GX-0023, Subgrant: C16-8-163  
2016-VA-GX-0023, Subgrant: C16-8-164

Office of Violence Against Women (OVW)  
2015-WR-AX-0023 (Rural Grant)  
2014-WL-AX-0057 (Legal Assistance Grant)

The OIG requested that Georgia Legal Services Program (GLSP) submit a written response prior to its issuance of the final audit report. This correspondence is the Auditee Response to the draft audit report recommendations.

**1. Ensure that GLS implements an accounting procedure or process to ensure it adequately segregates and tracks DOJ grant-funded expenditures separately from non-DOJ grant-funded expenditures.**

The Georgia Legal Services Program is a nonprofit corporation whose mission is to provide civil legal services for persons with low incomes, creating equal access to justice and opportunities out of poverty.



Offices in Albany, Athens, Atlanta, Augusta, Brunswick, Columbus, Dalton, Gainesville, Macon, Piedmont, Savannah, and Farmworker Rights Division  
AN AFFIRMATIVE ACTION/EQUAL OPPORTUNITY EMPLOYER M/F/H/V

Mr. Ferris B. Polk  
March 5, 2019  
Page 2

GLSP partially concurs. We believe the current procedure of establishing a unique project code for each funding source and charging this unique code for all expenses related to delivering the program is allowable under current regulations. Although GLSP captures all cost associated with the program within the unique code, GLSP only seeks reimbursement from DOJ for allowable grant-funded expenditures. All expenses GLSP was reimbursed for were allowable and GLSP asserts they are fully reconcilable to source documents and financial records.

However, GLSP has modified its current process by which DOJ grant-funded expenditures are accounted for to ensure they are segregated from expenditures for delivering the program that are not funded by DOJ grant funds. GLSP will partner with OVW and OJP through CJCC for technical assistance to ensure the modified process meets regulations, is documented, and implemented as standard practice.

Furthermore, GLSP will implement the Blackbaud Financial Edge Grant Accounting module on or before December 31, 2019. Implementation of this module will move accounting for grants to an automated platform which will enhance the ability of GLSP to manage grants and funded projects.

**2. Ensure that GLS maintains adequate supporting documentation of all grant program achievements.**

GLSP partially concurs. Under the special conditions of the grant and the federal regulations governing this program, the grantee is required to ensure auditable documentation to support the data reported to OVW in our Six Months Performance reports. 2 C.F.R. Part 200.333. Further, the 2014 Solicitation Companion Guide, requires that post-award grantees are "required to collect and maintain data that measure the effectiveness of their grant-funded activities." GLSP collected the number of law enforcement trainees by requiring GLSP staff conducting the training to record the attendee numbers into our "Other Matters" legal server case management program after the law enforcement trainings. After every six months, GLSP ran an "Other Matters" legal server data report to complete the six months OVW Reports. We also sent reminders prior to the reporting periods to staff to update the results prior to filing the OVW Progress Reports. The legal server data was used to report on the number of law enforcement members trained in our six months reports.

At the DOJ audit, GLSP staff was advised that this record keeping was inadequate and that law enforcement sign-in sheets were required as a specific type of data collection method. Although that degree of specificity is not mentioned in the Companion Guide for OVW Grant Programs and Pertinent Post Award information or the special conditions, GLSP immediately changed our policy and informed staff of this clarification. Since this time, GLSP has been using sign in sheets to document the number of law enforcement trainees at law enforcement trainings.

Mr. Ferris B. Polk  
March 5, 2019  
Page 3

**3. Ensure that GLSP accurately reports its grant expenditures based on the process it implements to ensure it adequately segregates and tracks DOJ grant-funded expenditures separately from non-DOJ grant-funded expenditures.**

GLSP partially concurs. We believe the current procedure of establishing a unique project code for each funding source and charging this unique code for all expenses related to delivering the program is allowable under current regulations. Although GLSP captures all cost associated with the program within the unique code, GLSP only seeks reimbursement from DOJ for allowable grant-funded expenditures. All expenses GLSP was reimbursed for were allowable and GLSP asserts they are fully reconcilable to source documents and financial records.

However, GLSP has modified its current process by which DOJ grant-funded expenditures are accounted for to ensure they are segregated from expenditures for delivering the program that are not funded by DOJ grant funds. GLSP will immediately review its process for completing FFR's and partner with OVW for technical assistance and training.

In conclusion, GLSP is committed to working with its partners to close out the recommendations successfully. The purpose of these projects is to provide civil legal services to victims of domestic violence and sexual assault and GLSP takes our obligation to serve our clients and our funders seriously. GLSP strives to meet all goals and refine its operations, whether programmatic or administrative, to better serve our clients and meet all grant requirements and responsibilities.

Thank you for your consideration of our comments and specific responses.

Respectfully,



Gregory Copeland  
Director of Finance

GC/dlr

cc Jay Neal, Executive Director  
Georgia Criminal Justice Coordinating Council

Richard M. Rufolo, Executive Director  
Georgia Legal Services Program

Vicky O. Kimbrell, Esq.  
Director of Family Violence Project  
Georgia Legal Services Program

**GEORGIA CRIMINAL JUSTICE COORDINATING COUNCIL  
RESPONSE TO THE DRAFT AUDIT REPORT**



BRIAN P. KEMP  
GOVERNOR

JAY NEAL  
EXECUTIVE DIRECTOR

March 5, 2019

Ferris B. Polk  
Regional Audit Manager  
U.S. Department of Justice  
Office of the Inspector General  
75 Ted Turner Drive, Southwest, Suite 1130  
Atlanta, Georgia 30303

RE: Response to the Draft Audit Report, *Audit of the Office of Justice Programs (OJP), Crime Victims Fund Victim Assistance Subgrants, and the Office on Violence Against Women (OVW) Grants Awarded to the Georgia Legal Services Program (GLS)*

Dear Mr. Polk:

This letter serves as the Criminal Justice Coordinating Council's (CJCC) official response to your correspondence, dated February 21, 2019, transmitting the draft audit report for Georgia Legal Services Program (GLS). The draft report contains three recommendations, including one to OJP through CJCC to address concerns regarding GLS's accounting procedures.

The following is CJCC's analysis of the draft audit report recommendation. For ease of review, the recommendation is restated in bold and is followed by our response.

- 1) **Ensure that GLS implements an accounting procedure or process to ensure it adequately segregates and tracks DOJ grant-funded expenditures separately from non-DOJ grant-funded expenditures.**

CJCC agrees with the recommendation made to GLS regarding their grant management and administration process. CJCC has acted to help mitigate misuse or abuse of grant funds and to ensure that GLS's accounting system will not commingle DOJ grant funds with other non-DOJ funding sources.

To address the concern identified, CJCC program staff met with Gregory Copeland, the GLS Director of Finance, on Tuesday, March 5, 2019 at 10:00 am. The purpose of this visit was to provide necessary technical assistance and guidance, and to ensure that their staff was made aware of the requirements of the grant program and what is expected of their accounting system. CJCC staff provided Mr. Copeland with direction to access and complete the OJP Financial Management and Grants Administration Training, specifically

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CJCC.GEORGIA.GOV

the module on Financial Management Systems. This module discusses in great detail the need for federal government award recipients to set up effective management controls and to establish and maintain adequate accounting systems.

Once that training is complete and the necessary adjustments are made, CJCC staff will coordinate with GLS to review their system, verifying the proper segregation and tracking of DOJ grant funds from other funding sources. CJCC fully understands the importance of maintaining an accounting system that can appropriately capture all relevant award-specific costs and will coordinate with Mr. Copeland to obtain a copy of GLS's updated written financial management policies and procedures. GLS staff has agreed to complete the recommended training by April 1, 2019 and will immediately update their accounting system to correct the errors identified, ensuring that internal practices are implemented to guide the organization's financial management system.

So that we can be of better assistance to all subrecipients, CJCC staff has updated and published a detailed VOCA subgrantee manual to the agency website. This revised manual provides subrecipients with tools to assist in the administration of their VOCA subgrant, including but not limited to, the appropriate parameters of their financial management system. A hard copy of this manual was provided to GLS on March 5, 2019 and CJCC staff will continue to provide technical assistance and onsite monitoring as needed or identified by program staff.

We appreciate the opportunity to review and comment on the draft audit report; and we remain committed to ensuring that our subrecipients are both fiscally responsible and good stewards of the federal funds they receive with which they can support various victim service programs. If you have any questions or require additional information, please contact Kristy Carter, Victims Assistance Division Director, at 404-657-2061.

Sincerely,



Jay Neal  
Executive Director

cc: Linda Taylor

Office of Justice Programs

Rodney D. Samuels  
Office of Violence Against Women



**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

---

Washington, D.C. 20531

MAR 13 2019

MEMORANDUM TO: Ferris B. Polk  
Regional Audit Manager  
Atlanta 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 Crime Victims Fund Victim Assistance Subgrants and the Office on Violence Against Women Grants Awarded to the Georgia Legal Services Program, Atlanta, Georgia*

This memorandum is in reference to your correspondence, dated February 21, 2019, transmitting the above-referenced draft audit report for the Georgia Legal Services Program (GLS). The GLS received sub-award funds from the Georgia Criminal Justice Coordinating Council (CJCC), under the Office of Justice Programs' (OJP) Grant Numbers 2015-VA-GX-0057 and 2016-VA-GX-0023. We consider the subject report resolved and request written acceptance of this action from your office.

The draft report contains **three** recommendations, and **no** questioned costs; of which one recommendation is directed to both OJP and the Office on Violence Against Women (OVW), and two recommendations are directed to OVW. The following is OJP's analysis of the draft audit report recommendation directed to both OJP and OVW. For ease of review, the recommendation is restated in bold and is followed by OJP's response.

1. **We recommend that OVW and OJP, through CJCC, ensure that GLS implements an accounting procedure or process to ensure it adequately segregates and tracks Department of Justice (DOJ) grant-funded expenditures separately from non-DOJ grant-funded expenditures.**

OJP agrees with the recommendation. We will coordinate with CJCC to obtain a copy of written policies and procedures, developed and implemented by GLS, to ensure that its accounting procedures and processes adequately segregate and track Department of Justice (DOJ) grant-funded expenditures separately from non-DOJ grant-funded expenditures.

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: Matt M. Dummermuth  
Principal Deputy Assistant Attorney General

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

Tracey Trautman  
Principal Deputy Director  
Office for Victims of Crime

Allison Turkel  
Deputy Director  
Office for Victims of Crime

Kathrina S. Peterson  
Acting Deputy Director  
Office for Victims of Crime

Katherine Darke-Schmitt  
Deputy Director  
Office for Victims of Crime

James Simonson  
Associate Director for Operations  
Office for Victims of Crime

Brian Sass-Hurst  
Grants Management Specialist  
Office for Victims of Crime

cc: Charles E. Moses  
Deputy General Counsel

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Leigh A. Benda  
Chief Financial Officer

Christal McNeil-Wright  
Associate Chief Financial Officer  
Grants Financial Management Division  
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Joanne M. Suttington  
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Aida Brumme  
Manager, Evaluation and Oversight Branch  
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Office of the Chief Financial Officer

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

OJP Executive Secretariat  
Control Number IT20190225095148

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



U.S. Department of Justice

Office on Violence Against Women

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Washington, DC 20530

March 14, 2019

MEMORANDUM

TO: Ferris B. Polk  
Regional Audit Manager

FROM: Nadine M. Neufville *NMN*  
Deputy Director, Grants Development and Management

Donna Simmons *DS*  
Associate Director, Grants Financial Management Unit

Rodney Samuels *RS*  
Audit Liaison/Staff Accountant

SUBJECT: Draft Audit Report – Audit of the Office of Justice Programs  
Crime Victims Fund Victim Assistance Subgrants and the Office  
on Violence Against Women (OVW) Grants Awarded to the  
Georgia Legal Services Program (GLS), Atlanta, Georgia

This memorandum is in response to your correspondence dated February 21, 2019 transmitting the above draft audit report for GLS. We consider the subject report resolved and request written acceptance of this action from your office.

The report contains three recommendations with no Questioned Costs. Two of the recommendations are directed to OVW and one recommendation is directed to OVW and OJP through CJCC jointly. OVW is committed to addressing and bringing the open recommendations identified by your office to a close as quickly as possible. The following is our analysis of each recommendation.

Your Office recommends that OVW and OJP through CJCC:

1. Ensures that GLS implements an accounting procedure or process to ensure it adequately segregates and tracks DOJ grant-funded expenditures separately from non-DOJ grant-funded expenditures.

MEMORANDUM

SUBJECT: Draft Audit Report – Audit of the Office of Justice Programs Crime Victims Fund  
Victim Assistance Subgrants and the Office on Violence Against Women (OVW) Grants  
Awarded to the Georgia Legal Services Program (GLS), Atlanta, Georgia

Concur: OVW will coordinate with GLS to ensure that they implement an accounting procedure or process to ensure it adequately segregates and tracks DOJ grant-funded expenditures separately from non-DOJ grant-funded expenditures.

Your Office recommends that OVW:

**2. Ensure that GLS maintains adequate supporting documents of all grant program achievements.**

Concur: OVW will coordinate with GLS to ensure that they maintain adequate supporting documents of all grant program achievements.

**3. Ensure that GLS adequately reports its grant expenditures based on the process it implements to ensure it adequately segregates and tracks DOJ grant-funded expenditures separately from non-DOJ grant-funded expenditures.**

Concur: OVW will coordinate with GLS to ensure that they adequately report its grant expenditures based on the process it implements to ensure it adequately segregates and tracks DOJ grant-funded expenditures separately from non-DOJ grant-funded expenditures.

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 at (202) 514-9820.

cc Richard P. Theis  
Assistant Director, Audit Liaison Group  
Internal Review and Evaluation Office  
Justice Management Division

Shannon Maultsby  
Program Manager  
Office on Violence Against Women

Charlotte Turpin  
Program Manager  
Office on Violence Against Women

**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 Georgia Legal Services Program (GLS), the Georgia Criminal Justice Coordinating Council (CJCC), the Office of Justice Programs (OJP), and the Office on Violence Against Women (OVW). The responses for GLS, CJCC, OJP, and OVW are incorporated in Appendices 2, 3, 4, and 5, respectively. GLS partially concurred with each recommendation, and CJCC agreed with the recommendation in which it was referenced. Further, OVW and OJP agreed with the recommendations, and, as a result, the status of the report is resolved. The following provides the OIG analysis of the responses and summary of actions necessary to close the report.

**Recommendation:**

- 1. We recommend that OVW and OJP through CJCC, ensure that GLS implements an accounting procedure or process to ensure it adequately segregates and tracks Department of Justice (DOJ) grant-funded expenditures separately from non-DOJ grant-funded expenditures.**

Resolved. OVW agreed with the recommendation and stated that it will coordinate with GLS to ensure that GLS implements an accounting procedure or process to ensure GLS adequately segregates and tracks DOJ grant-funded expenditures separately from non-DOJ grant-funded expenditures.

OJP agreed with the recommendation and stated that it will coordinate with CJCC to obtain a copy of written policies and procedures, developed and implemented by GLS, to ensure that GLS's accounting procedures and processes adequately segregate and track DOJ grant-funded expenditures separately from non-DOJ grant-funded expenditures.

CJCC agreed with the recommendation and stated that it has acted to help mitigate misuse or abuse of grant funds and to ensure that GLS's accounting system will not commingle DOJ grant funds with other non-DOJ funding sources. CJCC stated that to address the concern identified, it met with GLS to provide necessary technical assistance and guidance, and to ensure that GLS staff was aware of the requirements of the grant program and what is expected of GLS's accounting system. CJCC stated that it provided GLS with direction to access and complete the OJP Financial Management and Grants Administration Training, specifically the module on financial management systems.

Further, CJCC stated that once the training is complete and necessary adjustments are made, it will coordinate with GLS to review its system,

verifying the proper segregation and tracking of DOJ grants funds from other sources. CJCC stated that GLS staff has agreed to complete the recommended training by April 1, 2019, and that GLS will immediately update its accounting system to correct the errors identified, ensuring that internal practices are implemented to guide the organization's financial management system. Further, CJCC stated that it will coordinate with GLS to obtain a copy of GLS's updated written financial management policies and procedures.

CJCC staff added that it has updated and published a detailed *Victims of Crime Act* (VOCA) of 1984 subgrantee manual to its agency website. CJCC stated the revised manual provides subrecipients with tools intended to assist in the administration of subrecipients' VOCA subgrants, including but not limited to, the appropriate parameters of their financial management system. CJCC stated that a hardcopy of this manual was provided to GLS on March 5, 2019, and that CJCC will continue to provide technical assistance and onsite monitoring as needed or identified by program staff.

GLS partially concurred with the recommendation and stated that it believed its procedure for establishing a project code for each funding source to which program expenses are charged is allowable under the regulations. GLS stated that it captures all program costs with a program code and only seeks reimbursement for grant-funded expenditures. GLS stated that its expenses were allowable, supported, and reconcilable to financial records. GLS added that it modified its current process by which DOJ grant-funded expenditures are accounted for to ensure the expenditures are segregated from expenditures not funded by DOJ grant funds. GLS added that it will partner with OVW and OJP through CJCC for technical assistance to ensure its modified process meets regulations, is documented, and implemented as standard practice. GLS also stated that it will implement an accounting module on or before December 31, 2019. According to GLS, this implementation will move GLS's grant accounting to an automated platform and enhance its ability to manage grants and funded projects.

As discussed in our report, GLS's accounting system could not adequately segregate and track project expenditures paid with DOJ grant funds from expenditures supported with other funding sources. As a result, we determined that GLS's accounting system increased the risk that grant funds could be misused or abused. Additionally, due to GLS's inadequate accounting system, we could not reconcile GLS's required Federal Financial Reports to its accounting records.

This recommendation can be closed when we receive supporting documentation of GLS's implemented accounting procedure or process to ensure it adequately segregates and tracks DOJ grant-funded expenditures separately from non-DOJ grant-funded expenditures.

**2. We recommend that OVW ensure that GLS maintains adequate supporting documentation of all grant program achievements.**

Resolved. OVW agreed with the recommendation and stated that it will coordinate with GLS to ensure that GLS maintains adequate supporting documentation of all grant program achievements.

GLS partially concurred with the recommendation. In its response, GLS discussed the terms and conditions of the OVW grant that required GLS to collect and maintain data that measure the effectiveness of grant funded activities and ensure that auditable documentation is retained to support performance data reported to OVW. GLS stated that it collected the number of law enforcement trainees it reported to OVW by requiring GLS staff to record attendee numbers into GLS's legal server case management program. According to GLS, data from this case management program was submitted as support to OVW.

GLS stated in its response that the OIG advised that law enforcement sign-in sheets were required. GLS stated that although a specific data collection method for supporting performance reports is not mentioned in the specific grant program guidance cited in the GLS's response, it changed its policy and informed its staff to use sign-in sheets to document the number of law enforcement trainees.

The DOJ Grants Financial Guide references the *Government Performance and Results Act and Modernization Act of 2010* and states that award recipients must ensure that valid and auditable source documentation is available to support data collected for each performance measure.<sup>20</sup> During our audit, we tested GLS's reporting to OVW that it trained 222 law enforcement officers and requested attendance lists, training agendas, or other documentation that supported the training events and attendees. In response, GLS could only provide the total numbers of participants who attended each training event. These numbers were provided to us via an email sent during the audit. GLS could not provide any record contemporaneous to the time of each event supporting the number of participants. Consequently, GLS could not provide any supporting documentation to validate the 222 officers reported as attending training. Although GLS's newly-implemented policy requiring the use of sign-in sheets strengthens the support for its reported attendance, documentation such as agendas, handouts, and other training materials would provide full support for the training accomplished.

This recommendation can be closed when we receive supporting documentation showing GLS will maintain adequate supporting documentation of all grant program achievements, such as a copy of its newly-implemented policy requiring sign-in sheets.

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<sup>20</sup> U.S. Department of Justice, *2015 DOJ Grants Financial Guide* (2015).



3. **We recommend that OVW ensure that GLS accurately reports its grant expenditures based on the process it implements to ensure it adequately segregates and tracks DOJ grant-funded expenditures separately from non-DOJ grant-funded expenditures.**

Resolved. OVW agreed with the recommendation and stated it will coordinate with GLS to ensure that GLS adequately reports its grant expenditures based on the process GLS implements to ensure it adequately segregates and tracks DOJ grant-funded expenditures separately from non-DOJ grant-funded expenditures.

GLS partially concurred with the recommendation. For this recommendation, GLS repeats the comments it provided for Recommendation 1 for which we have already responded.

This recommendation can be closed when we receive supporting documentation that GLS accurately reports its grant expenditures based on the process it implements under Recommendation 1 to ensure it adequately segregates and tracks DOJ grant-funded expenditures separately from non-DOJ grant-funded expenditures.



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