



**AUDIT OF THE OFFICE OF JUSTICE PROGRAMS
NATIONAL INSTITUTE OF JUSTICE
GRANT AWARDED TO THE
JACKSON COUNTY MEDICAL EXAMINER'S OFFICE
KANSAS CITY, MISSOURI**

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

Audit Report GR-50-11-006
September 2011

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JACKSON COUNTY MEDICAL EXAMINER'S OFFICE
KANSAS CITY, MISSOURI**

EXECUTIVE SUMMARY

The U.S. Department of Justice, Office of the Inspector General, Audit Division, has completed an audit of an Office of Justice Programs (OJP), National Institute of Justice (NIJ) grant awarded to the Jackson County Medical Examiner's Office (JCMEO). JCMEO was awarded \$125,000 under grant number 2009-CD-BX-0088 to improve the quality and timeliness of forensic science and medical examiner services and to eliminate backlogs in the analysis of forensic evidence, including controlled substances, firearms examination, forensic pathology, latent prints, questioned documents, toxicology, and trace evidence.

JCMEO is located in Kansas City, Missouri. JCMEO provides death investigation services to the city of Kansas City, Missouri; Jackson County; the surrounding counties of Platte, Cass, and Clay; and other Missouri counties on a referral basis. JCMEO also provides several other services, including death certificates and autopsy reports.

The objective of our audit was to review performance in the following areas: (1) internal control environment; (2) drawdowns; (3) grant expenditures, including personnel costs; (4) budget management and control; (5) local matching funds; (6) accountable property; (7) indirect costs; (8) program income; (9) financial status and progress reports; (10) grant requirements; (11) program performance and accomplishments; and (12) monitoring of sub-grantees and contractors. We determined that local match, indirect costs, program income, and oversight of sub-grantees and contractors were not applicable to this grant.

As of February 28, 2011, the grantee had drawn down the full award amount of \$125,000 and had recorded expenditures of \$125,000 in its grant accounting records. We examined JCMEO's accounting records, required reports, and operating policies and procedures, and we identified internal control, accounting, and reporting deficiencies. Specifically we found:

- The grant award ended September 30, 2010, and the grantee completed all grant activities early and filed its final Financial Status Report (FSR) on September 15, 2010. However, several journal

entries were entered into the grant accounting records in February 2011, almost 5 months after the grant ended and the final FSR was filed. Additionally, we noted that several of the correcting journal entries were made after the grantee received our notice of audit on February 18, 2011.

- The last and only grant drawdown was made October 8, 2010, almost 1 month after the final FSR, which was filed on September 15, 2010. As noted above, due to untimely posting of grant expenditures, the grantee's accounting records did not support the amount drawn down until after the grantee received notice of our audit.
- Although FSRs and progress reports were generally filed on a timely basis, the progress report for the period ended June 30, 2010, was filed 17 days late. In addition, all but the final FSRs were inaccurate because they did not include any expenditures occurring during the reporting period, as required by the OJP guidelines. Instead, the grantee reported all expenditures on the final FSR.

Our report contains three recommendations to address the preceding issues, which are discussed in detail in the Findings and Recommendations section of the report. Our audit objective, scope, and methodology are discussed in Appendix I of the report.

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INTRODUCTION

The Office of the Inspector General, Audit Division, has completed an audit of an Office of Justice Programs (OJP), National Institute of Justice (NIJ) grant awarded to the Jackson County Medical Examiner's Office (JCMEO), located in Kansas City, Missouri. JCMEO was awarded \$125,000 under grant number 2009-CD-BX-0088 to improve the quality and timeliness of forensic science and medical examiner services and to eliminate backlogs in the analysis of forensic evidence, including controlled substances, firearms examination, forensic pathology, latent prints, questioned documents, toxicology, and trace evidence.

As shown in the table below, JCMEO was awarded a total of \$125,000 to implement the grant program.

NATIONAL INSTITUTE OF JUSTICE GRANT AWARDED TO THE JACKSON COUNTY MEDICAL EXAMINER'S OFFICE

AWARD NUMBER	AWARD START DATE	AWARD END DATE	AWARD AMOUNT	OBJECTIVE
2009-CD-BX-0088	10/01/2009	09/30/2010	\$125,000	To improve the quality and timeliness of forensic science and medical examiner services and/or to eliminate backlogs in the analysis of forensic evidence.

Source: Office of Justice Programs

Background

Since 1984, OJP has provided federal leadership in developing the nation's capacity to prevent and control crime, improve the criminal and juvenile justice systems, increase knowledge about crime and related issues, and assist crime victims. NIJ was created in 1969 and is the research, development, and evaluation agency of the U.S. Department of Justice. NIJ's overall goals are to: (1) foster science-based criminal justice practice, (2) translate knowledge to practice, (3) advance technology, (4) work across disciplines, and (5) adopt a global perspective.

JCMEO, a component of Jackson County government, is located in Kansas City, Missouri. JCMEO provides death investigation services to the city of Kansas City, Missouri; Jackson County; the surrounding counties of Platte, Cass, and Clay; and other Missouri counties on a referral basis. JCMEO is made up of five forensic divisions, which are Administration,

Operations, Investigations, Autopsy, and Pathology. JCMEO also provides death certificates, autopsy reports, and forms for reporting deaths.

Our Audit Approach

We tested compliance with what we consider to be the most important conditions of the grant. Unless otherwise stated in our report, the criteria we audit against are contained in the *Office of Justice Programs Financial Guide*, the Code of Federal Regulations, Office of Management and Budget (OMB) Circulars, and the award documents. We tested JCMEO's:

- **Accounting and Internal Controls** to determine whether the grantee had sufficient accounting and internal controls in place for the processing and payment of funds and controls were adequate to safeguard grant funds and ensure compliance with the terms and conditions of the grants;
- **Grant Drawdowns** to determine whether grant drawdowns were adequately supported in accordance with federal requirements;
- **Grant Expenditures** to determine the accuracy and allowability of costs charged to the grants;
- **Budget Management and Control** to examine the amounts budgeted and the actual costs for each approved cost category and determine if the grantee deviated from the approved budget, and if so, if the grantee received the necessary approval;
- **Accountable Property** to determine if property was correctly accounted for and used in accordance with the terms and conditions of the grant.
- **Financial Status Reports (FSR) and Progress Reports** to determine whether the required reports were submitted on time and accurately reflected grant activity; and
- **Accomplishment of Grant Requirements and Objectives** to determine if the grantee met or is capable of meeting the grant's objectives and whether the grantee collected data and developed performance measures to assess accomplishment of the intended objectives.

We also performed limited work and confirmed that JCMEO did not receive reimbursement for indirect costs, did not generate or receive

program income, was not required to contribute any local matching funds, and that funds were not awarded to sub-grantees or contractors. We therefore performed no testing in these areas.

FINDINGS AND RECOMMENDATIONS

We determined that JCMEO had fulfilled the grant objectives. However, our audit revealed internal control weaknesses, as well as accounting and reporting deficiencies. Specifically, we found one progress report was filed 17 days late and FSRs did not properly report actual period expenditures as required by OJP Guidelines. Rather, all expenditures were reported on the final FSR. We also noted that several correcting journal entries were made by the auditee after it received notice of our audit in February 2011 - 5 months after the grant ended and the final FSR was filed on September 15, 2010. As a result, the last and only grant drawdown, which was made on October 8, 2010, almost 1 month after the final FSR was filed in September 2010, was not supported by the grant accounting ledgers.

We performed audit work at JCMEO in Kansas City, Missouri, where we obtained an understanding of the accounting system and reviewed a sample of grant expenditures. We reviewed the criteria governing grant activities, including the *OJP Financial Guide* and relevant OMB Circulars and the Code of Federal Regulations. In addition, we reviewed grant documents, including the application, award, budgets, and financial and progress reports. We also interviewed key JCMEO personnel.

Accounting and Internal Controls

According to the *OJP Financial Guide*, grant recipients are required to establish and maintain accounting and internal control systems to account accurately for funds awarded to them. Further, the accounting system should ensure, among other things, the identification and accounting for receipt and disposition of all funds, funds applied to each budget category included in the approved award, expenditures governed by any special and general provisions, and non-federal matching contributions.

We reviewed JCMEO's financial management system and its policies and procedures to assess JCMEO's risk of non-compliance with laws, regulations, guidelines, and terms and conditions of the grant. To further assess risk, we obtained an understanding of the reporting process, examined grant records and reports prepared by JCMEO, and interviewed JCMEO personnel regarding award charges. Our testing revealed internal control, accounting, and reporting deficiencies that are explained in more detail in the following sections.

Financial Management System

The *OJP Financial Guide* requires grantees to establish and maintain a system of accounting and internal controls that adequately identifies and classifies grant costs. The system must include controls to ensure that funds and other resources are used optimally and expenditures of funds are in conformance with the general and special conditions applicable to the recipient. Further, the *OJP Financial Guide* states that grantees should establish and maintain program accounts that will enable, on an individual basis, the separate identification and accounting of the receipt and disposition of all funds and the application of all funds to each budget category included within the approved award.

We did not test the overall financial management system for Jackson County as a whole, but we conducted a limited review and performed testing in areas related to the NIJ award received by JCMEO. We also interviewed staff and management, and we observed accounting activities and processes to further assess risk. A review of JCMEO's financial management system indicated that there is a sufficient separation of duties and that the operating procedures appear adequate. However, we found expenditures were not recorded in a timely manner in order to reflect the current expenses for a reporting period. This is discussed in detail in the Grant Drawdowns section of this report.

Audit

JCMEO is a unit of county government, which was included in a county-wide audit conducted by an independent accounting firm for the year ended December 31, 2009. The results of this audit were reported in the Single Audit Report obtained from the Jackson County Finance Department. The Single Audit Report was prepared under the provisions of Office of Management and Budget Circular A-133. We reviewed the independent auditor's assessments, which disclosed no weaknesses, noncompliance issues, or cross-cutting findings related to JCMEO grant management. Additionally, JCMEO management stated that no other independent annual financial report of JCMEO had been performed.

Grant Drawdowns

Jackson County's accounting system is web-based, and the various county departments submit information to the system. The information is then reviewed by the appropriate county oversight department (such as Payroll or Purchasing). If approved, the information is posted by the Finance Department to the specified grant accounting records.

We reviewed JCMEO's process for requesting reimbursement from OJP for its grant-related costs to ensure that the requests were adequately supported by official accounting records and were in accordance with federal requirements. The Grant Manager stated that he had been instructed by another Jackson County employee not to report any expenditures on the interim quarterly FSRs for the periods in which they occurred, but rather to report all grant expenditures on the final FSR, and this is the method that the Grant Manager utilized. To receive grant funds from OJP in reimbursement of costs JCMEO paid, a staff person in the county Finance Department would create reimbursement requests based on expenditures entered into the FSR by the Grant Manager. Consequently, no drawdowns were made under this award until the final FSR, which reflected that all expenditures had been incurred, was submitted.

Our reconciliation of the grantee's drawdowns and official grant records also revealed that the Jackson County Finance Department made postings to the grant ledger through the end of the county's fiscal year, which was over 3 months after the final FSR was filed on September 15, 2010.¹ Further, we noted that the grantee made additional postings to its accounting ledger after receiving notice of our audit in February 2011, 5 months after the filing of the final FSR, 4 months after full drawdown of the award amount, and almost 2 months after its fiscal year end. As shown in the following table, we reviewed the accounting records and compared expenditures to the actual drawdowns and found that the total drawdowns matched the total amount of grant expenditures only after final entries were posted and adjusted.

¹ Jackson County's fiscal year runs from January 1 through December 31.

COMPARISON OF DRAWDOWNS TO ACCOUNTING RECORD ACTIVITY

DATE	EVENT	CUMULATIVE EXPENSES POSTED TO ACCOUNTING RECORDS	AMOUNT DRAWDOWN PER OJP
09/15/2010	Final FSR filed	\$ 93,332	0
10/08/2010	Drawdown	98,325	\$125,000
12/31/2010	Grantee FY end	104,256	0
02/23/2011	Last ledger updates	125,000	0
Total:		\$125,000	\$125,000

Source: Office of Justice Programs and Jackson County Finance Department

Consequently, when we reviewed the grant accounting records and compared expenditures to the amounts drawn down, we found that the drawdowns did not match the recorded expenditures because of the grantee's practice of not reporting period costs on the FSRs combined with the untimely accounting ledger postings on the part of the Jackson County Finance Department. It was only after numerous postings in February 2011 that total grant accounting ledger expenses equaled the amount drawn down on October 8, 2010. Therefore, at the time of our audit, there were no excess drawdowns.

The Jackson County Finance Department Senior Accountant stated that the grant accounting records should have been balanced at the end of the fiscal year. She also said that she identified several necessary correcting entries at that time but that it is only possible for the system to post correcting entries on the date posted and not to the prior quarters when the grant was open. Although requested, no explanation was provided for why the grant ledger was not balanced to agree with funds drawn down: (1) at the time the final FSR was submitted, (2) when the total grant funds were drawn down almost a month later even though at that time the drawdown exceeded the concurrent ledger balances, (3) when year-end correcting journal entries were made over 3 months later, or (4) until our notice of a pending grant audit was given almost 5 months after the end of the grant period was provided.

In our opinion, JCMEO should establish procedures to ensure that all grant-related expenditures are recorded in the grant accounting records as they occur, FSRs are prepared based on official accounting record information, and grant drawdown requests are based only on actual, recorded grant expenditures. The Grant Manager stated that at the time of this award he had not received any training in grant management and

oversight and relied on other Jackson County and OJP staff for direction. He stated that he believes the above issues were caused by the incorrect instructions he received. Subsequent to the award's end, we confirmed that he requested and attended a federal grant management class.

Grant Expenditures

The *OJP Financial Guide* requires that expenditures be accounted for and adequately supported. JCMEO's approved grant budget included the following:

**JACKSON COUNTY MEDICAL EXAMINER'S OFFICE
APPROVED GRANT BUDGET AMOUNTS
AND DESCRIPTION OF COSTS**

COST CATEGORY	REVISED BUDGET	DESCRIPTION OF PLANNED EXPENDITURES
Personnel	\$29,559	Salary for the hiring of one medical examiner
Fringe Benefits	15,055	Standard fringe benefits
Travel	1,777	Cost of travel to training classes for hired medical examiner
Supplies	0	None planned
Contract/Consultant	0	None planned
Other	10,387	Training classes and examinations for hired medical examiner
Equipment	68,222	Purchase and shipping costs of various items of equipment, including autopsy cart tops and chassis, evidence drying cabinet, x-ray computers, microscope, and camera
Construction	0	None planned
Indirect Costs	0	None planned
FEDERAL FUNDS	\$125,000	
LOCAL MATCH	\$0	
TOTAL PROJECT COSTS	\$125,000	

Source: Office of Justice Programs and Jackson County Medical Examiner's Office

To determine the accuracy and allowability of costs charged to the grant, we reviewed \$82,250 (66 percent) of the \$125,000 in costs billed to the grant as of February 28, 2011. This included 100 percent of direct

expenditures and equipment, totaling \$78,783, and \$3,467 in personnel and fringe benefits. We found that generally the transactions we reviewed were properly authorized, classified, supported, and charged to the grant. We identified no reportable exceptions.

Budget Management and Control

According to the *OJP Financial Guide*, a grantee may transfer funds between approved budget categories without OJP approval if the total transfers are 10 percent or less than the award amount. Requests for transfers of funds between budget categories of over 10 percent must be submitted to OJP for approval. We noted that budget shifts occurred in approved budget categories and were within the prescribed allowance.

Accountable Property

OJP Guidelines require accountable property purchased with grant funds be so identified in the grantee's official inventory. Jackson County requires any item in excess of \$5,000 to be listed in the county's accountable property inventory. JCMEO's actual expenditures for equipment totaled \$67,194 for 11 purchases of property. We reviewed a list of JCMEO's accountable grant property, and we noted that the two items purchased with grant funds, and which met the \$5,000 valuation threshold, were listed on the county's accountable property list and properly identified as having been purchased with federal funds. We inspected all equipment items purchased with federal funds and determined they were all accounted for, in use, and properly identified as purchased with grant funds.

Grant Reporting

The *OJP Financial Guide* states that two types of reports are to be submitted by the grantee. Financial Status Reports (FSR) provide information on monies spent and the unobligated amounts remaining in the grant.² Program progress reports provide information on the status of grant-funded activities and other pertinent information.

Financial Status Reports

The OJP Financial Guide states that financial reports filed after October 1, 2009, are due within 30 days after the end of the calendar quarter. We reviewed all four quarters for which a report was required and

² The grantee filed Financial Status Reports to report its grant expenditures. These reports have now been replaced by Federal Financial Reports.

determined that all four required reports generally were submitted within the required timeframe.

We also reviewed all of the submitted FSRs for accuracy and found that the reports did not accurately reflect the grant-funded expenditures. As shown in the following table, project expenditures began in the reporting period ending December 31, 2009, and continued through and beyond the period ending June 30, 2010, although the FSRs during those periods reported no expenditures.

FINANCIAL STATUS REPORT ACCURACY

FSR No.	FSR PERIOD END DATE	GRANTEE QUARTERLY LEDGER EXPENSES	EXPENDITURES PER FSR	CUMULATIVE EXPENDITURES PER ACCOUNTING RECORDS	DIFFERENCE
1	12/31/2009	\$11,075	\$0	\$11,075	\$11,075
2	03/31/2010	6,933	0	18,008	18,008
3	06/30/2010	33,863	0	51,871	51,871
4	09/30/2010	\$46,453	\$125,000	\$98,325	\$26,675

Source: Office of Justice Programs and JCMEO

Categorical Assistance Progress Reports

According to the OJP Financial Guide, Categorical Assistance Progress Reports are due semiannually, on January 30 and July 30 for the life of the grant. As shown in the following table, we reviewed all 3 required reports and found that 1 report was filed 17 days after the due date. The grant manager stated he believed this occurred because he has no backup and he was out of the office. We reviewed the three progress reports submitted as of February 28, 2011, and determined that the data in two reports was supported by documentation about the grant-funded activities. The other report was for the first quarter of the award, and the Grant Manager indicated no material grant-related activity occurred during that quarter.

TIMELINESS OF PROGRESS REPORTS

RPT No.	REPORT PERIOD	DUE DATE	DATE SUBMITTED	DAYS LATE
1	10/01/09 – 12/31/09	01/30/2010	Unknown ³	0
2	01/01/10 – 06/30/10	07/30/2010	08/16/2010	17
3	07/01/10 – 12/31/10	12/29/2011	08/19/2010	0

Source: Office of Justice Programs

Compliance with Grant Requirements

We reviewed the special conditions of the grant award and found five actionable special requirements. These included submission of the FSRs, Categorical Assistance Progress Reports, and related final reports in a timely manner. The submission of these reports is discussed above under the Grant Reporting section. The grantee was also required to submit a revised budget and register with the Central Contractor Registration (CCR) database. Grantee compliance with these two special conditions was confirmed by OJP in Grant Modifications 1 and 2. The remaining special conditions dealt with rules and regulations. Except as noted within the report, no other instances of non-compliance with rules and regulations were identified.

Program Performance and Accomplishments

According to the grant application, the purpose of the grant was to improve current operations in the timeliness, efficiency, cost effectiveness, and quality of the forensic services provided by the Jackson County Medical Examiner's Office. These objectives included:

- Utilize the full storage capacity of the facility;
- Reduce the time necessary to complete an autopsy;
- Make the x-ray viewing, diagnosing, and autopsy processes more efficient; and
- Increase security and integrity of the evidence on clothing articles.⁴

³ We were unable to obtain from GMS or the grantee the specific date the report was submitted. However, there were no holds on the funds for the grantee, which indicated that the report was submitted on time.

⁴ According to JCMEO officials, the faster clothing is dried, the sooner it can be sent to a laboratory for analysis. Additionally, clothing drying in the open air has a greater potential for contamination from other evidence drying nearby.

According to the Grant Manager, there were no changes in the objectives outlined the grant application. We made observations, reviewed documentation, and interviewed JCMEO staff to determine whether the grant objectives that were identified in the grant applications were being met. Overall, we found that JCMEO had fulfilled the goals and objectives of the grant by hiring an additional medical examiner and purchasing the needed equipment to improve overall efficiency of JCMEO operations.

Views of Responsible Officials

We discussed the results of our review with grantee officials throughout the audit and at a formal exit conference, and we have included their comments as appropriate. The JCMEO Grant Manager stated that due to his lack of training and limited knowledge about grants and record-keeping procedures, he had relied on staff at OJP and the county Finance Department to identify problems. Subsequent to the award he obtained grant management training.

Recommendations

Although the award period has ended, the oversight agency of JCMEO is in receipt of other DOJ awards and continues to be involved in posting to other federal grant accounting records as well as requesting reimbursements based on FSRs. Therefore, we recommend that OJP:

1. Ensure that JCMEO implements procedures to comply with OJP requirements that FSRs accurately report grant-related expenditures posted to the grant accounting records during the reporting period.
2. Require that JCMEO establish procedures to ensure that all grant-related drawdown requests are based only on actual, recorded grant expenditures.
3. Request the JCMEO implement a backup plan for grant managers to ensure all steps during the grant are timely and properly completed if the grant manager is unavailable for an extended period of time.

OBJECTIVE, SCOPE, AND METHODOLOGY

The purpose of this audit was to determine whether reimbursements claimed for costs under the grant were allowable, supported, and in accordance with applicable laws, regulations, guidelines, and terms and conditions of the grant, and to determine program performance and accomplishments.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Our audit concentrated on, but was not limited to, the inception of the grant on October 1, 2009, through September 30, 2010. This was an audit of the National Institute of Justice grant number 2009-CD-BX-0088 awarded to the Jackson County, Missouri, Medical Examiner's Office (JCMEO), for \$125,000. In conducting our audit, we reviewed Financial Status Reports and Progress Reports as well as performed testing of grant expenditures, including transactions to support accounting records. Our testing was conducted by judgmentally selecting a sample of expenditures, along with a review of internal controls and procedures for the grant that we audited. Judgmental sampling design was applied to obtain broad exposure to numerous facets of the grant reviewed, such as dollar amounts, expenditure category, and risk. This non-statistical sample design does not allow for projection of the test results to all grant expenditures or internal controls and procedures. In total, the grantee had expended and drawn down the entire award amount of \$125,000 as of February 23, 2011. Excluding bi-weekly payroll information, the remaining ledger transactions and equipment purchases were few in number, and we reviewed 100 percent of the recorded non-personnel grant expenditures, which totaled \$78,783.

The objective of our audit was to review performance in the following areas: (1) internal control environment; (2) drawdowns; (3) grant expenditures, including personnel and indirect costs; (4) budget management and control; (5) property management; (6) financial status and progress reports; (7) grant requirements; and (8) program performance and accomplishments. We determined that local matching costs, indirect costs, program income, and the monitoring of sub-grantees and contractors were not applicable to this grant.

In total, the grantee had drawn down \$125,000 and recorded grant expenditures of \$98,324 as of October 31, 2010. As noted above, excluding bi-weekly payrolls, we reviewed 100 percent of the accounting ledger entries and equipment purchases. We reviewed \$3,467 in payroll-related expenditures.

JCMEO is a unit of county government, which was included in county-wide audit conducted by KPMG for the year ended December 31, 2009. The results of this audit were reported in the Single Audit Report obtained from the Jackson County Finance Department. The Single Audit Report was prepared under the provisions of Office of Management and Budget Circular A-133. We reviewed the independent auditor's assessments, which disclosed no weaknesses or noncompliance issues directly related to JCMEO. Additionally, no other independent annual financial report was performed on JCMEO. We performed limited testing of source documents to assess the timeliness and accuracy of FSRs, reimbursement requests, expenditures, and progress reports; evaluated performance to grant objectives; and reviewed the grant-related internal controls over the financial management system. We tested invoices as of September 30, 2010. However, we did not test the reliability of the financial management system as a whole and reliance on computer-based data was not significant to our objective.

AUDITEE RESPONSE**MARY H. DUDLEY, M.D.**

JACKSON COUNTY MEDICAL EXAMINER

(816) 88 1-6600

FAX (816) 404-1345
660 East Twenty Fourth Street
Kansas City, Missouri 64108August 24rd, 2011Carol S. Taraszka
Regional Audit Manager
U.S. Department of Justice
Office of Inspector General
500 West Madison Street, Suite 1211
Chicago, Illinois 60661-2590

In connection with your audit of the Office of Justice Programs' Grant Number 2009-CD-BX-0088 awarded to the Jackson County Medical Examiner's Office, I understand the audit objectives are to review performance in the following areas: (1) internal control environment; (2) management of sub-recipients; (3) cash management; (4) grant expenditures, including personnel and indirect costs; (5) supplanting; (6) property management; (7) program income; (8) financial status and progress reporting; (9) grant requirements; (10) match, and (11) program performance and accomplishments.

At the conclusion of this audit, this office had a much better grasp of management of a grant. Our office did comply with the regulations of the grant and some of our downfalls during this grant period were done due to misinformation that I received from my program manager in Washington DC. When I had a question, I always called my program manager and asked for the correct way to do something as this was our first grant and I did not want to be in violation. The draw downs were not done at the time of the purchase because I was told to draw it down all at once at the end of the grant and not after each purchase. I did not complete the draw downs; this was done by our county person who handles the money. We submitted a purchase order at the time we wanted it and the county handled the transfer of any monies.

As for the late performance reports and financial reports, these were completed when I received an email that said it was due. There is no excuse for me not putting in on the calendar to make sure it was completed on time, but some of these were due when I was out of the office for extended training or deployments for mass fatality events to other areas of the country.

This office accepts responsibility for the downfalls brought forth the audit report and has made corrections to all of the issues brought forth. 3 members of this office including myself has take a grant management course which has given us the information that we need to make the necessary corrections in our procedures. This has allowed us to have a back up system for the management of the grant. The explanation of the draw downs now is firmly understood and will be done when purchases are made. Although it

appeared in the audit that several mistakes were made, the monies spent from the grant were all accounted for. Documents for all the grant money were in order and all equipment and expenditures were accounted for.

All issues noted in the audit have been addressed and corrected at all levels of this office. Reports and other necessary documents will be completed on time and all grant monies in the future will be pulled down accordingly and progress reports and financial reports will be completed during the time frame when expected. With our back up personnel in place, in my absence there will not be an issue. Our office also plans continuing education on grant writing and management to stay up with any new guidelines that may change.

Thank you for your time concerning this matter.

Sincerely;

/s/

Michael Henderson
Chief of Forensic Operations and Investigations
Jackson County Medical Examiners Office
660 E. 24th Street
Kansas City, Missouri 64108

U.S. DEPARTMENT OF JUSTICE RESPONSE



U.S. Department of Justice

Office of Justice Programs

Office of Audit, Assessment, and Management

Washington, D.C. 20531

September 15, 2011

MEMORANDUM TO: Carol S. Taraszka
Regional Audit Manager
Chicago Regional Audit Office
Office of the Inspector General

FROM: */s/*
Maureen A. Henneberg
Director

SUBJECT: Response to the Draft Audit Report, *Audit of the Office of Justice Programs, National Institute of Justice Grant Awarded to the Jackson County Medical Examiner's Office, Kansas City, Missouri*

This memorandum is in response to your correspondence, dated August 18, 2011, transmitting the subject draft audit report for the Jackson County Medical Examiner's Office (JCMEO). We consider the subject report resolved and request written acceptance of this action from your office.

The report contains **three** recommendations and **no** questioned costs. The following is the Office of Justice Programs' (OJP) analysis of the draft audit report recommendations. For ease of review, the recommendations are restated in bold and are followed by our response.

- 1. We recommend that OJP ensure that JCMEO implements procedures to comply with OJP requirements that Federal Financial Reports (FFRs) accurately report grant-related expenditures posted to the grant accounting records during the reporting period.**

We agree with the recommendation. We will coordinate with JCMEO to obtain a copy of written procedures, developed and implemented, to ensure that Federal Financial Reports are accurate and reconcile with amounts recorded in JCMEO's accounting records.

2. **We recommend that OJP require that JCMEO establish procedures to ensure that all grant-related drawdown requests are based only on actual, recorded grant expenditures.**

We agree with the recommendation. We will coordinate with JCMEO to obtain a copy of written procedures, developed and implemented, to ensure that grant-related draw down requests are based on actual recorded grant expenditures.

3. **We recommend that OJP request that JCMEO implement a backup plan for grant managers to ensure all steps during the grant are timely and properly completed if the grant manager is unavailable for an extended period of time.**

We agree with the recommendation. We will coordinate with JCMEO to obtain a copy of written procedures, developed and implemented, to ensure that progress reports and other grant-related requirements are timely and properly completed, if the grant manager is unavailable for an extended period of time.

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: Jeffery A. Haley
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OFFICE OF THE INSPECTOR GENERAL ANALYSIS AND SUMMARY OF ACTIONS NECESSARY TO CLOSE THE REPORT

The OIG provided a draft of this audit report to the Office of Justice Programs (OJP) and the Jackson County Medical Examiner's Office (JCMEO). JCMEO's response is incorporated in Appendix II of this final report, and OJP's response is incorporated in Appendix III. The following provides the OIG analysis of the response and summary of actions necessary to close the report.

Recommendation Number

1. **Resolved.** Both JCMEO and OJP concurred with our recommendation to ensure that JCMEO implements procedures to comply with OJP requirements that Federal Financial Reports accurately report grant-related expenditures posted to the grant accounting records during the reporting period. OJP stated that it will coordinate with JCMEO to obtain a copy of written procedures, developed and implemented, to ensure that Federal Financial Reports are accurate and reconcile with amounts recorded in JCMEO's accounting records.

This recommendation can be closed when we receive a copy of the procedures implemented to ensure that the grantee's Federal Financial Records are based on actual expenditures, as recorded in the grant accounting records.

2. **Resolved.** Both JCMEO and OJP concurred with our recommendation to ensure that drawdowns are based on actual expenditures as recorded in the grant accounting records.

This recommendation can be closed when we receive a copy of the procedures implemented to ensure that the grantee's drawdown requests are based on actual expenditures, as recorded in the grant accounting records.

3. **Resolved.** Both JCMEO and OJP concurred with our recommendation to ensure that progress reports and other grant-related requirements are timely and properly completed, if the grant manager is unavailable for an extended period of time.

This recommendation can be closed when we receive a copy of the procedures implemented to ensure that reports and other grant-related requirements are timely and properly completed, if the grant manager is unavailable for an extended period of time.