



**AUDIT OF THE OFFICE ON VIOLENCE AGAINST WOMEN
GRANTS AWARDED TO
THE OKLAHOMA OFFICE OF THE ATTORNEY GENERAL
OKLAHOMA CITY, OKLAHOMA**

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

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AUDIT OF THE OFFICE ON VIOLENCE AGAINST WOMEN GRANTS AWARDED TO THE OKLAHOMA OFFICE OF THE ATTORNEY GENERAL OKLAHOMA CITY, OKLAHOMA

EXECUTIVE SUMMARY

The Office of the Inspector General, Audit Division, has completed an audit of Grant No. 2006-WE-AX-0071, totaling \$2,149,404 (including one supplement), awarded to the Oklahoma Office of the Attorney General (OKAG) by the Office on Violence Against Women (OVW). This grant was awarded under the Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program.

The Office on Violence Against Women, a component of the U.S. Department of Justice, provides national leadership in developing the nation's capacity to reduce violence against women through the implementation of the Violence Against Women Act (VAWA). Created in 1995, OVW administers financial and technical assistance to communities across the country that are developing programs, policies, and practices aimed at ending domestic violence, dating violence, sexual assault, and stalking. Currently, OVW administers 3 formula grant programs and 18 discretionary grant programs, which were established under VAWA and subsequent legislation.

The Grants to Encourage Arrest Policies and Enforcement of Protection Orders (Arrest Program) was initially authorized under the Violence Against Women Act of 1994. The arrest program recognizes that domestic violence, sexual assault, dating violence, and stalking are crimes that require the criminal justice system to hold offenders accountable for their actions through investigation, arrest, and prosecution of violent offenders, and through close judicial oversight of offender behavior. This discretionary grant program is designed to encourage state, local, and tribal governments and state, local, and tribal courts to treat domestic violence, dating violence, sexual assault, and stalking as serious violations of criminal law requiring coordination with nonprofit, nongovernmental victim advocates and representatives from the criminal justice system. This program challenges the whole community to communicate, identify problems, and share ideas that will result in new responses and the application of best practices to enhance victim safety and offender accountability.

The OKAG provides legal counsel and representation for state agencies and employees. The office also represents the interests of Oklahoma consumers, the state's natural resources and Oklahoma crime victims.

The OKAG utilized the Grants to Encourage Arrest Policies and Enforcement of Protection Orders award in order to create an automated statewide victim protection order and notification system. Through this project, the safety and support for victims who petition the court for protective orders will be improved. The automated notification system will increase offender accountability and improve the protection order process. For the initial grant award, the goals of the project were to: (1) provide a seamless system of safety and support to victims who petition the court for protective orders, (2) provide a centralized location for law enforcement to verify existence and status of a protective order when responding to a domestic dispute, and (3) provide a more efficient and effective response to domestic violence within the criminal justice system to ensure a coordinated statewide process by which protective orders are served thereby increasing offender accountability. The goal of the supplementary award is to maintain and enhance the aforementioned system.

The purpose of this audit was to determine whether reimbursements claimed for costs under the grants were allowable, supported, and in accordance with applicable laws, regulations, guidelines, and terms and conditions of the grants. 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) matching, (6) property management, (7) program income, (8) financial status and progress reports, (9) grant requirements, (10) program performance and accomplishments, and (11) monitoring of subgrantees and contractors. We determined that matching costs, program income, property management, and subgrantees were not applicable to these grants.

Our audit concentrated on, but was not limited to, the award of the grant on July 1, 2006, through March 22, 2011. As of March 22, 2011, the OKAG was reimbursed \$1,696,795 of the \$2,149,404 awarded under the original grant and supplemental award covered by our audit. We examined the OKAG's accounting records, financial and progress reports, and operating policies and procedures and found:

- For the grant supplement, the overall drawdowns exceeded the expenditures by \$170,811.

- During transaction testing, we identified four unsupported transactions totaling \$102,594.
- The OKAG did not always accurately record payroll in its ledgers.
- For the grant supplement, the Financial Status Reports were not always accurate when compared to accounting records.
- The OKAG did not maintain sufficient source documentation to support the information reported in its Progress Reports.
- The OKAG did not provide sufficient oversight of its contractors.

There are a total of 6 findings and recommendations. These items are discussed in detail in the *Findings and Recommendations* section of the report. Our audit objectives, scope, and methodology are discussed in Appendix I.

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INTRODUCTION

The Office of the Inspector General, Audit Division, has completed an audit of Grant No. 2006-WE-AX-0071, totaling \$2,149,404 (including one supplement), awarded to the Oklahoma Office of the Attorney General (OKAG) by the Office on Violence Against Women (OVW). This grant was awarded under the Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program. The details related to each award included in our audit are shown in Exhibit 1.

**EXHIBIT 1. GRANTS AWARDED TO THE OKLAHOMA OFFICE OF THE
ATTORNEY GENERAL BY THE OFFICE ON VIOLENCE AGAINST
WOMEN**

GRANT AWARD	AWARD START DATE	AWARD END DATE	AWARD AMOUNT
2006-WE-AX-0071	07/01/2006	09/30/2009	\$ 1,150,106
2006-WE-AX-0071 (SUPPLEMENT)	09/28/2009	08/31/2011	999,298
Total:			\$ 2,149,404

Source: Grant Management System

The purpose of this audit was to determine whether reimbursements claimed for costs under the grants were allowable, supported, and in accordance with applicable laws, regulations, guidelines, and terms and conditions of the grants. 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) matching, (6) property management, (7) program income, (8) financial status and progress reports, (9) grant requirements, (10) program performance and accomplishments, and (11) monitoring of subgrantees and contractors. We determined that indirect costs, matching costs, program income, property management, and subgrantees were not applicable to these grants.

Background

The Office on Violence Against Women, a component of the U.S. Department of Justice, provides national leadership in developing the nation's capacity to reduce violence against women through the implementation of the Violence Against Women Act (VAWA). Created in 1995, OVW administers financial and technical assistance to communities across the country that are developing programs, policies, and practices aimed at ending domestic violence, dating violence, sexual assault, and stalking. Currently, OVW administers 3 formula grant programs and 18 discretionary grant programs, which were established under VAWA and subsequent legislation.

Program Background

The Grants to Encourage Arrest Policies and Enforcement of Protection Orders (Arrest Program) was initially authorized under the Violence Against Women Act of 1994. The arrest program recognizes that domestic violence, sexual assault, dating violence, and stalking are crimes that require the criminal justice system to hold offenders accountable for their actions through investigation, arrest, and prosecution of violent offenders, and through close judicial oversight of offender behavior. This discretionary grant program is designed to encourage state, local, and tribal governments and state, local, and tribal courts to treat domestic violence, dating violence, sexual assault, and stalking as serious violations of criminal law requiring coordination with nonprofit, nongovernmental victim advocates and representatives from the criminal justice system. This program challenges the whole community to communicate, identify problems, and share ideas that will result in new responses and the application of best practices to enhance victim safety and offender accountability.

The Oklahoma Office of the Attorney General

The OKAG provides legal counsel and representation for state agencies and employees. The office also represents the interests of Oklahoma consumers, the state's natural resources and Oklahoma crime victims.

The OKAG utilized the Grants to Encourage Arrest Policies and Enforcement of Protection Orders award in order to create an automated statewide victim protection order and notification system. Through this project, the safety and support for victims who petition the court for protective orders will be improved. The automated notification system will increase offender accountability and improve the protection order process. For the initial grant award, the goals of the project were to: (1) provide a seamless system of safety and support to victims who petition the court for

protective orders, (2) provide a centralized location for law enforcement to verify existence and status of a protective order when responding to a domestic dispute, and (3) provide a more efficient and effective response to domestic violence within the criminal justice system to ensure a coordinated statewide process by which protective orders are served thereby increasing offender accountability. The goal of the supplementary award is to maintain and enhance the aforementioned system.

Our Audit Approach

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

In conducting our audit, we performed sample testing of grant expenditures, reviewed the timeliness and accuracy of Financial Reports and Progress Reports, evaluated performance related to grant objectives, and reviewed the internal controls of the financial management system.

As of March 22, 2011, the OKAG was reimbursed \$1,696,795 of the \$2,149,404 awarded under the original grant and supplemental award covered by our audit. We examined the OKAG's accounting records, financial and progress reports, and operating policies and procedures.

The results of our audit are discussed in the *Findings and Recommendations* section of the report. Our audit objectives, scope, and methodology are discussed in Appendix I.

FINDINGS AND RECOMMENDATIONS

For the grant supplement, the overall drawdowns exceeded expenditures by \$170,811, a spreadsheet error at OKAG caused this to occur. Payroll was not always accurately recorded on the ledgers causing two of the drawdowns to be inaccurate. The Financial Status Reports were not always accurate when compared to accounting records. During transaction testing, we identified four unsupported transactions totaling \$102,594. The OKAG did not maintain sufficient source documentation to support the information reported in its Progress Reports. The OKAG did not provide adequate oversight of its contractor because it has not established any internal requirements to do so.

Internal Control Environment

To assess the OKAG's risk of non-compliance with laws, regulations, guidelines, and terms and conditions of the grants, we reviewed Single Audit Reports, reviewed policies and procedures, and interviewed OKAG staff.

Single Audit

According to *Office of Management and Budget (OMB) Circular A-133*, the OKAG is required to perform a single audit annually. We obtained and reviewed the 3 most recent single audits. Auditors completed the single audits and found internal control weaknesses and matters involving internal controls or compliance with laws and regulations that they considered to be material weaknesses. None of these weaknesses or findings pertained to the OKAG or any Department of Justice (DOJ) funds. The report on compliance with requirements applicable to major federal award programs expressed an unqualified opinion.

Financial Management System

In addition to reviewing previous single audits, we also reviewed the OKAG's financial management system to assess risk. We determined that the OKAG has procedures that provided for segregation of duties, transaction traceability, and system security. Based on our review of the OKAG's policies and procedures and interviews with OKAG personnel, we did not identify any internal control issues that would affect compliance with applicable requirements of the Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program.

Drawdowns

According to the *OJP Financial Guide*, grant recipient organizations should request funds based upon immediate disbursement/reimbursement requirements. Recipients should time their drawdown requests to ensure that federal cash on hand is the minimum needed for reimbursements to be made immediately or within 10 days. The grantee stated that drawdowns were based on reimbursements. We reviewed the accounting records and compared the actual expenditures to the drawdowns for both grants. For Grant No. 2006-WE-AX-0071 (original award), we determined that the actual expenditures were generally accurate when compared with the drawdowns. As shown in Exhibit 2, for Grant No. 2006-WE-AX-0071 (supplement), we determined that overall the drawdowns exceeded the actual expenditures by a total of \$170,811. The grantee communicated that a spreadsheet error occurred which caused the amount expended for that period to be overstated. As a result, the amount drawn down exceeded actual expenditures by \$170,811.

Exhibit 2: Drawdowns vs Actual Expenditures

DATE OF DRAWDOWN	AMOUNT DRAWN DOWN	ACTUAL EXPENDITURES FOR THE DRAWDOWN PERIOD	BETWEEN THE AMOUNT DRAWN DOWN AND THE ACTUAL EXPENDITURES
10/23/2009	\$800	\$81,520	\$80,720
12/22/2009	158,724	46,266	(112,458)
2/18/2010	66,739	47,840	(18,898)
6/1/2010	44,493	97,791	53,298
8/25/2010	124,486	51,404	(73,082)
10/6/2010	151,448	51,057	(100,391)
TOTAL	\$546,689	\$375,878	(\$170,811)

Source: Office of Justice Programs and the Oklahoma Office of the Attorney General

Grant Expenditures

Transaction Testing

The grantee is required to maintain supporting documentation for all grant related expenditures. Based on the accounting records for Grant No. 2006-WE-AX-0071 (original award) we sampled 26 transactions totaling \$747,092. There were three transactions featured in Exhibit 3 where the OKAG could not provide sufficient supporting documentation. In addition, we identified one transaction in which the OKAG told us was improperly

charged to this grant. The OKAG never provided supporting documentation showing that the erroneous charge had been removed from the grant, therefore we questioned this transaction. We were told that some of the transactions selected in our sample were "older" transactions which are archived offsite and not easily accessible. Since we were unable to obtain supporting documentation for these four transactions, we could not verify that they were allowable and that they fall within the scope of the grant. The total dollar amount of questioned costs for these four transactions is \$102,594.

Exhibit 3: Questioned Transactions

DATE OF TRANSACTION	PAID TO	AMOUNT
4/27/2007	Purchase Card - Minnesota	\$3,817
5/1/2007	TravelSource	2,025
2/1/2008	Appriss Settlement	96,203
Unknown	National Council	550
TOTAL		\$102,594*

*Differences due to rounding.

Source: The Oklahoma Office of the Attorney General

Additionally, based on the accounting records for Grant No. 2006-WE-AX-0071 (supplement), we tested 25 transactions totaling \$281,737. We found that all 25 transactions in our sample were properly authorized, classified, supported, and accurately recorded in the accounting records.

Personnel Costs

We performed payroll testing to verify the reasonableness, accuracy, and completeness of salary and fringe benefit transactions charged to the grants. For both the original grant and supplemental award, we judgmentally selected two nonconsecutive pay periods during the grant period and reviewed the payroll documentation for employees paid during those periods.

The *OJP Financial Guide* provides that "All recipients are required to establish and maintain adequate accounting systems and financial records to accurately account for funds awarded to them." While reviewing payroll for the time periods selected, for two of the pay periods reviewed, we determined that payroll was inaccurately recorded in the OKAG's ledgers. As shown in Exhibit 4, the date on which the payroll was recorded on the ledgers was different from the date in which the payroll expenditure actually occurred. We were told by the grantee that since all payroll costs were fixed, payroll was entered on the ledgers by month and year, rather than on the actual payroll expenditure date.

The OKAG relies solely on the general ledgers to determine the timing and amount to draw down. Since the payroll dates from the two periods reviewed were entered on the ledgers at times other than the actual pay dates, this impacted two of the drawdowns. Both of these drawdowns occurred in between the ledgers payroll date and the actual pay date. For both of these instances the amount drawn down included the payroll expenditures that had been included on the ledgers but had not yet occurred nor did they occur within 10 days of the drawdown request.

Exhibit 4: Payroll Dates

LEDGER PAYROLL DATE	ACTUAL PAYROLL DATE	DRAWDOWN DATE
7/1/2008	7/28/2008	7/17/2008
10/1/2010	10/22/2010	10/5/2010

Source: Office of Justice Programs and the Oklahoma Office of the Attorney General

We traced costs to the timesheets and determined that labor charges were computed correctly, properly authorized, and properly allocated for all pay periods reviewed¹.

Budget Management and Control

According to the *OJP Financial Guide*, a grantee may transfer funds between approved budget categories without OVW approval if the total transfers are 10 percent or less than the award amount. As shown in Exhibit 5, we compared the amounts charged to each budget category per the accounting records to the OVW approved budget. We found that all amounts charged were either within the budgeted amounts allowable by OVW or within the allowable parameters of the 10 percent rule².

¹ For 1 of the 4 pay periods selected for our review, the Oklahoma Supreme Court was the sole recipient of payroll funds. We determined that all transactions related to Oklahoma Supreme Court personnel are more appropriately classified as contract expenditures. Consequently, we excluded this set of payroll expenditures from our review of personnel costs.

² Grant Adjustment Notice #11 was approved by OVW to shift \$123,185 from the personnel budget category to the contract/consultant category. OVW did not provide a corresponding budget modification so we did not transfer the funds for our analysis.

Exhibit 5: Grant Budget vs. Actual Costs

COST CATEGORY	O GRANT BUDGET	SUPPLEMENT BUDGET	C TOTAL BUDGET	ACTUAL COST
Personnel	\$140,521	\$67,000	\$207,521	\$167,966
Fringe Benefits	6,900	30,176	37,076	9,848
Travel	50,055	17,843	67,898	86,099
Equipment	2,600	-	2,600	-
Supplies	2,580	-	2,580	2,315
Construction	-	-	-	-
Contract/Consultant	942,890	884,279	1,827,169	1,439,525
Other	4,560	-	4,560	1,124
TOTAL DIRECT COSTS	1,150,106	999,298	2,149,404	1,706,877
Indirect Costs	-	-	-	-
TOTAL	\$1,150,106	\$999,298	\$2,149,404	\$1,706,877
FEDERAL FUNDS	\$1,150,106	\$999,298	\$2,149,404	\$1,706,877
LOCAL MATCH	-	-	-	-

Source: Office of Justice Programs and the Oklahoma Office of the Attorney General

Financial Status Reports and Progress Reports

Financial Status Reports

In order to determine the timeliness and accuracy of the Financial Status Reports (FSR), we examined the last four FSRs submitted for each grant. We compared the FSR due dates to the submission dates and found that they were generally submitted in a timely manner. To determine the accuracy of the FSRs we compared the OKAG's actual expenditures to those reported in the FSRs. As shown in Exhibit 6, we found that for the original award, the actual expenditures exceeded the amounts reported. For the supplemental award shown in Exhibit 7, the amounts the OKAG reported in FSRs 16-19 exceeded the actual expenditures. The expenditures reported in FSR #16 were overstated by \$2,374, the expenditures in FSR #17 overstated by \$91,272, the expenditures reported in FSR #18 were overstated by \$22,445, and the expenditures in FSR #19 were understated by \$21,808. In total, the expenditures reported for these four FSRs were overstated by \$94,283.

Exhibit 6: FSR Accuracy (Original Award)

FSR No.	FSR REPORT PERIOD END DATE	EXPENDITURES PER FSR	CUMULATIVE FSR SPENDING -	GRANT EXPENSES PER ACCOUNTING RECORDS	CUMULATIVE ACCOUNTING RECORD	DIFFERENCE BETWEEN FSRs & ACCOUNTING RECORDS
10	12/31/08	\$ 0	\$0	\$71,437	\$71,437	\$71,437
11	3/31/09	\$101,644	\$101,644	\$77,198	\$148,635	(\$24,446)
12	6/30/09	\$131,385	\$233,029	\$84,501	\$233,136	(\$46,884)
13	9/30/09	\$30,042	\$263,071	\$88,728	\$321,864	\$58,686
Total						\$58,793

Source: Office of Justice Programs and the Oklahoma Office of the Attorney General

Exhibit 7: FSR Accuracy (Supplemental Award)

FSR No.	FSR REPORT PERIOD END DATE	EXPENDITURES PER FSR	CUMULATIVE FSR SPENDING -	GRANT EXPENSES PER ACCOUNTING RECORDS	CUMULATIVE ACCOUNTING RECORD	DIFFERENCE BETWEEN FSRs & ACCOUNTING RECORDS
16	6/30/10	\$75,372	\$75,372	\$72,998	\$72,998	(\$2,374)
17	9/30/10	\$168,979	\$244,351	\$77,707	\$150,705	(\$91,272)
18	12/31/10	\$96,062	\$340,413	\$73,617	\$224,322	(\$22,445)
19	3/31/11	\$58,747	\$399,159	\$80,555	\$304,877	\$21,808
Total						(\$94,283)

Source: Office of Justice Programs and the Oklahoma Office of the Attorney General

Progress Reports

We reviewed the OKAG's semi-annual progress reports from the last 2 years, determined they were timely, and included required program performance statistical data.

According to the *OJP Financial Guide*, the grantee is required to maintain documentation as evidence to support the figures reported in their Progress Reports. We found that the OKAG did not maintain any information to support figures reported in the Progress Reports. When consulting with the grantee concerning this issue, we were told that the VINE PO system is a dynamic system where the figures are constantly changing so it would be difficult to roll the system back to a certain period of time and observe the exact figures reported in the Progress Reports. Since the grantee does not maintain any evidence of the figures reported in the Progress Reports, we were unable to verify the accuracy of the information included in the Progress Reports.

Compliance with Grant Requirements

To determine if the OKAG complied with the special conditions of the grants, we reviewed the award documentation and identified the most pertinent special conditions placed on the grantee. We surveyed the grantee regarding the special conditions identified in the award documentation and determined that the OKAG complied with the required special conditions tested.

Program Performance and Accomplishments

According to the award documentation, the goals and objectives of Grant No. 2006-WE-AX-0071 (original award) were to:

- **GOAL ONE:** To provide a seamless system of safety and support to victims who petition the court for protective orders.
 - **Objective One:** Establish an automated protective order and notification system to enable individuals to call a toll-free telephone number and/or access a website to determine the status of a protective order and register for notification.
 - **Objective Two:** Provide 24/7 access to live operator assistance for victims requiring aid in obtaining information and notification.
 - **Objective Three:** Provide access to information and notification of service attempts and status.
 - **Objective Four:** Provide automated notification to registered persons of changes of protective order status.
- **GOAL TWO:** To provide a centralized location for law enforcement to verify existence and status of a protective order when responding to a domestic dispute.
 - **Objective One:** Provide a toll-free information line, in-bound telephone line and website to enable law enforcement to modify or update the status of an order.
 - **Objective Two:** Provide a toll-free in-bound telephone line and website so law enforcement can obtain real-time status of a protective order to include conditions and expirations.
 - **Objective Three:** To assist petitioners with registration and notification regarding status changes of a protective order.

- **GOAL THREE:** To provide a more efficient and effective response to domestic violence within the criminal justice system to ensure a coordinated statewide process by which protective orders are served thereby increasing offender accountability.
 - **Objective One:** To provide the capability of exporting data to external systems to include statewide databases, civil process systems and records/jail management systems by eliminating double-entry of data.
 - **Objective Two:** To provide the ability for court clerks to enter the necessary information for a protective order and/or emergency protection order by utilizing a uniform template through a web-based application.
 - **Objective Three:** To generate statewide and comprehensive statistics and reports regarding protective orders through the centralized data collection system. Specifically, to:
 - (1) Measure whether victims believe automated notification of service is a valuable resource by the number of notifications requested by victims, and (2) examine whether the availability of notification impacts the service process by law enforcement by measuring the days/hours between court issuance and service of orders and the percentage of orders successfully served.
 - **Objective Four:** Provide training and assistance to victim advocacy groups and criminal justice agencies to enable them to better assist victims in response to domestic violence. Training will also be provided on automated tracking of domestic violence cases with protective orders as well as the added benefit of improved judicial handling of such cases. Promotional materials will be provided to first responders, law enforcement agencies, and victim service providers that explain the service through: victim brochures, promotion posters, tear-off pads, training kits, media kits, and public service announcements for television and radio.

The goals and objectives for the Grant No. 2006-WE-AX-0071 (supplement) are to implement the project to ensure the continuation of the Oklahoma VINE Protective Order system with the goal of providing a seamless system of safety and support to victims who petition the court for protective orders. Through this supplemental award, the project will:

- expand the project to include the Department of Corrections, as well as probation and parole offender information;

In order to determine if the grant program has effectively met end user needs, we typically administer questionnaires to agencies in which have collaborated with the grantee. We administered the collaborating questionnaire and received a response from two of the agencies. We learned that the system is useful in assisting victims and court personnel in determining whether a protective order has been issued. In addition, training was provided in order to educate users on how to use the system. We also determined that one questionnaire response indicated that the system is not updated in a timely manner.

Monitoring of Contractors

The OKAG has contracted out the development and maintenance of the VINE Protective Order (VINE PO) system to Appriss Inc. The grantee explained that Appriss developed the system and provides maintenance for it through a purchase contract. As such, the grantee paid Appriss an initial lump sum to develop the system specific to Oklahoma's protective order processes and makes fixed monthly payments to Appriss in order to maintain the Vine PO system.

According to 28 C.F.R. § 66.40(d) (2009), "Events may occur between the scheduled performance reporting dates which have significant impact upon the grant or sub-grant supported activity. In such cases, the grantee must inform the Federal agency as soon as the following types of conditions become known: problems, delays, or adverse conditions, which will materially impair the ability to meet the objective of the award. This disclosure must include a statement of the action taken, or contemplated, and any assistance needed to resolve the situation." The grantee told us that since it is a purchase contract, it does not monitor the contractor and has no internal requirements to do so. We determined that there were instances in which the contractor fell behind schedule, thus not meeting specific milestones. For instance, one milestone was to implement 12 counties into the system by January 31, 2008. After being postponed 5 times due to delays, this milestone was not completed until August 31, 2008. Since the grantee did not provide sufficient contractor oversight, we consider this a finding.

Conclusion

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

In conclusion, during the testing of internal controls, we did not note any deficiencies concerning the OKAG's single audit or its financial management system. We determined that while drawdowns were generally accurate for the original grant award, the drawdowns exceeded the expenditures for the grant supplement. In the testing of grant expenditures, we found a total of four unsupported transactions which totaled \$102,594. We found that the OKAG complied with the 10 percent rule. Progress Reports were submitted in a timely manner, but we were unable to obtain any supporting documentation to confirm the reported data, since the system is dynamic. We determined that for the supplemental award, the total amount reported for the last four FSRs exceeded the actual expenditures. The OKAG complied with the tested special conditions set forth in the grant documentation, but the OKAG did not provide adequate oversight of its contractors.

Recommendations

We recommend that the OVW:

1. Ensure that the OKAG implements policies in order to accurately drawdown funds as needed.
2. Remedy the \$102,594 in questioned costs related to the four unsupported transactions.
3. Ensure that the OKAG implements policies to ensure that payroll is accurately recorded.
4. Ensure that the OKAG implements procedures to ensure that the information submitted in the FSRs is accurate.
5. Ensure that OKAG maintains proper source documentation for the information included in the Progress Reports.
6. Ensure that the OKAG implements procedures to effectively provide oversight to its contractors.

OBJECTIVES, SCOPE, AND METHODOLOGY

The purpose of this audit was to determine whether reimbursements claimed for costs under the grants were allowable, supported, and in accordance with applicable laws, regulations, guidelines, and terms and conditions of the grants. 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) matching, (6) property management, (7) program income, (8) financial status and progress reports, (9) grant requirements, (10) program performance and accomplishments, and (11) monitoring of subgrantees and contractors. We determined that indirect costs, matching costs, property management, program income, and subgrantees were not applicable to these grants.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. Our audit concentrated on, but was not limited to, the award of the grant on July 1, 2006, through March 22, 2011. This was an audit of The Grants to Encourage Arrest Policies and Enforcement of Protection Orders (Arrest Program) Grant No. 2006-WE-AX-0071. The OKAG had a total of \$1,696,795 in drawdowns through March 22, 2011.

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

In conducting our audit, we performed sample testing for grant expenditures. In this effort, we employed a judgmental sampling design to obtain broad exposure to numerous facets of the grants reviewed, such as dollar amounts or expenditure category. We selected a sample of 26 grant expenditures for Grant No. 2006-WE-AX-0071 (original) and 25 grant expenditures for Grant No. 2006-WE-AX-0071 (supplement). This non-statistical sample design does not allow projection of the test results to the universes from which the samples were selected.

In addition, we reviewed the timeliness and accuracy of Financial Reports and Progress Reports and evaluated performance to grant

objectives; however, we did not test the reliability of the financial management system as a whole.

SCHEDULE OF DOLLAR-RELATED FINDINGS³

QUESTIONED COSTS:	AMOUNT	PAGES
Unsupported Transactions	\$102,594	5-6
TOTAL DOLLAR-RELATED FINDINGS	\$102,594	

³ Questioned Costs are monies spent that, at the time of the audit, do not comply with legal requirements, or are unsupported, unbudgeted, or are unnecessary or unreasonable. They can be recoverable or unrecoverable.



OFFICE OF ATTORNEY GENERAL
STATE OF OKLAHOMA

December 16, 2011

RESPONSE TO DRAFT AUDIT
Grant No. 2006-WE-AX-0071

****The OAG requests the OIG to consider the changes proposed in the auditor's findings in an effort to use accurate and consistent language within the report.**

AUDIT FINDINGS:

Drawdowns

According to the *OJP Financial Guide*, grant recipient organizations should request funds based upon immediate disbursement/reimbursement requirements. Recipients should time their drawdown requests to ensure that federal cash on hand is the minimum needed for reimbursements to be made immediately or within 10 days. ~~Officials at the OKAG~~ The grantee stated that drawdowns were based on reimbursements. We reviewed the accounting records and compared the actual expenditures to the drawdowns for both grants. For Grant No. 2006-WE-AX-0071 (original award), we determined that the actual expenditures were generally accurate when compared with the drawdowns. As shown in Exhibit 2, for Grant No. 2006-WE-AX-0071 (supplement), we determined that overall the drawdowns exceeded the actual expenditures by a total of \$170,811. The grantee communicated that a spreadsheet error occurred which caused the amount expended for that period to be overstated. As a result, the amount drawn down exceeded actual expenditures by \$170,811.

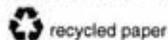
OAG RESPONSE:

The grantee installed a new computer program and began using the ledger. A formula error was discovered in one of the cells. In an attempt to retrieve the old ledger, that computer program crashed. This caused the grantee to recreate the ledger and begin matching all the expenditures and deposits to ensure everything was captured and the calculations were correct. At that time, the ledger was the only tool used to determine draw down amounts. This affected future draw downs and quarterly numbers that were reported.

The funds were expended and the \$170,811 was satisfied. The overages no longer exist. Processes are in place now to ensure that this does not happen again. If an adjustment is required to information previously reported, it will be reflected on the next quarterly report with an explanation in the Remarks Section 12. Ledger formulas will also be reviewed each quarter.

Page 1 of 10

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AUDIT FINDINGS:

Grant Expenditures

Transaction Testing

The grantee is required to maintain supporting documentation for all grant related expenditures. Based on the accounting records for Grant No. 2006-WE-AX-0071 (original award) we sampled 26 transactions totaling \$747,092. There were three transactions featured in Exhibit 3 where the OKAG could not provide sufficient supporting documentation. In addition, we identified one transaction in which the OKAG told us was improperly charged to this grant. The OKAG never provided supporting documentation showing that the erroneous charge had been removed from the grant, therefore we questioned this transaction. We were told that some of the transactions selected in our sample were "older" transactions which are archived offsite and not easily accessible. Since we were unable to obtain supporting documentation for these four transactions, we could not verify that they were allowable and that they fall within the scope of the grant. The total dollar amount of questioned costs for these four transactions is \$102,594.

OAG RESPONSE:

Prior to the hiring of a dedicated finance manager and fiscal officer within the OAG Victim Services Unit, the central finance office handled all financial matters for the office. After establishing that position in May, 2008, a request was made that all pending changes/corrections be made prior to that fiscal officer handling future grant business.

As stated before, due to errors in the spreadsheet (new software conversion), when trying to rebuild the ledger, a payment to Appriss for the VINE system (a separate program from VINE PO) was inadvertently and mistakenly entered because it was with the back-up documentation for Appriss VPO Grant # 2006-WE-AX-0071. An attempt to find missing backup expenditures for years 2006 – 2008 was unsuccessful.

Transactions were removed from the ledger (updated ledger attached) regarding the 2/1/2008 Appriss Settlement Agreement and the National Council entry. The National Council expense appears to be a registration cost. However, documentation could not be located. Therefore, that entry was removed as well. Finding the other two expenditures that need to be logged on the ledger has proven fruitless, will take time to locate and could not be accomplished by the response deadline. The OAG does believe the funds were expended for the purpose intended for this grant. Inadvertently, the new ledger was not sent to the auditors prior to the draft report.

These transactions were made prior to the hiring of the finance manager/fiscal officer. The current process in place is; when making changes/corrections, a copy is printed on color paper and placed with the original paperwork. A note and the original voucher number is placed on the change/corrected paperwork. Also, all grant back-up documentation is stored at the OAG office for the full seven years required.

AUDIT FINDINGS:

Personnel Costs

We performed payroll testing to verify the reasonableness, accuracy, and completeness of salary and fringe benefit transactions charged to the grants. For both the original grant and supplemental award, we judgmentally selected two nonconsecutive pay periods during the grant period and reviewed the payroll documentation for employees paid during those periods. The *OJP Financial Guide* provides that "All recipients are required to establish and maintain adequate accounting systems and financial records to accurately account for funds awarded to them." While reviewing payroll for the time periods selected, for two of the pay periods reviewed, we determined that payroll was inaccurately recorded in the OKAG's ledgers. As shown in Exhibit 4, the date on which the payroll was recorded on the ledgers was different from the date in which the payroll expenditure actually occurred. We were told by an OKAG official the grantee that since all payroll costs were fixed, payroll was entered on the ledgers on the date in which they remembered to record it, rather than the actual payroll expenditure date.

The OKAG relies solely on the general ledgers to determine the timing and amount to draw down. Since the payroll dates from the two periods reviewed were entered on the ledgers at times other than the actual pay dates, this impacted two of the drawdowns. Both of these drawdowns occurred in between the ledgers payroll date and the actual pay date. For both of these instances the amount drawn down included the payroll expenditures that had been included on the ledgers but had not yet occurred nor did they occur within 10 days of the drawdown request.

OAG RESPONSE:

Common practice was the entry of payroll information was recorded on the ledger by month and year that the amount drawn occurred, not when *remembered* as stated above. By doing this, the ledger reflected how much needed to be drawn. Once payroll was run, the Payroll Funding Distribution Report was placed in the grant book. The Payroll Funding Distribution Report has all the payroll information in it, including all date information. At that time, the month and year was documented on the ledger in order to reflect the amount of funds needed to be drawn down. The payroll and draw down dates are in fact, accurate.

This process has since been addressed and changed. After visiting with auditors, the ledger is now updated with the process dates from the Payroll Funding Distribution Report prior to it being filed in the grant book. In training the new Fiscal Officer, procedures have been reinforced which require that prior to submission of any quarterly reporting, reconciliation will be made to identify any inconsistencies and corrections will be made prior to said submission. If an adjustment is required to information previously reported, it will be reflected on the next quarterly report with an explanation in the Remarks Section 12. Ledger formulas will also be reviewed each quarter.

AUDIT FINDINGS:

Financial Status Reports and Progress Reports

Financial Status Reports

In order to determine the timeliness and accuracy of the Financial Status Reports (FSR), we examined the last four FSRs submitted for each grant. We compared the FSR due dates to the submission dates and found that they were generally submitted in a timely manner. To determine the accuracy of the FSRs we compared the OKAG's actual expenditures to those reported in the FSRs. As shown in Exhibit 6, we found that for the original award, the actual expenditures exceeded the amounts reported. For the supplemental award shown in Exhibit 7, the amounts the OKAG reported in FSRs 16-19 exceeded the actual expenditures. The expenditures reported in FSR #16 were overstated by \$2,374, the expenditures in FSR#17 overstated by \$91,272, the expenditures reported in FSR #18 were overstated by \$22,445, and the expenditures in FSR #19 were understated by \$21,808. In total, the expenditures reported for these four FSRs were overstated by \$94,283.

OAG RESPONSE:

Due to ledger issues addressed above, this caused the FSR's to be inaccurate. However, the expenditures have been satisfied. When the next FSR is due, the OAG will then determine if any inconsistencies/corrections need to be addressed.

As stated before, procedures have been reinforced which require that prior to submission of any quarterly reporting, reconciliation will be made to identify any inconsistencies and corrections will be made prior to said submission. If an adjustment is required to information previously reported, it will be reflected on the next quarterly report with an explanation in the Remarks Section 12. Ledger formulas will also be reviewed each quarter. The new GPRS System is another good resource to help address this issue.

AUDIT FINDINGS:

Progress Reports

We reviewed the OKAG's semi-annual progress reports from the last 2 years, determined they were timely, and included required program performance statistical data.

According to the *OJP Financial Guide*, the grantee is required to maintain documentation as evidence to support the figures reported in their Progress Reports. We found that the OKAG did not maintain any information to support figures reported in the Progress Reports. When consulting with the grantee concerning this issue, we were told that the VINE PQ system is a dynamic system where the figures are constantly changing so it would be difficult to roll the system back to a certain period of time and observe the exact figures reported in the Progress Reports. Since the grantee does not maintain any evidence of the figures reported in the

Progress Reports, we were unable to verify the accuracy of the information included in the Progress Reports.

OAG RESPONSE:

In preparing the progress reports, the OAG gathered the protective order data to support the reports online and did not generate a paper copy of the system report in preparing the OVW report at that time. Only when the auditors came to visit and asked for those reports to verify the PO numbers, did the OAG realize that we couldn't go back in time to recreate the exact report. The OAG had not been advised prior to this finding and assumed a hard copy could be generated when needed. We have since researched the issue with Appriss to obtain answers and discovered those exact numbers could not be recreated due to the fact that the VINE PO numbers are continuously changing as the protective order status changes. OVW can be assured the OAG has remedied this problem and now prints the report associated with the PO numbers submitted with the progress reports to support those figures.

AUDIT FINDINGS:

Compliance with Grant Requirements

To determine if the OKAG complied with the special conditions of the grants, we reviewed the award documentation and identified the most pertinent special conditions placed on the grantee. We surveyed OKAG officials the grantee regarding the special conditions identified in the award documentation and determined that the OKAG complied with the required special conditions tested.

AUDIT FINDINGS:

Program Performance and Accomplishments

According to the award documentation, the goals and objectives of Grant No. 2006-WE-AX-0071 (original award) were to:

- **GOAL ONE:** To provide a seamless system of safety and support to victims who petition the court for protective orders.

- **Objective One:** Establish an automated protective order and notification system to enable individuals to call a toll-free telephone number and/or access a website to determine the status of a protective order and register for notification.

- **Objective Two:** Provide 24/7 access to live operator assistance for victims requiring aid in obtaining information and notification.

- **Objective Three:** Provide access to information and notification of service attempts and status.

- **Objective Four:** Provide automated notification to registered persons of changes of protective order status.

• **GOAL TWO:** To provide a centralized location for law enforcement to verify existence and status of a protective order when responding to a domestic dispute.

- **Objective One:** Provide a toll-free information line, in-bound telephone line and website to enable law enforcement to modify or update the status of an order.

- **Objective Two:** Provide a toll-free in-bound telephone line and website so law enforcement can obtain real-time status of a protective order to include conditions and expirations.

- **Objective Three:** To assist petitioners with registration and notification regarding status changes of a protective order.

• **GOAL THREE:** To provide a more efficient and effective response to domestic violence within the criminal justice system to ensure a coordinated statewide process by which protective orders are served thereby increasing offender accountability.

- **Objective One:** To provide the capability of exporting data to external systems to include statewide databases, civil process systems and records/jail management systems by eliminating double-entry of data.

- **Objective Two:** To provide the ability for court clerks to enter the necessary information for a protective order and/or emergency protection order by utilizing a uniform template through a web-based application.

- **Objective Three:** To generate statewide and comprehensive statistics and reports regarding protective orders through the centralized data collection system. Specifically, to:
(1) Measure whether victims believe automated notification of service is a valuable resource by the number of notifications requested by victims, and (2) examine whether the availability of notification impacts the service process by law enforcement by measuring the days/hours between court issuance and service of orders and the percentage of orders successfully served.

- Objective Four: Provide training and assistance to victim advocacy groups and criminal justice agencies to enable them to better assist victims in response to domestic violence. Training will also be provided on automated tracking of domestic violence cases with protective orders as well as the added benefit of improved judicial handling of such cases. Promotional materials will be provided to first responders, law enforcement agencies, and victim service providers that explain the service through: victim brochures, promotion posters, tear-off pads, training kits, media kits, and public service announcements for television and radio.

The goals and objectives for the Grant No. 2006-WE-AX-0071 (supplement) are to implement the project to ensure the continuation of the Oklahoma VINE Protective Order system with the goal of providing a seamless system of safety and support to victims who petition the court for protective orders. Through this supplemental award, the project will:

- expand the project to include the Department of Corrections, as well as probation and parole offender information;
- export data from the Oklahoma protection order database directly to the Department of Public Safety database which will make order enforcement information accessible throughout the state in real-time with no paper delay and;
- implement the Oklahoma Choice system which will make information and services available on the Internet for victims needing updates on their orders or the custody status of their offender.

In order to determine if the grant program has effectively met end user needs, we typically administer questionnaires to agencies in which have collaborated with the grantee. We administered the collaborating questionnaire and received a response from two of the agencies. We learned that the system is useful in assisting victims and court personnel in determining whether a protective order has been issued. In addition, training was provided in order to educate users on how to use the system. We also determined that one questionnaire response indicated that the system is not updated in a timely manner.

OAG RESPONSE:

On August 23, 2010, a GAN was submitted and approved to change the scope of the project from the supplemental grant. The goals and objectives had to be modified due to state budget shortfalls. Because of this, the OAG felt it was in the best interest of the state to utilize grant funding to maintain VINE PO and not implement goal two, the Department of Public Safety Protective Order Export or goal three, OK Choice. The OAG was fortunate enough to receive a SAVIN enhancement grant that allowed the state to implement and sustain goal one, the Probation/Parole Event Notification for two years. Therefore, the additional goals and objectives listed within the supplemental award in this audit were not pursued.

In response to the comment that the system is not updated in a timely manner, the OAG would reiterate: there are limitations right now to the VINE PO system. As stated before, Oklahoma has two court docketing systems, OCIS and ODCR. OCIS has the ability to update their information every 15 minutes. There are limitations to some of the ODCR

counties that we are still addressing. The AOC announced this year that a new docketing system is being developed for all 77 counties to utilize one docketing system. It will be some time before it is fully implemented. However, Appriss and the OAG have already been in multiple conversations with the AOC to include all the PO data elements needed to take full advantage of all the function capabilities the VINE PO system has available. This would include conditions associated with each PO.

AUDIT FINDINGS:

Monitoring of Contractors

The OKAG has contracted out the development and maintenance of the VINE Protective Order (VINE PO) system to Appriss, Inc. The grantee explained that Appriss developed the system and provides maintenance for it through a purchase contract. As such, the grantee paid Appriss an initial lump sum to develop the system specific to Oklahoma's protective order processes and makes fixed monthly payments to Appriss in order to maintain the VINE PO system 24/365.

According to 28 C.F.R. § 66.40(d) (2009), "Events may occur between the scheduled performance reporting dates which have significant impact upon the grant or sub-grant supported activity. In such cases, the grantee must inform the Federal agency as soon as the following types of conditions become known: problems, delays, or adverse conditions, which will materially impair the ability to meet the objective of the award. This disclosure must include a statement of the action taken, or contemplated, and any assistance needed to resolve the situation." ~~OKAG officials~~ The grantee told us that since it is a purchase contract, it does not monitor the contractor and has no internal requirements to do so. We determined that there were instances in which the contractor fell behind schedule, thus not meeting specific milestones. For instance, one milestone was to implement 12 counties into the system by January 31, 2008. After being postponed 5 times due to delays, this milestone was not completed until August 31, 2008. Since the grantee did not provide sufficient contractor oversight, we consider this a finding.

OAG RESPONSE:

The Office of Attorney General (OAG) entered into a contract with Appriss to provide/implement the VINE PO system statewide. On August 22, 2007, a Project Requirements Document was developed establishing a clear and defined set of business requirements necessary to successfully develop the program. There was extensive collaboration between the OAG, Appriss, and the two court information systems, the Oklahoma Administrative Office of the Courts Court Information System (OCIS), hosting 13 counties and Kellpro, Inc., which hosts On Demand Court Records (ODCR) covering the remaining 64 counties. Over the course of implementation, OAG received a total of 17 monthly status reports from Appriss along with weekly and sometimes daily phone conversations with each of the entities listed above to ensure this project was completed and successful. The project included a Discovery Phase, Design Phase, Customer Implementation/Configuration Phase, Development Phase, Testing Phase,

Training Phase, and finally the Deployment to Production (2 Phases). Although the estimated timeline for this project was delayed at times, it was never due to a lack of oversight. However, the majority of the time it was not because of Appriss, but due to delays from the AOC/Kellpro, Inc., in making the necessary changes to their systems that were necessary for Appriss to access the data. These delays were beyond the control of Appriss or the OAG.

Delays in finalizing the requirements for the OCIS interface and working through contractual issues with Kellpro also caused the project to experience setbacks. The OAG prepared a GAN to modify the grant because the AOC opined allocating funds for technical support instead of a project manager would be more helpful in successfully implementing VINE PO. There was another delay due to the fact that OCIS did not allow any 3rd party controlled hardware inside their firewall. This impacted the implementation of the VINE PO system to the Kellpro counties. OCIS required that each Kellpro county (64 counties) to give Appriss permission to use its county's protective order information. OCIS implementation dates were again pushed out, for good reason, to include all the additional data elements that were identified as being required for the VINE PO program. This ensured all the data would be received initially rather than require modification to the interface later. OCIS again moved the target dates for construction, testing and roll-out phases because they found issues with their Network Center. The process of getting the required permission documents from each court clerk using Kellpro also took longer than expected.

As with any data project, there were other issues along the way including unexpected program bugs in the interfaces and internal programming issues that had to be addressed. Because of reasons stated above, the OAG believes sufficient oversight of the contractor (Appriss) was administered throughout this project and the delays were not coming from them. However, OVW was kept apprised of all the issues and delays, and each was addressed and documented in the progress reports.

Recommendations

We recommend that the OVW:

1. Ensure that the OKAG implements policies in order to accurately drawdown funds as needed.

OAG RESPONSE:

New processes have been implemented to ensure accurate drawdown funds are needed. Please refer to statements above.

2. Remedy the \$102,594 in questioned costs related to the four unsupported transactions.

OAG RESPONSE:

Two of the four transactions in question have been resolved. As stated above, the other two were not accessible prior to the deadline of this audit.

3. Ensure that the OKAG implements policies to ensure that payroll is accurately recorded.

OAG RESPONSE:

New processes have been implemented to ensure payroll is accurately reflected in the ledger. Please refer to statements above.

4. Ensure that the OKAG implements procedures to ensure that the information submitted in the FSRs is accurate.

OAG RESPONSE:

New processes have been implemented to ensure accurate information is submitted in the FSRs. Please refer to statements above.

5. Ensure that OKAG maintains proper source documentation for the information included in the Progress Reports.

OAG RESPONSE:

New processes have been implemented to ensure proper protective order source documentation is printed and kept with the progress reports.

6. Ensure that the OKAG implements procedures to effectively provide oversight to its contractors.

OAG RESPONSE:

The OAG disputes this finding and believes that proper oversight to its contractor was accomplished. Please refer to statements above.



U.S. Department of Justice

Office on Violence Against Women

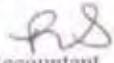
Memorandum D.C. 2012-01

January 5, 2012

MEMORANDUM

TO: David Sheeren
Regional Audit Manager
Denver Regional Audit Office

FROM: Susan B. Carbon 
Director
Office on Violence Against Women

Rodney Samuels 
Audit Liaison/Staff Accountant
Office on Violence Against Women

SUBJECT: Audit of the Office on Violence Against Women Grants Awarded to the Oklahoma Office of the Attorney General (OKAG)

This memorandum is in response to your correspondence dated November 18, 2011 transmitting the above draft audit report for OKAG. We consider the subject report resolved and request written acceptance of this action from your office.

The report contains six recommendations and \$102,594 in unsupported grant expenditures. The Office on Violence Against Women (OVW) is committed to working with the grantee to address each item and bring them to a close as quickly as possible. The following is an analysis of the audit recommendations:

- 1) **Ensure that the OKAG implements policies in order to accurately drawdown funds as needed.**

After review of the OIG Report referenced above and the response submitted by the OKAG, OVW will coordinate with the grantee to obtain the necessary supporting documentation to ensure that the OKAG implements policies in order to accurately drawdown funds as needed.

2) Remedy the \$102,594 in questioned costs related to the four unsupported transactions.

After review of the OIG Report referenced above and the response submitted by the OKAG, OVW will coordinate with the grantee to obtain the necessary supporting documentation to remedy the \$102,594 in questioned costs related to the four unsupported transactions.

3) Ensure that OKAG implements policies to ensure that payroll is accurately recorded.

After review of the OIG Report referenced above and the response submitted by the OKAG, OVW will coordinate with the grantee to obtain the necessary supporting documentation to ensure that the OKAG implements payroll is accurately recorded.

4) Ensure that OKAG implements procedures to ensure that the information submitted in the FSRs accurate.

After review of the OIG Report referenced above and the response submitted by the OKAG, OVW will coordinate with the grantee to obtain the necessary supporting documentation to ensure that the OKAG implements procedures to ensure that the information submitted in the FSRs accurate.

5) Ensure that OKAG maintains proper source documentation for the information included in the Progress Reports.

After review of the OIG Report referenced above and the response submitted by the OKAG, OVW will coordinate with the grantee to obtain the necessary supporting documentation to ensure that the OKAG maintains proper source documentation for the information included in the Progress Reports.

6) Ensure that the OKAG implements procedures to effectively provide oversight to its contractors.

After review of the OIG Report referenced above and the response submitted by the OKAG, OVW will coordinate with the grantee to obtain the necessary supporting documentation to ensure that the OKAG implements procedures to effectively provide oversight to its contractors.

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

cc: Richard Theis
Assistance Director
Audit Liaison Group
Justice Management Division

Angela Wood
Budget Officer
Office on Violence Against Women

Nicolette Gantt
Program Specialist
Office on Violence Against Women

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

The OIG provided a draft of this audit report to both the Oklahoma Office of the Attorney General and OVW. In its response, which is included as Appendix III of this report, the Oklahoma Office of the Attorney General provided 6 general comments. OVW's response is incorporated in Appendix IV of this report. The following provides the OIG analysis of the responses and summary of actions taken to close the report.

Analysis of Oklahoma Office of the Attorney Generals Response

OKAG requested that we change the wording in the report to reflect "the grantee" instead of "OKAG officials" in certain sections of the report. In addition, OKAG has requested that we change "VINE system" to "VINE PO system." The OKAG also asked us to remove two of the goals and objectives listed in our audit report since OVW approved a change in scope, which states that the grantee is no longer pursuing them. We have complied with all of these requests and have made adjustments accordingly.

OKAG's response on page 18 of this report states that OKAG's practice was to record information in the ledger by month and year that the amount drawn occurred. We made minor modifications to this final report to clarify this point.

OKAG's response on pages 24 -25 of this report states:

"As with any data project, there were other issues along the way including unexpected program bugs in the interfaces and internal programming issues that had to be addressed. Because of reasons stated above, the OAG believes sufficient oversight of the contractor (Appriss) was administered throughout this project and the delays were not coming from them. However, OVW was kept apprised of all the issues and delays, and each was addressed and documented in the progress reports."

While OKAG is correct in asserting that OVW was informed of delays in the progress reports OKAG submitted, in addition to mentioning the delays the OKAG was required to disclose the actions taken or contemplated to resolve the situation, as well as any assistance needed. Since this additional information was not submitted according to the criteria mentioned on page

12 of this report, we determined that OVW was not fully notified of contract monitoring issues.

Summary of Actions Taken to Close the Report:

1. **Resolved.** OVW concurred with our recommendation to ensure that OKAG implements policies in order to accurately drawdown funds as needed. OVW has stated that they will coordinate with the grantee in order to obtain the supporting documentation showing that these policies have been enacted.

This recommendation may be closed when OVW provides documentation showing that the policies have been implemented.

2. **Resolved.** OVW concurred with our recommendation to remedy the \$102,594 in questioned costs related to the four unsupported transactions. OVW has stated that they will coordinate with the grantee in order to obtain the supporting documentation to remedy these questioned costs.

This recommendation may be closed when we receive documentation that OVW has remedied these questioned costs.

3. **Closed.** We recommended that OVW ensure that the OKAG implements policies to ensure that payroll is accurately recorded. OVW concurred with the recommendation and provided evidence demonstrating that procedures are now in place to ensure that payroll is accurately recorded.

We reviewed this evidence and determined it adequately addresses our recommendation. Therefore, this recommendation is closed.

4. **Closed.** We recommended that OVW ensure that OKAG implements procedures in order to ensure that the information submitted in the FSRs is accurate. OVW concurred with the recommendation and provided evidence demonstrating that procedures have been implemented to ensure that the information submitted in the FSRs is accurate.

We reviewed this evidence and determined it adequately addresses our recommendation. Therefore, this recommendation is closed.

5. **Closed.** We recommended that OVW ensure that the OKAG maintains proper source documentation to support the information reported in the progress reports. OVW concurred with the recommendation and

provided documentation stating that they will coordinate with OKAG to ensure that proper source documentation is maintained. In its response, the OKAG agreed to maintain supporting documentation in the future.

We reviewed the documentation and determined it adequately addresses our recommendation. Therefore, this recommendation is closed.

6. **Resolved.** OVW concurred with our recommendation to ensure that the OKAG implements procedures to effectively provide oversight to its contractors. OVW has stated that they will coordinate with OKAG to ensure the OKAG implements procedures to effectively provide oversight to its contractors.

This recommendation may be closed when OVW provides documentation showing that the procedures have been implemented.